



EDMOND
DE ROTHSCHILD

SUSTAINABILITY REPORT 2022/2023

REAL ESTATE INVESTMENT MANAGEMENT

J U N E 2 0 2 3

EDMOND DE ROTHSCHILD, BOLD BUILDERS OF THE FUTURE.



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INTRODUCTION

EDMOND DE ROTHSCHILD REIM 2022 ACTIONS

2022 has been a year in which climate change and energy prices were at the front pages of the newspapers and in the forefronts of people's minds.

Unprecedented extreme heat and widespread drought marked the European climate in 2022. Europe experienced its second warmest year ever recorded, and much of Europe suffered intense and prolonged heatwaves. The high temperatures and low rainfall led to widespread drought: the European Alps saw a record loss of ice from glaciers and the carbon emissions from summer wildfires were the highest in 15 years, with some countries seeing the highest carbon emissions in 20 years¹. And the IPCC stated in its 6th report that climate change is caused by the effect of human actions.

Next to that, the war in Ukraine led to high energy prices, especially for natural gas. As energy bills increased three- or fourfold in several places in Europe, housing costs for residential and commercial tenants surged too. As a result, the energy costs have become a very significant part of the costs of housing.

The positive side of this, is that reduction of energy usage has become a common theme in many places. As a result of that, several measures have been taken and a significant amount of natural gas has been saved in 2022 across Europe. Our conviction that sustainable and energy efficient buildings have the brightest perspectives for the future, has been strengthened further.

We have increased our efforts to make our real estate portfolios and assets even more sustainable. The results are shown in this report. More than ever, the future of real estate lies in its ability to address social, demographic, technological & environmental challenges. We will keep on working on this goal in 2023.



Pierre Jacquot

Co-CEO

Edmond de Rothschild REIM

¹Source: Copernicus, the Climate programme of the European Union.

OUR KEY ACHIEVEMENTS

SIGNIFICANT SUSTAINABLE STEPS HAVE BEEN SET

During 2022 and the first half year of 2023, we have significantly strengthened our Environment, Social and Governance (ESG) organization and the sustainability level of our strategies and assets under management. Our key achievements were the following:

OUR ORGANISATION

- › Edmond de Rothschild Asset Management has joined the **Net-Zero Asset Managers** initiative and Edmond de Rothschild REIM has joined the **Dutch Green Building Council**, several **INREV** ESG working groups and the **ULI** Sustainability Council
- › We have **Sustainability in Action Plans** for our **own organization, all large portfolios** and gave sustainability training to all our employees

FUND MANAGEMENT

- › **4 of our 9 strategies** have participated in **GRESB** (the Global Real Estate Sustainability Benchmark) and increased their scores
- › For SFDR, **1 article 9 fund and 4 SFDR article 8 funds** have disclosed their sustainability objectives

ASSET MANAGEMENT

- › We have selected **Scaler** as our **pan-European energy management system**
- › **21 assets** have been certified with **BREEAM** or **LEED** until the end of 2022 and a **portfolio certification of 47 assets** has been started
- › **Solar panel** programs have been rolled out in **4 countries**

INVESTMENT MANAGEMENT

- › **ESG** has been integrated deeper into our acquisition and due diligence processes and the ESG criteria for new investments have been sharpened

Naturally, we will continue working on making our strategies and assets under management more sustainable together with our clients In 2023.

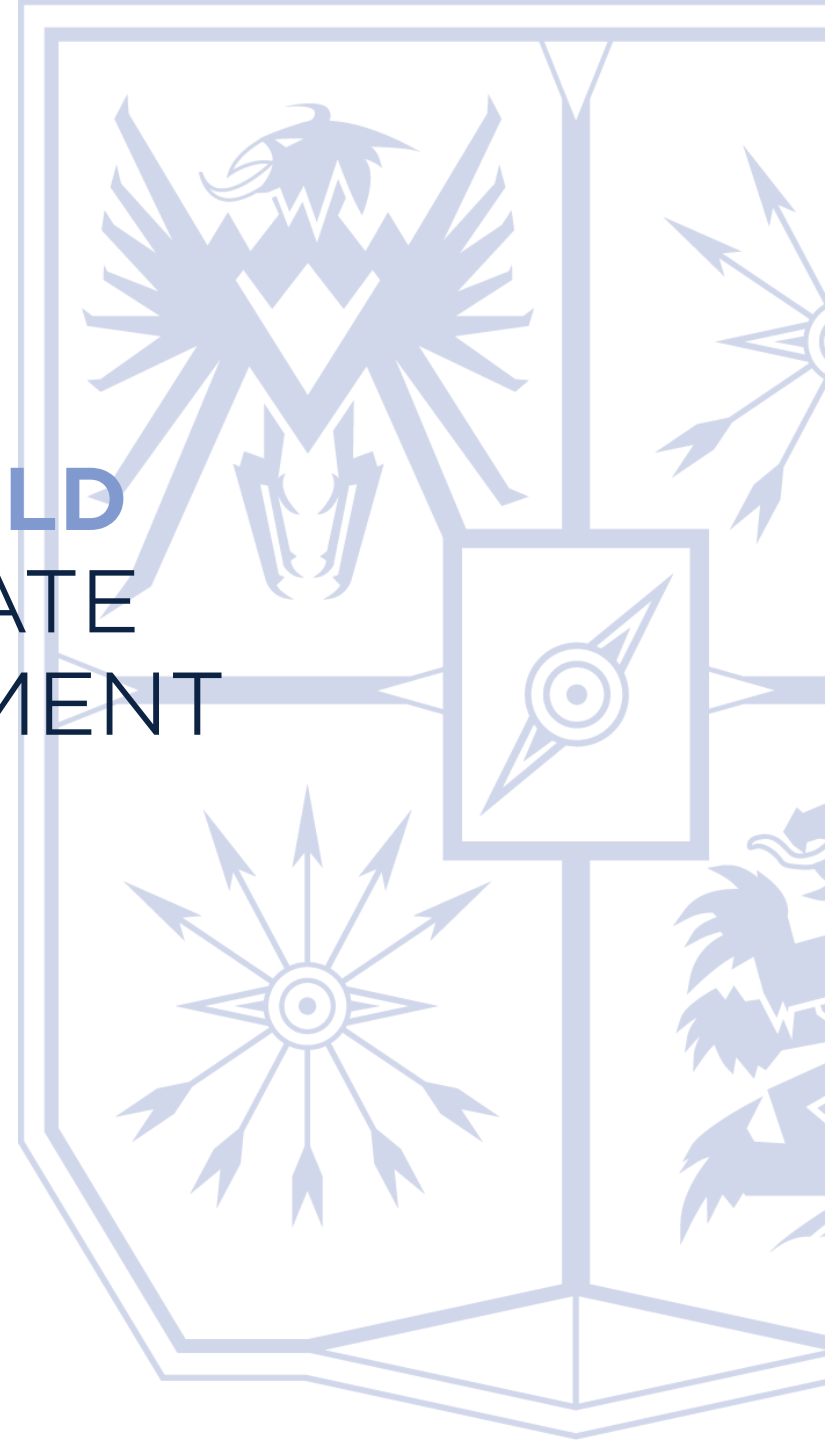


Arnaud Andrieu

Co-CEO

Edmond de Rothschild REIM

EDMOND DE ROTHSCHILD
GROUP AND REAL ESTATE
INVESTMENT MANAGEMENT



EDMOND DE ROTHSCHILD

THE EDR GROUP

The Edmond de Rothschild Group has a rich history of committed entrepreneurship and has been operating in the world of finance for over 200 years.

Edmond de Rothschild is a conviction-driven investment house dedicated to the belief that wealth is what tomorrow can be made of.

Family-owned, independent and specialised, the Group favours bold strategies and investments rooted in the real economy, combining long-term performance and impact.

The Executive Committee is responsible for the overall management of all the businesses of the Edmond de Rothschild Group and is chaired by Ariane de Rothschild.

“ Our Group is the result of entrepreneurial family capitalism. It gives us the independence and the boldness required to develop long-term visions and identify future investments. ”

Our conviction-based investment house stands as a major international player in private banking and asset management. It is continually growing while at the same time preserving the values of our family, which has always been fully committed to the service we provide to each and every client. ”

Ariane de Rothschild

¹Finma Ratio. Source: Edmond de Rothschild; Data as of 31 December 2022.



100%

Family
owned



1806

Start of wealth
management



158

billion CHF in assets
EUR 158 billion AuM



22.4%

Solvency ratio¹



2,500

employees



7

business lines

THE EDR REIM PLATFORM

EDMOND DE ROTHSCHILD REAL ESTATE INVESTMENT MANAGEMENT

9

OFFICES

~€13.1

BN TOTAL AUM*

~821

ASSETS

~120+

EMPLOYEES

STRONG FOCUS ON SUSTAINABILITY

A PAN-EUROPEAN PLATFORM WITH LOCAL PRESENCE AND LOCAL KNOWLEDGE

9 offices across Europe and strong network of local partnerships

AN EXPERIENCED TEAM

Which combines their local market knowledge with technical, financial, legal and strategic skills

A WIDE RANGE OF STRATEGIES TO MEET VARIOUS CLIENTS NEEDS

Funds, bespoke mandates, direct deals

A FOCUS ON SECTORIAL AND THEMATIC CONVICTIONS

Thematics

- Stable income & capital protection
- Economic opportunities
- ESG & Social impact
- Megatrends

Sectors

- Offices
- Logistics & industrial
- Residential
- Urban regeneration

* As of 31 March 2023

THE EDR REIM PLATFORM

A STRONG BASIS, INVESTING IN 10 COUNTRIES

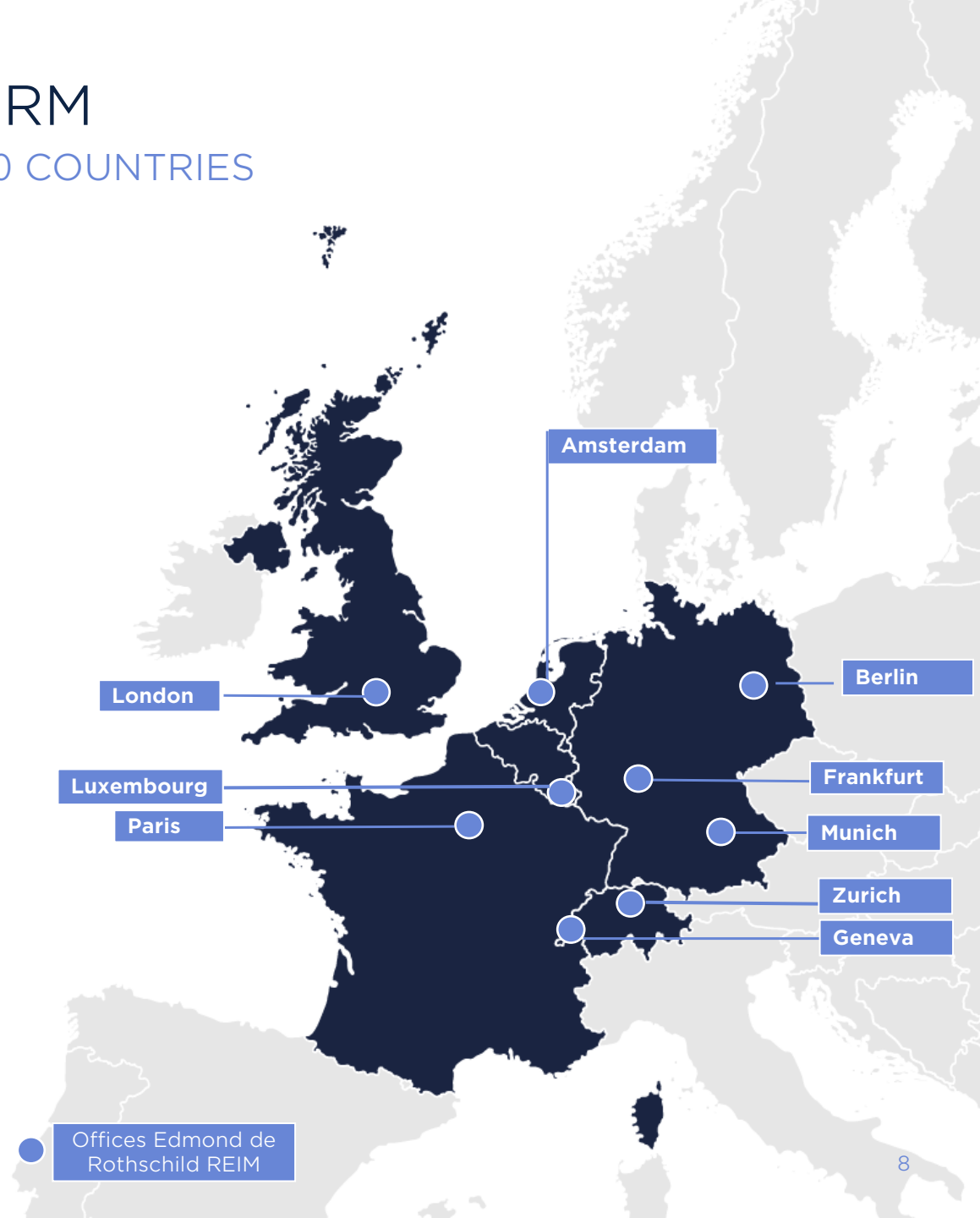
Real estate is one of Edmond de Rothschild's strategic priorities.

Edmond de Rothschild REIM's extensive network and integrated management model allows its team of real estate professionals to realise true value for clients in the areas of investment, fund and portfolio management, financial management, asset and development management and, in selected countries, property management.

The teams work within a vertically integrated platform to a clear investment philosophy, supported by a rigorous, research driven, investment process. In France we also offer regulatory fund management services via our local AIFM.

Our purpose is to shape a better future by creating exceptional real estate experiences that seek to:

- › Deliver sustainable returns for our clients;
- › Support our tenant customers in their success;
- › Add value to the lives of the millions of people and communities related in any way to our real estate activities.



OUR INVESTMENT PHILOSOPHY

OUR INVESTMENT THEMES GUIDE OUR SECTORIAL CONVICTION

STABLE INCOME & CAPITAL PRESERVATION

- › Seeking dividend distribution with low risk

ECONOMIC OPPORTUNITIES

- › Seeking superior risk adjusted returns

ENVIRONMENTAL & SOCIAL IMPACT

- › Lowering the carbon footprint and making sure assets contribute to the well being of end users and their community

MEGATRENDS

- › Taking into account demographic and technological evolutions

The foundation of all our investment strategies is to actively apply one or more investment themes to our sectorial convictions



OUR INVESTMENT PHILOSOPHY

FOCUSING ON ENVIRONMENTAL AND SOCIAL IMPACT

The future of real estate lies in the ability to address social, demographic, technological & environmental challenges

Our actions are clustered around three pillars:

IMPROVE PERFORMANCE EXISTING STOCK

Overall CO₂ emission reduction targets cannot be achieved by new construction alone. We aim to:

- › Reduce absolute energy consumption
- › Decarbonise main energy sources
- › Optimise water consumption and waste usage
- › Apply competitive standards

PLACE USERS AT HEART OF OUR APPROACH

The value of assets depends on attractiveness to tenants and investors. We strive for:

- › Sustainability labelling of buildings
- › Digitisation of tenant interfaces
- › Comfort improvements
- › Supporting new mobility
- › Urban and social regeneration

ACT WITH COMMITMENT & ENGAGEMENT

Sustainability policy can only be implemented successfully with commitment. We commit to:

- › Extra-financial information
- › Link medium- and long-term objectives
- › Promote affordable housing
- › Deal fairly with sensitive situations
- › Replicate ESG goals

OUR SUSTAINABILITY POLICY



OUR SUSTAINABILITY POLICY

EDMOND DE ROTHSCHILD REIM

Sustainability and climate change are in everyone's mind, including our regulators.

In view of the state of international discussion and the increasing consolidation of a uniform supervisory practice, EdR REIM has proactively engaged with the current guidance and recommendations issued by international bodies, as well as best practices in the market.

Climate risks (e.g. in the form of physical risks, transition risks, or legal and reputational risks) have also been included in our risk management frameworks, to ensure compliance with regulatory requirements, avoid greenwashing risks and adequately address climate risks which will materialise sooner or later and will impact the assets placed under our responsibility.

Sustainability has become an important part of the investment process, as we believe that when funds and assets are managed in a sustainable way, significant value can be created. The opposite is also true: if the assets are not managed in a sustainable way, the value of that asset will decrease.



Damien Saudan

Head of Risk & Compliance
Edmond de Rothschild REIM



POLICY PRINCIPLES

WE ARE COMMITTED TO ACHIEVING LONG TERM SUSTAINABLE OUTCOMES

In addition to complying with the Group's Social Responsibility Policy, at Edmond de Rothschild REIM we are committed to achieving long term sustainable outcomes through our real estate assets, across our supply chain and in the communities in which we operate. Our sustainability framework addresses environmental, social and governance issues in order to:



Enhance value and minimise risk for our investors



Deliver exceptional real estate experience for our customers



Perform in line with global best practice



Develop our employees' and partners' sustainability knowledge so they can be advocates



Foster a culture which embraces sustainability as a genuine core value

The following principles guide our approach to sustainability in Edmond de Rothschild REIM:



Deliver attractive risk-adjusted investment performance by integrating ESG considerations into our investment processes in our strategies with a sustainability policy



Implement sustainable practices through innovation and the sharing of best practices across our portfolios



Act responsibly as a steward for the natural environment by addressing environmental impacts whilst also enhancing operational efficiency and values



Recognise social impact and have consideration for the local communities in which our assets reside

POLICY PRINCIPLES - ENVIRONMENTAL

IMPROVE THE SUSTAINABILITY OF THE EXISTING STOCK

We are taking strong actions to decarbonise and adapt our real estate portfolio in order to decrease the effects of climate change.



ENERGY & CLIMATE

We aim to reduce carbon emissions by 50% in 2030 and be net-zero on scope 1 & 2 in 2045 and work with tenants and suppliers to be net-zero on scope 3 in 2045 too.

We will implement climate resilience measures where feasible to create highly efficient buildings and decrease the exposure of our tenants and our investors from climate extremes.



WATER EFFICIENCY

We will apply water saving measures in our building installations and water efficient taps, showers and toilets where feasible.

Furthermore, we measure the water usage of our buildings as much as possible with automatic meter reading systems, including leak detection and try to reuse water where practical.



WASTE MANAGEMENT

We recognise our role in reducing the waste generated by our building users.

We will implement where possible, waste management infrastructure, work to increase waste recycling.

We will work with our tenants and customers to phase out single-use plastic where feasible. We aspire to support the creation of a 'circular economy' where possible.



BIODIVERSITY & HABITAT

We will use native and locally adapted plants in outside landscaping, where possible.

Most of our focus on biodiversity goes to our residential buildings.

For the other sectors, we are developing a biodiversity strategy to increase the biodiversity and natural habitats at those assets.

POLICY PRINCIPLES - IMPACT ON SOCIETY

WE PUT THE END USERS AT THE HEART OF OUR APPROACH

We will educate and enable our stakeholders about how we can work together to achieve our sustainability goals.



HEALTH & WELLBEING

Identify and manage safety, physical and mental health to protect our employees, contractors and customers, and continually improve our processes.

Provide the indoor environmental conditions for our tenants to support their wellbeing.



CULTURE & COMMUNITY

Our success rests on the strength of the communities in which we operate, so we partner with community organisations to deliver positive social outcomes.



TRANSPORT & MOBILITY

We encourage walking, running cycling or using public transport.

We will support the transition to non-polluting transport by providing, for example, charging points for electric vehicles, bicycle storage/charging facilities and end-of-trip facilities like showers and lockers.



STAKEHOLDER ENGAGEMENT

Meaningful engagement with our stakeholders on key issues to help build an inclusive, sustainable society.

POLICY PRINCIPLES – GOVERNANCE

WE ACT WITH COMMITMENT AND ENGAGEMENT

We apply the procedures of the Edmond de Rothschild Group's Code of Ethics, enabling the proper application of the corporate strategy, within the risk tolerance framework defined by the Group. We employ clear rules to encourage exemplary day-to-day behavior and to enable innovation while managing risk in a stringent regulatory environment.



POLICIES & PROCESSES

We will maintain a comprehensive set of policies and processes to identify and manage our governance, social and environmental risks.

We will use wording in our lease agreements to encourage and partner with our tenants to help us both achieve our sustainability goals.



SUPPLY CHAIN

We will implement processes to:

- Minimise ESG-related risks in our supply chain
- Apply minimum sustainability performance standards
- Best practice in our procurement with the aim of making all our assets free or safe of hazardous materials
- Identifying and addressing human rights



TRANSPARENCY & REPORTING

We are committed to measuring and transparently disclosing our sustainability performance.

We participate in independent benchmarks to rate our sustainability performance and identify areas for improvement.

We will report as much as possible in line with the INREV, GRI and other international reporting standards.



ESG INVESTMENT & GROWTH CRITERIA

We investigate and act on growth opportunities arising from the transition to sustainability and actively work on launching sustainable funds.

We commit to a comprehensive pre-acquisition due diligence process to minimise downside sustainability risks and capitalise on opportunities to enhance return.

CONCLUSION

OUR SUSTAINABILITY POLICY SERVES AS A FOUNDATION

This Sustainability Policy serves as a foundation upon which we can achieve measurable sustainable impact across our property portfolios.

By adopting a disciplined approach, we aim to achieve more resilient, sustainable property portfolios which we believe will ultimately enhance value and deliver better performance for our clients. Our focus is on embedding sustainable investing across every aspect of our activities, and across the entire life-cycle of every property.

We are committed to setting ambitious but practical targets to continually improve our performance and ensure independent measurement of our progress. We will report on an annual basis against commitments made within this policy, as we progress on our sustainable journey.

This Policy can be found on our Intranet and is communicated to all staff, contractors and suppliers. It is also available on our website www.reim-edr.com.

On behalf of Edmond de Rothschild REIM
the Executive Committee:

Pierre Jacquot
Arnaud Andrieu
Theo Soeters
Damien Saudan
Bert-Jan Scheffer



OUR SUSTAINABILITY ACTIONS

1. EDR REIM ORGANISATION



EDR REIM ORGANISATION – CORPORATE IMPACT

EDMOND DE ROTHSCHILD REIM

A significant improvement has been made on the corporate side in 2022.

We have further **strengthened the ESG organisation** by appointing a dedicated **Head of ESG** and **ESG leads** for the **Fund Management, Asset Management and Investment Management** business.

The ESG leads have formed **several ESG groups**, which have made **Sustainability in Actions Plans** in their fields. And our fund, asset and investment managers are now acting on these plans.

Furthermore, we have joined several **industry working groups**, to increase the knowledge sharing. We have joined the **INREV ESG SDDS** and **SFDR** working group and the **ULI Sustainability Council**. Next to that, EdR REIM Benelux has become a partner of the **Dutch Green Building Council**, working together in the EU Taxonomy expert group.

Furthermore, the **corporate carbon emission calculation** has been expanded extensively. Carbon emission data from housing has been complemented with emissions data from travel by car, train and plane.

Not all data is complete yet, but the better picture on the corporate carbon emissions makes it possible to make more concise reduction plans. And **reducing carbon emissions** is what it is all about.



Martijn Vlasveld

Head of ESG

Edmond de Rothschild REIM



EDR REIM ORGANISATION

CORPORATE IMPACT



MOVING TOWARDS A GREEN ORGANISATION AND PORTFOLIO



Our ESG organisation has been strengthened by setting up ESG teams for fund-, asset- and investment management and the arrival of a Head of ESG at platform level in June 2022



Organisation of several **training sessions** to improve ESG knowledge of employees, such as **BREEAM in Use Expert training** session for the **whole asset management and investments team** in the Benelux



All energy for our own offices in Switzerland, the Netherlands and in Germany is procured from **green sources**



Launch of an **employee satisfaction survey** in which several ESG related topics were included. The average employee satisfaction score was 7.1/10. On that basis, the EdR REIM Exco took concrete decisions related to employee training, cross-boarder co-operation and workspace



Since 2021, **collection of data** in all our local offices on energy consumption, waste management, on-site production transportation, charity, employee training as well as industry engagement activities. Reporting is available in this report



3 of out of 9 of the company's offices were in 2022 **not using fossil fuels** any more for heating. The offices in **Amsterdam and Frankfurt** have **low energy usage per sqm** and are running on **green energy**



Several initiatives are deployed - or under investigation - to **improve the health and well-being of employees**, such as gym, electro mobility, fruit basket at the office or flexibility around the organization of work from home



New regulations for company cars: cars **with low or no carbon emissions** are encouraged while company cars with **high emissions** are no longer permitted

OUR STRENGTHENED ESG ORGANISATION

KEY RESOURCES IN SWITZERLAND, UK, FRANCE, GERMANY AND BENELUX

EXECUTIVE COMMITTEE



Pierre Jacquot
Co-CEO



Arnaud Andrieu
Co-CEO



Theo Soeters
Head of Fund Management



Damien Saudan
Head of Risk & Compliance



Bert-Jan Scheffer
Head of Business
& Product Development

FUND MANAGEMENT ESG TEAM



Martijn Vlasveld
Head of ESG
Portfolio Manager BCREf



Kristelle Wauters
Head of France
Fund Manager Immo Premium



Caroline Demol
Fund Manager Smart Estates



Jonathan Martin
Fund Manager Switzerland



Laure De Buhren
Portfolio Manager Switzerland



James Whidborne
Fund Manager EDRRIF UK



Adrian D'Enrico
Fund Manager FAH UK

ASSET MANAGEMENT ESG TEAM



Onno Scheij
Head of Benelux
Head of Asset Management



Charlotte Bouvet
Head of Asset
Management France



Holger Roberts
Head of Asset
Management Germany



Ben Tijhuis
Head of Asset
Management Benelux



Tim Holden
Head of UK



David Zumstein
Head of Deutschweiz
Switzerland



Lorenzo Vitali
Head of Asset Management
Switzerland

INVESTMENT MANAGEMENT ESG TEAM



Christian De Mitri
Head of Investment
Switzerland



Alexis Mignonac
Head of Investment France



Kai Nehen
Director Investment
Germany



Robbert Bakhuijsen
Head of Investment Benelux



Kate Thomson
Director Investment UK

TECHNICAL & ESG TEAM



Enrico Hernandez
Technical Asset Manager
UK



Hasan San
Technical Asset Manager
Germany



Sander Vink
Technical Asset Manager
Benelux



Mohamad Abasse
Technical Asset Manager
France



Anoop Singh
Asset Manager
Germany

EDR REIM ORGANISATION - CORPORATE EMISSIONS

OUR EMISSIONS ARE MOSTLY CAUSED BY HOUSING, FUEL AND FLIGHTS

Our carbon emission data collection process has been expanded significantly, with additional data on office energy usage, travelled kilometres by car, train and flights.

The energy used in the company offices has been collected and data coverage has increased. The used electricity has been converted to carbon emissions using national conversion factors, resulting in lower carbon emissions for France and Switzerland.

Car travel is a large source of carbon emissions, with the highest recorded emissions in the Netherlands. The Dutch employees travel more to work with their cars and data coverage is highest here. In 2022, 50% of the Dutch company cars were all-electric and the other 50% are hybrid. However, the use of petrol accounted for 82% of the CO₂ emissions.

Train travel is a relatively small amount of the corporate carbon footprint, because the low carbon emissions of train travel.

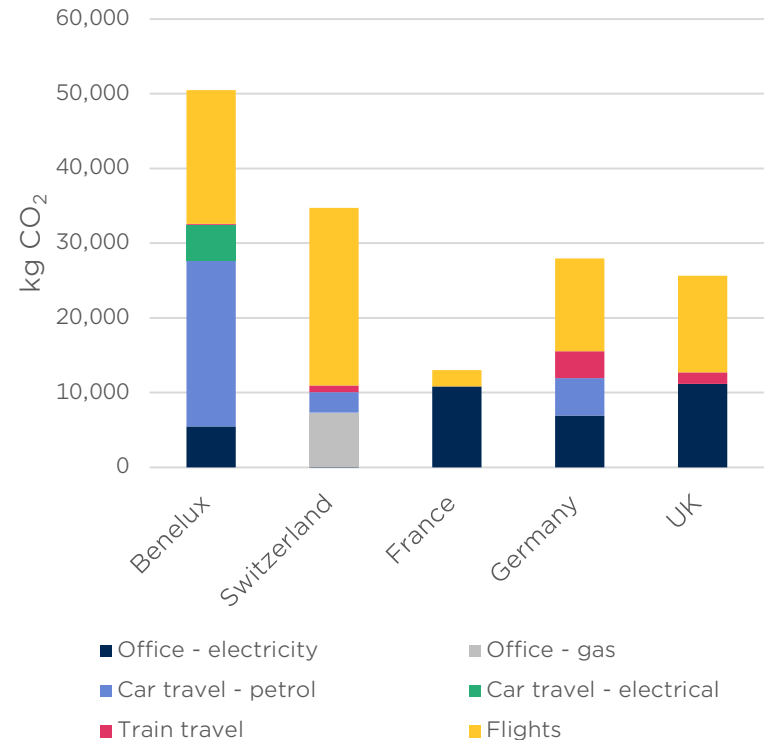
Flights are a significant part of the corporate carbon emissions driven by the international character of our organisation.

Our actions to reduce the carbon emissions, include stimulation of energy efficiency in offices, use of electrical cars and travel by bicycle or public transport instead of car or plane.

A strategy to compensate our remaining emissions will be evaluated.



CO₂ emissions EdR REIM 2022



EDR REIM INDUSTRY PARTICIPATION

EDR REIM IS DEEPLY INVOLVED IN EUROPEAN AND LOCAL INITIATIVES

01

EXISTING
INITIATIVES



EdR REIM has participated for its UK, Germany and Benelux offices in the 2021 PRI survey and achieved a score of 65% on Investment and Stewardship and 64% on Real Estate. In 2023, the whole EdR REIM Group will participate.



EdR REIM UK is a member of the Better Building Partnership in the UK.

02

NEW
INITIATIVES



The Net Zero Asset Managers initiative

Edmond de Rothschild Asset Management has joined the Net-Zero Asset Managers Initiative in May 2023, with the goal to align as much of its portfolios with the net-zero goals.



EdR REIM Benelux is a partner of the Dutch Green Building Council and participates actively in its Paris Proof Group for both the Office and Logistics sectors and is also part of the DGBC's Advisory Board.



EdR REIM is part of INREV and participates in the INREV ESG SDDS working group and the SFDR working group. The INREV Sustainability Guidelines have been implemented in setting up this report and in the reporting of several of our funds.



EdR REIM is a part of the Urban Land Institute and Martijn Vlasveld as Head of ESG is part of the ULI Sustainability Council.

OUR SUSTAINABILITY ACTIONS

2. FUND MANAGEMENT



FUND MANAGEMENT – KEY ACTIONS

IMPROVE THE SUSTAINABILITY LEVEL OF OUR FUNDS

2022 was a year in which a lot of sustainability initiatives came together.

SFDR played an important role, as all our strategies domiciled in the European Union had to choose their final SFDR disclosure article and in the first half of 2023, all EU funds had to finalize their SFDR disclosures.

In total, we manage 1 article 9 strategy, our affordable housing strategy in the UK and 4 article 8 strategies. All of them have a strong ESG focus, which resonates with our sustainable Group strategy.

Furthermore, 4 of our funds participated in GRESB, the Global Real Estate Sustainability Benchmark. This was an increase compared to 2021, in which 3 funds participated, and all funds managed to increase their GRESB scores.

Looking ahead, we are working hard with our stakeholders to decrease the carbon emissions produced by the assets in the strategies we manage, by improving the buildings and by increasing the amount of renewable energy generated on the roof of our assets by solar panels.

We are strongly committed to further intensify our efforts to make our funds and buildings more sustainable and continue to do that in 2023.



Theo Soeters

Head of Fund Management
Edmond de Rothschild REIM



FUND MANAGEMENT

EXECUTIVE SUMMARY



MORE FUNDS FOLLOW AN ESG STRATEGY AND REPORT ABOUT IT



80% (vs 72% in 2021 and 56% in 2020)

of **our assets** are in strategies with an **ESG Policy** (according to Portfolios and Assets listed in page 28)



4 GRESB ratings

Four funds (2021: 3, 2020: 1) have participated in GRESB and all funds improved their rating since last year



5 SFDR 8 and 9 funds

Over 2022, **2 funds** will report in line with **SFDR art 8** and our **UK Affordable Housing** strategy in line with **art 9**. Over 2023, **2 more funds** will report in line with **art 8**



5 Net-Zero Carbon analyses

5 funds made a Carbon Risk analysis in line with the CRREM pathways



French SRI label

Our **French prime commercial real estate strategy** has recertified again as **Label ISR fund**



1,323 (vs 1,257 in 2020-21)

apartments under affordable rent public schemes in UK and Switzerland

FUND MANAGEMENT - BENCHMARKING

SFDR, GRESB, SRI LABEL IN FRANCE AND SSREI IN SWITZERLAND



SFDR is the Sustainable Finance Disclosure Regulation and is meant for sustainable funds to disclose their performance on a standardized way.



GRESB provides validated ESG performance data and peer benchmarks for investors and managers to improve business intelligence, industry engagement and decision-making.



The **SRI Label** aims to increase the recognisability of **Socially Responsible Funds (SRI)** for savers, and to ensure that extra-financial factors related to the environment, society and governance are actively managed by labelled funds.



The **Swiss Sustainable Real Estate Index (SSREI)** assesses the sustainability of Swiss real estate portfolios.

SFDR

5 strategies will disclose according to SFDR art 8 or 9:

- › Our **UK Affordable Housing** strategy as an **SFDR art 9** fund on social impact
- › Our **European Industrial** strategy as **SFDR art 8** on environment
- › Our **French prime real estate SFDR art 8** on environment
- › Our **European Value Add** strategies I and II as **SFDR art 8** over FY 2023

GRESB SCORES

GRESB scores have improved for 4 strategies :

- › From 69 to **73** in the **Benelux Office** strategy
- › From 55 to **57** in the **European Industrial** strategy
- › From 75 to **76** in the **UK Residential UK Build-to-Rent** strategy
- › From 0 to **44** in the **UK Affordable Housing** strategy

SRI / ISR LABEL (FRANCE)

- › The **French Prime Real Estate** strategy has passed the annual audit for its **French SRI** Label

SSREI SCORING AND ECO-21 (SWITZERLAND)

- › The **SSREI** score for the **Swiss Real Estate** portfolio has decreased from 2.05 to 1.88
- › **3rd position** in the **Geneva eco-21 trophy** for engaged property owners

OVERVIEW OF KEY STRATEGIES- ESG CREDENTIALS

EXCLUDING SEPARATE ACCOUNTS AND FUND MANAGEMENT

STRATEGIES	Fund basis	ASSETS (IN EUR)	SFDR art	Reporting PAIs	% fossil fuel exposure	% energy inefficient assets	Average energy usage (2022)	Decrease in energy usage (like-for-like)
Swiss real estate Residential & Commercial	Switzerland	2,830m	-	N	0%	81%	114 kWh/sqm	-3%
Swiss Romandie real estate Residential	Switzerland	784m	-	N	0%	94%		
Benelux Offices	Germany	561m	6	Y	0%	53%	147 kWh/sqm	-5%
Sustainable Real Estate Residential	Switzerland	453m	-	N	0%			
European industrial Logistics & Light Industrial	Luxembourg	438m	8	Y	0%	35%	107 kWh/sqm	-6%
UK Build-to-Rent Residential	Luxembourg	421m	6	Y	0%			
French prime real estate Office & Retail	France	230m	8	N				
European Value Add All Sectors	Luxembourg	160m	8 (as of 1-1-'23)	Y	0%	73%	97 kWh/sqm	
Affordable Housing UK Residential	UK	151m	9	Y	0%	9%		
	TOTAL AUM	6,027m						

* The above Data is measured as at 31/12/2022 to determine the proportion of directly managed assets covered under an ESG Policy in relation to the total Assets under Management or Advisory

REDUCTION OF CARBON EMISSIONS

CRREM – THE CARBON RISK REAL ESTATE MONITOR IS BEING USED

ALIGNING OUR PORTFOLIOS WITH PARIS ALIGNED PATHWAYS

- › The Paris agreement targets global warming of 1.5 to 2-degrees
- › Our target is 50% CO₂ reduction in 2030 and 100% in 2045 for scope 1&2

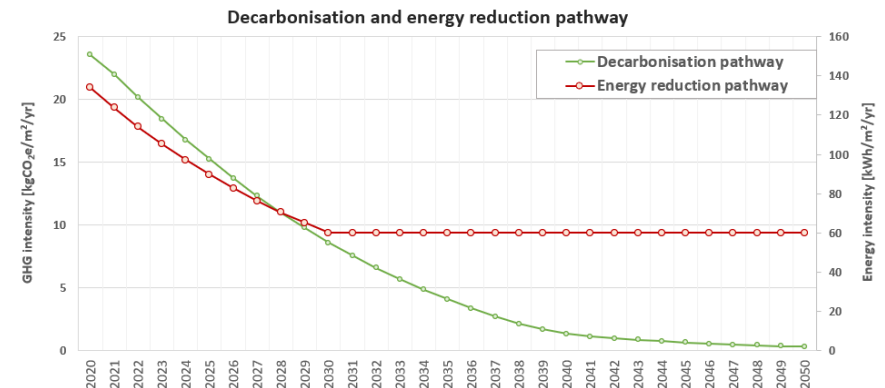
IMPLEMENTATION AT OUR FUNDS

- › Five of our strategies have made a CRREM analysis:
 - Our Benelux office strategy is still below the CRREM pathway
 - Our European industrial strategy is above the CRREM pathway, also due to the manufacturing works in the buildings
 - Three of our Swiss strategies are currently on the CRREM pathways
- › We will make CRREM pathways for our large strategies in 2023.

ASSESS THE BUILDINGS' CARBON PERFORMANCE

- › In real estate, net-zero alignment is mostly measured with CRREM
- › CRREM has developed pathways with maximum amounts of energy usage and carbon emissions per sqm
- › The energy usage and carbon emissions of a building is compared with the CRREM maximum for that year

EXAMPLE OF A CRREM PATHWAY WITH MAXIMUM ENERGY USAGE AND CO₂ EMISSIONS



OUR SUSTAINABILITY ACTIONS

3. ASSET MANAGEMENT & INVESTMENT MANAGEMENT



ASSET MANAGEMENT – KEY ACTIONS

IMPROVE THE SUSTAINABILITY LEVEL OF THE EXISTING STOCK

In 2022, we have made a Sustainability in Action Plan, focused on improving the sustainability level of our buildings.

The key actions are the following:

- › Set up Scaler as **European energy monitoring system**
- › Certify our assets with **BREEAM or LEED**
- › Install **solar panels**
- › Make **net-zero carbon plans to improve our assets**
- › Assess climate risk
- › ESG has become a relevant part of our **reporting and budgeting**

Our asset management teams are working with our tenants to achieve our goals, by:

- › Create **awareness at tenant level** around sustainability topics
- › Share **sustainable fit-out guides** with all tenants
- › Perform regular **tenant surveys**
- › Provide sustainable and **affordable homes to people in need**
- › Implementation of **green leases and conditions**



Onno Scheij

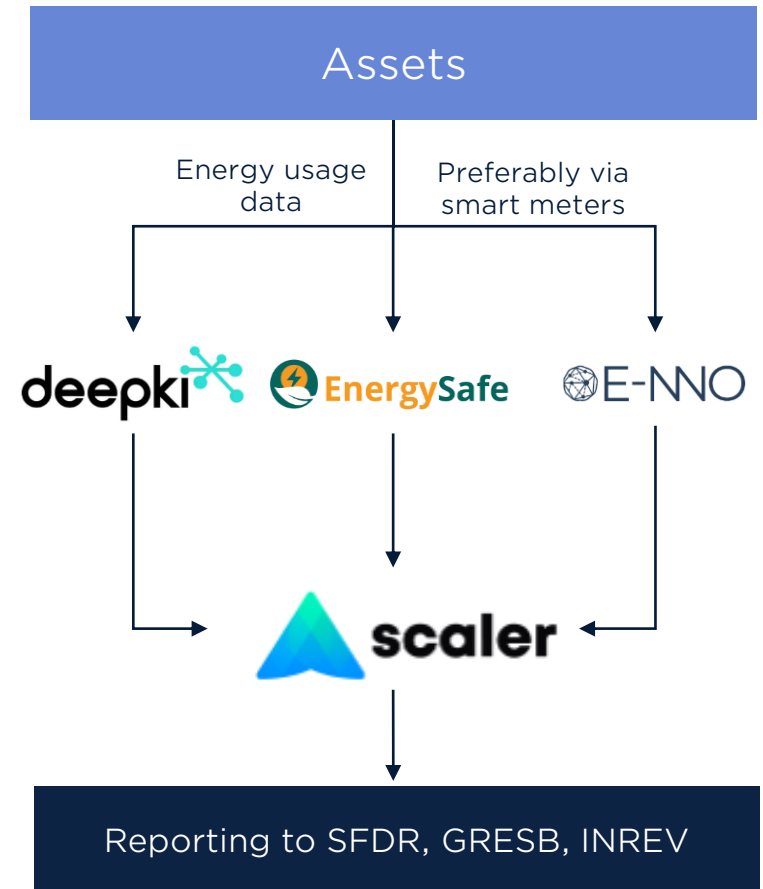
Head of Asset Management
Edmond de Rothschild REIM



ENERGY USAGE - DATA COLLECTION

SCALER IMPLEMENTED AND CONNECTED TO GRESB AND SFDR REPORTING

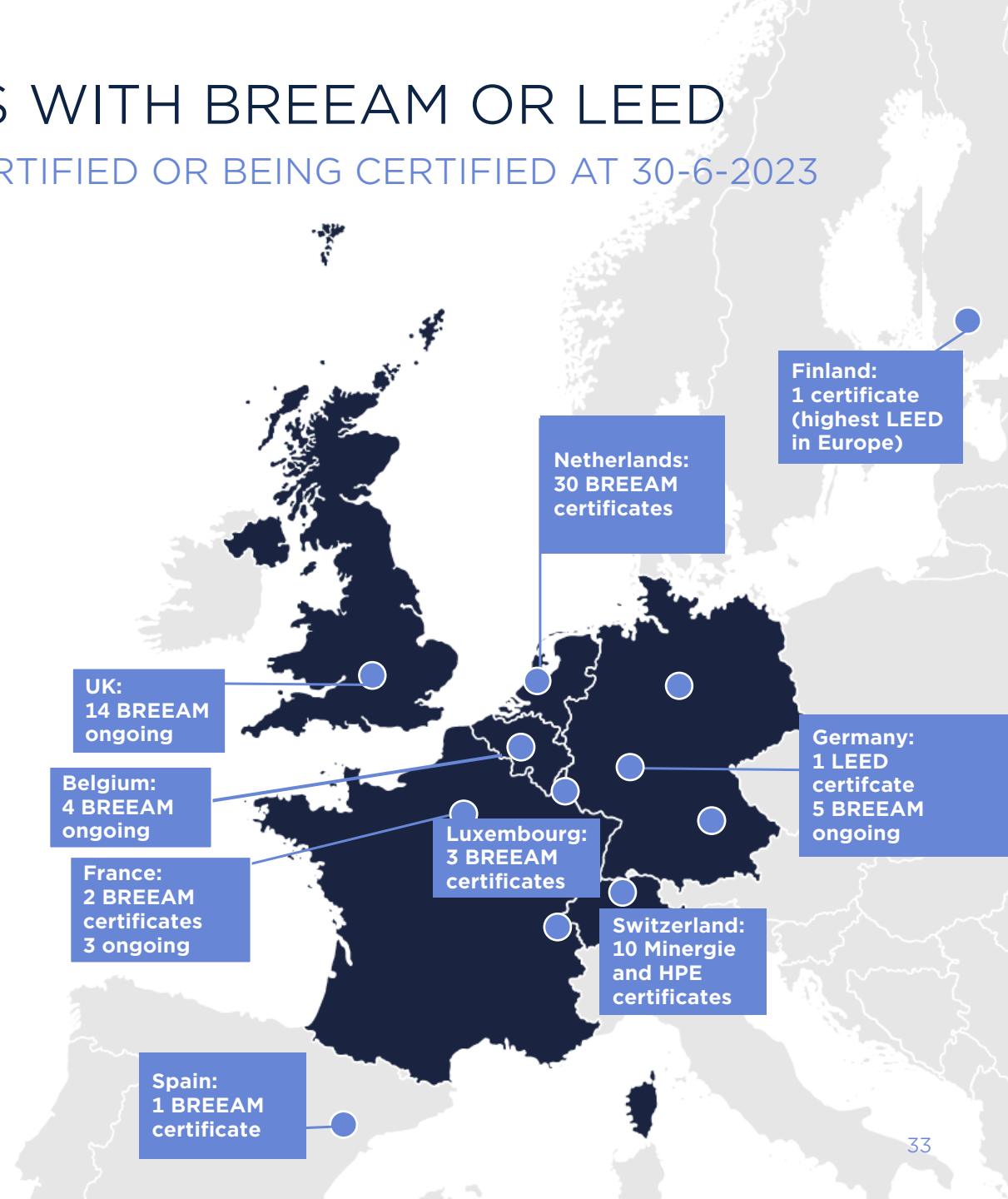
- › With regulation as SFDR, benchmarks as GRESB and reporting standards as the INREV SDDS, the collection of sustainability and energy consumption data becomes more and more important.
- › Collecting good quality energy consumption data is not easy and turns out to be more complicated than expected, given the granularity of the buildings and country regulation.
- › Therefore, we have done an extensive examination process of the selection of an environmental management system, which resulted in a system with two layers:
 - **Property & asset level:** local country-based systems on asset level, which connect to smart meters in the buildings to collect the energy data. This data can also be used to make the building's installations more efficient.
 - We use the best-in-class systems per country: **Deepki** in France and Germany, **E-NNO** in Switzerland and **EnergySafe** in the Netherlands.
 - **Portfolio & fund level:** most property- and asset level systems are good in collecting data, but are not specialised in aggregating the data on portfolio and fund level.
 - Therefore, we have selected **Scaler**, which is founded by ex-GRESB employees and specialises in the reporting of the sustainability data on fund to GRESB, SFDR and aligned with a.o. INREV Sustainability Reporting guidelines.
- › We have implemented Scaler in two of our funds and intend to roll it out further over the European portfolio.



CERTIFY OUR ASSETS WITH BREEAM OR LEED

78 ASSETS ACROSS EUROPE CERTIFIED OR BEING CERTIFIED AT 30-6-2023

- › Next to energy efficiency, sustainability encompasses also other environmental, social and governance aspects, such as water, waste, health & well-being and measures beyond minimum government standards.
- › Internationally recognised sustainability standards such as BREEAM and LEED are being used to assess the sustainability level of our assets under management.
- › The BREEAM and LEED certificates are also used to make a sustainability improvement plan for the assets.
- › At the end of 2022, in total 21 assets in our portfolio were certified with BREEAM or LEED.
- › Several assets achieved very high scores, such as an asset in Helsinki, achieving LEED Platinum and the Flow building in Frankfurt, achieving LEED Gold.
- › In order to increase the number of assets with a sustainability label, a BREEAM Portfolio certification program has been started, consisting of 47 assets across 5 countries.
- › When this program is finished, it is expected that more than EUR 1 billion of direct investments will be certified with LEED or BREEAM in Use at the end of 2023.



BUILDING CERTIFICATIONS (1/2)

PROGRESS OF OUR AMBITION IN TERMS OF BUILDING CERTIFICATIONS



BENELUX



In the **Benelux Office** portfolio, **13 out of 21** assets were evaluated with **BREEAM** with following scores

- 4 Very Good**
- 8 Good**
- 1 Pass**



SWITZERLAND **MINERGIE**[®]

22% of the **assets** in the **Swiss Real Estate** portfolio have a building certification:
Minergie or **HPE** (High Energy Performance)



GERMANY



The office building **Flow** in **Frankfurt (Germany)** has been recertified as **LEED Gold**

BUILDING CERTIFICATIONS (2/2)

PROGRESS OF OUR AMBITION IN TERMS OF BUILDING CERTIFICATIONS



FRANCE



The **Perelis** life sciences project in **Villejuif (France)** has been upgraded to meet the **BREEAM Very Good** specifications at the completion certification



UNITED KINGDOM



BREEAM certifications across all **UK residential assets** have been started, planned for completion in **2023**



PAN-EUROPEAN PORTFOLIOS



The European smart asset **Ankkurikatu** in **Helsinki** achieved **LEED Platinum**

The assets **M234** in **Barcelona** and **Villiers** in **Levallois (France)** achieved **BREEAM Very Good**

INSTALLING SOLAR PANELS

LAUNCH OF LARGE SOLAR PANEL INSTALLATION PROJECT 'SUN'

- › Solar panels are an important part of our sustainability strategy, as it generates renewable energy that can mostly be used directly on-site and reduces the use of fossil fuels.
- › In the Netherlands, at the end of 2022, solar panels are installed on 12 of our industrial assets and 4 of our offices under management.
- › In the UK, 7 of our assets and under management in our Build-to-rent strategy are equipped with solar panels, contributing to 25% of the energy used in the communal areas.
- › In Germany, solar panels have been installed on two large roofs of the industrial assets we manage.
- › Switzerland: 11 of our assets in our Swiss residential and office strategy have solar panels and another 11 assets have thermal solar panels, generating hot water for showering.
- › A large solar panel investment program 'Project Sun' has been started in our European industrial strategy, with the focus to install more than 5 MWp of solar panel capacity in the coming years.
- › Initiatives in several countries have also been started to install EV chargers at offices, residential buildings and industrial sites.



REDUCTION OF CARBON EMISSIONS

NET-ZERO ASSET IMPROVEMENT PLANS

- › The built environment accounts for c. 40% of the carbon emissions globally, of which the construction sector c. 12% and the emissions from operational buildings account for c. 28%.
- › In order to reach the goals of the Paris Agreement in 2050, the carbon emissions of the buildings have to decrease with c. 95%. This means a reduction of the energy usage of the buildings of 60-70% is needed.
- › In order to adjust the buildings we manage to achieve this goal, so called 'net-zero carbon' roadmaps have been made for several assets in the Benelux, French and Swiss portfolios.
- › In these roadmaps, three items are key:
 - 1) add insulation,
 - 2) improve the efficiency of the buildings' installation, and
 - 3) install solar panels and other forms of renewable energy, as district heating and cooling.
- › The investments that result from these roadmaps will also be implemented in the long-term maintenance plans, in order to ensure that the actions are also done on natural moments and included in the asset's budgets.
- › These roadmaps have been made for several pilot assets and will be made for the assets in the portfolio in the coming years.

EXAMPLE OF AN ASSET'S NET-ZERO CARBON ROADMAP



Net-Zero Carbon Roadmap

Current situation	Size GLA (sqm)	Energy price/kWh	Renewable energy / kWh
Asset B	7,527	€ 0.30	€ 0.15

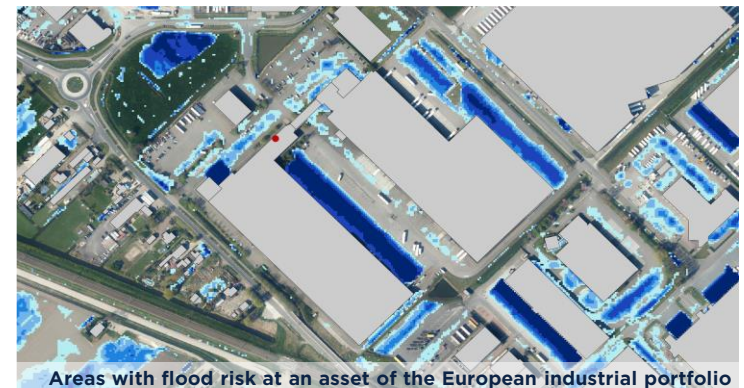
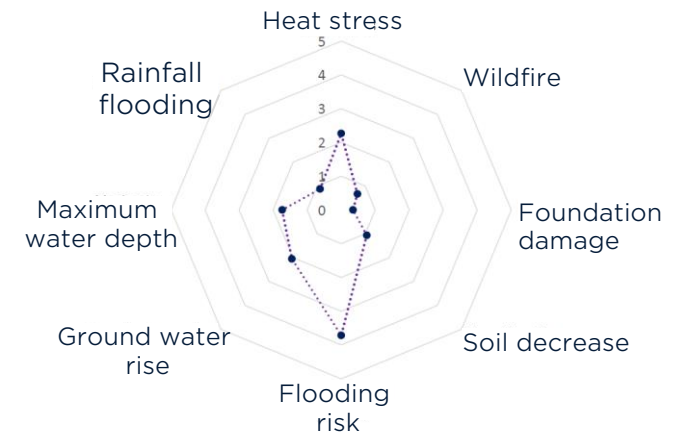
Current usage	Net energy usage (kWh)	Net energy usage / sqm GLA	
Theoretical usage - with full occupancy		181	
Roadmap to Net-Zero	CO ₂ reduction	Energy use [kWh/sqm GLA]	kWh/sqm reduction
Step 1 (2025)	140,000	116	-64
Insulation roof internal and external => Rc 6,3	51,223	179	-2.0
Replacement air treatment installation	89,321	157	-24.0
200 mm insulation facade (internal) =>Rc 4,8	107,168	142	-38.7
Installing switchboard	50,850	180	-0.4
Lowering temperature server rooms tenants	48,791	180	-0.2
Step 2 (2030)	297,000	76	-105
Installing new heatpump	226,482	111	-69.9
Step 3 (2035)	297,000	76	-41
Step 4 (2040)	316,000	71	-110
Insulating the stained glass windows and frames	151,208	179	-1.1
Integrate sustainability in the equipment/hardware	175,132	179	-1.7
Step 5 (2050)	343,000	66	-115
Installing motion detection lighting/climate installations	151,424	180	-0.7
Replacement of the windows for triple glass	182,793	174	-7.0

ASSESSING CLIMATE RISK

PHYSICAL CLIMATE RISK ASSESSMENTS

- › As the climate is changing, the real estate assets we invest in, have an increased risk of climate related events.
- › The most important physical risks for buildings are water stress and heat stress, with important effects as flooding, drought, soil decrease, overheating of buildings and wildfires.
- › For the Benelux office and European industrial portfolio, we have made an assessment of the physical climate risks together with Climate Adaptation Services, a specialist consultancy working together with the main Dutch academic institutions.
- › For each asset, a climate risk score has been made, which can be seen on the right. Furthermore, detailed assessments of the flooding risk on micro location level have been made.
- › Based on these assessments, the buildings with high and low risk have been identified and for the high-risk assets, climate adaptation plans will be made.
- › A pilot to make climate adaptation plans with detailed climate adaptation measures has been started for assets in the Benelux office portfolio.
- › The climate risk scan and the adaptation measures comply with the EU Taxonomy and SFDR guidelines.

EXAMPLE OF AN ASSET'S CLIMATE RISK SCAN



INVESTMENT MANAGEMENT

ESG CRITERIA ARE PART OF THE INVESTMENT APPROVAL PROCESS

Our investment criteria and Investment Committee documents have been updated with substantial ESG criteria. These ESG criteria are included in the investment management process.

As part of the investment proposal, the following ESG criteria are requested:

- › EPC label and effect of the acquisition on the average EPC label of the fund
- › Energy usage per square meter and effect of the acquisition on the average energy usage of the fund
- › Position of the asset on the CRREM pathway and stranding year
- › Whether a net-zero carbon roadmap has already been made and which capex costs are involved to make the asset net-zero

A pre-acquisition checklist has been made, which investment managers fill in during their site visits. In this checklist, the general building specifications and the following sustainability items are taken into account:

- › Insulation level
- › Installations
- › Renewable energy generation

In this way, in each investment decision the relevant ESG items are taken into account.

EXAMPLE OF AN ASSET'S SITE VISIT CHECKLIST

Type	Bandwidth	Stars
Building criteria		
Walk score		★★★★★
Amenities		★★★★★
EPC label	A or better	★★★★★
BREEAM/LEED certificate		
Building age	New built	★★★★★
Building quality	Very Good	★★★★★
Insulation		
Roof insulation	Very Good	★★★★★
Wall insulation	Very good	★★★★★
Floor insulation	Very good	★★★★★
% glass façade	25-75%	★★★
Window frames & door		
Glass	Triple glass / vacuum glass	★★★★★
Sun shades		
Installations		
LED Lighting	75-100%	★★★★
Heating	All-electric / Ground heat-cold storage	★★★★★
Heating distribution	Low temperature (floor / air)	★★★★★
Cooling	Ground heat-cold storage	★★★★★
Ventilation	Mechanical ventilation without heat recovery	★★
Renewable energy generation		
Solar panels	No solar panels	★
Roof - available space	>50% of the roof	★★★★
Roof construction material	Concrete	★★★★★
Roof strength - mayor beams	Thick	★★★★★
Roof strength - minor beams	Thick	★★★★
Structural columns	Thick	★★★★
Average - total score	Very Good	★★★★★

SUMMARY
SUSTAINABILITY IN
ACTION PLAN 2023



OUR SUSTAINABILITY IN ACTION PLAN FOR 2022/2023

INTEGRATING ESG IN ALL ELEMENTS IN OUR ORGANISATION



1. EDR REIM ORGANISATION

- › Strengthen our ESG capabilities in our organisation
- › Calculate our EdR REIM carbon footprint
- › Update our ESG policies with stricter targets



2. FUND MANAGEMENT

- › Execute on the Sustainability in Action Plans per strategy
- › Start with SFDR and ESG reporting
- › Make CRREM analyses for our funds with energy data



3. ASSET MANAGEMENT

- › Collect energy data and set up a European environmental management system
- › Certify assets with BREEAM
- › Make Net-Zero Carbon roadmaps for our assets
- › Assess the climate risk of our assets



4. INVESTMENT MANAGEMENT

- › ESG criteria are evaluated as of the first site inspection
- › Integrate net-zero carbon roadmaps into our investment decisions

SUSTAINABILITY IN ACTION CASE STUDIES



EUROPEAN VALUE ADD STRATEGY - FINLAND

SUSTAINABLE REFURBISHMENT IN THE HEART OF HELSINKI

CONVERSION OF OFFICE INTO MODERN RESIDENTIAL

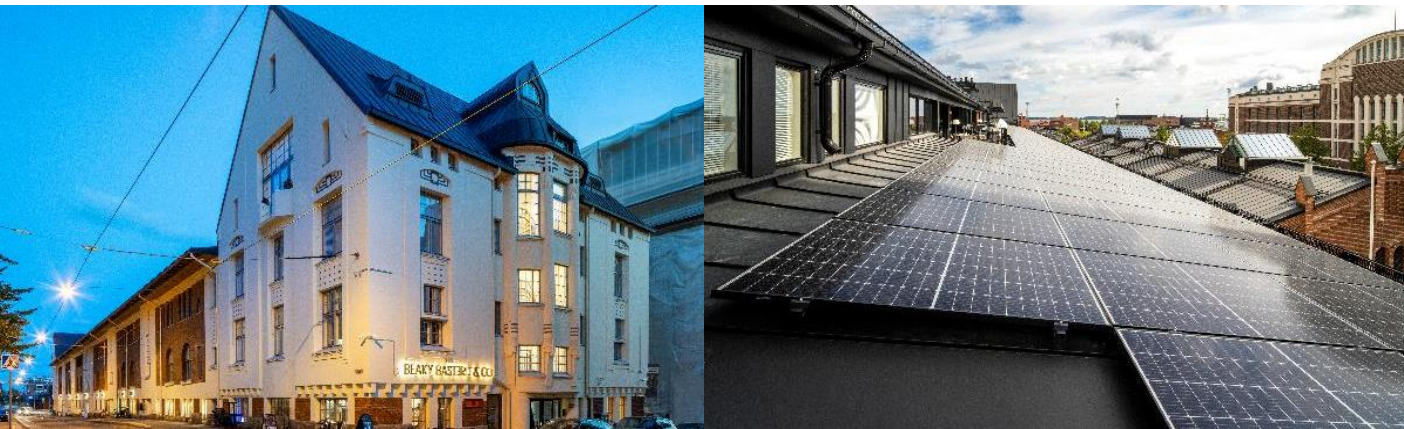
- › The asset was bought vacant in July 2019 in city center of Helsinki
- › The zoning change was obtained in June 2020, which granted 743 sqm of additional residential surface in June 2021 (+10%)
- › The capex budget totaled EUR 40m (3x acquisition price) to improve EPC label from E to B&C and achieve LEED Platinum v4 highest score to date in Europe (89 points)
- › The asset conversion brought new services and more life in the area supporting the development of Katajanokka district

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › 50% of energy is supplied by a heat pump and 290 solar panels
- › 75% of waste recycling during construction
- › 30% of water consumption reduction compared to LEED Gold benchmark
- › 5'800 sqm of insulated facades and 1'850 sqm of vegetated areas
- › LED lighting, motion detectors and individual metering
- › 168 bicycle parking spaces, 3 electrical chargers spaces and a e-car sharing (Tesla)

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



STRATEGY CHARACTERISTICS

Total area	54,188 sqm
Total value	EUR 156m
(as per sept. 2022)	
Date inception of the fund / strategy	4 December 2018
Countries of investment	Pan-Europe
Type of strategy	Closed-end
Lifetime	5 years (+ 2x1 extension)
Occupancy	100%
SFDR classification	Art 8

ABOUT THE STRATEGY

Our European Value Add strategy is a pan-European multi sector strategy, focusing on key drivers of real estate demand positively influenced by mega trends acceleration

EUROPEAN VALUE ADD STRATEGY - FRANCE

GREEN OFFICES IN BAS-MONTREUIL

ENVIRONMENTAL ACTIONS

- › Acquired as turnkey development with a BREEAM Excellent rating and in addition, the following actions have been done
- › 1'323 sqm of facades are insulated and LED lighting to reduce energy consumption
- › All parking spaces will be equipped with electrical car chargers
- › 75% of construction waste will be recycled and recycling facilities in the building are installed
- › 47% water consumption reduction on compared to the BREEAM benchmark

HEALTH & WELL-BEING ACTIONS

- › Excellent transportation links, good access for people with reduced mobility and 50 bicycle parking spaces
- › Located in a lively neighbourhood with food outlets, shops, restaurant, cultural and sport facilities
- › The building management system will manage and monitor CO₂ levels, lighting levels and presence with the installation of sensors
- › 347 sqm of vegetation is expected to be added in the patio and on the terrace area
- › Polluted soil has been excavated and sealed

◀ STRATEGY CHARACTERISTICS

Total area	54,188 sqm
Total value	EUR 156m
<i>(as per sept. 2022)</i>	
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Source: Edmond de Rothschild REIM as per December 2022



◀ ABOUT THE STRATEGY

Our European Value Add strategy is a pan-European multi sector strategy, focusing on key drivers of real estate demand positively influenced by mega trends acceleration

EUROPEAN INDUSTRIAL STRATEGY

ESG IMPROVEMENTS DURING RENOVATION WADDINXVEEN, NL

MAKING THE ASSET LETTABLE

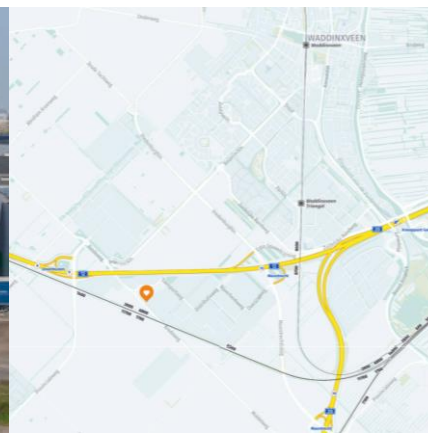
- › Full renovation of the fire safety of the asset to meet the law and legislations (new fire compartments, fire safety installation, hoses and emergency lighting)
- › Upgrading of the offices (removal of the internal walls, new ceilings, levelling the floors, renovation of the toilets)
- › Upgrading of the hall (new coating floor, new electrical installation, maintenance on the loading docks)
- › Upgrading of the external area (bituminize the external area in front of the loading docks, cleaning and conserving/painting façade + window frames, maintenance landscaping/planting)

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › LED lighting and motion detection at the office-part
- › LED lighting and automatic controls at the logistics part
- › New air handling units with heat recovery at the offices
- › New heat pump for heating and cooling at the office-part
- › Sub-meters for water and electricity
- › Water efficient faucets at the toilets

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ STRATEGY CHARACTERISTICS

Total area	4254,846 sqm
Gross Asset Value (as per Q4 2022)	€ 509m
Date inception of the fund / strategy	21 December 2018
Countries of investment	Netherlands, Germany, France
Type of strategy	Open-end
Lifetime	10 years
Occupancy	99%
SFDR classification	Art 8

◀ ABOUT THE STRATEGY

The European industrial strategy is investing in logistics and light-industrial assets in the Netherlands, France and Germany. The portfolio consists of c. 55 assets with a combined value of c. EUR 450 million, spread around the three above mentioned countries

SWISS RESIDENTIAL AND OFFICE STRATEGY

SUSTAINABLE RENOVATION OF BOIS 18 IN ECUBLENS - VAUD

1,445 SQM IS BEING FULLY RENOVATED

- › The building was bought in 2021 with an EPC label D
- › Due to all the sustainability improvements, 146,000 kWh and 33 kg/sqm CO² is expected to be saved annually
- › After executing all the improvements, the label improved to B
- › Energy subsidy of CHF 82,000 has been received
- › The building has been upgraded to modern standards

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › LED lighting and motion detection
- › Installation of a solar panel system
- › Facade and roof insulation
- › Triple glazing of flats and entrance hall door
- › A new ventilation system
- › A new elevator

◀ STRATEGY CHARACTERISTICS

Total buildings	151
Total value (as per Q4 2022)	CHF 2,745m
Date inception of the fund / strategy	2011
Countries of investment	Switzerland
Type of strategy	Open-end
Lifetime	Unlimited
Occupancy	98%
SFDR classification	N/A

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ ABOUT THE STRATEGY

The strategy is investing predominantly in residential buildings in the main economic regions of Switzerland with a focus on Geneva

SWISS RESIDENTIAL AND OFFICE STRATEGY

INSTALLATION OF PV SOLAR PANELS IN LAUSANNE

PRODUCTION

- › 97 Watt-Peak installed on 500 sqm
- › 92,540 kWh production per year expected
- › Pooling model with 42% self-consumption on site
- › Local companies used to install European panels

FINANCIALS

- › CHF 170k net investment including CHF 30K subvention
- › ROI of 6.8% including amortization
- › Electricity sold 2 cents lower than current pricing of tenants

◀ STRATEGY CHARACTERISTICS

Total buildings	151
Total value <i>(as per Q4 2022)</i>	CHF 2,745m
Date inception of the fund / strategy	2011
Countries of investment	Switzerland
Type of strategy	Open-end
Lifetime	Unlimited
Occupancy	98%
SFDR classification	N/A

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ ABOUT THE STRATEGY

The strategy is investing predominantly in residential buildings in the main economic regions of Switzerland with a focus on Geneva

BENELUX OFFICE STRATEGY

SUSTAINABLE RENOVATION OF HERENGRACHT 258 IN AMSTERDAM

2,300 OF 5,180 SQM HAS BEEN FULLY RENOVATED

- › The building was bought in 2017 with an EPC label G and is a listed monument
- › When the tenant wished to decrease their leased space, a renovation plan was made
- › After executing all the improvements, the EPC label improved to B
- › Due to all the sustainability improvements, 264,000 kWh is expected to be saved annually
- › The building has been upgraded to modern standards and was fully let after completion

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › LED lighting and motion detection
- › Installation of a solar panel system
- › Insulation of the roof
- › Triple glazing in penthouse office
- › Air handling units with heat recovery
- › New cooling machine
- › A new elevator
- › Water efficient toilets

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ STRATEGY CHARACTERISTICS

Total area	108,817 sqm
Total value	€558 million
<i>(as per Q4 2022)</i>	
Date inception of the fund / strategy	2016
Countries of investment	Netherlands Belgium Luxembourg
Type of strategy	Open-end
Lifetime	Unlimited
Occupancy	91%
SFDR classification	Art 6

◀ ABOUT THE STRATEGY

The Benelux office portfolio consists of 21 high quality buildings, situated at prime locations in Amsterdam, Rotterdam, The Hague, Utrecht, Brussels and Luxembourg

UK BUILT-TO-RENT RESIDENTIAL STRATEGY

PV, SOLAR THERMAL AND CHP AT G3 SQUARE, GLASGOW

THE FUND'S 10TH ASSET NEARING COMPLETION

- › G3 Square is on course for practical completion in August 2023
- › When complete it will deliver a 113 apartments, with a mix of 1, 2 and 3 bedroom layouts
- › The target EPC rating across the building is B
- › The site is located in Finnieston, a suburb of Glasgow, made famous for hosting COP 26 in 2021

SUSTAINABILITY CREDENTIALS

- › The development contributes a 15% reduction in carbon emissions beyond Building Regulations
- › The scheme utilises Combined Heat and Power Plant (CHP) and thermally enhanced building fabric. CHP provides low temperature hot water to heat the building and a low carbon source for electrical generation
- › In addition, photovoltaic and solar thermal panels have been installed. Solar thermal panels have one of the lowest carbon footprints of all renewables, with just 10-35 grammes of carbon per one kWh of heat
- › A SUDs basin has been incorporated to manage surface water and allow it to be removed on site naturally without entering the drainage network

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ STRATEGY CHARACTERISTICS

Total value (as per Q4 2022)	£538 million*
Date inception of the fund / strategy	April 2018
Countries of investment	UK
Type of strategy	Open-end
Lifetime	Evergreen
Occupancy	98%
SFDR classification	Art 6 <small>*once built and operational</small>

◀ ABOUT THE STRATEGY

The strategy comprises 11 quality Build to Rent residential assets across 9 cities in the UK. 5 are built and operational with 6 still under construction. When complete the portfolio will comprise 2,640 apartments housing in excess of 4,000 tenants

UK AFFORDABLE HOUSING STRATEGY

HOMELESS PROJECT, LUTON

78-BED HOMELESS PROJECT IN SOUTH EAST ENGLAND

- › Acquired in summer 2016
- › Refurbished former commercial asset offering homes for 78 residents (36x 2-bed cluster flats, 6x 1-bed apartments of 'move on' accommodation)
- › Long-term 30 year (20+10) FRI lease, with index-linked rent (CPI+1% p.a.)
- › Rents funded by local authority
- › MEES compliant (EPC C) with improvements being assessed to target B

TANGIBLE POSITIVE SOCIAL IMPACT

- › Houses homeless individuals aged 16-65
- › 99.6% occupancy, with 3-400 referrals per year
- › High success rate for residents – 80%+ move into long-term accommodation
- › Run by charitable organisation IMPAKT housing
- › Essential asset in area with highest level of homelessness in the UK outside of London
- › Strong social impact score: 465/500

Past performance is not a reliable indicator for future performance and may vary over time
Source: Edmond de Rothschild REIM as per December 2022

◀ STRATEGY CHARACTERISTICS

Country	UK
Type	Affordable Housing
Risk profile	Core
Capacity	78-beds (36 x 2-bed, 6 x 1-bed)
Lease Term	30yrs (20yr break)
Unexpired Term	23.3yrs
Total Funding Cost	£7.6m
Current Value (Q1 2023)	£9.7m
Rental Income	£517,112 p.a. (inflated at CPI+1% p.a.)
Social Impact Score	465/500
Occupancy	99%+
SFDR classification	Art 9

◀ ABOUT THE STRATEGY

The strategy invests in the UK affordable housing sector, increasing the number of affordable homes, delivering positive social value and providing attractive, stable and progressive returns to investors



GERMAN OFFICE STRATEGY

ESG ACTION PLAN

STRATEGY GOING FORWARD

- › A detailed analysis of the current situation / compared to target status and creation of Carbon Risk Real Estate Monitors (CRREM)
- › Assessment and identification of energy weaknesses and offering solutions with economical investments
- › Checking for solutions to reduce the room temperature in the upper floors (e.g., by attaching reflecting foil on the glass façade). Smart-meter feasibility and roll out is being checked by our external advisors

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › Showers have been added, to facilitate commuting to the office by bicycle and reduce the carbon emissions by travelling to and from the office
- › ESG Pre-Check has been conducted
- › The replacement of all lights to LED in the common area is planned gradually over the next two years
- › An Environmental Asset Audit has been instructed to an external adviser

ASSET CHARACTERISTICS

Total area	28,404 sqm
Total value (as per Q1 2023)	€138,400,000
Acquisition date of the asset	2020
Countries of investment	Germany
Type of strategy	Closed-end
Lifetime	5 years (+ 2x1 extension)
Occupancy	93%
SFDR classification	Art 8

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



ABOUT THE STRATEGY

Zum Laurenburger Hof 76, in Sachsenhausen Frankfurt, is a large office property. The strategy is to collect the income, modernise, lease-up vacant space (of 7% at acquisition) and renew expiring lease contracts

FRENCH PRIME REAL ESTATE

SUSTAINABLE ACTIONS ON THE ASSETS

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › Versailles: administrative authorization for the insulation of a roof in 2023
- › Lanrezac: carrying out an audit for the installation of a reversible air conditioning system in 2023 for a better energy performance
- › Lille: Carrying out an audit to replace the current windows with high-performance windows

EXECUTED SUSTAINABILITY IMPROVEMENTS

- › Signature of green leases to enforce tenants to follow the “Decret Tertiaire” Guidelines and get the energy consumptions
- › Development of several projects to renovate assets’ common parts by installing LED lighting and removal of heaters
- › Vacant spaces: refurbishment with LED lighting and insulation if necessary
- › Carrying out technical audits for the replacement of technical equipments

◀ STRATEGY CHARACTERISTICS

Total area	36,016 sqm
Total value <i>(as per Q4 2022)</i>	EUR 214m
Date inception of the fund / strategy	2017
Countries of investment	France
Type of strategy	Core
Lifetime	10 years
Occupancy	92%
SFDR classification	Art 8

Past performance is not a reliable indicator for future performance and may vary over time

Source: Edmond de Rothschild REIM as per December 2022



◀ ABOUT THE STRATEGY

The French prime real estate strategy consists of 18 core assets (office & retail) situated at prime locations in Paris Region, Lille, Toulouse, Lyon and Nancy

GLOSSARY

- **FAHHA:** Funding Affordable Homes Housing Association - One of the subsidiaries within the Funding Affordable Homes group. Funding Affordable Homes group is a social impact company which builds and acquires affordable housing to deliver financial and social returns for both communities and investors.
- **SSREI:** Swiss Sustainable Real Estate Index - The SSREI was launched by MV Invest with the aim of providing transparency and comparability of real estate portfolios (real estate funds, real estate shares, investment foundations and pension funds) in relation to their longer-term value.
- **MINERGIE:** Minergie is a Swiss construction label for new and renovated buildings. The brand is supported by the economic sector, the cantons and the Confederation.
- **THPE:** The THPE (Très Haute Performance Energétique) is a French ecolabel. It requires an energy consumption at least 20% lower than the reference consumption.
- **GRESB:** The Global Real Estate Sustainability Benchmark - GRESB Assessments are guided by what investors and the industry consider to be material issues in the sustainability performance of real asset investments, and are aligned with international reporting frameworks, such as GRI, PRI, SASB, DJSI, TCFD recommendations, the Paris Climate Agreement, UN SDGs, region and country specific disclosure guidelines and regulations.
- **BREEAM:** The Building Research Establishment Environmental Assessment Method - The BREEAM is the world's leading sustainability assessment method for masterplanning projects, infrastructure and buildings. It recognises and reflects the value in higher performing assets across the built environment lifecycle, from new construction to in-use and refurbishment.
- **LEED:** Leadership in Energy and Environmental Design - LEED is the most widely used green building rating system in the world. Available for virtually all building types, LEED provides a framework for healthy, highly efficient, and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement and leadership.
- **SFDR:** Sustainable Finance Disclosure Regulation, issued by the European Commission to promote the transparency of sustainability reporting

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June 2023.

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