



CATELLA



# Catella Residential Investment Management GmbH Sustainability Report 2022



*Michael Fink, Michael Keune  
and Xavier Jongen, our three  
Managing Directors.*



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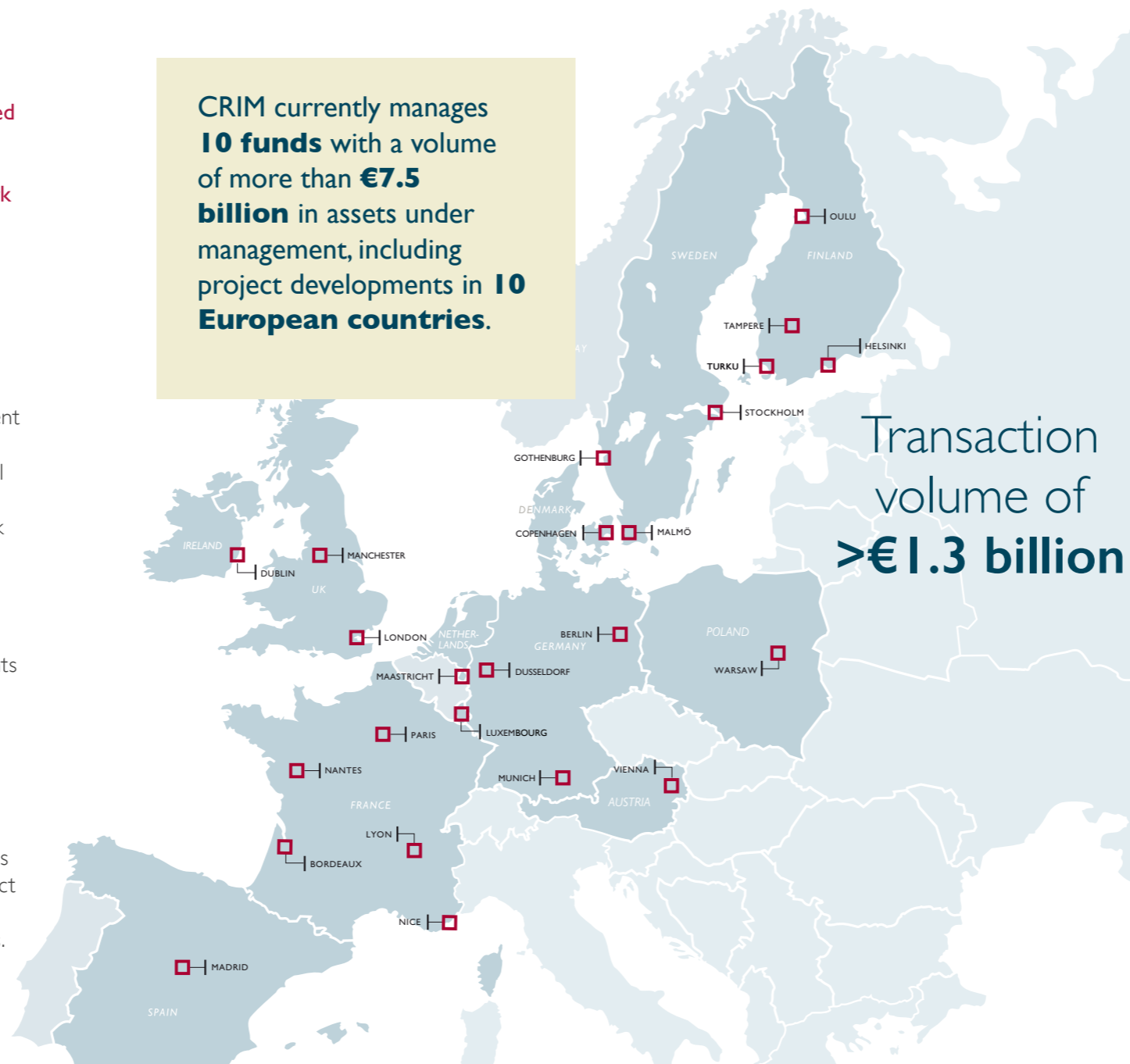
# This is Catella

Catella Residential Investment Management (CRIM) is a fully owned subsidiary of Catella AB based in Stockholm, Sweden. Catella was founded in 1987 and is listed on the Stockholm Stock Exchange. CRIM is based in Berlin and, together with the Alliance, forms a pan-European network of over 100 front-office staff members. Catella launched the first European Residential fund in 2007.

CRIM's residential real estate business includes investment strategy, research, portfolio management, property acquisition and sale, and asset management, as well as business development and sales. The core team has more than 15 years' of experience in open and close-ended residential real estate investment funds. Their real estate expertise spans Germany and, through their work with subsidiary companies and local partners, the Netherlands, France, Spain and the UK, as well as other markets such as Scandinavia.

CRIM focuses on a wide range of housing segments and invests in family housing, social housing and affordable housing. Our investments also extend to student accommodation, co-living, boarding houses and senior housing. We have a long track-record of pan-European residential investments, with experience working across 14 countries. We look forward to growing through new investments in modern and affordable housing, including project developments and in specific sectors such as student accommodation and serviced apartments. We also act as a forward purchaser and forward funder of developments.

CRIM currently manages **10 funds** with a volume of more than **€7.5 billion** in assets under management, including project developments in **10 European countries**.



## Our strategy

Our top-down corporate investment strategy is built in-house and is composed of anti-fragility strategies alongside classical methodologies based on diversification and fundamental analysis. This is supplemented by a strong bottom-up strategy that focuses on investments in high-quality European residential real estate in selected locations, with the aim of establishing long-term relationships and customer loyalty. Central to this are two approaches: Alpha strategies, in which properties, locations and timing are individually selected; and Beta strategies, in which speed and investment volume play a greater role.

CRIM integrates pioneering antifragile investing concepts based on the theories of Nassim Taleb that target 'Black Swan', extreme tail risk events. By translating Taleb's antifragility concepts to the European residential real estate market, CRIM creates robust buffers against tail risks in its portfolio, ensuring stable cash flow even in times of economic crisis. Simultaneously, our societal impact benefits from this strategy, as the stability of cash flow is based on affordability. The overarching philosophy of CRIM focuses on active research and regular reflection on defined investment strategies, asset and portfolio management.

Implementation of the Modern Portfolio Theory focuses on statistical volatility to which anti-fragility adds by protecting against down-side risk inter alia, by being more concerned with understanding the deeper root cause issues of uncertainty and protecting against some of those at asset level. This has led the organisation to incorporate impact strategies organically as a third layer within its investment strategy, because we aim to specifically target and amend some of those root cause uncertainties in our impact strategies.





# Corporate strategy

## A new world view

In the future it may be possible to identify 2022 as a turning point in our societal outlook. If ESG was once seen as a niche field, it has proved to be a much deeper, more integral part of our global economic system – one where the scientific realities of our planet collide with the social science of finance to redefine our understanding of risk. But we are merely scratching the surface of our understanding of this topic.

The outbreak of war in Ukraine drastically changed market fundamentals that had held for over a decade. Energy prices soared, leading to high inflation rates that forced central banks to raise interest rates, creating an entirely different market environment. This ended a long cycle of a booming real estate sector, and prices started to decrease.

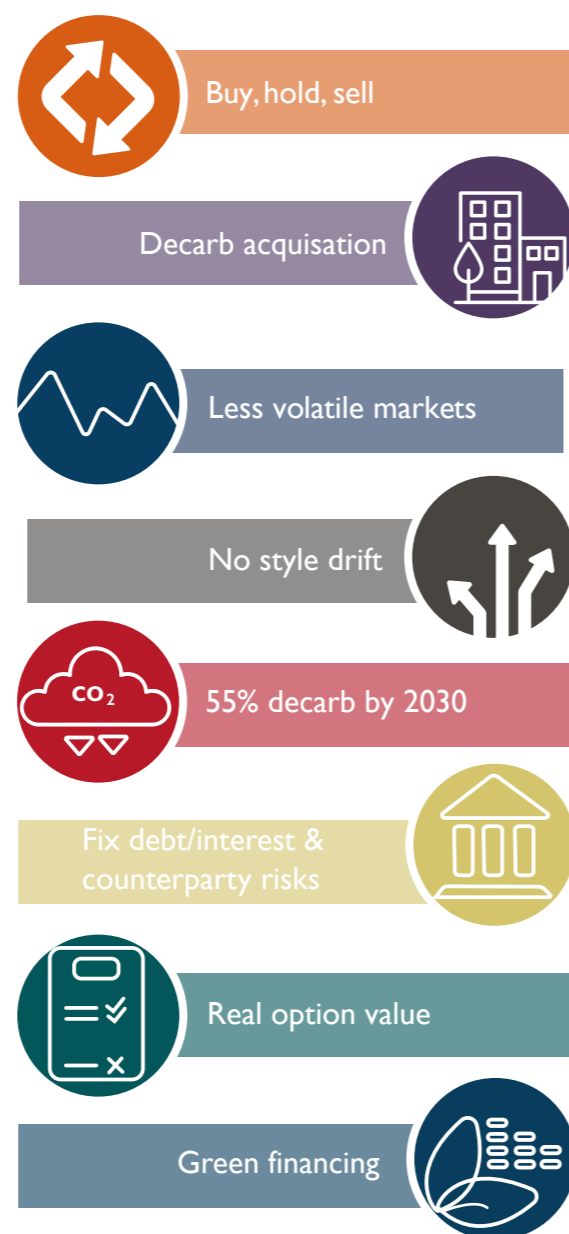
While this change in the real estate industry led to a decline in prices, it also encouraged a resumption of price increases from a lower starting point. Simultaneously, however, the industry started to undergo a fundamental, widespread change that portends a different direction for future development. This change stems in part from a scarcity in energy which would have occurred even without the war, and in part by a change in socioeconomic outlooks as higher costs threaten to overburden households, especially in regions where a high proportion of household income is already spent on rents.

These cyclical and societal changes provide further economic motivation to focus on sustainability, making it more important than ever to ensure high energy efficiency standards and rents at an affordable level. It is likely that energy prices will continue to rise over the long term, and climate change will only increase the demand for better thermal regulation of buildings. These changes only serve to remind us of the need to consider the environment in today's investment decisions, and to underline the relationship between the economic market, the natural world, and our society for

tomorrow. Next to financial returns thus stand environmental and social returns.

## 8 keys to success

The graphic below illustrates the eight principles for successful fund management we identified in 2022. It covers a wide range of topics from finance to hard decarbonization, including both short- and long-term actions.



## A company meet up

At the beginning of September 2022, Catella's European residential competence centers (various departments with specific focuses) and partners came together close to Cádiz, Spain. The event, which was hosted by the Catella Asset Management Iberia team, led by Eduardo Guardiola Osborne, focused on Catella's 'New World View', our fund strategies and the importance of decarbonisation.

In particular, we focused on best practices on decarbonisation and the need for organisational capacity-building to cope with emerging responsibilities. The event was an excellent opportunity to kick-off the close collaboration needed in this transition phase and to explore new possibilities, such as value-add strategies.



The team in sunny Spain.



## The ULI C-Change Programme

Working together with like-minded partners in the industry is a powerful way to self-regulate, and consequently influence the market. Progress was made on the central topic of the mispricing of assets in the investment market due to discarding brown discounts and green premiums. In October, the Urban Land Institute (ULI) launched its C-Change programme in Rotterdam and released a consultation document to capture and share the necessary data on decarbonisation with the aim to develop this further into a tool named "Preserve". CRIM was one of the C-Change Founding Partners, together with Allianz, Hines and Schroders Capital.

The goal of the Preserve discounted cash flow tool was to methodize the reflection of ESG into real estate values. The use of the tool professionalizes the transition risk assessment by setting global common standards and metrics. As a matter of fact, the tool reflects increased returns influenced by higher rents in energy efficient assets combined with lower costs such as OpEx, CapEx and carbon penalties and ultimately adjusted yields reflecting lower risks as well as higher liquidity, amounting to long term higher values. The ultimate goal is the mobilisation of the real estate industry to decarbonise.

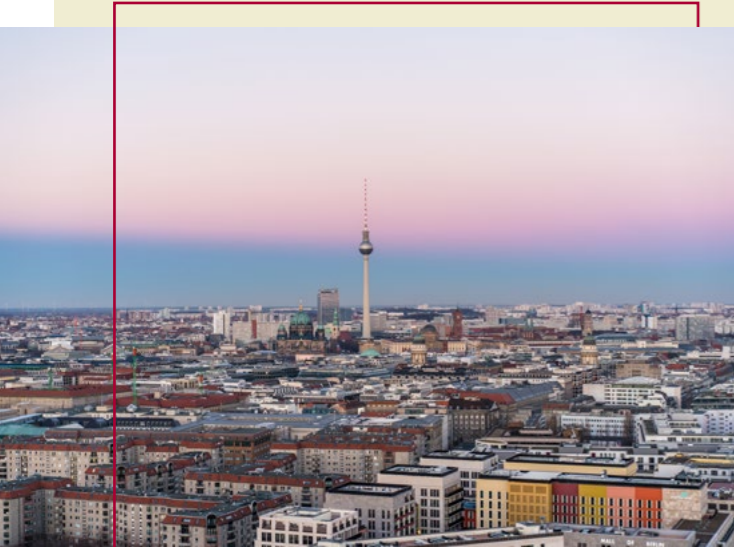


Image credit: Jonas Tebbe, Unsplash

## Leaving Poland

CRIM entered the Polish residential market in 2016. The new market entry and further regional diversification were driven by the strong development of the country's economy – the 6<sup>th</sup> largest in the EU at the time, with no GDP downturn during the 2009 financial crisis – the decentralized city structure, and an increasing demand for good-quality residential space. When we entered the Polish market we focused on Warsaw, with the acquisition of the PRS property "Pereca II" and the prestigious downtown residential building "Zlota 44", as well as a high-quality residential and student housing property in the second-largest Polish city Krakow.

Over the years, the environment for institutional residential investors changed in Poland. The historically low interest environment led to a spike in the owner-occupier ratio (>85% - one of the highest in Europe), which not only led to an unfavourable lessor market but also to a heavily indebted population. The government started to counteract the latter by increasing the central bank's interest rates and debt regulation. With the Russian war on Ukraine in February 2022, inflation skyrocketed to double digits together with further central bank and financing interest rate increases and high hedging costs. The general economic and (geo-)political uncertainty have resulted in a more uncertain investment environment and led to a more conservative approach regarding new transactions and investment decisions for institutional investors.

In the light of CRIM's further commitment to reach the Paris 2030/2050 targets, investments in Poland became untenable. In 2021, more than 89% of the energy supply came from fossil fuels, and with the introduction of new gas power plants, the general Polish targets for a more sustainable energy supply are in danger. CRIM's analysis of the existing portfolio concluded that a carbon neutral conversion of the assets was neither possible nor commercially reasonable.

Despite the unattractive market environment, CRIM was able to sell all the assets in the second half of 2022 with a substantial upside for its investors.

## The year in review

In 2022

We increased the size of the Catella team by hiring an additional 19 colleagues.



January

We opened a new office in Vienna. Our Austrian portfolio has doubled to more than €600 million in assets under management with over 1,900 apartments.

March



We launched the world's first 'energy positive' Residential Impact Fund (Art. 9) with a planned €500 million investment volume to develop 25-30 energy-positive towers in France.

September

We hosted a German roadshow to share Catella's New World View.

Watch this interview with Xavier discussing the Catella Elithis Energy Positive Fund



September

We sold more than 30 residential assets in Germany and the Netherlands in one transaction, making the largest cross-border European residential portfolio deal of the year.



December

CRIM exit from Poland.

December



By the end of 2022 we had delivered more than 2,100 new apartments to the market.

# Our sustainability

CRIM aims to become a leading residential real estate investment manager in Europe and appreciates the level of responsibility such a position holds. For this reason, in 2019, CRIM embarked on a journey to integrate ESG into the processes of the company. We know that by integrating ESG into our culture, corporate philosophy and management processes, we can help to achieve the UN's 17 Sustainable Development Goals (SDGs).

Throughout its sustainability journey, Catella, under the guidance of its advisor EnviroSustain, has been reporting all our funds to GRESB since 2019. This has enabled us to identify sustainability risk and opportunities, and to continuously monitor the performance of the organisation and its portfolio.

In 2020, CRIM became a member of the Global Impact Investing Network, demonstrating our commitment to enhancing and improving impact management strategies. While in 2021, we became a signatory of the UN Principles for Responsible Investing (PRI), to illustrate our dedication to integrating ESG into every aspect of the business in accordance with the PRI's six principles.

In 2021, CRIM also began to strengthen its partnership with Elithis. Our overarching goal is to build 100 energy-positive residential towers across Europe as part of a €2 billion investment programme, driving forward our sustainability ambitions. We kicked off this project in 2021 with the purchase of the first two Elithis Towers in St. Etienne and Dijon.

## Social impact

### 01 | Charitable donations

We recognise how important it is for businesses to contribute to their wider stakeholder networks, both through the community efforts like our tennis outreach programme, but also through financial contributions. Each year, we donate a certain amount to non-profit organisations to support the incredible work they do. We also invite the organisations in to staff meetings, to hear more about the work they do and how our donations help them, something which helps to build the team's engagement with our social impact.

In 2022, we donated €100,000 to different organisations. One of which is Straßenkinder e.V., a Berlin based organisation who are almost 100% financed by donations and helping children who do not have a home. Another organisation that we supported is nph Kinderhilfe Lateinamerika who have been helping to support children in countries like Mexico, El Salvador, or Haiti for over 65 years. They help to build small villages where they ensure vulnerable children have a safe and nurturing place to live, an education, clothing, healthcare, and a strong family support system. The organisations we supported include:



OPEN DIALOGUE



**Straßenkinder e.V.**

### 02 | Supporting outreach in tennis

Catella has played a prominent historical role in professional tennis in Sweden. We sponsored, amongst other things, a tennis academy which has since opened up to European and global talents. Following on from that tradition, and inspired by the example of Yannick Noah, winner of the Paris Open at Roland Garros, we embarked on a project to improve accessibility to the sport for young talents.

Working in collaboration with the city of Liège in Belgium, a local community sports club, the association of graffiti artists, and with the help of leaders within the Royal Tennis Club of Liege we have agreed to build a two-sided tennis wall. The innovative design aims to playfully maximise the number of shots one can play with both force and precision and to foster one's fitness level as well.

Whilst we would welcome new young tennis talent, our main aim is to help young people learn more about themselves through the practice of sport. We see tennis as a tool for learning perseverance, observation, hard work and how to lose (and win) with grace.



The future tennis wall in Liège, close to the Standard Football Stadium.

### 03 | Raising awareness of discrimination



Prompted by the results of our employee survey, and on the behalf of the CRIM management team, our HR department ran mandatory training for all employees to discuss, and learn about, the sensitive topic of "discrimination and bullying". We focused on raising awareness of discrimination and offered concrete examples of what discrimination can look like, we also engaged an external lawyer to offer legal insight into the definition of discrimination and its impact on a business. We used practical scenarios to bring examples to life, looking at various ways to deal with these situations and take action to encourage a culture of open communication and equality.



## 04 | Team rowing event

In September 2022, Catella (CRIM) donated €7,500 to the Berlin Rowing Club to support their youth work programme. The tradition-rich club on the Kleiner Wannsee lake in Berlin has existed since 1880 and is committed to training and promoting young talents in competitive sports. To promote team spirit, some colleagues from CRIM had the opportunity to try their hand in the so-called 8-man rowing boat. Under the guidance of an experienced coxswain, this turned into an eventful afternoon on the water for everyone, followed by a land-based get together.



The team's 8-man rowing boat.

## 05 | Employee engagement

Each year, Catella conducts an Employee Engagement Survey which is independently reviewed and set against a benchmark by our partner. The survey was originally structured to evaluate four main pillars: engagement, organisational capability, goals and strategy, and leadership. However as part of our efforts to integrate sustainability, we decided to include well-being and ESG as one of the pillars.

Since the first year the survey was conducted, the response rate has continued to improve, with an overall response rate of 88% for 2022. The results signal an excellent overall performance for the company, with the highest results within team engagement, and a strong approval and confidence in the management and leadership direction. Employees have also indicated they are proud to be part of the company and state that they would recommend the organisation as an employer. The survey also helped to identify some areas for improvement. Employees indicated that they would like to understand the overall strategy of the company more clearly, to be able to work with greater agility in fast-paced and volatile environments, and to try new methodologies and approaches to ensure high quality results.

Additionally, employees indicated a wish to improve the cross-departmental work and communication, proving that information exchange is of vital importance to all our staff. This is an area the organisation is already effectively addressing with multiple IT projects to improve efficiency.



## 06 | Health and safety

As an employer, we recognise our responsibility to integrate occupational health management into the design, control, and further development of company structures and processes. So in 2022, CRIM systematised and expanded its occupational health and safety management.

At CRIM we want to ensure that all situations are dealt with care and in confidence. Managers are responsible for monitoring the mental and physical health of their staff. Injuries and illnesses are reported confidentially to the first aid representative, managers and/or the HR department.

We also have a company doctor who carries out preventive medical check-ups and is available to all staff. We offer for vaccinations (flu, Covid) to all our employees, as well as vision tests for VDU workplaces. These are carried out by our occupational physician.

Nominated staff have been trained to conduct assessments to identify risks in the office environment and implement measures to reduce them. Regular health and safety inspections takes place within the office and risk management is carried out for DSE and office work in accordance with regulations. Consequently, CRIM uses and has a process for identifying work-related hazards and assessing risks. Records are kept of each health and safety inspection and all new measures are documented.

In 2022, we engaged an external occupational safety specialist, who is a member of the Occupational Safety Association, as well as an internal occupational safety officer. Alongside our external doctor, a member of the management team, the HR manager and a first aid representative, these two individuals make up our Occupational Safety Committee, which meets each quarter.

*“Like in a business, it’s a marathon not a sprint.”*

## 07 | Count the km

In the pandemic, remote and hybrid working became the new normal. Following the return to normality, many of those who enjoyed working in the office still tried to commute using alternative means to avoid public transport. Living in a city, working from home with no or little activity, or driving to work by car meant that staff health (and their CO<sub>2</sub> emissions!) were worsening.

That’s why we set up our ‘Count the km’ initiative to encourage staff to get moving – whether it was by doing some sport, either running or simply take the bike to work. Every quarter, we shared the score board to celebrate the leader and the ‘hidden’ champions to make it more competitive and fun. More than half the team got involved, collectively running nearly 6,000km and cycling close to 20,000km!



Our ‘Count the km’ champions

# Meet our staff

We have welcomed many part-time students in recent years, with the aim of preparing students for a successful career in the real estate industry and to give them experience of various facets of business operations. We believe that this offers an exciting opportunity for young professionals to see the different areas that come together in real estate. Our employee buddy programme allows young professionals to learn from experienced members of the team, as in the case with Anna-Lena and Alexandra.

“““

*On a typical day, I got to actively work alongside the team on instrumental projects but from various focal points. This included supporting the team with research findings, analytical contributions or having the opportunity to sit in on various sessions. During the last several months I was able to receive a well-rounded picture of what it could be like to work in the real estate industry. I was able to identify my main strengths as well as my interests and my experience with the asset management team stood out the most. Now, I will continue and exclusively work with the asset management team here at CRIM during my final phase.*



Alexandra is an Asset Manager here at CRIM. She has worked in asset management since 2018 and supported Anna-Lena with her extensive knowledge and experience. Anna-Lena assisted Alexandra in her daily work and in return learnt about active asset management of real estate. We believe it is vital for professional development to work in a transparent atmosphere where questions and feedback are encouraged.

“““

*I believe it's important to be taken by the hand as a young professional and to be able to try things out. It is important to have a culture that allows you to ask questions, especially as a newcomer to the profession. In my experience, questions are vital to gaining a holistic understanding of the job, and the real estate as a whole. It is our hope that Anna-Lena is prepared in the best possible way for the real estate industry, therefore we make sure she is given responsibility and real tasks to learn in the best possible way.*

**Alexandra Braun, Asset Manager and Anna-Lena Sauertz, Student Trainee**

“““

*CRIM was founded in Summer 2017 and started as a business with 14 people. Everyone supported each other with a collaborative mentality, which can still be felt, and which is one of CRIM's best qualities. The business' speedy development meant that the responsibilities of the operations department expanded rapidly in five years. We have gone from a team of just two, to 8 team members.*

*Being there from the beginning meant my professional skills increased with the increasing business of CRIM. I also had the possibility to shape the corporate finance department and introduce my own ideas with a lot of freedom and trust in me as employee. Since 2017, I've learnt a lot and continue to learn each day.*

*CRIM's business has a European focus, embedded in a Swedish group. This makes the role really interesting, it is normal to meet colleagues from all over Europe and to see their way of working, which brings in a good diversity of perspectives and best practice.*

*CRIM's growth also meant the corporate finance department needed further support, so we hired a second Finance Manager – Tashif. Tashif's professional background is in data analysis in a Norwegian*



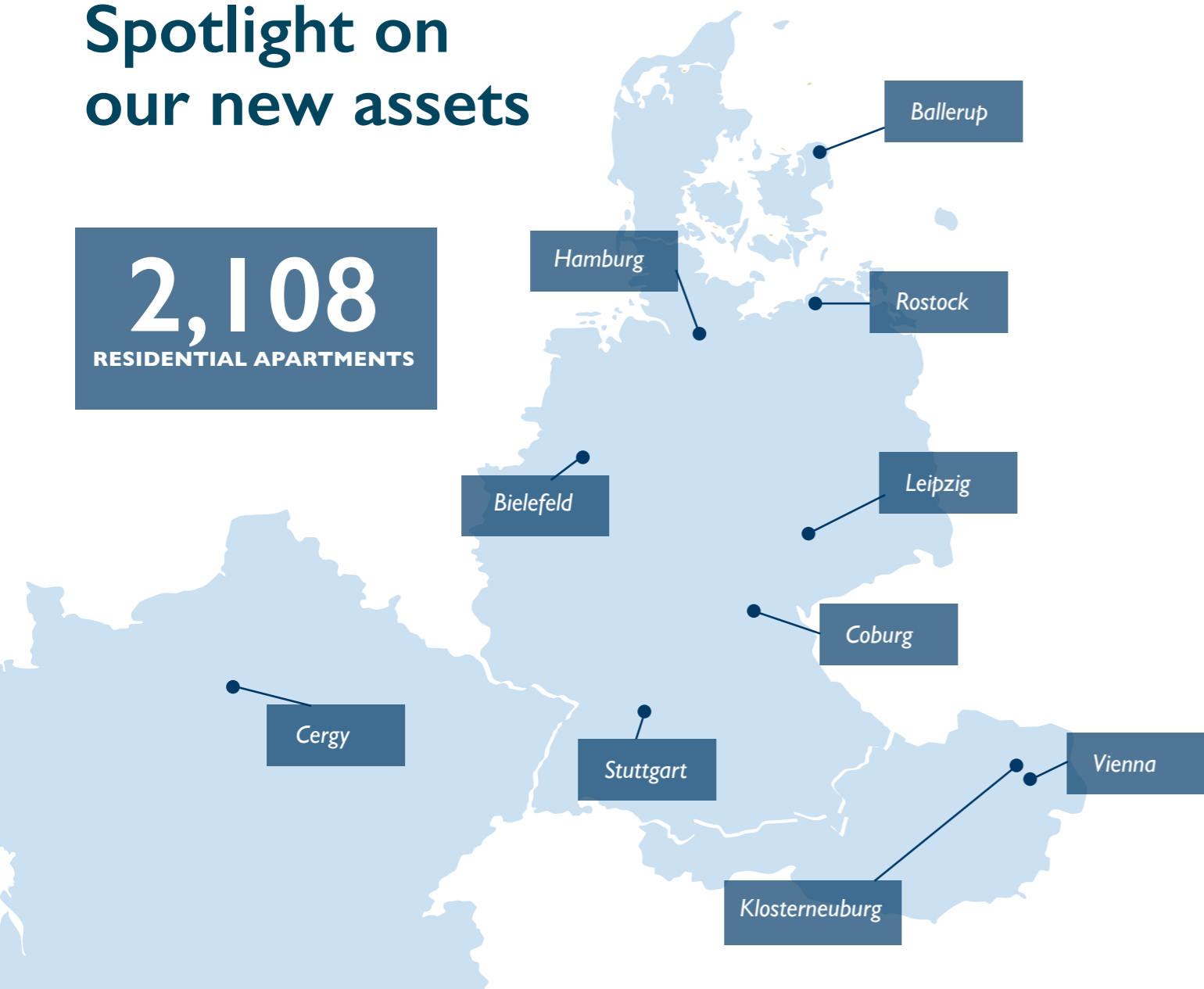
*company. Our different backgrounds complement one another, leading to effective collaboration. Tashif has introduced new ideas to transform the corporate finance into a more automated department, while I can contribute knowledge of the industry as well as my past experience at CRIM. Our collaboration is at eye level. All ideas and issues are discussed together and weighed up. As the world around us changes we need to meet its challenges, the future of the corporate finance department lies in becoming a digitalized department in a cross border surrounding.*

**Ann Fritz, Senior Manager Corporate Finance and Tashif Haq, Finance Manager**



# Spotlight on our new assets

**2,108**  
RESIDENTIAL APARTMENTS



## Hamburg, Hafencity

Located close to the city centre, this mixed-use new development has a central view of the distinguished waterfront in Hamburg. Hafencity's aim is to transform the area and promote easy access to nature, meaning tenants can expect new green spaces and a pedestrian walkway for recreational activities within walking distance. Although the area is mainly residential, residents can reach shops and the local university within minutes via public transport. Tenants are encouraged to utilise passive or public transport and plenty of bike spaces can be found. Many of the apartments have a view of the river and the promenade, while the ground floor is used for commercial purposes (shops, storage). Due to its integration in the local area and use of PV panels, the site has earned a Platinum Eco-Label.

## Vienna, Höchstädtplatz



This new development is closely located to various outdoor leisure activities and a well-known shopping district. Terraces overlook the large shared green space. While there is access for all tenants to an underground car park, there's a strong focus on supporting tenants with different sustainable modes of transport, from a programme to provide residents with e-car sharing, to plenty cycling spaces and a location within walking distance to public transport. The property has also acquired a DGNB Gold pre-certification score and is noted for providing affordable living units in the area.

## Cergy, France

Situated within the lively Grand Centre, Cergy's bustling business district, lies this new student housing residence. Located in a mixed-use area, this residence is part of the remarkable transformation unfolding in the region. Positioned in a prime location, close to ESSEC Business School, ECAM, and ENSEA, this residence offers an unmatched convenience for students. Moreover, the strategic placement ensures easy access to various public transport, with the RER A station just 300m away. Embracing the principles of sustainable mobility, numerous essential services and shops surround the residence, further enhancing accessibility and fostering a greener way of life.



## Vienna, Van-der-Nüll-Gasse

This property is located in a mixed-use area not far from the centre of Vienna and its Danube River. Residents and visitors therefore have access to public transport with regional and international connections. The complex is made up of apartments and a separate commercial space on the ground floor. Tenants can choose between a home with a terrace or balcony, and everyone has access to a large outdoor space. The flats are fitted out with smart water and energy meters. In addition to this, residents also have the opportunity to procure a green electricity contract. PV panels have been installed onto the building and to drive a reduction in energy usage the building only uses LED lighting and has installed timers for outdoor lighting fixtures.





## Some definitions

### Efficiency class

Buildings in the EU are divided alphabetically into energy efficiency classes in energy performance certificates. The complete energy demand of a property is taken into account when assigning the energy limit values. The primary energy demand is decisive for the classification into the corresponding class. However, the thermal insulation, the energy source used, the tightness of the building and the technology of the heating system are also included in the calculation.

The primary energy characteristic value is based on the entire process that was necessary to provide the energy. In the case of conventional energy sources, primary energy is the total amount of fossil energy used – including possible losses during extraction, transport and processing of the energy source. When heating with renewable energies, the primary energy value is usually better than the final energy value. Different heating systems also provide different primary energy demand values – regardless of the heating demand of the building. Since the certificate has provided the necessary comparative data, the energy value has increasingly become an important feature for assessing the value of a property – in addition to classic criteria such as location, size and year of construction.

### Stranding risks

The stranding risk is based on the chance of defaulting on a particular property because of its non-compliance with time-related, use-specific benchmarks as derived from the Paris Agreement on Climate Change.

The relevant parameter for the assessment of the property within the framework of the climate protection roadmap are the emissions of CO<sub>2</sub> equivalents in kg or simplified. The goal is to reduce the CO<sub>2</sub> emissions of the building to almost zero in terms of the balance sheet and thus to realise climate-neutral operation for the building.

With regard to the energy efficiency of the building, the final energy consumption (kWh) is also used for evaluation.

Based on the overarching objectives of the Paris Climate Agreement, benchmarks can be derived for different building typologies and locations with regard to the relevant parameters (for more information, see [Carbon Risk Real Estate Monitor](#)).



# Governance

## 01 | Risk management and sustainability

Catella was one of the first investment managers to drive residential's emergence as a major cross-border asset class, and our geographic spread and the diversity of our portfolios are unmatched in Europe. We invest in both existing and emerging segments of the residential market including apartments, student and senior housing, serviced apartments, and new forms of micro living.

Environmental, Social and Governance (ESG) policy is embedded in our assessment of risks and of new opportunities in real estate investment and management. The expertise and skills of the people in our organisation are key to helping us achieve our objectives.

**The Catella Risk Management Process consists of several phases covering the five following aspects:**



Risk diversification through low correlation of individual markets and different housing market segments provide additional stability. Pan-European investments in residential real estate have high diversification potential that other asset classes cannot offer to this extent. Due to the local character of residential real estate, there is little correlation between the individual regional, national and international markets. One side, the risk diversification of our products is achieved through the purchase of individual properties in various markets. Additionally, to identify sustainability risk relevant to the assets Catella has integrated tools as CRREM, climate risk tools, evaluation of energy efficiency. Moreover, through benchmarking further evaluations and reports are made to evaluate the performance such as Taskforce on Climate-related Financial Disclosure Report and GRESB SFDR. The monitoring of the risks is summarised in an impact dashboard.

The sustainability risk management process includes and monitors relevant regulatory requirements such as:

- Principal of Adverse Impact
- Sustainability Risks: Transition and physical Risks (Climate Risks)
- EU Taxonomy: climate mitigation compliance check



## 02 | IT Strategy

The IT strategy, first implemented in 2020, and further developed since then is designed to guarantee maximum availability of the supported workflows, high-performance processing systems and the highest possible security and integrity of all data. It is based on the three pillars of:

- Business Continuity
- Strong cooperative Workspace for office and remote working
- Protected environment

Our strategy specifically supports CRIM in becoming a smart and sustainable business. The IT strategy paves the way for this with the aim of mitigating risks, enabling compliance with legal and internal regulations, and aligning people, processes, and technologies to protect business workflows and data. The organisation advocates and promotes a culture where security is paramount. In doing so, we aim to make security and data protection an integral part of our development and implementation processes.

IT securely delivers business solutions and enables optimal security of our enterprise-wide operations. To protect the company's data and resources, IT regularly reviews and adapts security policies,

security standards and the security framework. An external data center, redundant data lines and a high-performance wireless network with corresponding sensor technology are building blocks of the IT infrastructure. To enable secure collaborative working from anywhere, a central identity platform and contactless IT on/offboarding are provided. As part of mandatory interactive online training courses, employees acquire the necessary knowledge in the area of data protection and cyber security. In addition to technical and professional competencies, soft skills are also taught in order to be able to recognize possible attacks and fraud.

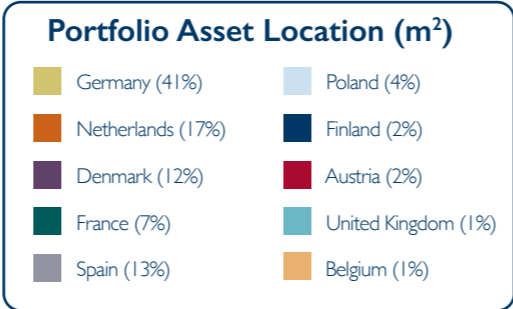
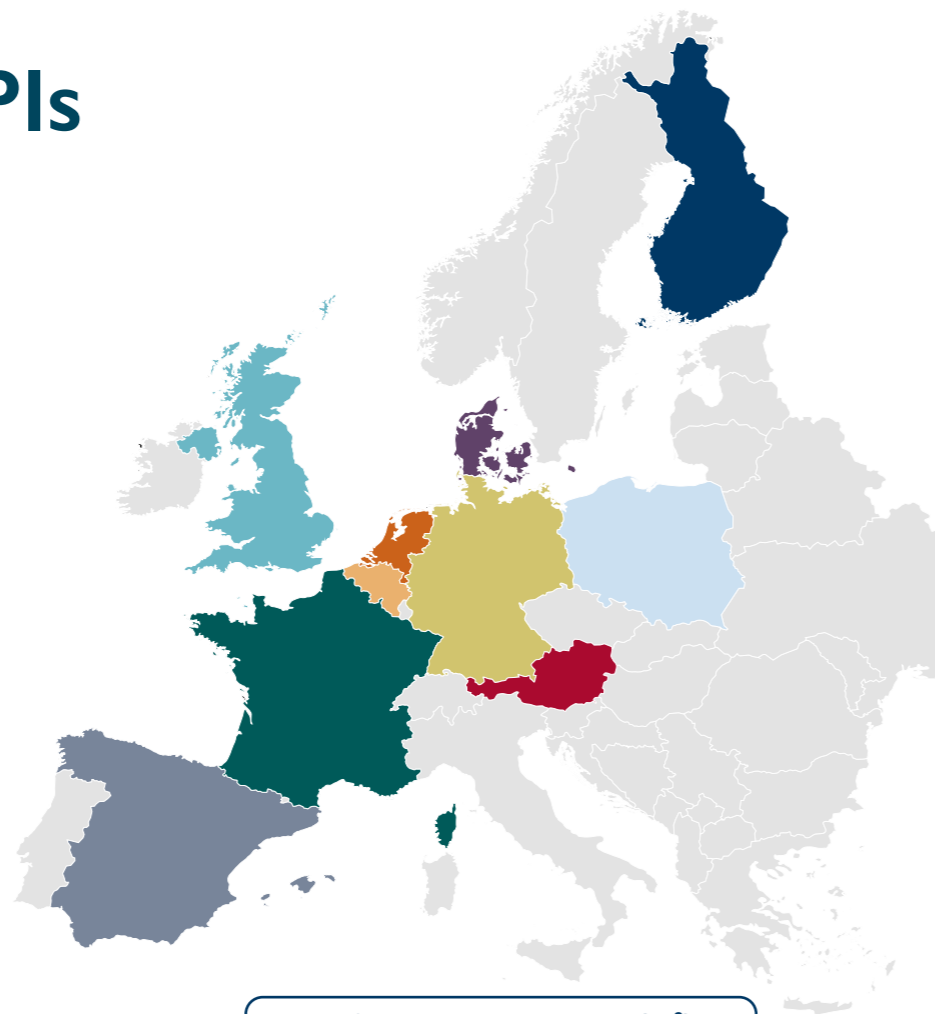
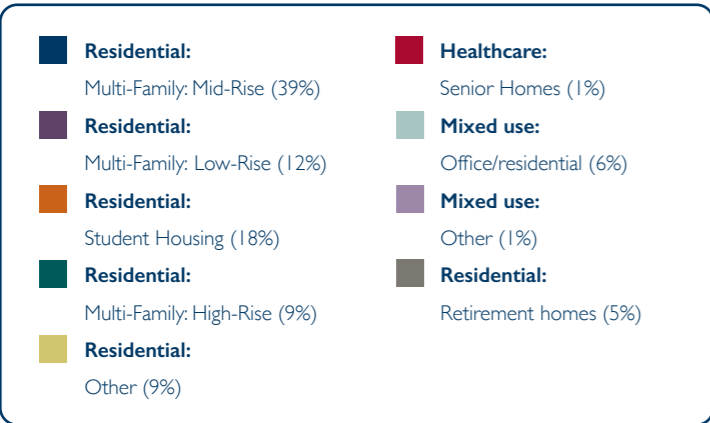
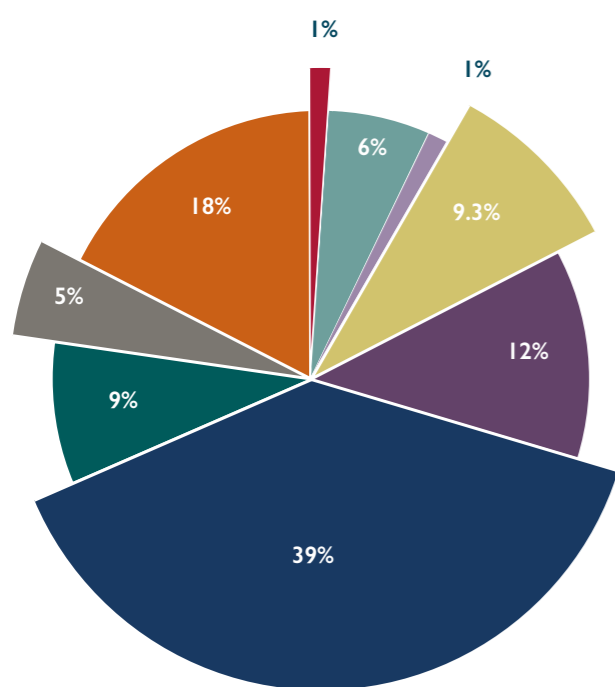
In 2022, there were no reportable data protection breaches in accordance with the EU Data Protection Regulation for data processed by the company for its own purposes.

A desk and conference booking system allows staff to book workstations and meeting rooms with ease, not only at the main office in Berlin, but also at the Vienna site. Futureproofed and attractive workplaces with state-of-the-art hardware ensure high employee satisfaction with personal and office equipment.



# Environmental KPIs

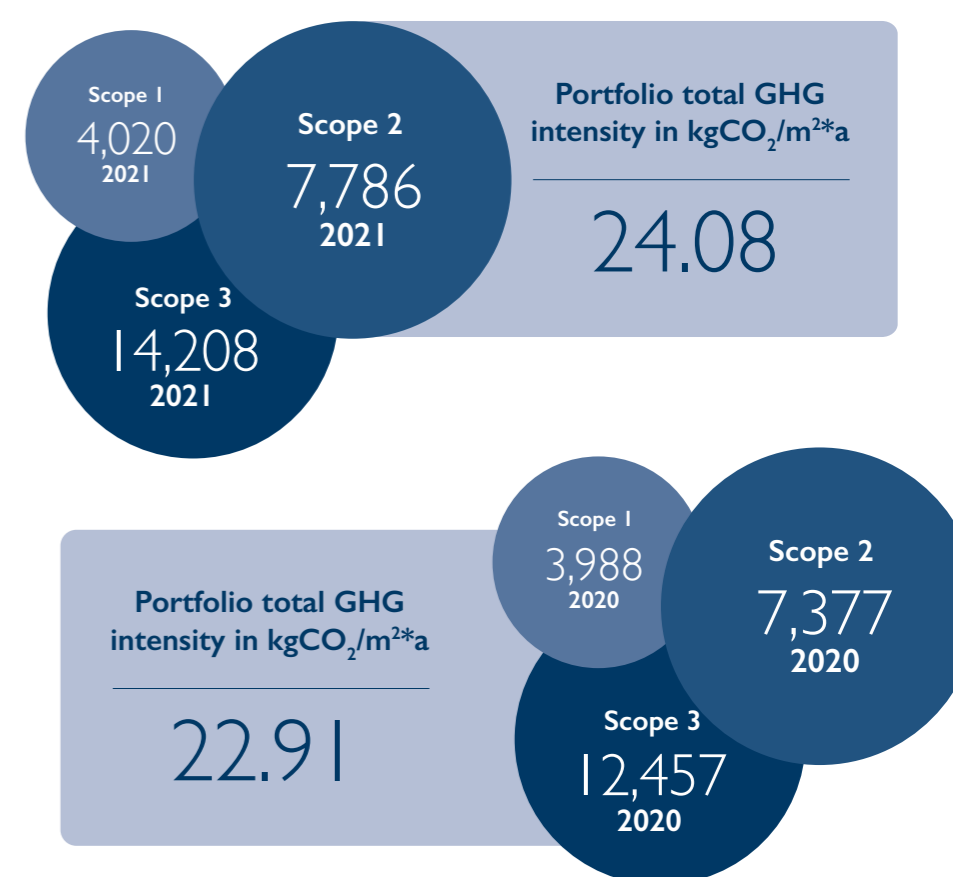
Portfolio asset type area (m<sup>2</sup>)



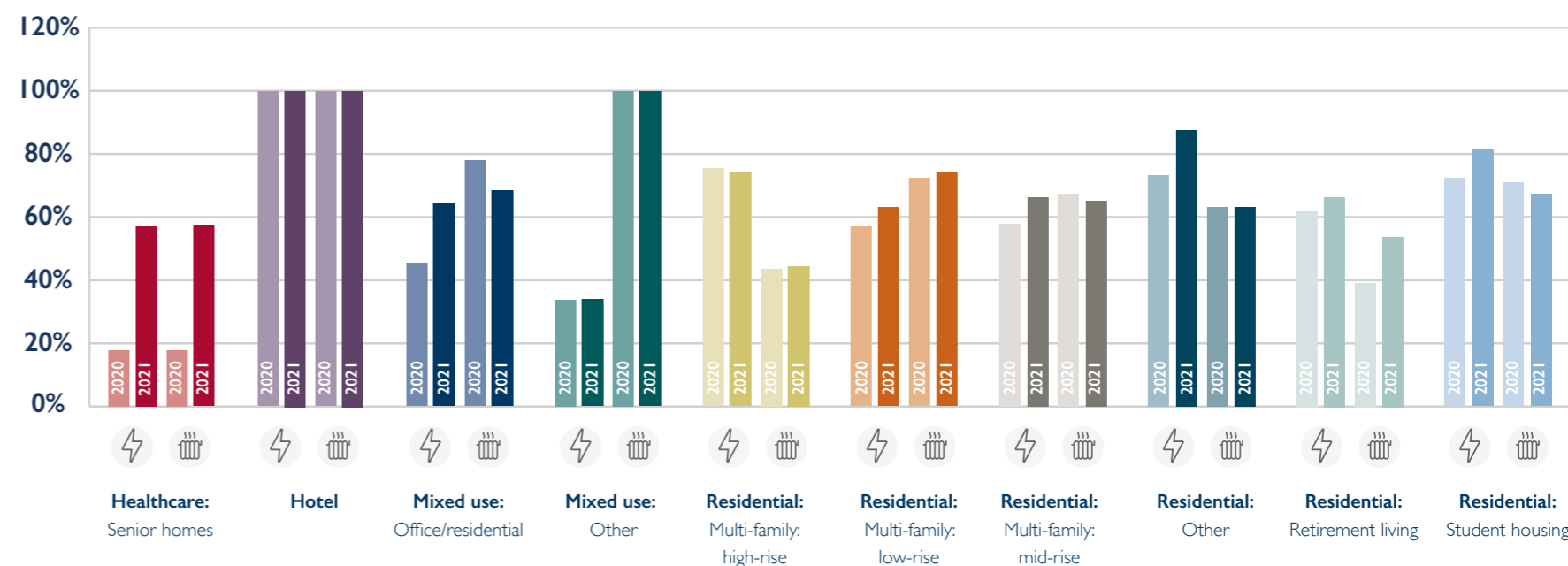
## The scopes of a carbon footprint in real estate

- Scope 1**  
Direct emissions caused by the heating systems (oil & gas) in our assets.
- Scope 2**  
Indirect emissions caused by the heat generation of district heating or cooling and by the electricity generation for all areas controlled by CRIM as landlord.
- Scope 3**  
Indirect emissions within the responsibility of our tenants. For example the emissions associated with the electricity generation for the plug-loads in the tenant areas.

## Portfolio total GHG footprint in tons



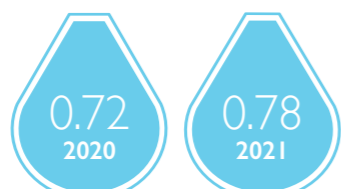
## Available electricity and heating data by sector 20/21



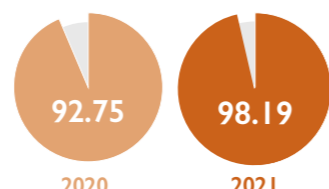
Portfolio total waste intensity in kg/m<sup>2</sup> per year



Portfolio total water intensity in m<sup>3</sup>/m<sup>2</sup> per year



Portfolio energy intensity in kWh/m<sup>2</sup> per year





# What's next?

## 01 | Organisation

- Continue ESG training for employees and partners
- Integrate and improve our ESG inter-disciplinary team and departmental collaboration
- Improve ESG disclosure on the website
- Improve ESG reporting through integration of standards and ESG software integration
- Continue to implement employee health and wellbeing programme
- Continue to develop our environmental management programme
- Continue to develop our supply chain engagement programme
- Develop diversity, equity and inclusion goals
- Expand ESG performance targets program to all departments
- Start to offer preventive health courses and workshops, exercise classes and resilience training

## 02 | Entities (Fund management)

- Evaluate improvement opportunities, especially with respect to resource efficiency
- Implement tenant satisfaction survey
- Consider further ESG-specific guidance and tenant satisfaction program (e.g., Tenant Sustainability Guide including fit-out) and workshops with tenants
- Conduct further energy audits and decarbonisation studies to achieve the Fund's objectives

## 03 | Assets (Asset Management)

- Increase data coverage for energy, water, waste, and EPCs
- Integrate and continue with implementation of ESG measures in the LTMP
- Evaluate improvement opportunities, especially with respect to resource efficiency
- Continue ESG training for partners

## ESG Trends 2023



Short-term impact of geopolitics and the energy crisis could delay the move towards and interest in climate and nature conservation.

More regulation and disclosure related with the goal of climate neutrality by 2050 (EU Green Deal)

CO<sub>2</sub> pricing will become more important.

Disclosure and risk management in the field biodiversity. The Taskforce on Nature-Related Financial Disclosures (TNFD) framework to be published in September.



Further development of the EU Taxonomy with a focus on environmental and social criteria.

Green finance is gaining ground outside the EU's definition.

Increasing importance of Sustainability Reporting. Currently under discussion is the EU Corporate Sustainability Due Diligence Directive (CSDDD).



More transparency in supply chain management. Currently under discussion is the Environmental and Human Rights Due Diligence (in addition to the CSDDD).

Mitigation and adaptation to climate change (resilience, physical and transformational risks) in the industry, with the Taskforce on Climate-Related Financial Disclosures' (TCFD) "Climate Standard Prototype".

A focus on diversity, equity and inclusion (DEI) and promotion of employee satisfaction, productivity and retention.



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