

Responsible Investment Report 2020

Our Road to Net Zero Carbon



Table of contents



03 Message from our CEO



06 Highlights 2020



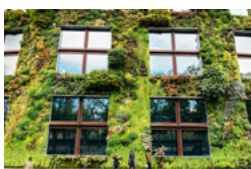
07 KPIs and results 2020



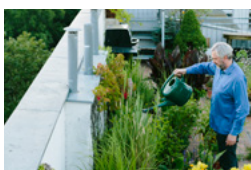
08 Business activities



15 Responsible investing



23 Our roadmap to 2040



30 Our sustainable platform



39 Beyond our portfolio



42 Annex



Message from the CEO

Dear reader,

I am pleased to introduce our 2020 Responsible Investment Report. 2020 was an extraordinary year. It will go into the history books as the year in which the COVID-19 pandemic turned into a worldwide health crisis. It also cascaded into an economic nightmare that required a lot of us all in terms of flexibility, adaptability and persistence.

The well-being of all stakeholders

Redevco is an employer, an investment manager and a landlord to many retailers. Our priority has therefore been to safeguard the health and well-being of our employees, investor clients and tenants. The crisis has made very clear what partnership is all about and I would like to emphasise three things.

First, my Redevco colleagues have made me very proud. We have demonstrated that our team approach makes us perfectly capable of working remotely to run our business smoothly and deliver quality services to the best of our ability.

Second, I am extremely grateful to our investor clients and our shareholders for their continued support, trust, and valued partnership. This is particularly welcome as our primary concern during this crisis is to help our retail tenants navigate through this storm.

And third, it hurts to see many of our tenants severely impacted by this pandemic as their shops were and partially are still closed and their businesses are suffering. We have and will continue to work together with our tenants to find balanced solutions to overcome this crisis.

The one positive aspect of this pandemic is its effect on our environment. With so many of us homebound and restricted from travelling, our planet has been given some time to take a breather. My hope is that we will use this opportunity to collectively make lasting change to the well-being of our planet and its people.

The world around us is changing – and so are we

The COVID-19 pandemic is accelerating change across many aspects of society, business and cities. Redevco has always had a focus on cities and the creation of vibrant locations where people can live, work, shop and play. Now, our cities are being transformed at their core, as they become increasingly digital and more sustainable. This is underpinned by people's changing needs, habits and priorities, as well as shifting demographics. The pandemic is accelerating this transformation further, as it impacts every aspect of people's lives in urban spaces. Our vision is for cities to contribute positively to the health and well-being of everyone. And we strongly believe that we can help cities become more positive environments for citizens and visitors alike.

Although the pandemic took us all by surprise, we anticipated many of these changes a few years back, and decided to diversify beyond retail. One major activity in this context is to repurpose the assets in our existing retail portfolios and transform them into mixed-use locations. A great example is our Le 31 asset in Lille, France. This 25,000 m² large-scale redevelopment project offers a mix of leisure and entertainment activities, street food, streetwear, a hotel, co-working spaces and parking facilities. We have carefully curated our Le 31 offer to create an iconic 'Next Gen' mixed-use scheme that goes beyond a traditional commercial area, with the intent to create and build a solid and sustainable community.

“My hope is that we will use this opportunity to collectively make lasting change to the well-being of our planet and its people.”



Andrew Vaughan
CEO Redevco

In addition to re-purposing existing assets, we plan to grow and diversify into other real estate sectors within the urban environment. After successful residential acquisitions, we are now further extending our scope to urban logistics and exploring alternative real estate. This context of growth and diversification means that partnerships will play an increasingly central role. These partnerships include our existing clients, as well as new ones as we increase the number of separate accounts and create new joint ventures and other vehicles. As a third option, we are also considering the acquisition of platforms that fit our strategy.

Net Zero Carbon for sustainable cities

It is our task to contribute to a more sustainable future for cities. That is why our growth and diversification plans include making our entire portfolio Net Zero Carbon by 2040. This means that Environmental, Social and Governance (ESG) considerations will progressively be key to our specialist investment strategies. In fact, we have put a Redevco ESG Policy in place to frame our sustainability approach in internationally-recognised terminology, and to provide transparency to all our stakeholders. This overarching framework clearly states how we want to work as an investment manager and how we wish to interact with our stakeholders.

We have also joined forces with our shareholder COFRA Holding to initiate Project Solar: a large-scale, renewable energy project that will provide clean, on-site energy generation by installing solar panels on the roofs and car parks of the retail park assets that we manage in Belgium.

At the same time, we took another step in the roadmap to reaching our Mission 2040 ambition – to know where we stand today in terms of our assets' energy consumption and emissions. To do this we partnered with Fabriq, a platform that allows us to capture and analyse energy and other environmental data across all our assets. This will help us formulate the next steps and track progress on our joint efforts with our tenants to reduce overall energy consumption and emissions.

Redevelopments provide perfect opportunities to future-proof our assets. We are happy that – despite COVID-19 – we have managed to successfully conclude a variety of projects in this area. These include an ‘Excellent’ BREEAM In-Use rating for our C&A flagship store in the heart of Zurich, and the first phase of a major refurbishment of Parque Corredor Shopping Centre in Madrid with the goal of receiving an ‘Excellent’ BREEAM In-Use rating once the second phase is concluded.

Employees play a key role

The health and well-being of our employees have always been important. In times like these, as we all work across dispersed locations for months on end, we need to be especially vigilant. Therefore, we have created a health and well-being vision to structure our thoughts on this important topic. This vision enables us to clearly communicate Redevo's views and actions. In this context, we updated our working from home policy, organised events to maintain mental and physical health, and renewed our training platform to make learning opportunities readily available to all.

Our colleagues are strongly committed to making a difference to the world we live in. Of course, volunteering in COVID-19 times has been challenging, but the Redevo Foundation continues to facilitate our employees' engagement with supporting local community projects and charitable initiatives across the globe. In the past year, Redevo Foundation disbursed employee-proposed grants for a total of €1.2 mln to over 50 initiatives.

A challenging and rewarding time

The past year has proven to be testing. It demanded that we change our ways quickly and adapt all of our routines overnight. However, we are optimistic about our future and that of society at large. We should use this situation to ‘reset’ our approach – to structurally change behaviour that negatively influences the well-being of people and the planet. At the same time, now is a good time to reinforce practices that will lead to better places to enjoy life in a healthy, safe and vibrant way.

I want to thank my Redevo colleagues for their perseverance and hard work during the unprecedented 2020 business year. And on behalf of all of them, I invite you, our stakeholders, to be partners on our journey to realise our vision for the cities of the future.

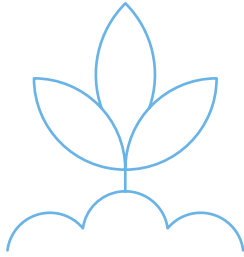
Andrew Vaughan
CEO Redevo



Highlights 2020

ESG

Adoption of a Redevco ESG Policy



[Read more about our ESG policy ↗](#)

Our road to Net Zero Carbon



Partnership with Fabriq to measure and disclose energy consumption and carbon emissions in the future



Project Solar, an on-site renewable energy generation project in Belgium



Redevelopment of the C&A store at the 18 Septemberplein in Eindhoven, The Netherlands



Kick-off Hamburg: transformation of an Inner-city retail property

Health & well-being

Launch of a Health & Well-being vision



BREEAM methodology

Assets under Management
BREEAM In-Use "Very Good" or higher

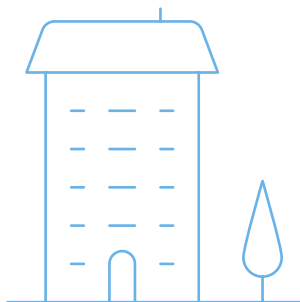
52%

Number of assets with an improved
BREEAM rating

27

Acquisitions

Dieterich Karree, Dusseldorf, Germany



[Read more about Dieterich Karree project ↗](#)

People & Culture

Our existing ethos was formalised in a
Diversity & Inclusion Policy



Employee engagement while working
from home continued to be strong

89%

Mixed-use

The creation of an iconic "Next Gen"
mixed-use scheme Le 31 in Lille, France



Redevelopments

First phase of the redevelopment of
Parque Corredor in Madrid, Spain,
has finished



"Excellent" BREEAM In-Use rating for
our C&A building in the heart of Zurich,
Switzerland



Community & Giving

Donated to charity

€1.2 mln



Targets & KPIs 2020

Results 2019 Target 2020 Results 2020



Environmental

Emissions

The impact Redevco has on climate change and biodiversity through the emissions from its own operations and the use of its assets under management.



Working towards a Net Zero Carbon portfolio by 2040

KPI: Ensure reliable reporting on energy intensity and carbon emissions

implement online energy data management system

implementation completed

Reduce (gross) CO₂ emissions of our business operations

KPI: kgCO₂ emissions per employee (headcount)

3,074

2,700

✓ 1,196



Climate-resilient portfolio

The impact Redevco has on the adaptability of its portfolio against the potential effects of climate change through its new investments and design concepts.

Improve environmental performance of assets under management

KPI: Number of improved BREEAM In-Use ratings

35

26

✓ 27

Social

Employer of choice

The impact Redevco has on employee engagement and retention by implementing good working conditions (including health, safety and well-being).

Improve engagement and enablement of our employees

KPI: Average engagement index score from Redevco Pulse

86%

85%
(annually)

✓ 89%

Employee development

The impact Redevco has on employee engagement, retention and their employability by offering employees personal and professional development opportunities.

Professional development of our employees

KPI: % of employees participating in training courses or development programmes

85%

75%
(annually)

✓ 87%

Get the best out of our people by giving clear feedback and guidance on performance

KPI: % of employees having received regular performance feedback

99%

90%
(annually)

✓ 95%



Governance

Encouraging responsible investment

The impact Redevco has on its investors through advocating its responsible investment philosophy and offering responsible investment products.

Reduce environmental risk and deliver sustainable risk-adjusted returns to clients

KPI: % of investment value allocated to BREEAM In-Use Very Good or better

45%

50%
(in 2022)

✓ 52%

Responsible governance

The impact Redevco has on its business continuity and stakeholders' trust by applying responsible governance (business ethics, integrity, regulatory compliance, etc.)

Maintain a high business integrity awareness

KPI: % of staff who signed BIP

100%

100%
(annually)

✓ 100%
(annually)

Comply with BIP, regulations and legislation

KPI: Total number of incidents, breaches and sanctions as a result of non-compliance

3

0
(annually)

✓ 0
(annually)



Business activities

- 09 Company profile
- 11 Overview of offices
- 12 Responsible governance
- 14 Case study: Adoption of the Redevco ESG Policy

Company profile

Redevco, part of COFRA Holding AG, is a pan-European real estate investment management company with a clear focus on vibrant locations across Europe.



As a partner in urban real estate, we invest in properties with a view to developing future-proof buildings in dynamic urban locations. Our aim is to contribute to making urban centres more interesting places in which to live, work and play, by providing the best possible estates that will meet the needs of the different occupier groups while delivering attractive returns to our investor clients. We currently manage a portfolio of 280 assets across 12 countries (year-end 2019: 297). These properties comprise 2.4 million m² of space, represent more than 1,900 tenancies, and are worth €6.7 billion (year-end 2019: €7.4 billion). Our total portfolio value shows a decrease at the end of 2020 due to the impact of COVID-19: the forced closure of many of our retail tenants' shops across Europe for numerous months in 2020 had an impact on rental income. At the same time, the negative investment sentiment around retail real estate has put downward pressure on the valuation of properties. This has resulted in a drop in total portfolio value.

What we do

Our team of 197 professionals provides clients with a full range of real estate investment management services, including strategy creation, acquisitions, rent and lease management, maintenance and development and divestments. We create value by finding and effectively managing the best properties in the most attractive urban

locations. We use our thorough understanding of the real estate sector as well as research into the most attractive urban locations to build solid investment strategies for our investor clients and customers. In 2020 we announced our ambition to grow and diversify into other real estate asset classes in urban environments that are best suited to delivering lasting value. We are now harnessing our retail real estate experience to create vibrant and future-proof destinations in the urban realm.

Redevco Board as of October 2019

Andrew Vaughan
Chief Executive Officer (CEO)

Manolito van Ardenne
Chief Financial Officer (CFO)

Ton van de Grampel
Chief Human Resources Officer (CHRO)

How we do it

Our business is built on three pillars. First, we have deep-rooted local capabilities that allow our country teams to buy, develop, let and manage properties that are ideally suited to the needs of our tenants. Second, we design and manage our specialist fund strategies to anticipate and respond to constantly-changing occupier markets, which helps us focus on locations with the most relevant, sustainable and inspiring real estate. For our investors, this approach translates into solid returns. Third, Redevco's scale and international footprint enable us to leverage the collective knowledge of our local, country-based, fund management and specialist teams.

Our mission and beliefs

Redevco's mission is to be your trusted partner in urban real estate. Cities being our main investment locations where our purpose is to help them become healthy and vibrant living environments. We use our knowledge and expertise to:

- Improve sustainability and reduce the environmental impact of our portfolio, accelerated by signature projects that enable us to learn by doing.
- Reduce the housing shortage in major cities by investing in affordable and sustainable residential units.
- Restore and maintain historic buildings that contribute towards preserving urban heritage.
- Create vibrant, mixed-use locations that also foster activities within the cultural, educational, charitable and community sphere.
- Create alternative business models and additional revenue streams by using technological innovation to drive performance, sustainability and the user experience.

How we govern

On January 1, 2021, we adopted a new organisational structure to drive our growth and diversification strategy. In this context the aim is to increase speed, agility and focus as a platform, while maintaining Redevco's strengths in local markets through our pan-European network of expert investment and asset management teams on the ground.

Redevco's Board has therefore delegated day-to-day management into five global functions (see figure 1.5). These global functions help to integrate decision-making and ensure accountability for Client & Fund Management as well as our operations as an investment manager. Each function focuses on a particular part of the business as it prepares and implements Board and Management Team decisions in its respective area of expertise.

The Management Team consists of the Redevco Board, the Co-Heads of Client & Fund Management and the Head of Global Transactions. The Management Team reaches decisions collectively so that they can be properly and speedily implemented across all of Redevco's activities.

Our committees

The Investment Committee, chaired by our CEO, makes all investment and divestment decisions. Its members include the CFO and the Head of Global Transactions, the Managing Directors of Transaction Management and the Managing Directors of Fund Management.

The purpose of the Information Security Committee (ISC) is to advise the Management Board in fulfilling its oversight responsibilities with regard to Redevco's information security programmes and risks. The ISC consists of the CFO, General Counsel, the Head of Governance, Risk and Compliance, the Head of Information Technology and the Manager IT Infrastructure & Support.

Figure 1.4. Governance structure

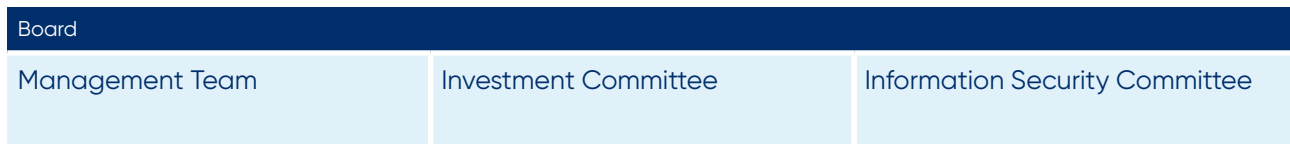








Figure 1.5. New organisation structure with the global functions









Overview of offices







Amsterdam

-  57 employees **
-  €0.426 bln. portfolio value
-  39 AuM
-  64% of total value BREEAM certified
-  86 leases
-  0.09 mln. total lease area (m²)







Brussels

-  35 employees
-  €1.616 bln. portfolio value
-  91 AuM
-  86% of total value BREEAM certified
-  793 leases
-  1.25 mln. total lease area (m²)







Düsseldorf

-  34 employees
-  €1.272 bln. portfolio value
-  44 AuM
-  87% of total value BREEAM certified
-  222 leases
-  0.43 mln. total lease area (m²)







London

-  20 employees
-  €0.616 bln. portfolio value
-  27 AuM
-  85% of total value BREEAM certified
-  262 leases
-  0.13 mln. total lease area (m²)







Madrid

-  21 employees
-  €0.814 bln. portfolio value
-  29 AuM
-  59% of total value BREEAM certified
-  236 leases
-  0.18 mln. total lease area (m²)

Paris

-  27 employees
-  €1.399 bln. portfolio value
-  35 AuM
-  93% of total value BREEAM certified
-  228 leases
-  0.16 mln. total lease area (m²)

Zürich

-  3 employees
-  €0.621 bln. portfolio value
-  15 AuM
-  92% of total value BREEAM certified
-  107 leases
-  0.10 mln. total lease area (m²)

* on February 28th, 2021

** Redevco Netherlands and Redevco Corporate Services

Figure 1.1. Portfolio development (on February 28th, 2021)

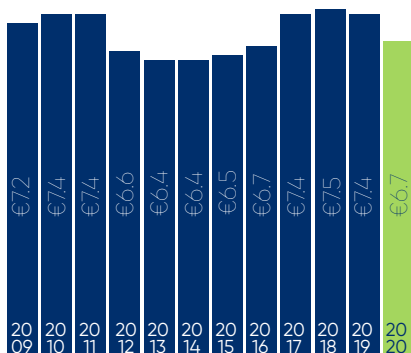


Figure 1.2. Geographical spread in value (on February 28th, 2021)

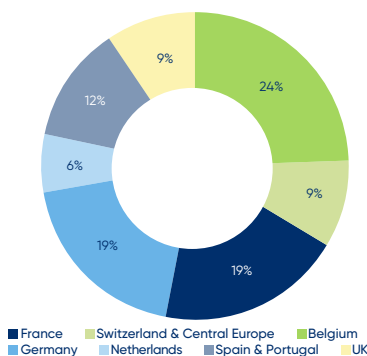
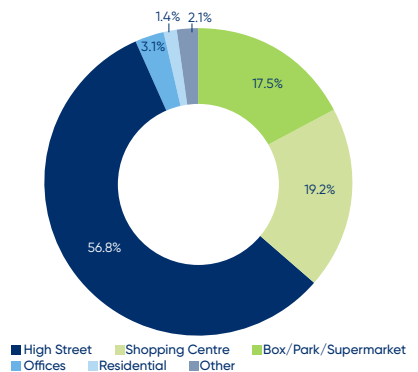


Figure 1.3. Sector spread per asset class (on February 28th, 2021)



Responsible governance

Our 'Business in Balance' motto guides how we do business: we aim to strike the right balance between social impact, eco-friendliness and profitability. We use a responsible governance approach to achieve this, focused on business ethics, integrity, environmental performance, compliance and clear accountabilities. This ensures business continuity and stakeholder trust.



Photo: Dieterich Karree in Dusseldorf, Germany

Redevco's responsible governance approach is also embedded in our company's values – Integrity, Excellence, Balance and Team Spirit. These values determine how we work and interact with one another (people), how we ensure sustainability (planet) and how we conduct business (profit). Commitment to these values is considered fundamental and helps us achieve our mission of being 'your trusted partner in urban real estate'. The values also determine how we:

- Do business fairly and honestly at all times and in all matters – Integrity
- Strive to always improve our work by finding better and more efficient solutions – Excellence
- Think and act as a partner to our stakeholders to ensure continuity – Balance
- Share knowledge and exchange ideas across the group to enable us to act as one – Team Spirit

Maintaining standards

We maintain Redevco's high standards by organising annual workshops for all employees to discuss our values and any dilemmas we face when applying these values in our day-to-day work. As was the case for all companies in 2020, COVID-19 restrictions meant that these workshops moved from face-to-face gatherings to online sessions for all staff. Once staff members received their training, they were requested to sign a document stating that they adhere to the [Business Integrity Principles](#) derived from our values. New employees participated in an onboarding programme that clearly explains our values and business integrity principles.

In 2020, 100% of employees signed this commitment (100% in 2019). 93% participated in this year's online integrity workshops (81% in 2019).

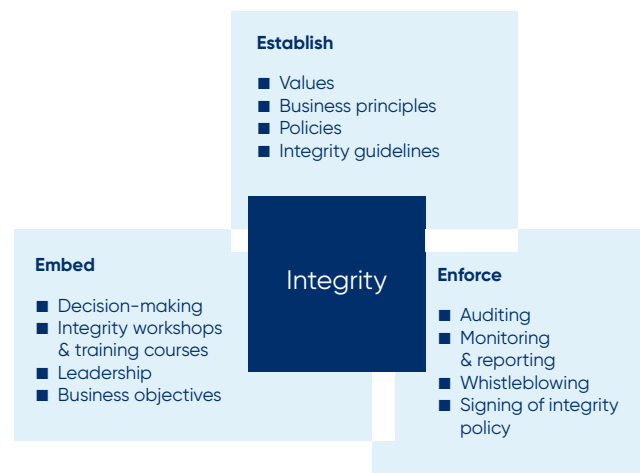


Figure 1.6. Elements of Redevco's integrity principles

In addition, Redevco adopted an [ESG Policy](#) in 2020 to ensure that we incorporate environmental, social and governance topics into our company's investment and management processes. Read more about the Redevco ESG Policy in the case study on page 14.

Building on our opinion that we also have a role to advocate for responsible business practices in our supply chain, we adopted a [Supplier Code of Conduct](#) this past year. This expresses our approach to business on E, S and G matters and encourages our supply chain partners who work on our behalf to live up to minimum standards. Coupled with our existing Know Your Customer (KYC) Policy, we encourage our teams to engage with responsible partners and to collaborate to drive forward collective ESG ambitions.

We also adopted a Diversity & Inclusion Policy in 2020 to formalise and strengthen our existing ethos to maintain a workplace in which everyone feels welcome, included and respected, with our teams comprising people of all race, gender, age, religion, identity and experience. You can find more information about these activities in our [Business Integrity Principles](#), our [ESG Policy](#) and our [D&I Policy](#), all of which are available on our website. Our Governance, Risk & Compliance (GRC) framework provides a coherent and integrated structure to our day-to-day work through guidance, risk management and controls. The framework supports a corporate culture in which behaviour and decision-making are aligned across all levels. It outlines 'the way we work' principles, demonstrating our commitment to conducting business in a manner that respects the interests of our stakeholders, fair competition, data privacy and applicable law.

This framework is essential to achieving Redevco's mission and ensuring responsible governance. The practical applications of the framework are detailed below.

Reporting violations

Redevco's Business Integrity Principles and Whistleblowing Policy encourage employees to seek advice and report concerns about potential incidents of bribery, fraud, misconduct or other violations of our values and business integrity principles.

The Whistleblowing Policy is explained during the annual integrity training to ensure that all employees know the reporting procedure. No cases were reported under this policy in 2020.

[Read more about our Whistleblowing Policy on our website ↗](#)



Figure 1.7. GRC Framework

“We are committed to maintaining and strengthening a company culture of integrity, eco-friendliness, respect and compliance.”



Albert Weenink
Head of Governance, Risk & Compliance

	Target 2020	Results 2020	New target
Maintain a high business integrity awareness KPI: % of employees who signed BIP	100%	100%	100%
Comply with business integrity principles KPI: Total number of incidents, breaches and sanctions as a result of non-compliance	0 (annually)	0 (annually)	0 (annually)

Framework's architecture	Practical application			
Integrity: The way we work	The core values, business principles and integrity guidelines that underpin and establish boundaries for conducting business	Guidance on 'the way we work'	Interactive workshops to discuss dilemmas	Obtain commitment for adherence to integrity principles
Decision Matrix (DDO)	Governance structure with clear mandates and roles & responsibilities	Appoint accountability	Ensure efficiency in decision-making	Basis for job profiles, system access & roles
Risk & Control	Prevent or mitigate material surprises which could affect the business objectives being achieved	Strategic risks workshops, risk dashboards and follow-up	Risk-based controls	Insurance
Risk-Based Policies (RBP)	Clear process flows, procedures and policies for material management processes	Efficient and adequate processes	Uniform policy house	Link to the decision Matrix (DDO)
Compliance & laws	Compliance with laws & regulations and the GRC framework	GDPR compliance	Whistleblowing Policy	Business reviews

Figure 1.8. Putting the framework into practice

Adoption of the Redevco ESG Policy

In today's ever increasingly transparent investment world, businesses are called to lead the way on major – even global – topics that potentially have huge economic, societal and environmental consequences. We want to do what we can in the portfolios we manage, as well as actively contribute to changing the real estate investment and management sector to become low carbon, circular and resource-efficient in the context of internationally accepted goals such as the UN Sustainable Development Goals (SDGs) and the targets set out in the Paris Agreement of 2015.

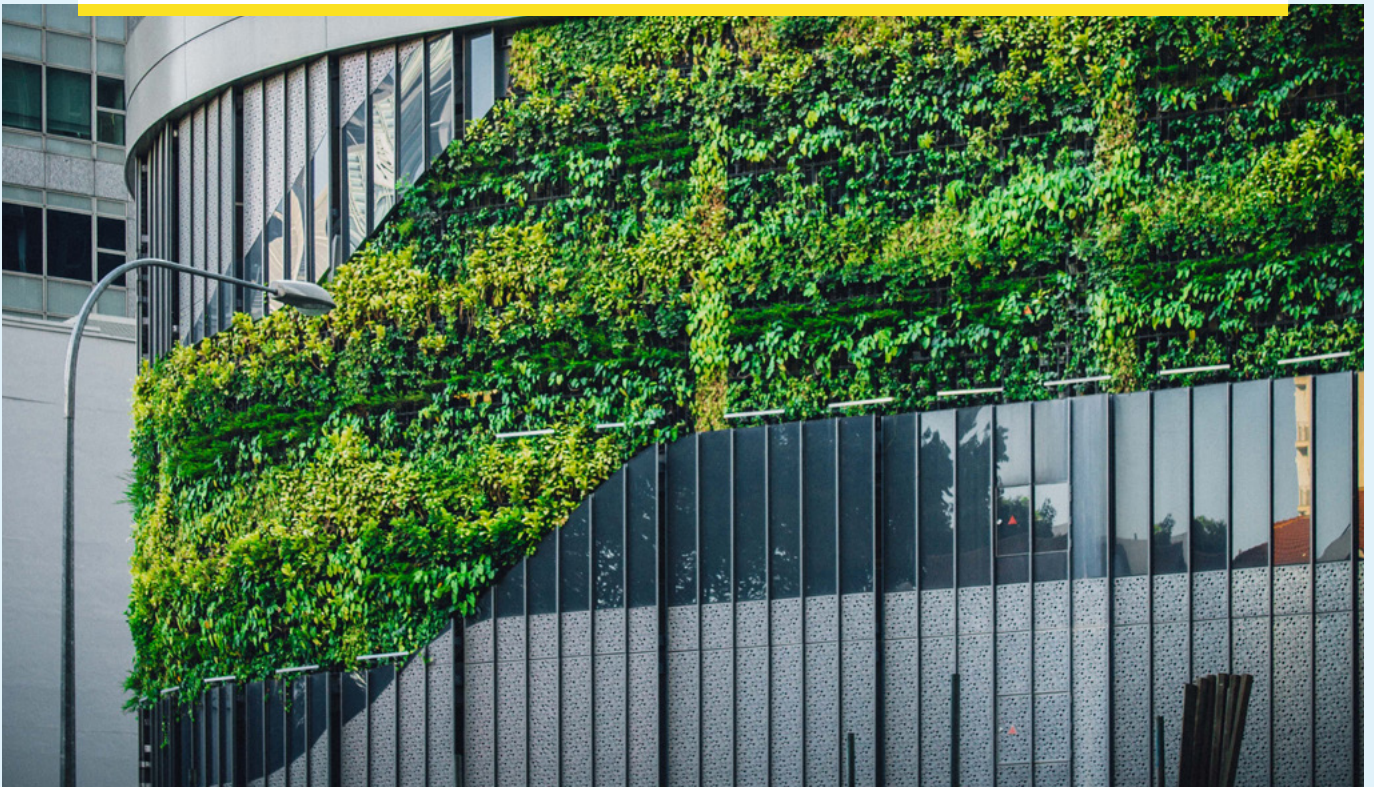
We adopted a Redevco ESG policy in 2020 to frame our approach to sustainability in internationally recognised terminology and to enable transparency for all our stakeholders.

The ESG policy is set-up as our overarching framework coupled with several specific underlying policies. Furthermore, this ESG Policy is embedded in Redevco's overall governance, risk and compliance framework. All policies are interconnected and shape how we want to work as an investment manager and how we wish to interact with our stakeholders: our investor clients, our tenants, our service providers and suppliers, as well as our employees and our shareholders.

The policy's topics concern:

- Our response to environmental issues such as climate change, resource depletions, waste, and pollution.
- Our care for people, workers, and local communities, including health and safety issues.
- How we run our business, from corporate policies and decision-making processes to compliance and our stance on issues such as corruption, diversity & inclusion, and remuneration.

[Read more about our ESG Policy on our Sustainability Platform ↗](#)





Responsible investing

- 16 Stakeholder engagement and materiality
- 18 Mission 2040: investing responsibly in a global context
- 20 Investment for a sustainable future
- 22 Case study: Le 31 in Lille, France

Stakeholder engagement and materiality

Redevco recognises the importance and value of proactively seeking feedback from – and running materiality assessments with – a wide range of stakeholders. These include shareholders, client investors, tenants, suppliers and employees.



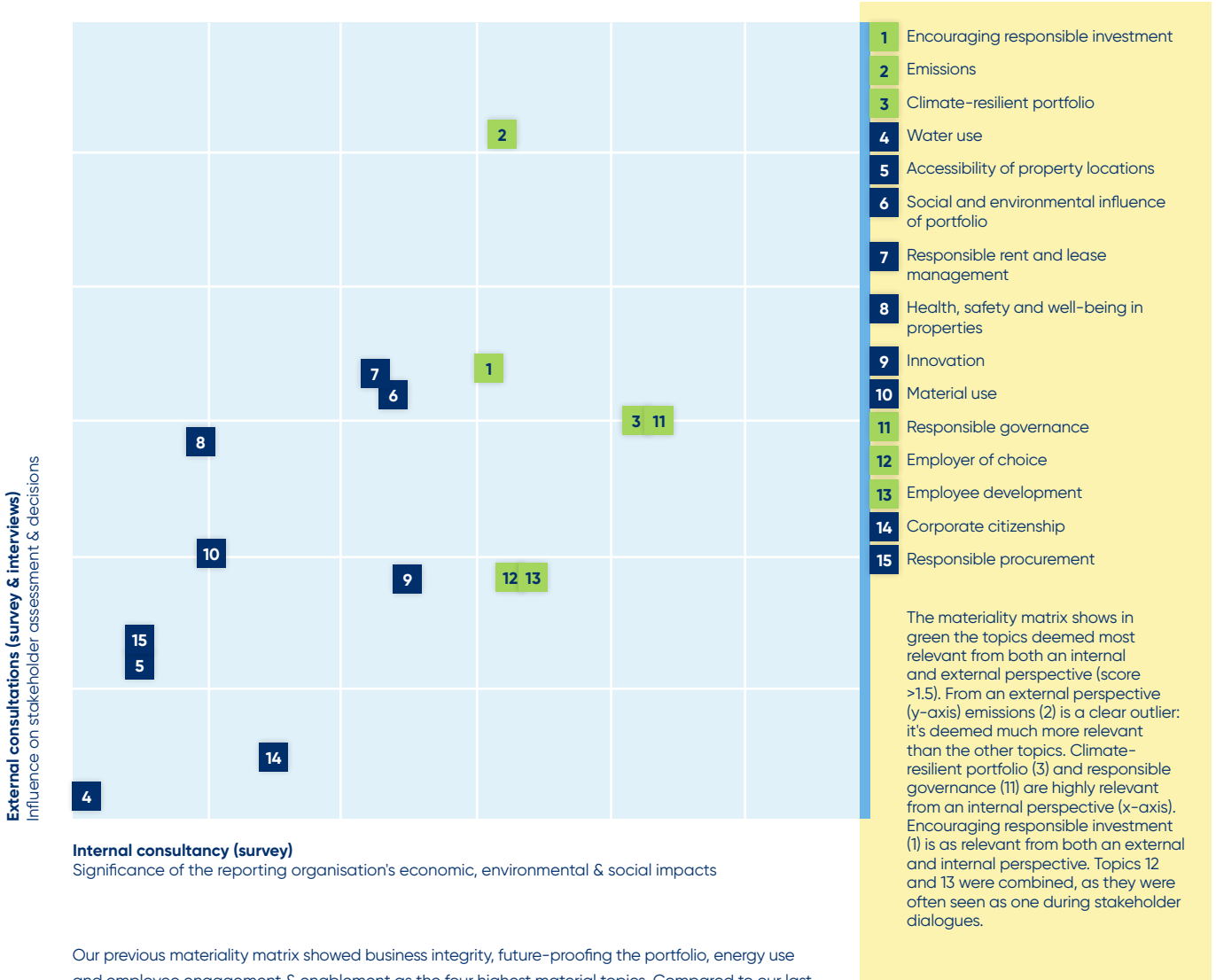
Photo: Hanningtons Lane in Brighton, UK

In line with GRI guidelines, we update our materiality matrix every two years. Our most recent materiality assessment was conducted at the end of 2019 and will be repeated later in 2021. This materiality assessment resulted in seven material topics: climate-resilient portfolio, emissions, encouraging responsible investment, social and environmental influence of portfolio, responsible rent and lease management, responsible governance and employer of choice / employee development. In 2020 several conversations with our shareholders and investor clients confirmed that the 2019 materiality matrix is still relevant.

Our Management Team subsequently ran a maturity exercise that resulted in the top three most urgent topics: Climate-resilient portfolio, Emissions, and Encouraging responsible investment. These topics are important to our stakeholders,

but not as mature as one might expect in our organisation. We have taken this feedback to heart and over the past year, despite the impact of COVID-19 on work priorities, we have been working on implementing a number of recommendations regarding these three topics in our Transaction Management, Asset Management and Corporate Communications activities. Examples include publishing our ESG Policy on our website and describing our overall approach to all topics that came out of the materiality assessment. We are also in the process of finalising a climate risk tool for our portfolio, which will allow us to take potential climate risks into account in our investment proposals for both new acquisitions and significant redevelopments.

Figure 2.1. Materiality matrix 2021



Internal consultancy (survey)
Significance of the reporting organisation's economic, environmental & social impacts

Our previous materiality matrix showed business integrity, future-proofing the portfolio, energy use and employee engagement & enablement as the four highest material topics. Compared to our last materiality matrix, we now see a shift in the top 4 environmental topics have become more material. New typology: responsible governance can be compared to business integrity, emissions is related to energy use and future-proofing the portfolio can be compared to climate-resilient portfolio. Encouraging responsible investment was a new topic in our latest materiality assessment. Employer of choice & employee development can be compared to a combination of employee engagement & enablement and employee development. This topic is still material, but no longer in the top 4.

Mission 2040: investing responsibly in a global context

As described earlier, Redevco's motto is 'Business in Balance'. The link to responsible investing in this context is that we seek to invest in buildings that are sustainable in every sense of the word: commercial, social, environmental and financial. This means investing in urban environments that are both inspiring and appealing – now and for future generations. We choose to deliberately improve the environmental performance of the properties that we manage, in both construction and operational activities, to help us pass our assets on in a better state than when we acquired them.



Photo: One Tower Bridge in London, UK

One of the most important and urgent topics for the entire real estate sector is the growing realisation of the impact the built environment has on our climate through carbon emissions. Whilst we still actively champion a holistic approach to environmental sustainability, Redevco wants to make a clear contribution to reducing carbon emissions in line with our materiality and maturity assessment. For this reason, Redevco launched 'Mission 2040' at the end of 2019: it is our commitment to strive towards a Net Zero Carbon portfolio by 2040. 2020 was intended to be the year for real activation of

Mission 2040 within our own organisation. COVID-19 has impacted our approach in a number of ways. On the downside, internal engagement was more challenging as our colleagues all worked from home. Our commercial teams largely focused their attention on communicating with and trying to support our retail tenants. On the upside, however, the past year has also contributed to a significant perception change relating to the negative impact our 'business as usual' approach was having on the planet. We have all come to recognise that we don't need to travel as

much for work meetings. Commuting can also be reduced. Just these changes to individual lifestyles have helped to focus attention on the bigger challenges for our sector.

As a responsible investment manager, the past year has strengthened our conviction and intrinsic motivation to be a 'force for good', engaging and aligning with our investor clients to take deliberate action in the portfolios we manage. And through our external engagement and communication, we try to actively contribute to changing the real estate investment and management sector to become low carbon, circular and resource-efficient. We do this in the context of internationally-accepted goals such as the UN Sustainable Development Goals (SDGs) and the targets set out in the Paris Agreement of 2015.

Alignment with the UN Sustainable Development Goals

While all 17 SDGs are globally significant, we have identified four SDGs that relate to our business, and our top-3 material issues so that we can focus on high-impact areas. We believe that incorporating SDGs this way will enable us to set clear targets, increase awareness, measure our impact and evaluate our progress.

The most material goals reflect our ambition to be a 'Force for Good' as well as our aim to take leadership in the transition to a resilient and net zero carbon built environment. Launching Mission 2040 and working actively towards a Net Zero Carbon portfolio in the coming two decades is our way of contributing deliberately to two significant SDGs, namely SDG 7: Clean and Affordable Energy and SDG 13: Climate Action. See the next chapter Our roadmap to 2040 on page 23 for more details.

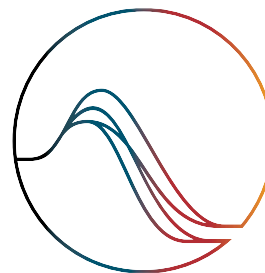
Additionally, SDG 11: Sustainable Cities and Communities embodies the increasingly important fundamental principles of social sustainability as impacted by the built environment. We will seek to make a meaningful contribution to this goal through our investments and active asset management and development, providing high-quality and well-managed buildings to their occupiers.

At the same time, Redevco's employees are actively involved in national and international industry councils and associations in order to share knowledge and insights with industry professionals that share our mission and vision. It is our conviction that participating in these forums helps us have a positive impact on moving our industry forward and reflects our contribution to SDG 17: Partnership for the goals.



Science Based Targets

In the context of our Mission 2040 commitment, we are excited to share that we are currently preparing to commit to setting a Science-Based Target. Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas (GHG) emissions to prevent the worst effects of climate change. We will set a target for all Scope 1, Scope 2 and material Scope 3 carbon emissions. We are still at an early stage and we will share more information about these activities in our next Responsible Investment Report.



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

[Read more](#)

the Future' framework, which highlights various urban elements where Redevco foresees accelerated growth and opportunity. City centres will continue to evolve to match our needs, and their role within society will remain important as geographical centres for people to live, work, play and shop.

In anticipation of and as a result of these trends and developments, Redevco decided a few years ago already to diversify beyond retail. Repurposing our existing retail assets into dynamic, mixed-use assets provides a solution to these trends and developments.

“We fundamentally believe in cities. Throughout our history, the urban environment has been the connecting factor, where we always have and will continue to focus our activities.”



Stefan Janssen
Research & Strategy Manager



Creating a 'Next Gen' urban concept in Lille, France

In a society that is undergoing radical change – and in response to the new ways of living and working – we created a 'Next Gen' urban concept in Lille, France. 'Le 31' covers 25,000 m², with a mix of leisure & entertainment activities, street food, streetwear, a hotel, and (co-)working spaces. We created a community that encompasses a wide but complementary spectrum of activities and services in one single emblematic location. This new ecosystem of working, living, learning, and having fun, will provide its users with activities that are complementary, sustainable, diverse and future-proof.

Key measures

- Replacement of old heating and air conditioning equipment.
- Creation of a green roof.
- Increased glazing efficiency with access to natural lighting and the power of limited artificial lighting.
- LED lighting installed by the tenants.
- Installation of smart metering.

Learnings & Challenges

From the very start of the redevelopment design phase it is important to think differently about the optimisation of new transportation methods, such as facilities for bicycles and electric vehicles. This will optimise access to the asset today and in the future.





Our roadmap to 2040

- 24 A Net Zero Carbon portfolio
- 28 Case study: Disconnecting a four-story C&A building from the natural gas grid & installing PV panels
- 29 Case study: Energy and water consumption monitoring devices installed in our Belgian assets



Net Zero Carbon Portfolio

The built environment is responsible for close to 40% of global carbon emissions. Despite the relatively tiny scale of our assets under management in the context of the global built environment, we strongly believe that every little bit counts. Therefore, we have a responsibility to find environmentally-friendly solutions and reduce carbon emissions.



Photo: C&A building in Zurich, Switzerland

We are committed to making our entire portfolio Net Zero Carbon by 2040. Our 'Mission 2040' campaign is aligned with the World Green Building Council's definition of Net Zero Carbon. This states that buildings should be highly energy efficient and fully powered from on-site and/or off-site renewable energy sources. We follow the four steps below, which have also been described and communicated in our visual roadmap on page 25.

Step 1: New platform to measure and disclose energy consumption

The first step to reaching a Net Zero Carbon portfolio is to know where we currently stand in terms of our assets' energy consumption and emissions. To do this, we have partnered with Fabriq, a digital platform that allows us to capture and analyse energy and other environmental data across all of our assets, enabling us to view our entire portfolio in a single dashboard. As we have started to link different data sources (such as smart metres and other billing data) to the platform, we are gaining a comprehensive overview of our portfolio's current energy performance. We aim to have 80% of our portfolio connected to the Fabriq platform by the end of 2021.

Step 2: Reduce energy demand

Reducing energy demand is a critical step in achieving Net Zero Carbon buildings. This is addressed by taking a 'fabric first' approach, which entails optimising the building fabric in areas such as airtight, well-insulated façades and roofs and the optimal use of daylight. This should result in reduced operational energy demand and consumption. Furthermore, when redeveloping a building, our preferred option is to disconnect it from fossil fuel supplies. 18 Septemberplein in Eindhoven, the Netherlands is a good example of this type of redevelopment project. We took several measures to improve the energy efficiency, and we disconnected the asset from natural gas during the redevelopment. You can read more about this redevelopment in the case study on page 28.

Step 3: Generate balance from renewables

Renewable energy generation must be taken into consideration during the design and redevelopment of buildings. This should not only include solar PV studies for roofs and façades but must also look at any other fossil-free option to generate electricity on-site. In 2020 we launched Project Solar together with our shareholder COFRA Holding.

Mission 2040

Our commitment is to make our portfolio Net Zero Carbon by 2040

Close to 40% of global energy consumption and carbon emissions occur through the built environment. We therefore believe that our sector has a responsibility to find solutions and reduce carbon emissions. Redevco wants to lead by example and show our industry what it means to act responsibly.



Four signature projects

- A residential project
- An inner city shopping mall project
- An on-site energy generation project
- A big box retail transformation project

We have selected four signature projects to demonstrate what Mission 2040 looks like. This will prove that we can make our buildings net zero carbon in operation. Furthermore, all our redevelopments will have to achieve a BREEAM Excellent rating. This higher ambition will stimulate our teams to build on our successful track record and keep a holistic view to pursuing positive environmental, social and financial impact.



How will we go about achieving this:

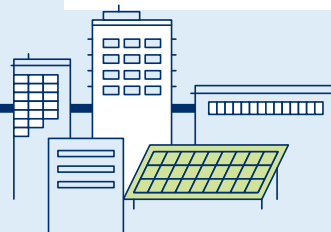
1 Measure and disclose the energy consumption and emissions of our buildings by installing smart meters throughout our portfolio.



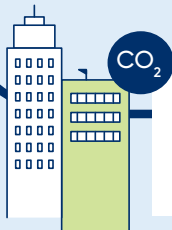
2 Reduce energy consumption by making our buildings as energy efficient as possible through our asset management and redevelopment processes. We will look at the building fabric, the building services and how the building is managed.



3 Produce remaining energy on-site, with for example solar PV, or, if that is not possible, use renewable energy that is generated off-site.



4 Over time, integrate whole life carbon reduction – both operational and embodied carbon – into our redevelopment metrics.



Net Zero Carbon

2040

Project Solar provides clean, on-site energy generation by installing solar panels on the roofs and carparks of the retail park assets that we manage for COFRA in Belgium. You can read more about this project in the paragraph Four signature projects in this chapter.

Step 4: Embodied carbon, especially upfront embodied carbon, must be taken into consideration when (re)developing assets

Whilst steps 2 and 3 outlined above are clearly intended to drive down operational energy consumption and corresponding CO₂ emissions. However, the built environment sector is fast recognising that (upfront) embodied carbon – emissions related to the materials, transport and construction of real estate assets – is also a significant contributor to overall emissions and must be mitigated as much as possible. It is our intent to work with our supply chain partners (architects, advisors and construction companies) in the years to come to take a more deliberate approach to reducing the embodied carbon related to our redevelopment projects. As this is still fairly new terrain for the real estate sector, we all need to learn how best to measure, record, reduce and report on embodied carbon emissions. We look forward to reporting on our progress in future editions of our Responsible Investment Report.

Four signature projects

We have selected four signature projects to demonstrate how we can achieve Mission 2040. As we learn by doing, these signature projects will identify the actions needed to make buildings Net Zero Carbon (NZC).

■ **Retail transformation project in Hamburg, Germany.** A building in the heart of the shopping district of Hamburg will be demolished and rebuilt to create a NZC mixed-use landmark. The architect for this project will be selected in Q2 2021.

■ **On-site renewable energy generation project.** We have joined forces with our shareholder COFRA Holding to initiate a large-scale, on-site renewable energy generation project called Project Solar. This will help us provide clean, on-site energy generation by installing solar panels on the roofs and carparks of the retail park assets that we manage for COFRA in Belgium. This initiative is an expression of our efforts to contribute to UN's SDG 7 – Affordable and clean energy. The project team expects to complete approximately ten solar installations by the summer of 2021. These projects have a total capacity of around 2.1 MWp* of energy per year which equals the average energy consumption of approximately 200 households. Projects with a further capacity of about 5 MWp are in the pipeline for the second half of 2021.

■ **Inner-city shopping centre project in Bordeaux, France.** We have committed to operating this existing, recently redeveloped, multi-tenanted asset at Net Zero Carbon level by 2030. We have engaged a specialist consultancy, who undertook a full site survey to establish key requirements and write an action plan outlining key deliverables to bring the asset to NZC in 2030. After the successful installation of smart metering, we have now entered the next phase where we will be looking at making both physical and operational improvements to the asset.

■ **Residential development project in Amstelveen, the Netherlands.** This residential project consists of 172 rental homes, parking spaces and a commercial space. The total complex consists of two towers on a shared parking garage. The second tower contains 130 homes that will be sold by the developer. The final design will be ready in the summer of 2021 and construction is planned in the period 2022-2025.

By increasing energy efficiency measures in our assets and growing the share of purchased or self-generated renewable energy, the share of requisite offsets to reach NZC will decrease.

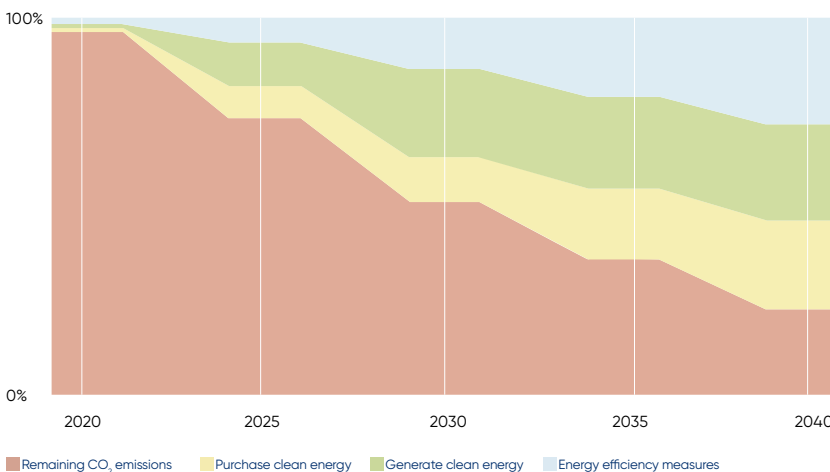


Figure 3.1. Committing to making our AuM Net Zero Carbon by 2040

World GBC principles	Redevco Measures
Measure & disclose carbon	Collect reliable & robust energy data to set the right targets
Reduce total energy consumption	Energy efficiency measures (e.g., insulation, triple glazing)
Increase share of renewables	Onsite energy generation (e.g., Project Solar) Passive: national grids will become 'green' over time Encourage tenants to buy green energy
Remaining CO ₂ emissions to be offset	CO ₂ emissions from non-electricity energy would need to be offset to reach net zero

* MWp is Mega Watt peak, a solar power measure in photo-voltaic (PV) industry to describe a unit's nominal power.

BREEAM In-Use

BREEAM is a well-recognised, international standard that takes a holistic approach to measuring the environmental performance of real estate assets. We make the explicit assumption that a higher BREEAM In-Use rating translates into greater positive environmental impact, improves resilience, reduces the risk of long-term obsolescence, ensures compliance with incoming legislation, and helps to enhance – or at least sustain – the value and quality of our property portfolio. In recent years (see our previous Responsible Investment Reports) we have deliberately focused on improving the BREEAM In-Use ratings of a number of assets every year through redevelopments or other specific interventions that have yielded additional credits and a higher rating. This approach to continuous improvement has been our way of ‘future-proofing’ our assets under management on behalf of our investor clients.

In 2020, we improved the BREEAM In-Use ratings of 27 properties, one asset more than targeted for the year. Eight properties were downgraded this year. However, our country teams still found opportunities to further improve the assets under management. A great example is the improvement of the BREEAM rating of our asset at James Street in London from ‘Pass’ to ‘Very Good’. Besides replacing all lighting in the common parts to LED lighting and executing HVAC (heating, ventilation and air conditioning) efficiency measures, we created a green wall and green roof. In addition to the ecological benefits, this is also a physical symbol of sustainability and greening our portfolio. It was the largest single cost item, however it is also the greatest single contributor to the improved score.

2020 also marked the point that we achieved our target of having more than 50% of our assets under management (by value) certified with BREEAM ‘Very Good’ or better. We are very proud of this achievement as this was originally set as a medium-term target to be achieved before the end of 2022.

As a result of Mission 2040 and our desire to make deliberate choices to drive down carbon emissions related to our assets under management we will be focusing on KPIs that reflect that desired outcome from 2021 onwards. Over the past four years we have been recertifying the vast majority of our portfolio on an annual basis, even when nothing at the asset-level has changed. Going forward, we will no longer be certifying all assets under management in a yearly cycle. Instead, we will only certify assets when these are newly acquired or when significant redevelopments have been undertaken. This will allow us to understand the actual environmental performance of newly acquired assets and to identify improvement opportunities. When we undertake significant redevelopments, the certification process will help us look at sustainability holistically as we ‘future-proof’ the assets.

Ambition for BREEAM In-Use ‘Excellent’ redevelopment ratings

In light of the above approach, we have also raised the bar for significant redevelopments to deliberately target BREEAM In-Use Excellent. Redevelopments represent moments in its lifecycle in which we can have the biggest impact on an assets’ performance. In 2020 we completed the redevelopment of a C&A Flagship Store in Zurich. The renovation comprised better insulation and glazing as well as more energy efficient technical HVAC installations which has resulted in a reduction of energy consumption in this building. In addition, we created a new green terrace for employees use. The green roof was made by a specialist who planted native plants creating a habitat, hiding place and food supply for native insects/animals. The redevelopment has transformed it into an energy-efficient property, with a BREEAM In-Use Excellent sustainability rating.

Challenges we identified

Energy transition

The transition to a Net Zero Carbon portfolio is one of Redevco’s top priorities, but we are also aware that this transition will be characterised by uncertainties, changes and risks. We have to recognise that the entire built environment sector is still learning how to tackle the energy transition, along with the uncertainties that come with it such as the pace of energy transition, government policies, technological developments and changing consumer behaviour.

Collaboration with tenants

At Redevco, we understand that building and maintaining strong relationships with our tenants is key. We therefore focus on successful collaboration with tenants during the planning and execution of our improvement projects. This early engagement approach doesn’t just lead to better tenant relationships – it has also proven to lead to better environmental outcomes as well as increased tenant engagement.

Collecting reliable and accurate data

Obtaining reliable and accurate data to find out where we stand today remains challenging. Over the years, we have been collecting energy consumption data from our tenants directly, a process that was both laborious, time-consuming and that added little value to our tenant relationship: we simply did not have the tooling to report back. However, reliable and accurate energy and emissions data underpins Mission 2040 and our drive to becoming Net Zero Carbon. We have therefore committed to installing smart meters in all our properties, connecting this to local and a pan-European platform. This will allow us to report and engage with our tenants on energy consumption and energy saving opportunities and will help us report on progress towards our Mission 2040 target.

Disconnecting a four-story C&A building from the natural gas grid & installing PV panels

In 2020, we redeveloped our 9,000 m², four-story C&A building at 18 Septemberplein in Eindhoven, the Netherlands. This renovation included modernising and upgrading the protected façade by adding four glass boxes 5.5 metres wide by 7 metres high and weighing 3,000 kg each – the first of their kind in the Netherlands. Redevco used this renovation of the old department store as an opportunity to add several additional commercial units and to implement sustainability measures that target a BREEAM-Excellent certification.

Key measures:

- The asset was disconnected from the natural gas grid for heating purposes.
- 126 PV Panels installed on the roof (approx. 40 kWp).
- Energy-efficient escalators & elevators.
- Increased percentage of insulated glass.
- Changed all the window frames to insulated frames.
- Highly insulated shell.
- LED lighting (by tenants).

By significantly improving the energy efficiency of the asset, disconnecting it from natural gas and adding solar panels to the roof for on-site generation, we have fulfilled key steps in the process to prepare this asset to be Net Zero Carbon in operation. Given this is now an all-electric building, if all occupiers deliberately choose to procure certified green electricity, this asset would be zero carbon in operation. We will continue to engage with our tenants to make such a conscious choice.

Learnings and challenges

The Redevco team managed to make some major and difficult-to-implement improvements during the redevelopment. They completely disconnected the building from the natural gas grid, making the asset completely electric, even though food & beverage activities take place in the building. To make this transformation, it was important to achieve early tenant commitment to this bold choice of eliminating natural gas.

Originally, we considered installing PV on the rear (South-facing) façade and PV panels on a pergola above the installation on the roof. These plans were discarded because of the low efficiency, high costs and a sub-standard design. However, with evolving designs and technological advancements in the area of PV present an opportunity to further add to the on-site generation capacity in the future.



Photo: Eva Bloem

Energy and water consumption monitoring devices installed in our Belgian assets

By the end of 2020 all Belgian AuM had energy and water consumption monitoring devices installed. The program will continue in 2021, because the first phase of this program revealed that a lot of the existing energy and water meters in our AuM could not be read by the program.

Highlights

- 1465 individual measurement devices for electricity, gas or water readings are already installed.
- Huge savings of several tenant's water consumption have already been realised and estimated savings run up to over 19.000 litres per night.
- This resulted, undeniably, in positive impact on our retailer's operational costs and Redevco's carbon and water footprint.

Learnings

It is important to engage with tenants at the very beginning of the project setup. It is also important to provide the service company with full details of all meters present in an asset.



Photo: INNO in Antwerp, Belgium



Our sustainable platform

- 31 Governance of sustainability activities
- 32 A focus on employee engagement
- 35 Case study: Redevco's vision on health & well-being
- 36 Sustainable Investment Management Platform
- 37 Case study: Growing the share of electric vehicles in our fleet
- 38 Supporting our local communities



Governance of sustainability activities

Our Sustainable Business Operations team is located in Amsterdam. It is primarily responsible for developing, implementing and overseeing the execution of Mission 2040: our long-term sustainability ambition towards a Net Zero Carbon portfolio by 2040. This team drives our sustainability initiatives for assets under management, and each member is involved in one of our signature projects.



Photo: the Sustainable Business Operations team (left to right): Clemens Brenninkmeijer, Guido den Teuling and Marijn Reijners.

The Head of Sustainable Business Operations reports to the Board member responsible for HR, Communications & Sustainability. Under the new governance structure, an ESG update and Mission 2040 status report is a recurring agenda item at the monthly Board meetings. The team also co-operates closely with the Client & Fund Management Team, which represents our investor clients to ensure that relevant and appropriate ESG parameters are included in investment mandates. Furthermore, collaboration with the global asset management community, and especially the country Portfolio Directors (PD) through monthly PD meetings, ensures regular engagement with those who are ultimately responsible for executing our sustainability initiatives at an asset level.

Our Portfolio Directors oversee the delivery of asset improvement initiatives, while our Asset Managers are responsible and accountable for executing relevant initiatives (such as BREEAM improvements, or other actions that will drive down Energy Intensity or Carbon Intensity) at

a property level. They receive support from colleagues who have become sustainability specialists (there is at least one in each Redevco country team), and from members of the central Sustainable Business Operations team.

We organised two 'Sustainability Days' in 2020. This virtual programme included presentations from architects and engineers to provide participants with increased Net Zero Carbon knowledge. We also underscore the importance of sustainability by including a BREEAM improvement target in the objectives of all Redevco colleagues eligible for our Short-term Incentive scheme.

Furthermore, our Sustainable Business Operations team sets the corporate sustainability targets for Redevco's office operations. This focuses on areas such as office energy use, company cars and air travel to drive initiatives that decrease our organisational carbon footprint.

A focus on employee engagement

2020 was an unprecedented year in many ways – certainly when it came to employee engagement. The impact of the global pandemic forced us to think and act differently when connecting with our people, who spent most of the year largely working from home. Working from home impacts different people in different ways, depending on their personal circumstances and our business needs. It therefore demanded unexpected adjustments across multiple areas, and we invested in a variety of measures and initiatives to stay connected and keep morale high.



Staying connected in a COVID-19 world

How do we stay connected when we cannot get together in the usual ways? When the first lockdown measures came into effect across the EU, we introduced new ways to connect as a group, per country and per functional area. We launched regular "All-Company" and team update calls, we ran webinars related to the pandemic, and held Redeveco-wide fun events such as pub quizzes. We also offered online team-building games to stimulate informal fun among colleagues, and a company-wide online event in January to ring in the new year.

At a local and team level, we increased the number of 'virtual check-in moments' and organised many online initiatives such as baking competitions, drinks & coffee meetings, wine-tasting events, cookie decorating sessions, secret

Santa gift-giving, scavenger hunts and more. Of course, we couldn't meet people at our office locations. So, we regularly sent gifts, books and postcards to our colleagues' homes, including flowers, 'Keep in Touch' Redeveco macaroons, and sparkling wine for Christmas. In other words, the little things made a big difference this year.

We also saw a surge in the use of Yammer as our informal communication platform, as we shared regular, light-hearted and informative updates, as well as interesting content through weekly 'Tuesday Tips' and 'Thursday Thoughts'.

Although these efforts to stay connected were appreciated and scored highly in our May 2020 Pulse Survey, we saw a slight drop in November, 2020. Feedback suggested that this was an inevitable consequence of the prolonged period working from home that has been and that continues to

impact organisations around the world, combined with no perceived "light at the end of the tunnel". We still have plenty of initiatives in place to stay connected, and our people tell us that they feel it is their own personal responsibility to make use of all that is on offer. Moving forward, our greatest challenge will be to ensure that people truly switch off from work at the end of the day. This was highlighted as a challenge in the November 2020 Pulse, and we will continue to monitor this issue as working hours remain fluid.

A focus on health and well-being

The health and well-being of our colleagues has always been important to Redevco and is expressed through a variety of initiatives and benefits. Early in 2020, Redevco communicated its Health & Well-being vision with a particular focus on flexibility in time and place. You can read more about Redevco's health & well-being vision in the case study at the end of this chapter. Our Working from Home Policy provides a personal budget to equip home offices – an offer that saw increased uptake this year. We further increased our spotlight on health & well-being by organising two 'step challenges' to keep people physically active during lockdowns. This was very effective in creating a new/better routine and offered a boost of energy and engagement to those involved. We also organised a webinar on the topic of mental health & resilience.

Our colleagues responded very positively to Pulse questions related to health & well-being.

Personal and professional development opportunities

2020 also saw an upgrade in our Redevco Skills Builder learning platform, emphasising both individual and team growth adapted to a virtual setting. We now offer online training courses in English, Spanish, German, Dutch and French, as well as quarterly learning time that allows all employees to take advantage of what is on offer. In addition, we offer a Team Effectiveness workshop as well as 1:1 coaching, which was very positively received by 23 colleagues. We are also collaborating with the Remote Leadership Institute to provide our managers and senior leaders with further training to support the transition to leading teams remotely.

Personal and team performance management

The 2020/21 performance year was challenging when it came to setting meaningful annual objectives. This was true for both collective and individual objectives due to the changing real estate landscape amidst the pandemic. We therefore decided to use shorter term goals and targets that would help everybody align through a period of crisis and uncertainty. We supplemented individual objectives with team goals. These reflected the tremendous demands placed on our teams, as well as the tremendous efforts our team members were making. They also helped to maintain team focus during the inevitable daily distractions.

Redevco Pulse

Every six months we ask our people to share their feedback through 10-15 questions about Redevco in a short focused and anonymous survey. It is their opportunity to voice thoughts and ideas that can help shape and influence their own work environment/experience. The survey contains three blocks; the Engagement Index, questions about our strategic priorities from the Board and Country- or Function specific questions from each local Management Team. The Engagement Index contains questions about pride and motivation and provides us with a single overall score that we can track over time, providing us with an engagement 'pulse'.

May 2020

I feel connected to my team when I work from home

90%

November 2020

I feel connected to my team when I work from home

86%

May 2020

Redevco is taking appropriate action with regards to our health, safety & well-being

98%

November 2020

Redevco support the physical and emotional health of its people

96%

Our >>FullSpeed2025 strategy

In October, we introduced our >>FullSpeed2025 strategy. This brought significant change to our organisational structure, as global functions took the lead as of January 1. We used a variety of communication techniques to inform and support people through this transition. These included one-to-one conversations with each employee, monthly 'Full Speed' update emails, all-company calls, and interactive follow-up meetings in smaller (functional) groups to address questions and concerns.

The November Pulse questionnaire asked if the key elements of our >>FullSpeed2025 strategy were clear. 85% indicated that they were extremely or somewhat clear. 85% also indicated that they understood why there was a need to create a faster, more agile way of working.

All global functional heads subsequently kicked-off the new year with their teams through a strong sense of purpose and direction. They took the opportunity to define collaboration within and between the various functional areas, and then coached their team members through this change.

“The impact of the global pandemic forced us to think and act differently to connect, inform and engage our people, who spent most of the year largely working from home.”



Florentine van Notten
HR Capability Manager

	Target 2020	Results 2020	New target
Get the best out of our people by giving clear feedback and guidance on performance KPI: % of employees having received regular performance feedback	90%	95%	90%
Maintain high engagement of our employees KPI: Average engagement index score from Redevco Pulse	85%	89%	85%
Professional development of our employees KPI: % of employees participating in training courses or development programmes	75%	87%	80%



Redevco's vision on health & well-being

At Redevco, we believe that our people are best placed to contribute to our success as a company if they feel happy, healthy, and engaged. In 2020 we formalised this in a Health & Well-being vision. Our vision describes how Redevco anchors Health & Well-being in our organisation and used it as a guidance for updating and aligning our respective HR policies (such as the Working from Home Policy) and local initiatives where necessary.

Our vision is built around four areas where we believe Redevco can best support our employees in terms of health & well-being: by focusing in the physical space of the office; by stimulating and facilitating habits pertaining to physical health; by helping our colleagues find the right work-life balance for them and by equipping our people with the skills and competencies they need to be the best that they can be.



Sustainable Investment Management Platform

Our internal operations have a significantly lower impact on the environment than our assets under management. However, we are looking for opportunities to further reduce emissions here too. Our platform's CO₂ emissions come primarily from energy use in our seven offices, air travel, and emissions from company cars.



Photo: Auto 5 in Oostakker, Belgium

If we want to inspire our client investors and our tenants to invest in sustainability and green stores, we need to lead by example in our own operations and show our colleagues that every improvement counts. Therefore, we are continually looking for opportunities to further reduce emissions related to our platform. 43% of our offices already have green energy contracts and the solar panels on the roof of our Amsterdam office supply 96% of our total office energy consumption. We aim to have green contracts for all offices by 2025.

59% CO₂ reduction in 2020

Our current emissions target was set at 2,700 kg CO₂ per employee by the end of 2020. This represents a 50% reduction compared to the 2009 baseline (see previous reports). We met this target in 2020: our performance last year was 1,196 kg CO₂ per employee (2019: 3,074 kg CO₂ per employee). Unsurprisingly, the COVID-19 pandemic played a significant role here – after the first 'Travel Awareness Month' in February 2020, we entered the first lockdown and an extended non-travel period that was still in force at the end of our 2020 business year.

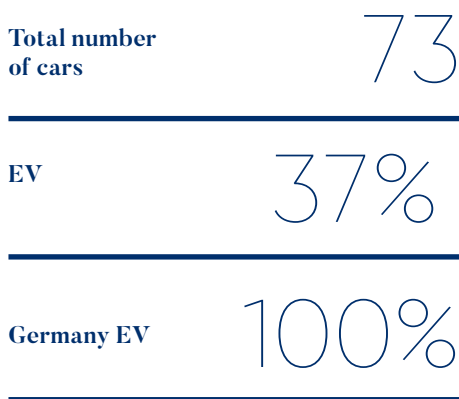
Net Zero Carbon platform

In keeping with Mission 2040, we are working toward a Net Zero Carbon platform as well. In principle, we achieved this in 2019 already as we chose to compensate our 2018 footprint of 646 tonnes of CO₂ by buying offset certificates from Gold Standard. Since 2020 we have a partnership with Land Life Company. Our emissions of 2019 of 537 tonnes of CO₂ were offset by planting trees in the Northern region of Spain. As we move forward, we will continue our partnership with Land Life Company to offset CO₂ emissions from our office operations (office emissions, air travel and company cars). Our 2020 emissions of 237 tonnes of CO₂ will be offset during the summer of 2021. However, we see offsetting as a last resort. Our principal focus will be on reducing our footprint further. We assume that we will return to a more balanced way of working, where a certain amount of commuting and business travel will return. Making deliberate choices in that regard will of course influence our office operations footprint going forward.

Growing the share of electric vehicles in our fleet

In our effort to reduce the emissions of our operations, we are increasing share of electric vehicles in our car fleet. For example, our team in Germany has moved from diesel cars to an entirely electric car fleet as of 2020.

The charging facilities in the office were not optimal. So, the German team arranged a charging station in front of their office. The charging station is not just for Redevco employees, but others are welcome to make use of the station as well.



“I’m very enthusiastic about driving my electric car - not just because it’s better for the environment, but also because it stimulates a bit of fun competition between colleagues. We keep track of who finds the cheapest charging station.”



Rowan Verwoerd
Portfolio Director Redevco Germany



Supporting our local communities

Redevco is convinced that businesses have a broader responsibility to the communities in which they operate. Employee philanthropy, funded by the Redevco Foundation, provides colleagues with an opportunity to give back to society, and we also offer our employees one volunteering day per year.



A positive impact on society

Our employees play an active role in proposing charities to support a variety of categories (see below), with a preference for the cities in which we operate. Each of these initiatives has positive societal, environmental and/or cultural impact for the respective stakeholder group that is targeted. Last year, we launched a new, group-wide employee philanthropy programme called 'All Good'. With the use of an online platform, All Good allows employees to propose and support the charities of their choice. Around 75% of our colleagues have joined this platform and have made use of the donation credits received by taking part in 'step challenges' and our first Christmas Campaign.

The Redevco Foundation

The Redevco Foundation provides our local and central teams with an annual budget to support projects or initiatives in three categories:

1. Improving the lives and living environment of the less privileged.
2. Sustainability of the environment.
3. Historic and cultural heritage.

The Redevco Foundation disbursed €1.2 million to over 50 different charitable organisations in the 2020 calendar year.

Volunteering day

As mentioned above, we encourage our employees to spend one day each year volunteering for a charitable organisation of their choice. This can be done individually or as a great team-building opportunity. In 2020, only a handful of our employees used their volunteering day. COVID-19 was the clear reason for much lower uptake this year, as usually - in non-pandemic times - volunteering days are viewed as a great way to combine 'doing good' and team-building.

Our employees appreciate their input into deciding where the money is spent, as well as the opportunity to spend one day doing volunteer work. In fact, it is a source of pride.

Granted by the
Redevco Foundation

€1.2mln.

Charitable projects
received support

> 50

COVID-19 donations

€163,000



Beyond our own portfolio

- 40 The Redevco Foundation – a sustainability programme
- 41 Case study: Alliance HQE-GBC - Net zero carbon renovation



The Redevco Foundation – a sustainability programme

For over a decade we have been building a strong programme to improve the environmental performance of our assets under management as well as our own business operations. This eventually evolved into our Mission 2040.



We continue to believe that our approach to corporate responsibility includes leading by example and showing the industry what is possible. We do this through ambitious projects in our own portfolio and communicating transparently about lessons learned. In the past few years, we have also had the opportunity to support projects and industry initiatives through the Redevco Foundation that were specifically intended to support sustainability initiatives within the wider real estate sector. These initiatives were screened for their potential for high, sector-wide impact, and many would not have happened without funding from the Redevco Foundation. Their purpose was also to increase the understanding of and the transition to a more sustainable, low-carbon and circular built environment, and accelerate progress towards achieving these goals.

In 2020, with the choice to pivot the Redevco Foundation to focus exclusively on employee-proposed philanthropy through the All Good program, the funding for these specific

sustainability-related projects is no longer available. However, these initiatives have been passed to Laudes Foundation, a private philanthropic endeavour of the Brenninkmeijer family enterprise which launched in early 2020 and stands alongside the COFRA businesses.

In the built environment, [Laudes Foundation](#) convenes and supports industry changemakers to accelerate collaboration and innovation towards net-zero carbon buildings that tackle wellbeing, inequality, whole-life carbon and circularity in equal measure. Laudes Foundation also supports the acceleration of the uptake of sustainable wood and bio-based materials in construction.*

Redevco Foundation projects that were still running in 2020 include those from our partners UKGBC, DGBC, Ecomatters, DENEFF, and BPIE.

* Source: [Laudes Foundation website](#)

Alliance HQE-GBC - Net Zero Carbon renovation

Relevant levers to reduce carbon emissions in existing buildings to match the Net Zero Carbon roadmap.

The Redevco Foundation is funding a programme to identify a consistent methodology to address whole life cycle evaluation for existing buildings. It will focus on key representative business cases to highlight effective levers for carbon reduction. The central problem the initiative seeks to address is the current lack of methodology, guidelines and feedback procedures needed to evaluate, optimise and report on whole life carbon emissions for existing buildings. The main lever for reducing carbon emissions is an increased awareness among building professionals of ways to achieve the Paris Agreement's objectives.

Alliance HQE-GBC is the French Green Building Council and a member of the World Green Building Council. The alliance of professionals for a sustainable living environment has identified two important barriers here: a technical barrier and an economic barrier. The aim of the project is to increase competence among the actors involved through case studies that show what can be done to remove these obstacles and has the following deliverables:

- LCA methodology guide (Life cycle assessment).
- 7 case studies: presentation of LCA and optimised LCA.
- A guide to explain how we can become carbon neutral in renovation.

[Read more case studies at Partnerships - Redevco Sustainability ↗](#)

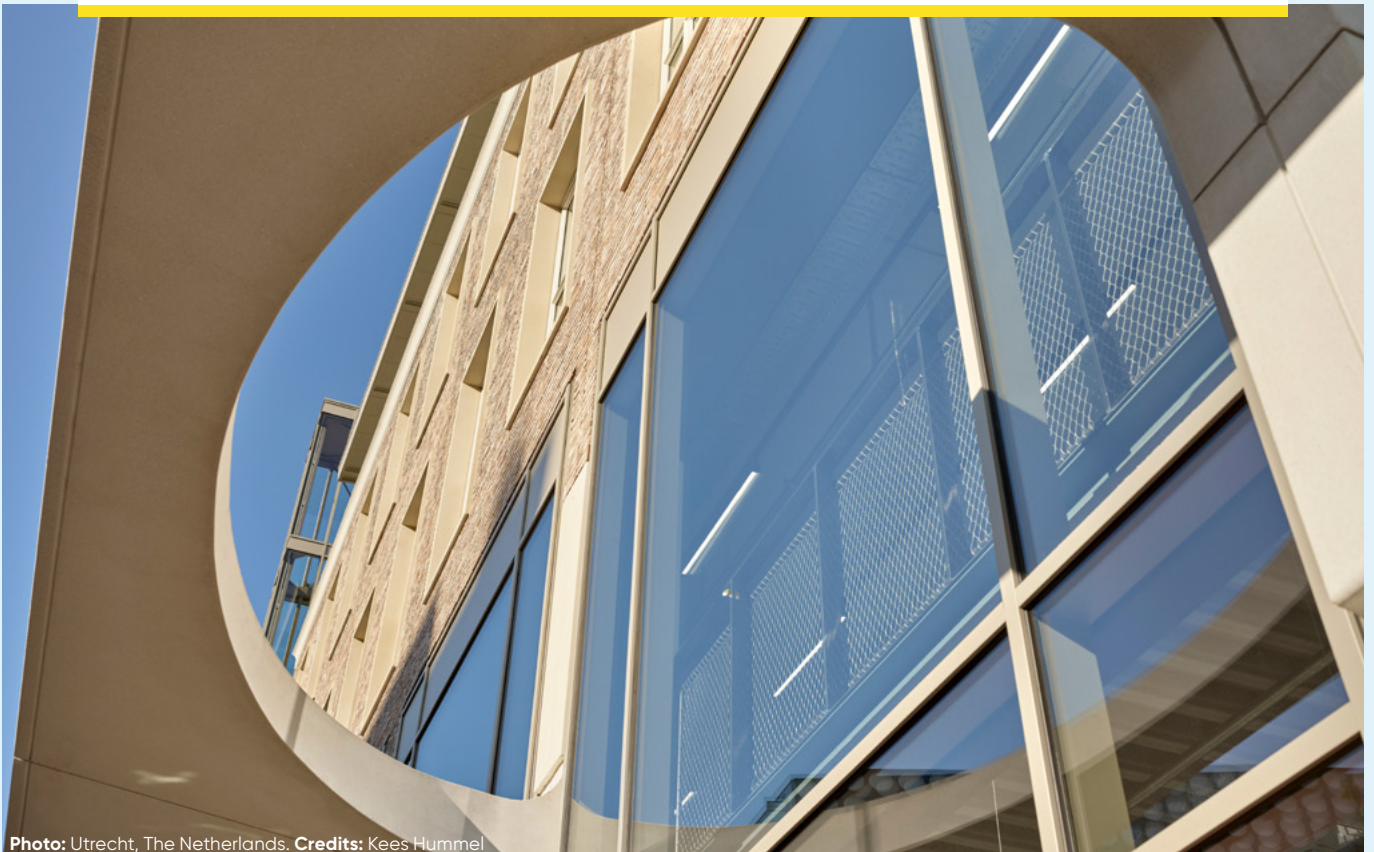
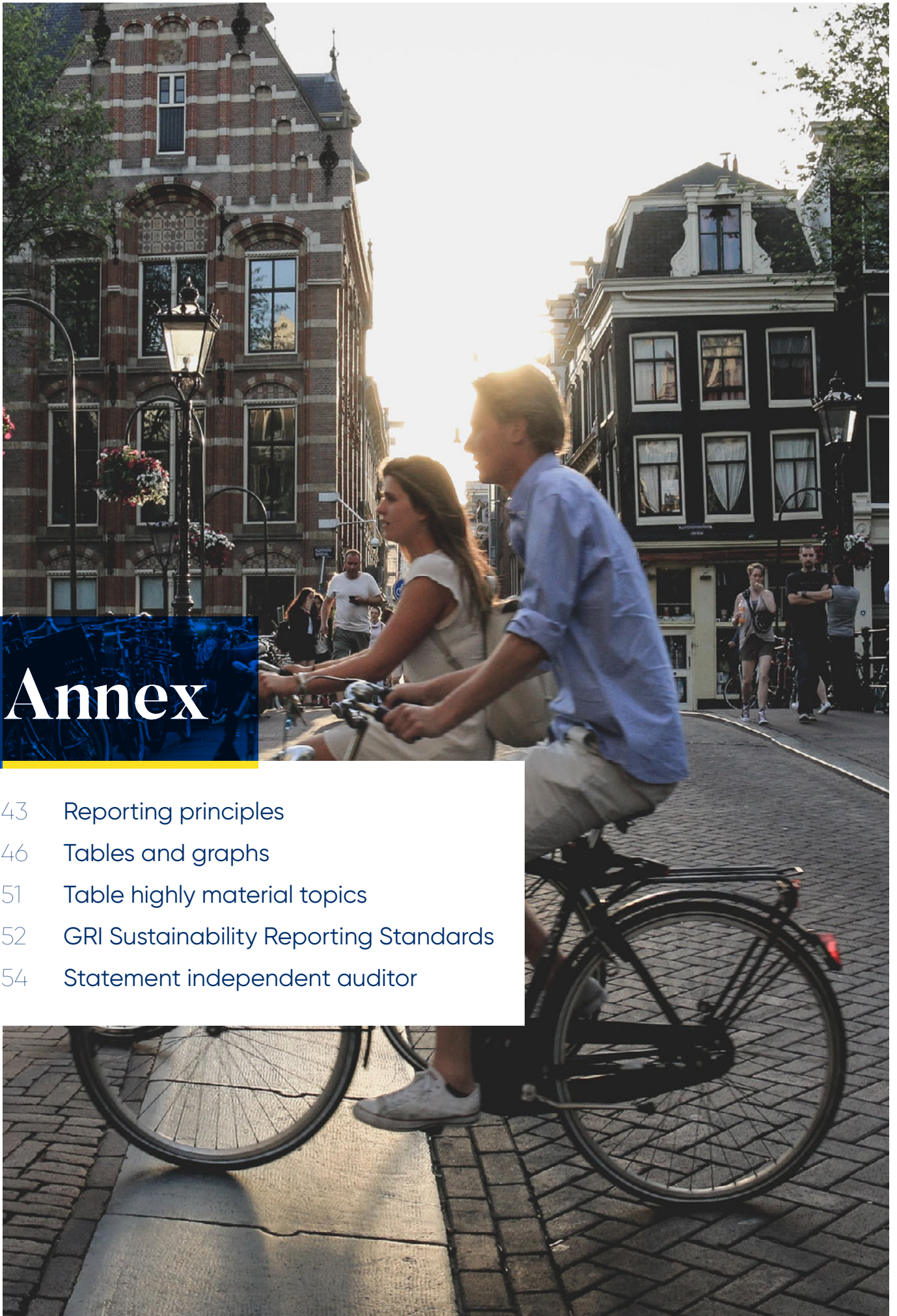


Photo: Utrecht, The Netherlands. Credits: Kees Hummel



Annex

- 43 Reporting principles
- 46 Tables and graphs
- 51 Table highly material topics
- 52 GRI Sustainability Reporting Standards
- 54 Statement independent auditor

Reporting principles

Reporting standards

This Responsible Investment Report sets out our progress in the area of sustainability in 2020. The reporting period covers March 1st, 2020 to February 28th, 2021. The full report is available via our online reporting platform and as a PDF which can be downloaded from our website. We have followed the relevant best practice standards and international guidelines to compile the responsible investment performance covered in this report. The most important of these are the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. The GRI SRS offer two options for an organisation to prepare its report: the core option and the comprehensive option.

This report has been compiled in accordance with the core option. Redevco reports on the Universal Standards on Management Approach for all material aspects; at least one indicator is related to each identified material aspect. In addition to the GRI guidelines, Redevco has embraced the INREV Sustainability Performance Measures; INREV core and additional indicators have been integrated in the GRI table. Previous reports and GRI tables can be downloaded from our website. Our CO₂ emissions data are presented according to the Greenhouse Gas Protocol (World Business Council for Sustainable Development / WRI) which has defined three levels of 'Scope' for greenhouse gas (GHG) accounting and reporting purposes.

Material issues and focus

The materiality assessment is an ongoing process: we continue to monitor the relevance of each issue for our stakeholders and for Redevco. Therefore, to review the key material sustainability issues for our company, we conducted our last materiality assessment in late 2019, following the principles for defining report content (GRI SRS) with regard to the organisation's activities, impacts and the substantive expectations and interests of its stakeholders. We have mapped these issues in the materiality matrix in the chapter 'Responsible Investing' of this report, page 15.

When comparing the materiality matrix with existing Risk-Based Policies (RBP), we can conclude that three material issues (Responsible Governance, Employer of Choice and Employee Development) are sufficiently embedded in existing RBPs. The review of further integrating Emissions and Climate-resilient portfolio was developed into measurable outputs/ KPIs in 2020 through carbon emissions and energy intensity figures.

Issues that impact our business performance less directly still receive attention

We also measure performance for most of the topics that score lower in our materiality matrix. Our performance on

environmental issues like water use, land use & ecology and circular economy – waste and materials – are indirectly covered by the BREEAM assessments. Climate (change) risks are also part of the BREEAM performance on pollution. With respect to corporate citizenship, we have concluded that we pay less attention to this specific issue in the report. Internally, however we continue to report on our annual progress through two KPI's. Our activities with respect to responsible rent and lease management are included in the chapter 'Our road to 2040', page 23.

Redevco's view on human rights is clear. We expect our business partners to comply at all times with international and local rules and regulations, and in particular with the United Nations Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, when dealing with their employees. Redevco is keen to work with those business partners who clearly aim for regulatory excellence and act in accordance with the guidelines set out in our Business Integrity Principles and our Supplier Code of Conduct.

With respect to monetisation of environmental impact, we acknowledge that economic growth at any cost is not viable, and is therefore unsustainable in the long term. We also recognise the quest to incorporate the external costs of environmental impact that companies have. For existing properties, this is less relevant than for new developments. Within our operations, the life cycle costs of materials will become part of a BREEAM assessment, and these are reflected in the BREEAM performance on materials. Finally, we report on Redevco's approach and view on environmental management systems. Currently, our Madrid office has been ISO 14001 certified.

We have no formal policy to obtain a third-party audited environmental management system. Factually, our responsible investment framework, as described in the section on the governance of our responsible investment approach, can be viewed as an environmental management system which includes more than environmental issues alone. In addition, this is an assured report.

External assurances

All information represented in this report has been internally verified and approved by the Redevco Board. Redevco has obtained limited assurance that the information in this report is, in all material respects, a reliable and adequate representation of the policy, business operations, performance and events during the 2020 reporting year (see assurance report on page 54).

2020 Scope and changes

We make a distinction between portfolio data and corporate data. Portfolio data encompasses data related to our assets under management, while corporate data includes

our business operations including fully owned subsidiaries, if applicable.

Reporting scope for portfolio data

The reporting scope for portfolio data includes all assets under management (AuM), excluding (re)development projects, residential, parking, land for development and rented properties.

For financial portfolio data, BREEAM data and number of assets Redevco uses two reporting periods, depending on the fund: January 1st 2020 to December 31st and March 1st 2020 to February 28th 2021.

The reporting date for other types of portfolio information (number of leases and lease area) is 28 February 2021. In Romania, Redevco only owns land for development, which is out of scope. Assets under management that are rented are not valued in line with our financial reporting process. Consequently, these properties are not covered by Key Performance Indicators with a value as denominator.

Reporting scope for BREEAM data

Redevco has been working with BRE to develop a BREEAM In-Use portfolio certification approach based on annual certification of our assets. The first portfolio-based recertification was executed in 2017. We have introduced fixed certification dates as part of the process.

With regard to the KPI: percentage of investment value allocated to BREEAM In-Use Very Good or better relates only to funds with BREEAM targets.

Reporting scope for corporate data

The corporate data covers Redevco activities and employees, and therefore excludes assets occupied by tenants and their employees. Redevco employees are defined as persons who have a permanent or temporary contract with Redevco or one of its fully owned entities. Contract workers are excluded. The headcount and FTE are determined on February 28th (or 29th in leap years) in each reporting period. Employees who had a contract ending on February 28th are included in the headcount, and recorded as leavers in the following year.

The reporting scope of our business operations includes all offices occupied by Redevco on February 28th, 2021.

Comparability

Data on energy, CO₂ emissions and water are reported in absolute values and normalised values. Absolute values represent a good measure of a company's exposure to risk (e.g. regulatory risks), while normalised values show efficiency and a comparative trend. The denominator used to calculate the normalised values varies. The GLA (gross lettable area) is used to calculate energy, carbon and water intensity. To calculate carbon emissions per employee, we used the headcount on February 28th as denominator. Corporate carbon emission data included in this year's report cover 12 months. Company car carbon emissions have been calculated based on kilometres driven, multiplied by the

emission factor provided by the car manufacturers. Redevco reports on total energy consumption including all direct energy sources (gas, fuel oil, solid fuel and on-site energy) and indirect energy sources (electricity, district heating and district cooling) for its own office operations. To calculate the CO₂ emissions, country- and energy-source specific EU Mayors emission factors have been applied. To calculate the carbon emissions related to business travel by air, the UK-based Defra conversion factors have been used.

When relevant, like-for-like, figures relate to Redevco country offices that have been occupied for two years or more.

Reporting tools and methodology

All necessary portfolio data used in this report are stored in Redevco's financial and property management systems (CODA and Horizon). Countries report on a quarterly basis on the performance with regard to BREEAM improvements.

Corporate data are collated using an in-house developed spreadsheet. The HR Department is in charge of the corporate data collection. The corporate data are validated at both country and corporate services level. After completion, the collated data are consolidated and aggregated in the corporate Key Performance Indicators presented in this report.

We developed a questionnaire to obtain information from Redevco countries regarding the performance with respect to business integrity and compliance in accordance with the GRI.

Redevco has developed a tool, available to all employees on the Intranet, in which all employees are requested to report a.o. any of the following business integrity and compliance issues:

- Incidents of discrimination and corrective actions;
- Actions taken in response to incidents of corruption;
- Total value of financial and in-kind contributions to political parties, politicians and related institutions;
- Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices, and their outcomes;
- Monetary value of significant fines for non-compliance with (non-environmental and environmental) laws and regulations concerning the provision and use of real estate assets;
- Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of Redevco's real estate assets during operation, refurbishment and demolition of assets;
- Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcome;
- Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

Any issues reported via the tool are handled by the Head of Governance, Risk and Compliance who reports these issues to the Redevco board on a monthly basis.

To ensure compliance and awareness amongst employees all employees are requested to sign the Business Integrity Principles annually (score 100% 2020). Awareness of these topics is further created by e-learning to all employees (score 93% 2020).

Annually the Head of Governance, Risk and Compliance signs a questionnaire regarding the performance of Redevco with respect to the above mentioned topics to confirm all has been reported.

Corporate Services - Data Aggregation and consolidation

In addition to our Corporate Services Office manual, we describe data collection principles, process, definitions, tasks and responsibilities and validation procedures at a country level in a country manual for both portfolio and corporate data collection.

Estimates of corporate data

The consumption of Redevco's occupied offices was measured over a period of 12 months. The following estimates were applied: for invoices that covered a reporting period

(12 months) other than March 1st, 2020 to February 28th, 2021, data were included as such. For invoices that did not cover a whole reporting period of 12 months: measurement periods of more than 9 months were extrapolated to 12 months; measurement periods longer than the reporting period but less than 14 months were interpolated to 12 months.

The emissions associated with Redevco's occupied offices which were incomplete or unknown were estimated based on the surface area of the office concerned, multiplied by the overall carbon intensity of Redevco's occupied offices with complete and accepted energy data. The data for business travel were provided by local travel agencies.

Consequently, the data do not include journeys that were not booked through travel agencies, i.e. all business travel by taxi or private car. It is assumed that the majority of the business journeys in the calculations were booked through travel agencies. For company cars, estimates have been used for kilometres driven that do not cover a lease period (within the reporting period) or reporting period. When kilometres driven were recorded over a period (in months) shorter or longer than a lease period or reporting period, the distance in kilometres was extrapolated or interpolated to cover a lease period or reporting period of 12 months.

Figure 1. Reporting scope and boundaries

	Portfolio data	Corporate data (Sustainable business operations)		
	Future-proofing our portfolio	Business Integrity	Supporting local communities	Internal operations
Austria	✓	✓	✓	–
Belgium	✓	✓	✓	✓
Czech Republic	✓	✓	✓	–
France	✓	✓	✓	✓
Germany	✓	✓	✓	✓
Hungary	✓	✓	✓	–
Luxembourg	✓	✓	✓	–
Netherlands	✓	✓	✓	✓
Portugal	✓	✓	✓	–
Spain	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓
United Kingdom	✓	✓	✓	✓
Corporate Services	✓	✓	✓	✓

Tables and graphs

Figure 2. Like-for-like (GRI SRS 302-1, 305-1, 305-2, INREV: 3.1, 3.2, 3.3, 3.5, 3.6)

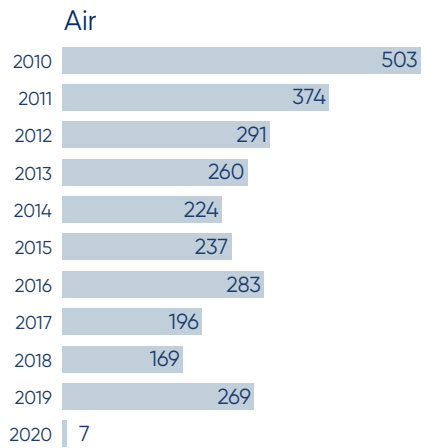
Redevco-occupied offices	unit	Amsterdam*		Brussels**		Paris		Düsseldorf***		Madrid		Zürich		London		Total	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Direct Energy Use & Carbon Emissions																	
Gas	GJ/year	383	560	-	-	-	-	-	-	67	84	-	-	291	308	742	951
	t /year	19	28	-	-	-	-	-	-	3	4	-	-	15	16	38	48
Total Direct	GJ/year	383	560	-	-	-	-	-	-	67	84	-	-	291	308	743	951
	tCO ₂ /year	19	28	-	-	-	-	-	-	3	4	-	-	15	16	38	48
Indirect energy Use & Carbon Emissions																	
Electricity total (a+b)	GJ/year	215	287	102	131	212	230	62	-	78	116	28	32	213	251	910	1050
	tCO ₂ /year	26	35	8	10	3	4	11	-	10	14	0	0	32	38	90	101
Electricity non-renewable (a)	GJ/year	8	86	-	-	-	-	-	-	78	116	28	32	-	-	114	233
	tCO ₂ /year	1	10	8	10	3	4	11	-	-	-	-	-	32	38	55	63
Electricity renewable (b)	GJ/year	207	202	102	131	212	230	62	-	-	-	-	-	213	254	796	817
	tCO ₂ /year	25	24	8	10	3	4	11	-	-	-	-	-	32	38	79	77
District heating	GJ/year	-	-	28	24	185	157	-	-	-	-	62	37	-	-	275	219
	tCO ₂ /year	-	-	1	1	9	8	3	-	-	-	3	2	-	-	16	11
District cooling	GJ/year	-	-	62	73	403	428	117	-	-	-	20	18	-	-	602	519
	tCO ₂ /year	-	-	5	6	6	7	20	-	-	-	0	0	-	-	32	13
Total indirect	GJ/year	215	287	192	228	800	815	179	-	78	116	110	87	213	254	1,788	1,787
	tCO ₂ /year	1	10	14	17	18	18	34	-	10	14	3	2	32	38	138	124
Total direct and indirect																	
Total Direct and indirect	GJ/year	598	847	192	228	800	815	179	-	145	200	110	87	505	562	2,529	2,738
Renewables taken into account	tCO ₂ /year	20	39	6	7	15	14	24	-	13	18	3	2	15	16	97	96
Not taking renewables into account	tCO ₂ /year	20	39	14	17	18	18	34	-	13	18	3	2	47	54	151	148
Water																	
Water use	m ³ /year	324	629	344	385	327	344	240	-	-	201	-	50	35	76	1,270	1,708

* 2019 data for NL office not available, 2018 data used instead as no changes made to office space.

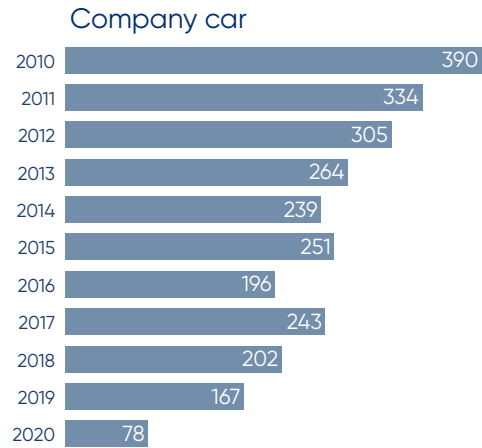
** 2019 data for BE office is adjusted due to corrections in data collection

*** 2019 data for DE office incomplete. No data from previous year used as office changed in 2018.

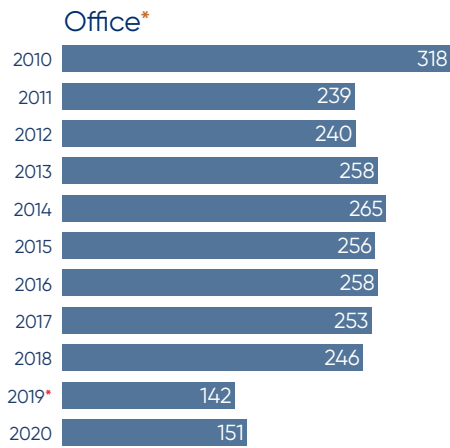
Figure 3. CO₂ emissions account related to Redevco's own operations ** (tCO₂e) Like-for-like (GRI SRS 302-1, 305-1, 305-2, INREV: 3.5, 3.6)



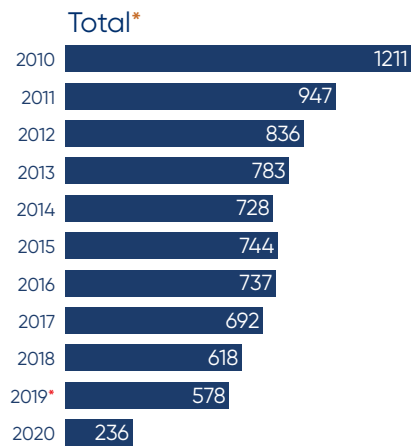
Total CO₂ emissions for business air travel in tCO₂e/year



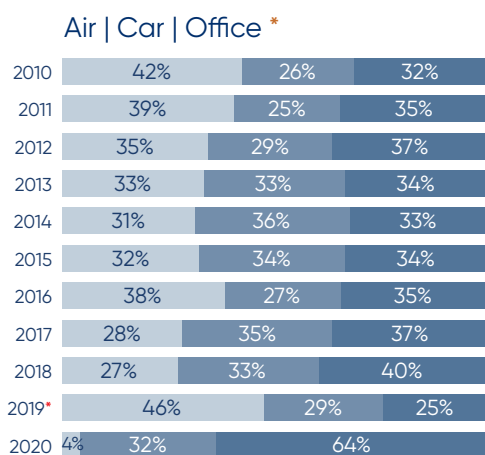
Total CO₂ emissions for Redevco company cars in tCO₂e/year



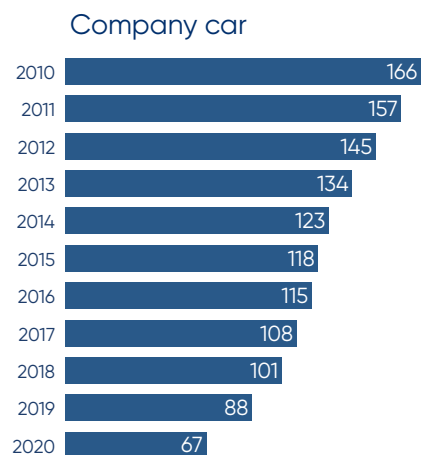
Total CO₂ emissions for Redevco occupied offices in tCO₂e/year



Total CO₂ emissions for Redevco's own operations in tCO₂e/year



Emission impact by type



Number shows the average gCO₂/km for company cars (in 2018 the emissions cap for company cars was lowered from 125 to 110 gCO₂ per km)

* Excluding German office data for year 2019

Figure 4. Intensity figures Redevco-occupied offices (GRI SRS 302-3)

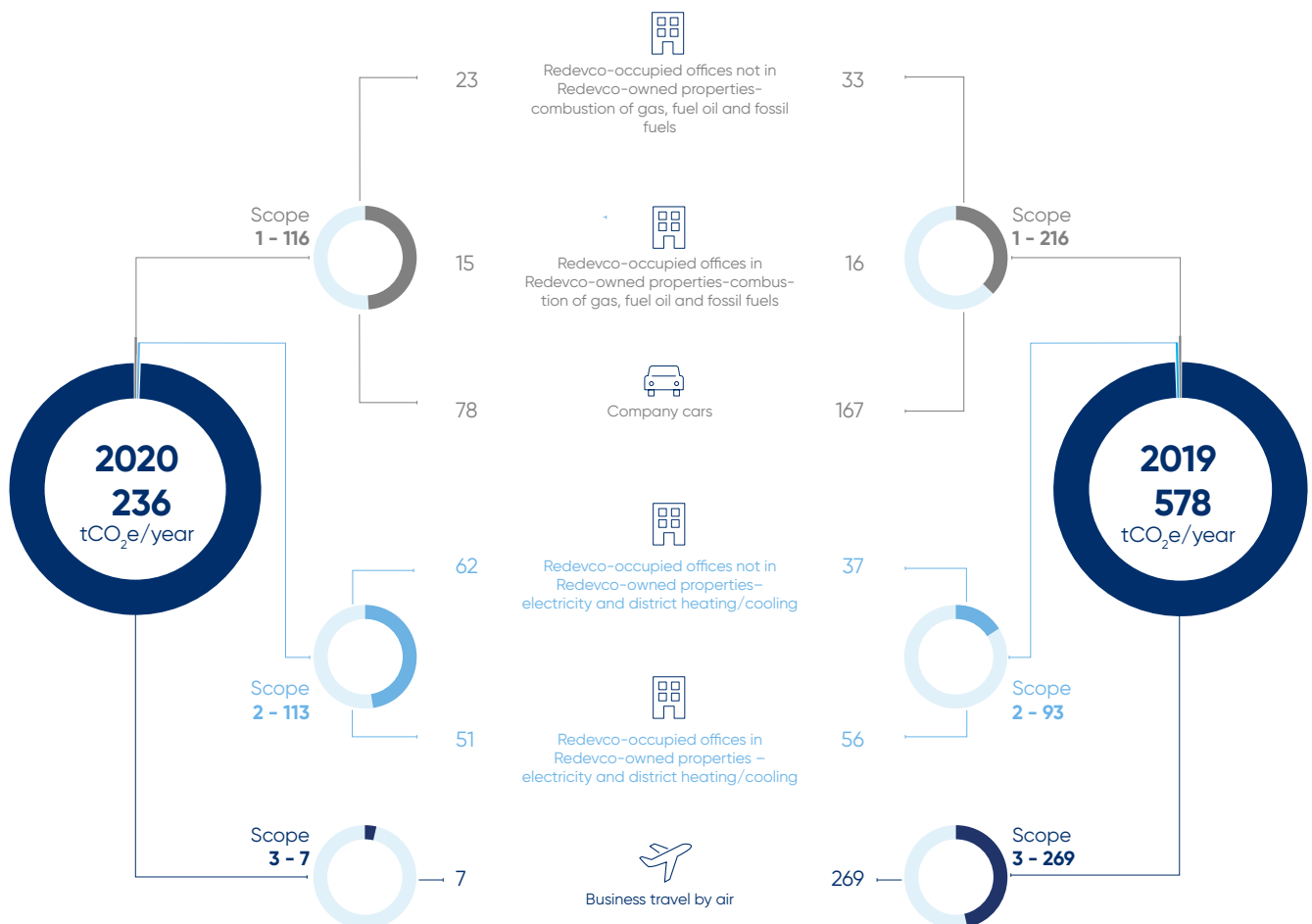
Total lettable floor area							
Redevco-Occupied Offices	2020	2020			2019		
Data coverage		100%	100%	88%	100%	100%	88%
Total	5,179	136	29	0.25	144	27	0.33
Amsterdam *	1,192	139	17	0.27	197	33	0.53
Brussels	1,070	50	13	0.32	45	10	0.36
Paris	800	278	23	0.41	283	22	0.46
Düsseldorf **	670	74	51	0.36	-	-	-
Madrid	651	62	20	-	85	-	0.31
Zürich	266	115	13	-	91	8	0.19
London	530	264	89	0.07	29	102	0.14

■ Energy intensity in kWh/m²/year ■ Carbon intensity** KgCO₂/m²/year ■ Water intensity m³/m²/year

* 2019 data for NL office not available, 2018 data used instead as no changes made to office space.

** 2019 data for DE office incomplete. No data from previous year used as office changed in 2018

Figure 5. Total GHG emissions according to the greenhouse gas protocol (tCO₂e/year) like-for-like (GRI SRS: 305-1, 305-2, 305-3, inv: 3.5, 3.6)



Scope 1: All direct GHG emissions

Scope 2: Indirect GHG emissions from the consumption of purchased electricity, heat or steam.

Scope 3: Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g. T&D losses) not covered in Scope 2, outsourced activities and waste disposal. Energy consumption from assets under management is not included in Scope 3.

Figure 6. Management position broken down by gender and by age Like-For-Like (GRI SRS 405-1)

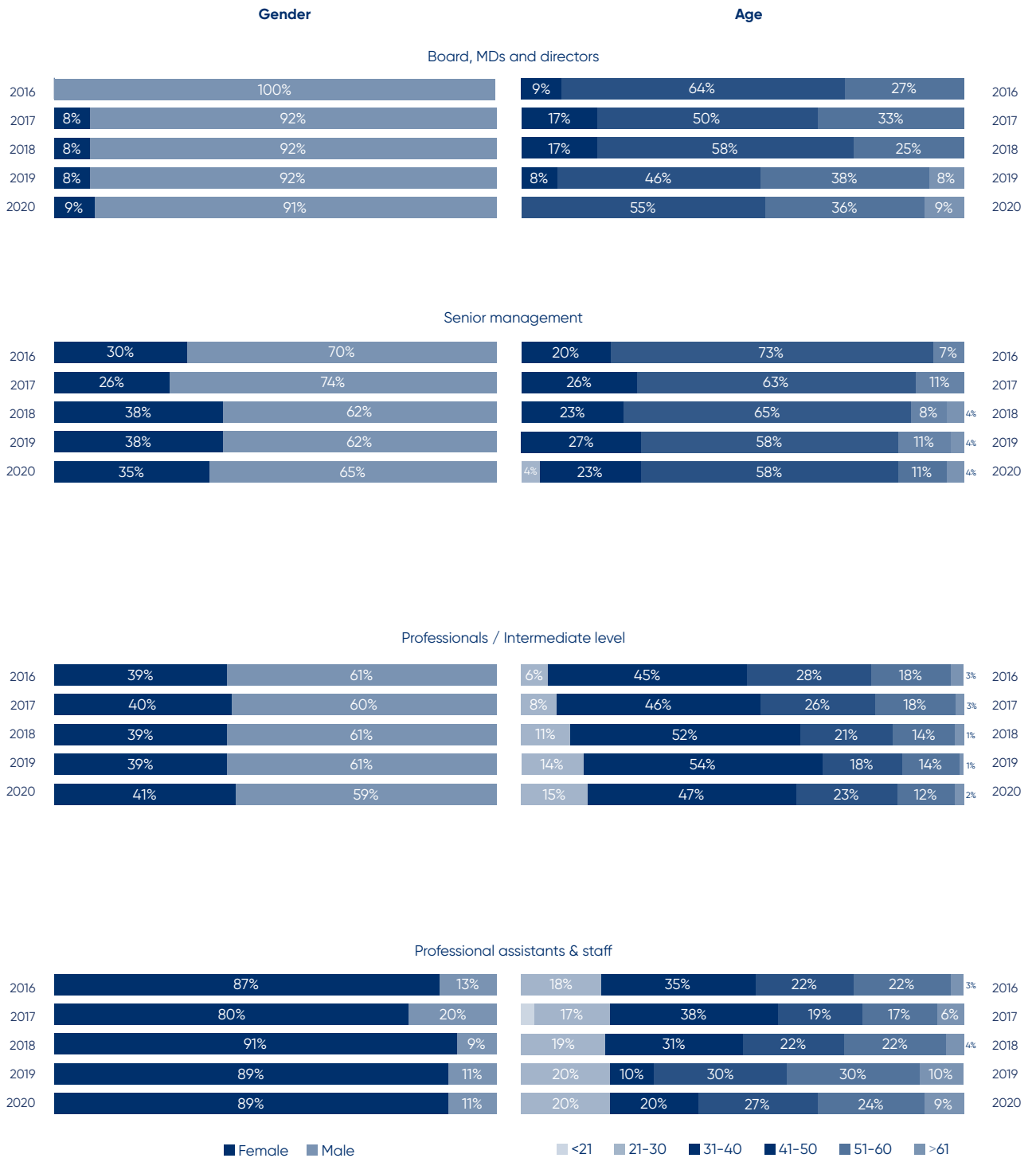


Figure 7. Employment type and contract type broken down by gender (GRI SRS 405-1)

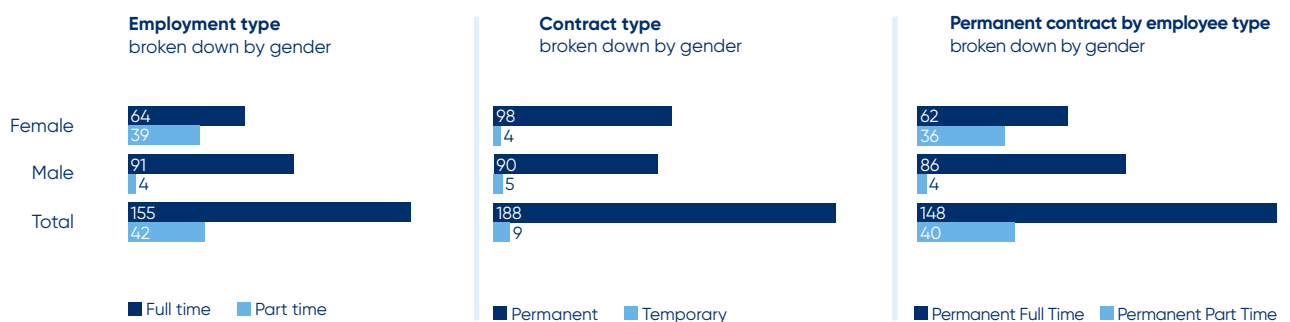


Figure 8. Years employed by Redevco (%) like-for-like



Figure 9. Staff turnover, new hires and new hires leaving employment by gender and by age group (GRI SRS 401-1)

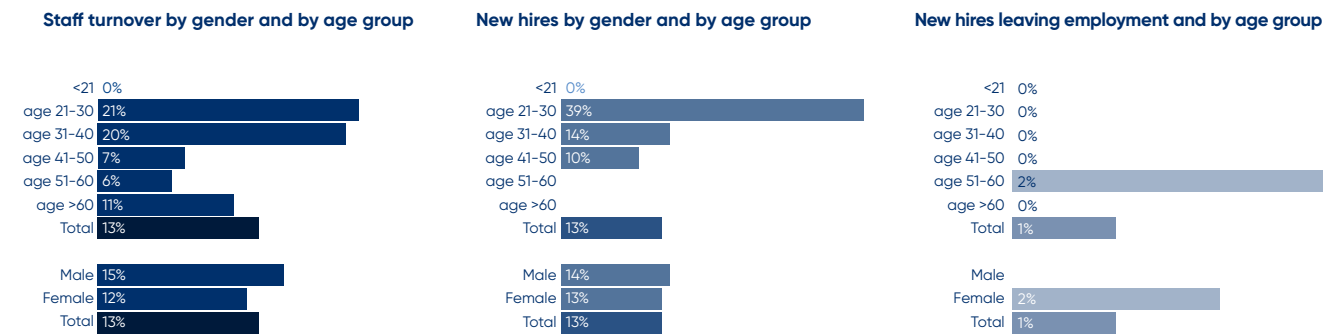


Figure 10. Total workforce by staff turnover, new hires, new hires leaving employment and absenteeism (GRI SRS 401-1).

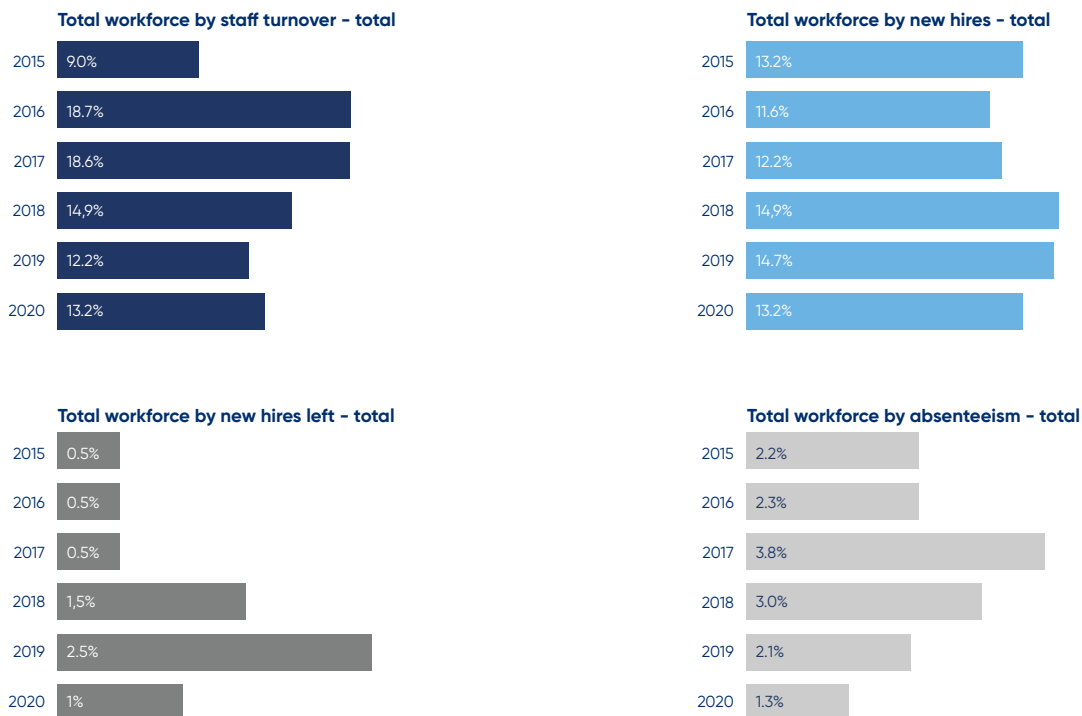


Table material topics

GRI 103 Management Approach 2020 – material aspects of high relevance

GR 103	Management Approach	Material aspects of high relevance	
Relevance	Material Aspect	GRI-SRS	Disclosures on Management Approach
Material	Encouraging responsible investment	103-1	Explanation of the material topic and its Boundary The impact Redevco has on its investors through advocating its responsible investment philosophy and offering responsible investment products.
		103-2	The management approach and its components Chapter: Responsible Investing, Our roadmap to 2040
		103-3	Evaluation of the management approach Page: 16-21, 27
Material	Emissions	103-1	Explanation of the material topic and its Boundary The impact Redevco has on climate change and biodiversity through the emissions from its own operations and the use of its assets under management.
		103-2	The management approach and its components Chapter: Our roadmap to 2040, Chapter: Our Sustainable platform
		103-3	Evaluation of the management approach Page: 24-26, 36
Material	Climate resilient portfolio	103-1	Explanation of the material topic and its Boundary The impact Redevco has on the adaptability of its portfolio against the potential effects of climate change through its new investments and design concepts.
		103-2	The management approach and its components Chapter: A net zero carbon portfolio, Responsible Investing
		103-3	Evaluation of the management approach Page: 18, 24-27
Material	Responsible governance	103-1	Explanation of the material topic and its Boundary The impact Redevco has on its business continuity and stakeholders' trust by applying responsible governance (business ethics, integrity, regulatory compliance, etc.).
		103-2	The management approach and its components Chapter: Responsible governance
		103-3	Evaluation of the management approach Figure 1.7: Governance, risk and compliance framework
Material	Employer of choice/ Employee development*	103-1	Explanation of the material topic and its Boundary The impact Redevco has on employee engagement and retention by implementing good working conditions (incl. health, safety and wellbeing)/ The impact Redevco has on employee engagement, retention and their employability by offering employees personal and professional development opportunities.
		103-2	The management approach and its components Chapter: Our Sustainable platform (page 32)
		103-3	Evaluation of the management approach Redevco employees participate frequently in the Redevco Pulse survey to measure employee satisfaction, enablement and engagement (page 33)

* were combined, as they were often seen as one during the stakeholder dialogues.

GRI Sustainability Reporting Standards

GRI 102 General Disclosures		
100 Universal standards		Chapter / Page
Organisational profile		
		Reporting Principles
102-1	Name of the organisation	Business Activities / 9
102-2	Activities, brands, products, and services	Business Activities /9
102-3	Location of headquarters	Colofon / 56
102-4	Location of operations	Business Activities / 11, 45
102-5	Ownership and legal form	Business Activities / 9
102-6	Markets served	Business Activities / 11, 45
102-7	Scale of the organisation	Business Activities / 11 and: Redevo does not disclose total capitalisation broken down in terms of debt and equity as this is proprietary information. Our shareholder does not permit this information to be disclosed.
102-8	Information on employees and other workers	Annex / 49, 50
102-9	Supply chain	Business Activities
102-10	Significant changes to the organisation and its supply chain	No specific changes
102-11	Precautionary Principle or approach	Business Integrity, and: Reference/Direct answer: Redevo's Business Integrity Policy is applicable: http://www.redevo.com/about/our-governance/
102-12	External initiatives	Responsible Investing / 19
102-13	Membership of associations	Responsible Investing / 19
102-14	Statement from senior decision-maker	Message from the CEO /2, 3, 4
Ethics and integrity		
102-16	Values, principles, standards, and norms of behaviour	Responsible governance / 12
Governance		
102-18	Governance structure	Business Activities / 10 and Our Governance of sustainability activities/ 31
Stakeholder engagement		
102-40	List of stakeholder groups	Responsible Investing/ 16
102-41	Collective bargaining agreements	Reference/Direct answer: We have no overarching collective bargaining agreement since we are too small. Permitted and available at local country level.
102-42	Identifying and selecting stakeholders	Responsible Investing/ 16, 17
102-43	Approach to stakeholder engagement	Responsible Investing/ 16, 17 and Our sustainable platform / 32, 33
102-44	Key topics and concerns raised	Responsible Investing/ / 17, 17
Reporting practice		
102-45	Entities included in the consolidated financial statements	n/a
102-46	Defining report content and topic Boundaries	Responsible Investing/ 16, 17/ 43-45
102-47	List of material topics	Responsible Investing/ 17
102-48	Restatements of information	n/a
102-49	Changes in reporting	Reporting principles / 43-45

102-50	Reporting period	Reporting principles / 43-45
102-51	Date of most recent report	Responsible investment 2019/2020, published in June 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Reference/Direct answer: Corporate Communications Email: info@redevco.com Phone no.: +31 20 599 62 62
105-54	Claims of reporting in accordance with the GRI Standards	Reporting principles / 43-45
102-55	GRI content index	GRI Sustainability Reporting Standards / 52, 53
102-56	External assurance	Reporting Principles, Auditor statement / 54, 55
GRI 103 Management Approach 2016		
103-1	Explanation of the material topic and its Boundary	Chapters, Table material topics / 51
103-2	The management approach and its components	Chapters, Table material topics / 51
103-3	Evaluation of the management approach	Chapters, Table material topics / 51
300 Environmental standards		
Energy		
302-1 INREV	Energy consumption within the organisation	Tables and graphs / 46-48
302-3 INREV	Energy intensity	Reference / Direct answer: only reported for Redevco controlled area on page 48
302-4	Reduction of energy consumption	Reference/Direct answer: partially reported on page 46
305-1 INREV	Direct (Scope 1) GHG emissions	Tables and graphs / 48
305-2 INREV	Energy indirect (Scope 2) GHG emissions	Tables and graphs / 48
305-3 INREV	Other indirect (Scope 3) GHG emissions	Tables and graphs / 48
305-4 INREV	GHG emissions intensity	Tables and graphs / 46-48
305-5	Reduction of GHG emissions	Tables and graphs / 46-48
400 Social standards		
Employment		
401-1	New employee hires and employee turnover	Tables and graphs / 49, 50
404-3	Percentage of employees receiving regular performance and career development reviews	Our sustainable platform / 34 Reference/Direct answer: Redevco reports the total percentage of employees who received regular performance feedback. There are no significant differences regarding regular performance feedback by gender or employee category.
405-1	Diversity of governance bodies and employees	Tables and graphs / 49

Assurance report of the independent auditor

To: the managing board of Redevco B.V.

Our Conclusion

We have reviewed the Responsible investment report 2020/2021 (hereinafter: the Report) of Redevco B.V. at Amsterdam (hereinafter: Redevco). A review is aimed at obtaining a limited level of assurance.

Based on our procedures performed nothing has come to our attention that causes us to believe that the Report does not present, in all material respects, a reliable and adequate view of:

- The policy and business operations with regard to sustainability
- The thereto related events and achievements for the year ended 28 February 2021

in accordance with the Sustainability Reporting Standards (Option Core) of Global Reporting Initiative (GRI) and the applied supplemental reporting criteria as disclosed in the Annex Reporting Principles of the Report.

Basis of our Conclusion

We have performed our review of the Report in accordance with Dutch law, including Dutch Standard 3810N, "Assurance-opdrachten inzake maatschappelijke verslagen" (Assurance engagements relating to sustainability reports), which is a specific Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Our responsibilities under this standard are further described in the section Our responsibilities for the review of the Report.

We are independent of Redevco in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Reporting criteria

The Report needs to be read and understood together with the reporting criteria. Redevco is solely responsible for selecting and applying these reporting criteria, taking into

account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the Report are the Sustainability Reporting Standards (option Core) of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria as disclosed in the Annex Reporting Principles of the Report.

The absence of an established practice on which to draw, to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Limitations to the scope of our review

The Report includes prospective information such as ambitions, strategy, plans, expectations and estimates. Inherent to prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information in the Report.

The references to external sources or websites in the Report are not part of the Report as reviewed by us. We therefore do not provide assurance on this information.

Responsibilities of the management board for the Report

The management board is responsible for the preparation of a reliable and adequate Report in accordance with the reporting criteria as included in the section Reporting criteria, including the identification of stakeholders and the definition of material matters. The choices made by the management board regarding the scope of the Report and the reporting policy are summarized in the Annex Reporting Principles of the Report.

The management board is also responsible for such internal control as the management board determines is necessary to enable the preparation of the Report that is free from material misstatement, whether due to fraud or errors.

Our responsibilities for the review of the Report

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Procedures performed to obtain a limited level of assurance are aimed to determine the plausibility of information and vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a review is therefore substantially less than the assurance obtained in an audit.

We apply the “Nadere voorschriften kwaliteitssystemen” (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other applicable legal and regulatory requirements.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with the Dutch assurance standards, ethical requirements and independence requirements.

Our review included amongst others:

- Performing an analysis of the external environment and obtaining an understanding of relevant social themes and issues, and the characteristics of the company
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the Report. This includes the evaluation of the results of the stakeholders’ dialogue and the reasonableness of estimates made by the management board
- Obtaining an understanding of the reporting processes for the Report, including obtaining a general understanding of internal control relevant to our review
- Identifying areas of the Report with a higher risk of misleading or unbalanced information or material misstatements, whether due to fraud or errors. Designing and performing further assurance procedures aimed at determining the plausibility of the Report responsive to this risk analysis. These further review procedures consisted amongst others of:
 - Interviewing management and relevant staff at corporate local level responsible for the sustainability strategy, policy and results
 - Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the Report
 - Obtaining assurance information that the Report reconciles with underlying records of the company
 - Reviewing, on a limited test basis, relevant internal and external documentation
 - Performing an analytical review of the data and trends
- Reconciling the relevant financial information with the financial statements
- Evaluating the overall presentation, structure and content of the Report
- Considering whether the Report as a whole, including the disclosures, reflects the purpose of the reporting criteria used

Amsterdam, 10th of June 2021
Ernst & Young Accountants LLP

Signed
R.J. Bleijs



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