



EDMOND
DE ROTHSCHILD

SUSTAINABILITY POLICY

EDMOND DE ROTHSCHILD
REAL ESTATE INVESTMENT MANAGEMENT

JANUARY 2021



OVERVIEW

The Edmond de Rothschild Real Estate Investment Management (REIM) Sustainability Policy describes our commitment to sustainability, including mitigating environmental impacts, addressing relevant social issues and maintaining sound governance procedures and is aligned with the Edmond de Rothschild Group's Sustainability Policy.

OBJECTIVE

The objective of this policy is to affirm our commitment to achieving long term sustainable outcomes through our real estate assets, across our supply chain and in the communities in which we operate. The policy describes the overall intentions and direction of Edmond de Rothschild REIM related to its environmental and social performance. It provides a framework for the setting of its sustainability objectives and targets.

SCOPE

This policy covers Edmond de Rothschild's REIM business and all entities that are encompassed under this.

POLICY OWNER

Sustainability Representative, Edmond de Rothschild REIM
The Sustainability Representative will be supported by the Sustainability Team (made up of the senior management of our real estate teams).

POLICY APPROVER

Executive Committee, Edmond de Rothschild REIM

EFFECTIVE DATE

January 2021

NEXT REVIEW DATE

November 2023

BACKGROUND

THE EDMOND DE ROTHSCHILD GROUP

The Edmond de Rothschild Group is a conviction driven Investment House serving private clients and institutional investors. The Edmond de Rothschild Group has a rich history of committed entrepreneurship and has been operating in the world of finance for over 250 years. Family-based, independent and specialised, the Group favours bold strategies and investments rooted in the real economy, combining long-term performance and impact.

Edmond de Rothschild has been a family-owned group since its creation and maintains total independence in its advisory and management services. All of the group's businesses are coordinated by the Executive Committee, chaired by Vincent Taupin. As at 30 August 2019, €150 bn was held in assets, with 2,700 employees operating from 32 offices in 15 countries.

EDMOND DE ROTHSCHILD REAL ESTATE INVESTMENT MANAGEMENT

Real estate is one of Edmond de Rothschild's priorities. Thanks to a series of targeted acquisitions since 2012, Edmond de Rothschild REIM brings together a wealth of experience and local expertise with the integration of Orox Asset Management, Cleaveland and the Cording Real Estate Group under the Edmond de Rothschild brand.

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 ("OPCI").

Our purpose is to shape a better future. We do this by creating exceptional real estate experiences that seek to deliver sustainable returns for our clients, support our tenant customers in their success and add value to the lives of the millions of people and communities related in any way to our real estate activities.

INTRODUCTION

Sustainability encompasses a broad range of issues that may of themselves, or in combination, have a material impact on the risk/return characteristics of our investments. Our goal is to adopt a policy across our entire investment process, accompanied by hard data, regular monitoring and ambitious targets.

We aim to adopt a best practice approach to sustainability within our real estate activities to help our clients invest along sustainable and responsible criteria. We measure the sustainability performance of both our discretionary funds and individual properties with recognised external benchmarks. We also use third-party certification schemes for appropriate local property markets.

Reflecting the central importance of sustainability, our Sustainability Team (made up of the senior management of our real estate teams) oversees and reviews our sustainability objectives and approach. The team includes asset managers working day-to-day on the practical management of our buildings, as well as others from the wider Edmond de Rothschild Group who focus on sustainability issues. The Sustainability Team strives for continual improvement across all our real estate portfolios. The Team sets sustainability objectives and ensures incorporation of these into property operations.

POLICY REQUIREMENTS

This Policy applies to Edmond de Rothschild's REIM business unit. Aligned with the Group's sustainability approach, it sets out the sustainability commitments and intents for all employees, suppliers, contractors and entities operating under Edmond de Rothschild REIM. In addition to meeting the minimum requirements of this Policy, REIM employees will also need to comply with local or entity specific requirements, policies, and procedures including where they exceed the requirements of this Policy.

POLICY PRINCIPLES

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 experiences for our customers
- ▶ Perform in line with global best practice
- ▶ Develop our employees' and partners' sustainability knowledge so they can be advocates, and,
- ▶ 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 risk-adjusted investment performance by integrating ESG considerations into our investment processes - and document this at each stage of the investment process.
- ▶ 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.

Application of these principles increases the appeal of a property to both tenants and investors, and reduces operational costs and risks, resulting in improved risk-adjusted returns. Long-term value of a property investment is strengthened by increasing climate change resilience and limiting the risk of regulatory non-compliance or the erosion of its competitive position in the market.

To ensure that the above principles are met, an environmental management system (EMS) has been established, aligned to the internationally recognised standard, ISO 14001. This framework enables the structured amalgamation of our sustainability objectives and targets. It will assist in the development and continual improvement of environmental performance to the benefit of the business, stakeholders and, ultimately, society at large.

The following are our principal commitments:

ENVIRONMENTAL IMPACT

We acknowledge that our operations have both a direct and indirect impact upon the environment. We are committed to pollution prevention, protection of the environment, compliance with all relevant legal obligations and integrating sustainability and climate risks into all processes and stages of the investment life-cycle.

ENERGY & CLIMATE

We understand and acknowledge the reality of human-induced climate change and we're taking strong action to de-carbonise and adapt our real estate portfolio. This means highly efficient buildings, running on renewable energy. We know we need to adapt to the impacts of climate change. We will implement climate resilience measures to protect our customers and our investors from climate extremes.

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 reduce the volume of waste we send to landfill and increase the proportion that is recycled or composted. We will work with our tenants and customers to phase out single-use plastic and move to compostable packaging wherever possible. We aspire to support the creation of a 'circular economy'.

WATER EFFICIENCY

We will improve water efficiency by reducing wastage and harvesting or reusing water where practical.

BIODIVERSITY & HABITAT

We will use native and locally adapted plants in our landscaping to create habitats and support local biodiversity.

IMPACT ON SOCIETY

Sustainability is a core part of our business culture and a central pillar of our business strategy. We will educate and enable our stakeholders about how we can work together to achieve our sustainability goals.

STAKEHOLDER ENGAGEMENT

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

HEALTH & WELLBEING

We will work to identify and effectively manage safety, physical and mental health to protect our employees, contractors and customers, and continually improve our processes. We will strive to provide the best 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 will implement best practice standards of accessibility. We encourage walking, running or cycling to and from our assets, and ensure people can find out how to get there using public transport. We will support the transition to non-polluting transport by providing, for example, charging points for electric vehicles.

HUMAN IMPACT

Edmond de Rothschild REIM values its employees highly and fully recognises that maintaining a driven and contented workforce is essential in delivering continued success. To support this, we are fully aligned with the Group's commitments in this area.

ETHICS AND GOVERNANCE

As an Edmond de Rothschild Group's entity, we apply internal procedures and are aligned with the 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 behaviour 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 during the acquisition, development and operation of our real estate assets. 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, consistently apply minimum sustainability performance standards and strive for best practice in our procurement with the aim of making all our assets free of, or safe from, hazardous materials and identifying and addressing the risk of human rights abuses including modern slavery.

TRANSPARENCY & REPORTING

We are committed to measuring and transparently disclosing our sustainability performance. We participate in third party rating systems to independently benchmark our sustainability performance and identify areas for improvement.

RESPONSIBLE INVESTMENT

Investment strategies focusing on key issues that respond to the significant changes ongoing in the world and the economy.

INTEGRATION OF ESG CRITERIA INTO INVESTMENT ANALYSIS

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

ESG GROWTH

We will investigate and act on commercial opportunities arising from the transition to sustainability.

CONCLUSION

This Sustainability Policy serves as a foundation upon which we can achieve measurable 'ESG' impacts 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.

<signed by>

Pierre Jacquot / Arnaud Andrieu / Rodney Bysh / Damien Saudan
Executive Committee - Edmond de Rothschild REIM

January 2021