

Growing and diversifying to drive greater impact

Responsible Investment Report 2021



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Annex



Andrew Vaughan CEO

“We strongly believe that we can make cities nicer environments for citizens and visitors alike, by helping them become more sustainable and liveable.”

Transforming our cities into sustainable and liveable urban spaces

2021 proved to be a year full of twists and turns. At the start we were more hopeful, expecting to leave the pandemic behind us soon, but that was not the case. The restrictions had their impact on cities and urban areas, where Redevco is mainly invested.

Despite the enormous influence of COVID-19, both the economy and the real estate sector have shown incredible resilience. I was positively surprised how quickly people returned to cities for work, leisure, retail and to live, reminding us all that we are social animals at heart, and we do not want to do everything at home on our laptops. COVID-19 has accelerated the shift to considering environmental and social impact when deciding where and how we invest. To ultimately help our cities to make the transition to a cleaner, quieter and more sustainable future.

Cities need to transform at their core

Cities face incredible challenges to become more digital and sustainable and find ways to adapt to meet the changing needs of people. We strongly believe that we can help make cities nicer environments for citizens and visitors alike, by helping them become more sustainable and liveable. We will do what we can to improve the ESG performance of the portfolios we manage. In addition, we will actively contribute to changing the real estate investment and management sector to become low carbon, circular and resource efficient.

Retail assets become multifunctional destinations

We believe the best 'value' will be found in retail for

those that understand the sector and are not afraid to take development risk to curate mixed-use environments that serve local needs and show positive social impact on the community. There is still a place for prime retail in quality locations and we have seen footfall bounce back in central, well-connected areas where consumers are demanding experiential shopping.

To help transform cities, there is a huge opportunity to redesign existing retail stock into multifunctional destinations: we have already been doing this for quite some time. A good example is the redevelopment of a property in the heart of Hamburg. Here we are creating a sustainable, mixed-use building with a floor space of around 15,000 m² across ten floors. We are striving to make the new building as low carbon as possible from a whole lifecycle perspective, with the focus on an intelligent, sustainable energy concept and the recyclability of raw materials. Projects like these offer a mix of commercial uses in response to new ways of living and working in a society that is undergoing radical change.

Making our way into the residential sector

As cities attract more people, the need for more homes is apparent. We made two residential ac-

“Within our growth and diversification plans we will continue to focus on making our entire portfolio Net Zero Carbon by 2040.”

quisitions in 2021. The Porseleinen Toren in Delft, the Netherlands, is a good example of creating suitable housing in one of the most densely populated parts of the country where there is also a massive shortage of high-quality rental accommodation. The development will be equipped with innovative technologies to minimise energy consumption, in line with our sustainability strategy. Another example is our Hollandse Meesters residential development. The apartments form part of a new complex at a former office location just 20 minutes from Amsterdam and will provide high-quality, sustainable homes in an area where, like in Delft, there is a huge housing shortage. These acquisitions are entirely aligned with our goal to invest in residential properties in the most attractive cities across Europe, and to help these areas become more sustainable and liveable.

Diversification and growth to drive greater impact

In addition to repurposing existing assets and investing in the residential sector, we plan to grow and diversify into other real estate sectors within the urban environment, which will enable us to increase our ability to make a positive impact. Our specialist investment strategies also focus on creating leisure and hospitality opportunities and modernising the retail warehouse parks landscape. In this context of growth and diversification, partnerships will play an increasingly vital role. They will include our existing clients as well as new ones, as we increase the number of separate accounts and create new joint ventures and other opportunities to collaborate. As a further option, we are also considering the acquisition of platforms that fit our strategy.

Within our growth and diversification plans, we will continue to focus on making our entire portfolio Net Zero Carbon by 2040. This means that Environmen-

tal, Social and Governance (ESG) will progressively become an integral part of our investment approach, with a core focus on reducing carbon emissions and adding social value to the communities in which assets are located and developed.

Our organisation is evolving

To help drive the diversification of the portfolios we manage across property sectors and to establish investment strategies accordingly, Marrit Laning was added to the Redevco Board in the role of Chief Strategy and Innovation Officer. Marrit will also be harnessing the latest innovations with regard to the future of real estate and bring innovative solutions to the table to accelerate our sustainability journey. In 2021, we launched our NextGen Board as a platform for the young talent of our company. We have invited eight individuals from different functions, cultures and locations to provide new ideas and perspectives to



strengthen our business now and in the decades to come. As Redevco's Board, we are looking to be challenged by our younger employees, who bring creative solutions, less traditional views and their personal, relevant experience to the table. Our NextGen Board represents the voice of Redevco's future.

My heartfelt thanks to the Redevco team for the positivity and commitment with which they have continued to run our business in a challenging working landscape. The drive they have shown is widely shared and expressed by our stakeholders: it is the passionate de-

termination to not just overcome our immediate challenges, but to collectively and responsibly transition to a low-carbon, circular industry and transform our cities into nourishing, vibrant urban spaces for the future.



Andrew Vaughan
CEO Redevco

Subsequent events

A number of events have unfolded after the end of the reporting year 2021 that warrant a brief commentary:

Redevco acquired redos in April 2022, a Hamburg-based large-scale retail and urban logistics property and asset manager, managing over €3 billion AuM on behalf of three investor clients. We are excited about the possibilities this brings to scale our impact on climate action and other material topics.

Similarly, rising inflation over the past months is having significant impact on supply chains and the availability and pricing of raw materials for our redevelopment projects. This uncertainty is undoubtedly impacting our tenants and their businesses too. Redevco will remain in dialogue with all relevant stakeholders to navigate these challenges in as balanced a way as possible.

The conflict between Russia and Ukraine has a major impact on the world, its citizens and the world economy. Redevco is continuously monitoring and assessing how potential financial, banking and monetary sanctions may be of influence on our business.

HIGHLIGHTS 2021

Mission 2040

- Commitment letter to the Science Based Targets Initiative (SBTi) to set a GHG emissions reduction target in line with the 1.5°C scenario of the Paris Agreement.
- Signing of the World Green Building Council's Net Zero Carbon Buildings Commitment: a challenge to learn about and cut the whole life carbon emissions of our buildings and activities.



Our road to Net Zero Carbon

- Creating a new climate-neutral, landmark building in Hamburg with 15,000 m² of floor space across ten floors. The design focuses on an intelligent, sustainable energy concept and cradle-to-cradle use of raw materials.
- Compensating the CO₂ footprint of our office operations with Land Life Company by reforesting degraded land in the region of Castile and León in northwestern Spain.
- Picking up the pace on Project Solar: 23 PV installations installed in 2021 representing 4.2 MWp on-site renewable energy generation capacity.
- Upgrading our asset at Vredenburg in Utrecht to achieve a BREEAM In-Use 'Excellent' rating in 2021.

Commitments

- Redevco is one of the industry frontrunners that committed to help and promote the **Built by Nature** initiative, sharing knowledge and experiences around timber construction as a critical climate solution.
- Partnership with other major real estate organisations on the Urban Land Institute's Fast Track to Decarbonisation project to speed up and scale up the built environment's urgent journey to carbon neutrality in Europe.

Health & Well-being

- First global Redevco Vitality Week to create awareness about the importance of vitality.

Residential

Acquisition of two sustainable housing developments: the 'Porseleinen Toren' (Porcelain Tower) in Delft and the 'Hollandse Meesters' in Amstelveen, both in the Netherlands.

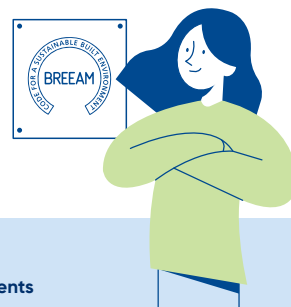


People & Culture

- Marrit Laning was appointed to the Redevco Board as Chief Strategy & Innovation Officer to harness the latest innovations that shape the future of real estate.
- Sharing is caring! We organised two Redevco roundtables around future cities and ESG for both internal and external contacts.
- The NextGen Board was established to promote an inclusive culture, acknowledge the value of diversity and leverage talent.

Acquisitions and investments

- Acquisition of Templars Square in Oxford with a view to transforming this 1960s local shopping centre into a landmark, residential-led mixed urban scheme over the next decade.
- Investment in Fifth Wall's European PropTech Fund to accelerate our innovation journey, with special attention to accelerating our sustainability efforts.



Redevelopments

The redevelopment of the shopping complex in the centre of Waterloo entered its final phase, aiming to obtain a BREEAM In-Use 'Excellent' rating in line with our ambition for all new buildings.

TARGETS & KPIS 2021*

SDGs alignment:



ENVIRONMENTAL

Results 2020

Target 2021

Results 2021

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).

1,019**

2,000
(in 2025)

🟢 1,242

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.

27

N/A***

N/A

SOCIAL

Results 2020

Target 2021

Results 2021

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.

89%

85%

🟢 85%

Employee development

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

Professional development of our employees.

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

87%

80%
(annually)

🟢 95%

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

KPI: % of employees having received regular performance feedback.

95%

90%
(annually)

🟢 97%

*Targets & KPIs 2021 are linked to our prior materiality assessment (2019) and high material topics, our new materiality matrix (2022) can be found on page 21 and targets & KPIs for 2022 on page 23.

**Retrospectively we report a lower number here than last year, due to updated emission factors.

***No new target was set for 2021 after the introduction of Mission 2040, because we adopted a new approach in the way we use BREEAM In-Use. For more information see page 32/33 of this report.



Targets and KPI's 2021 are aligned with the high material topics from 2019. To see our new materiality matrix go to page 21 and for our new Targets and KPI's go to page 23/24.

SDGs alignment:



GOVERNANCE

Results 2020

Target 2021

Results 2021

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.

52%
(annually)

N/A*

N/A

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

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.

100%
(annually)

100%
(annually)

✓ 100%
(annually)

KPI: % of staff who signed BIP.

Comply with BIP, regulations and legislation.

0

0
(annually)

✓ 0

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

*No new target was set for 2021 after the introduction of Mission 2040, because we adopted a new approach in the way we use BREEAM In-Use. For more information see page 32/33 of this report.

A man in a light blue shirt and dark pants is walking away from the camera on a paved path. To his left is a modern building with a green grid-patterned wall and a wooden balcony. The scene is brightly lit, suggesting a sunny day.

Business activities

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Your trusted partner in urban real estate

Redevco, part of COFRA Holding AG, is a pan-European real estate investment management company¹ with a clear focus on making a positive impact by helping cities become more sustainable and liveable. As a partner in urban real estate, we invest in properties with a view to developing future-proof buildings in dynamic urban locations.

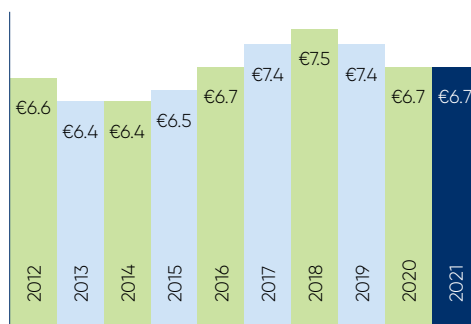
Our specialist investment strategies, local real estate knowledge and the scale of our pan-European platform enable us to create value for both our investor clients and occupiers. Our highly experienced professionals purchase, develop, let and manage properties, ensuring that the portfolios optimally reflect the needs of our clients. We believe in long-term investments where quality and sustainability are key. We currently manage a portfolio of 262 assets across 12 countries (February 28, 2021: 280). These properties comprise 2.2 million m² of space, represent more than 1,900 tenancies and are worth €6.7 billion (February 28, 2021: €6.7 billion).

What we do

Our team of 204 professionals across six offices in Europe 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 to build solid investment strategies focused on repurposing existing mono-functional assets into mixed-use, building sustainable and affordable homes, creating leisure and hospitality opportunities and modernising the retail warehouse parks landscape. We are harnessing our retail real estate experience to create vibrant and future-proof destinations in the urban realm.

Figure 1. Portfolio development 2021 (numbers in billions)



¹ Redevco is not licensed or registered in the EEA for the provision of regulated portfolio management services.

“Redevco’s mission is to be the trusted partner in urban real estate, creating more sustainable and liveable cities and with that have a positive impact.”

How we do it

There are three key drivers that together propel our business. Firstly, we have deep-rooted local capabilities that allow our country teams to buy, develop, let and manage properties that are the best possible fit for our tenants. Secondly, we design and manage our specialist strategies to anticipate and respond to constantly changing occupier markets. This approach helps us to find locations with the most relevant, sustainable and inspiring real estate, translating into solid returns for our investors. And finally, in the international real estate environment, Redevco’s scale and footprint enable us to leverage the collective knowledge of our network of expert transaction and asset management teams on the ground.

Our mission and beliefs

Redevco’s mission is to be the trusted partner in urban real estate, creating more sustainable and liveable cities and with that have a positive impact. To achieve this, we use our knowledge and expertise to:

- Evolve our portfolio to rapidly become low carbon, circular and resource-efficient, accelerated by signature projects that enable us to learn by doing.
- Invest in affordable, sustainable residential units to ease the housing shortage in major cities.

- Preserve urban and cultural heritage by restoring and maintaining historic buildings.
- Create vibrant, mixed-use locations that also promote cultural, educational, charitable and community activities.
- Leverage technological innovation to develop alternative business models and additional revenue streams that 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 country-based asset management and specialist teams across Europe. Redevco’s Board has therefore delegated day-to-day management into six global functions (see figure 3). These global functions help to integrate decision-making and ensure accountability for Client & Fund Management as well as our operations as a manager of investment strategies. 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. To help drive the diversification of the portfolios we manage across property sectors and to establish investment strategies accordingly, Marrit Laning was added to the Redevco Board in the role of Chief Strategy and Innovation Officer. Marrit will also be harnessing the latest innovations with regard to the future of real estate and bring innovative solutions to the table to accelerate our sustainability journey. The Manage-

Figure 2. Governance structure





ment Team consists of the members of the Redevco Board, the Co-Heads of Client & Fund Management and the Head of Global Transaction Management. 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, the CSIO 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 Management and Compliance, the Head of Information Technology and the Manager IT Infrastructure & Support.

Figure 3. New organisation structure with the global functions

Chief Executive Officer (CEO)

Andrew Vaughan

- Client & Fund Management
- Transaction Management

Chief Financial Officer (CFO)

Manolito van Ardenne

- Enabling Business Performance

Chief Strategy Innovation Officer (CSIO)

Marrit Laning

- Investment strategies & Innovation
- Sustainability

Chief Human Resources Officer (CHRO)

Ton van de Grampel

- Partnership

OVERVIEW OF OFFICES*



Amsterdam

56	employees**
€0.4	bil. portfolio value
38	AuM
88	# of leases
0.08	mil. total lease area (m ²)

Brussels

35	employees
€1.6	bil. portfolio value
88	AuM
840	# of leases
1.21	mil. total lease area (m ²)

Düsseldorf

38	employees
€1.9	bil. portfolio value
50	AuM
312	# of leases
0.48	mil. total lease area (m ²)

London

26	employees
€0.6	bil. portfolio value
25	AuM
254	# of leases
0.13	mil. total lease area (m ²)

Madrid

21	employees
€0.8	bil. portfolio value
28	AuM
240	# of leases
0.18	mil. total lease area (m ²)

Paris

28	employees
€1.4	bil. portfolio value
33	AuM
238	# of leases
0.16	mil. total lease area (m ²)

* On February 28, 2022

** Redevco Netherlands and Redevco Corporate Services

In 2021 we closed our Zurich office. We transferred our CH/CE activities to our office in Düsseldorf.

Ensuring good governance

To ensure good governance throughout Redevco, we have systems in place that control how the company takes decisions, meets its legal obligations and achieves its operational requirements. We have an ethical, values-driven culture based on dialogue, respect and integrity, where issues are addressed swiftly and transparently.

Good governance helps us to attract and retain talent, manage costs and build trust with employees, investors, tenants, suppliers and other stakeholders. It ensures continuity, creates value for our shareholders and other stakeholders and helps Redevco be a sustainable organisation.

Our approach to responsible governance

Redevco's Business Integrity Principles are a key component in building and maintaining a strong, unified culture across Redevco. The Business Integrity Principles are centred around four core values, being:

- **Integrity:** we do business fairly and honestly at all times and in all matters.
- **Excellence:** we strive to always improve our work by finding better and more efficient solutions.

- **Balance:** with continuity in mind, we think and act as a partner to our stakeholders.
- **Team Spirit:** sharing knowledge and exchanging ideas across the group helps us act as one.

For each of these core values, the Business Integrity Principles describe what we expect from each other when we cooperate and do business. We organise trainings annually for all employees to discuss our values and any dilemmas we face when applying these values in our day-to-day work. After these trainings, employees are asked to sign a document stating that they adhere to the way we work as described in the Business Integrity Principles.

In 2021, 100% of employees signed this commitment (100% in 2020) and 91% completed the integrity training (93% in 2020). For new employees, an onboarding programme is in place that clearly explains our values and Business Integrity Principles.

In late 2020, Redevco adopted a Diversity & Inclusion Policy to strengthen our existing ethos and to maintain a workplace in which everyone feels welcome, included and respected. To promote this inclusive

Figure 4. Elements of Redevco's integrity principles



	Results 2020	Target 2021	Results 2021
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	0	0

culture, acknowledge the value of diversity and harness talent, a NextGen Board was established in 2021. The NextGen Board supports the Redevco Board with idea generation and innovation, advisory and delegated decision-making. Additionally, the Board asks the NextGen Board to handle and make decisions on certain projects and issues that call for traction or refreshing resolutions. Read more about the NextGen board on page 43.

More information on the Diversity & Inclusion Policy, Redevco's ESG Policy and the Business Integrity Principles is available on our [corporate website](#).

Good brakes allow us to drive faster

In 2021, we adopted the slogan 'Good brakes allow us to drive faster'. This slogan represents our approach to risk management. To achieve our strategic objectives, we need to think, decide and act fast. And though it may seem counter-intuitive, good brakes allow us to go faster, secure in the knowledge that the risk is under control. This is the role fulfilled by Redevco's Governance Risk & Compliance (GRC) framework, designed in line with the COSO ERM principles².

The framework supports management in identifying, analysing, evaluating and mitigating risks that may

impact the achievement of our long-term strategic objectives. It supports a better understanding of risks and mitigating measures, minimises losses and incidents and enables Redevco to benefit from opportunities. Components of the framework are:

- **Business Integrity** – providing guidance on 'the way we work' and establishing boundaries for Redevco's activities.
- **Decision-Driven Organisation** – a framework that describes the decision-making structure based on 'three lines of defence', each with clear mandates, roles and responsibilities.
- **Risk-Based Policies** – instructions and guidelines providing details on material business processes.
- **Risk & Control** – setting out how risks are identified and managed through effective controls described in the risk and control matrix.
- **Compliance** – setting out how internal compliance is achieved on the basis of the GRC framework.

Redevco's GRC framework is considered essential for achieving our long-term strategic objectives and ensures a responsible governance approach is in place.

² The Committee of Sponsoring Organizations of the Treadway Commission's enterprise risk management framework is a widely accepted risk management standard organisations use to help manage risks in an increasingly turbulent, unpredictable business landscape.



“Redevco’s Business Integrity Principles are a key component in building and maintaining a strong, unified culture across Redevco.”

Reporting violations

Redevco’s Whistleblowing Policy was updated in 2021 based on the EU Whistleblowing Directive 2021 to protect employees and other stakeholders and encourage them to report concerns about potential incidents of bribery, fraud, misconduct or other violations of our values and Business Integrity Principles. To ensure all colleagues know the reporting procedure, the policy is discussed during the annual integrity training. The Whistleblowing Policy is available on Redevco’s website. No cases were reported under this policy in 2021.



Albert Weenink

Head of Governance, Risk Management & Compliance

Security: It all starts with you!

Information security is one of Redevco's top priorities as a potential cyberattack can have enormous cost and business implications for our organisation. In 2021, Redevco again implemented various organisational, procedural and technical security measures aimed at continuously improving our information security. The most important factor, though, is employee awareness of information security risks and how to handle them. Given this, we dedicated considerable time to making our colleagues aware of potential risks, updating them about the latest security threats and educating them on how to prevent incidents.

Security campaign

To facilitate a secure mindset and behaviour, we have created a dedicated Information Security page on our Intranet. This ensures that our employees can easily find the information security procedures and policies in place at Redevco.

We also organised various activities to keep everyone in the organisation fully alert. These included events

like a live hacking demo, where we demonstrated in real time how a hacker can get into someone's system, and a dedicated all-company call on security. In September 2021, we launched monthly security awareness trainings consisting of a two- to three-minute video followed by a question and Redevco-specific advice. In addition, we encouraged all employees to complete a training in a game format called 'Are You Secure?'. The game presents fifteen multiple choice questions that are repeated until the participant answers all the questions correctly in one go.

"Recent years have shown that Information Security should be on every business's top priority list. We therefore put a lot of effort into continuously improving our security posture. Our employees play an important role in keeping Redevco secure, hence the slogan of our security campaign – Security: It all starts with you!"



Dave Erents

Information Security Manager

The background of the entire page is a photograph of a city street. In the foreground, several people are riding bicycles, slightly out of focus to suggest motion. In the background, there are green trees and a modern building with large glass windows. The sky is blue with some light clouds. A solid yellow rectangle is positioned on the left side of the page, partially overlapping the title area.

Responsible investing

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Getting our priorities right

Redevco values stakeholder dialogue as a vital part of conducting effective materiality assessments. We engage with a wide range of stakeholders including shareholders, investor clients, occupiers, suppliers and employees.

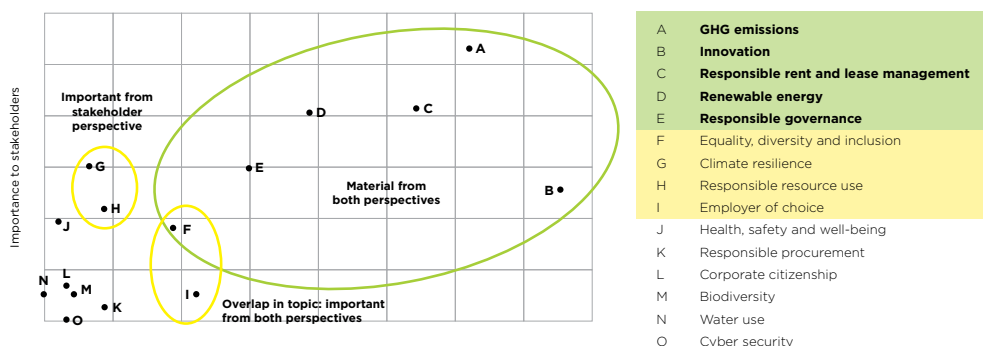
We update our materiality matrix every two years, consistent with the Global Reporting Initiative (GRI) guidelines. Our latest materiality assessment took place between December 2021 and February 2022. The assessment was executed by an external consultant. During this assessment we collected quantitative and qualitative input from key stakeholder groups: shareholders, investor clients, occupiers and employees. This materiality assessment identified eight material topics: Greenhouse gas (GHG) emissions, Innovation, Responsible rent and lease management, Renewable energy, Responsible governance, Employer of Choice combined with Equality, Diversity & Inclusion, Climate resilience and Responsible resource use..

of Choice combined with Equality, Diversity & Inclusion, Climate resilience and Responsible resource use..

Maturity

Our Management Team subsequently ran a maturity exercise, taken the eight material topics into account. This exercise resulted in the top four most urgent topics: Climate resilience, GHG emissions, Innovation and Responsible rent and lease management. These topics are important to our stakeholders, but not as mature as one might expect in our organisation. We will be implementing a number of improvements, that

Figure 5. Materiality matrix



We determined the relevance of topics by asking our Management Team and investors to assess and select their priority issues from double materiality perspective; based on the (potential) influence on our organisational performance and on the (positive or negative) impact we as an organisation can have on society with such issues.

*Given that our RI Report is not a financial/integrated report, we deliberately filter the longest and therefore shortlist of material topics to ESG related matters only.

we are currently discussing, on these topics and will report on the results in our next Responsible Investment Report.

Our previous materiality matrix from late 2019 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. While there are similarities between the high-ranking material topics from the 2019/20 edition and the 2021/22 edition, we do note a sharpening of definitions and a slight shift in importance of some topics on the matrix. A similar maturity exercise resulted in

the top three most urgent topics: Climate-resilient portfolio, Emissions and Encouraging responsible investment. Over the past two years we have taken this feedback to heart and have been working on implementing various recommendations regarding these topics. Examples include adopting and publishing our [ESG Policy](#) on our website which describes our overall approach to a host of material ESG topics relevant to our business. We have also developed and implemented a climate risk tool for our portfolio, which allows us to take potential physical risks to real estate as a result of climate change into account our investment proposals for both new acquisitions and significant redevelopments.

“We have developed and implemented a climate risk tool for our portfolio.”



NEW TARGETS & KPIS 2022*



ENVIRONMENTAL, SOCIAL & GOVERNANCE

Innovation

Investing in and piloting new concepts, designs, technology and data applications that put the users of our buildings and our investors first, making our business and assets under management future-proof.

- Deliver and execute a structured innovation approach (innovation Framework) to explore opportunities and deliver best practices.
- KPI: Create an open-minded and broadly supported view on innovation
- KPI: Execute the innovation strategy
 - Pilot hardware and software technology relating to smart & sustainable buildings
 - Intelligence throughout the business
 - Explore opportunities for new services and business models



ENVIRONMENTAL

GHG emissions

Managing and minimising our impact on climate change, caused by emissions from our (own or outsourced) operations and the use of our assets under management.

- Working towards a 50% reduction in absolute scope 1, 2 and material scope 3 carbon emissions by 2030, vs. a 2019 baseline, en route to a Net Zero Carbon portfolio by 2040
 - KPI: Smart meter coverage of 85% by number of rental spaces in our AuM
 - KPI: 5% reduction p.a. in absolute carbon emissions based on like-for-like AuM
- Reduce (absolute) CO₂ emissions of our business operations to 2,000 kg CO₂ per employee by 2025
 - KPI: 2,000 kg CO₂ emissions per employee (head-count)

Renewable Energy

Implementing renewable energy solutions and projects to generate renewable energy and reduce GHG emissions.

- Deliver Renewable Energy Generation Capacity
 - KPI: Project Solar total installed capacity >11.5 MWp

Climate Resilience

Implementing effective measures to improve the ability for society to prepare for, recover from, and adapt to more frequent and severe weather, ocean warming and acidification, extended periods of drought and extreme temperatures, and other deleterious effects of climate change. Climate resilience is part of new investment decisions and development design concepts in all regions where we operate or consider operating.

- Use Sustainable Development Design Guide with design team partners at the outset of each (re)development to set specific climate mitigation and adaptation targets
 - KPI: All of Development Proposals at 'scheme sign-off' stage must demonstrate clear climate risk mitigation and adaptation measures
- Improve environmental performance and climate resilience of assets under management
 - KPI: Significant redevelopments must target BREEAM In-Use Excellent rating

*Targets & KPis 2022 are linked to our new materiality assessment and material topics.



SOCIAL

Employer of Choice

Providing a work environment that facilitates health, safety, and well-being in order to stimulate employee engagement, development and employability.

- Improve engagement and enablement of our employees
 - KPI: 85% average engagement index score from Redevco Pulse
- Professional development of our employees
 - KPI: 80% of employees participating in training courses or development programmes
- Get the best out of our people by giving clear feedback and guidance on performance
 - KPI: 90% of employees having received regular performance feedback

Equality, Diversity & Inclusion

Creating equal opportunities for all and offering a place where each employee is able to fulfil their potential and maximise their contribution.

- Continue our work on developing an environment of Equality, Diversity & Inclusion
 - KPI: Incorporate D&I-specific questions in the onboarding and exit survey (survey sent to all new joiners and all leavers)
 - KPI: Integrate topic into annual Business Integrity workshops and 90% of the organisation to participate in this workshop



GOVERNANCE

Responsible Rent & Lease Management

Engaging with and encouraging tenants in relation to their sustainability performance and creating optimal rent agreements to ensure a positive impact on the financial stability of our tenants.

- Increase tenant engagement on topic of sustainability
 - KPI: Evaluate & update Green Lease
 - KPI: Use Sustainable Development Design Guide in collaboration with prospective tenants as part of relevant (re)developments
- Encourage tenants to procure certified green energy
 - KPI: Complete an inventory of tenant energy procurement choices for 50% of tenants (by share of rent roll)

Responsible Governance

Ensuring good governance (including business ethics, integrity and compliance) to ensure business continuity and trust.

- Maintain a high business integrity awareness
 - KPI: 100% of staff who sign BIP
- Comply with BIP, regulations and legislation
 - KPI: Total number of incidents, breaches and sanctions as a result of non-compliance is zero.



Innovation is not a goal but a means

Innovation is a key enabler to fulfil our mission to contribute to liveable and sustainable cities. During our latest materiality assessment, the topic of Innovation made it into the top four most urgent topics. Our stakeholders expect us to take a leading position in this transformation driver and accordingly, in February 2022, we appointed **Elsbeth Quispel** in the newly created role of Head of Innovation. The role was created to build our capabilities in using new technologies and developing innovative concepts to advance our mission, helping to transform cities into vibrant hubs where people want to live, work and play.

Innovation touches just about every aspect of our industry and for Redevco it is most relevant in the areas of ecology, technology and intelligence. We aim to use innovation to accelerate our growth strategy, drive transformation and diversification, improve operational excellence and support our ESG ambition. The Strategy & Innovation team has undertaken a scan of the property technology landscape to identify the most relevant technologies to drive our business forward. The analysis identified three areas of interest for Redevco:

Data & analytics

Data, or digital, is the largest technology type in property technology. Data is the fuel that allows many other technologies to function and provides the foundation for analytics, enabling predictive analytics, location intelligence, IoT predictive maintenance and more.

Smart & sustainable buildings

Applying new (digital) technology is a critical tool to help the real estate industry become more sustainable. Its impact can be seen from initial design to well beyond construction. Think of BIM design, modular construction methods, smart HVAC technology, building sensors and smart cameras.

Services & business models

Technology is supporting the creation of shared space platforms facilitated by services, tools and apps. For example: co-living, co-working, etc.



Elsbeth Quispel

Head of Innovation

Investing responsibly in a global context: more than just commitments

Commitments are important – of course they are – but words and statements of intent will not slow the carbon clock for our planet by a second. 2021 saw the continuation of lockdowns and restrictions due to the ongoing pandemic and brought the realisation that we will have to learn to live with the impacts of COVID-19 for some time to come.

It also brought an even greater realisation by many of the likely consequences of the climate emergency in which civilisation finds itself, on top of the health emergency. That spurred an exponential increase in the number of corporates making Net Zero commitments and pledges in advance of COP26, which took place in Glasgow at the end of October and early November 2021.

One positive outcome of COP26 was that the ratchet mechanism that was included in the Paris Agreement of 2015 is clearly working. Many signatories to the Paris Agreement came to COP26 with revised and more ambitious climate targets. In the most optimistic scenario where every country actually delivers against its more ambitious targets and pledges, the data suggests this will keep the planet to slightly below two degrees of warming. But that implies that all countries (and sectors and industries and corporations and individuals) need to take action.

Redevco is acutely aware of this and has already been taking – and will continue to take – action in line with our responsible investing approach (as outlined in our ESG Policy) as well as the commitments that we have made.

For many years now, Redevco's motto has been 'Business in Balance'. It expresses the intent to strive for a balance between people, planet and profit and remains valid today in the pursuit of balanced ESG impact. We seek to invest in buildings that are sustainable in every sense of the word – commercial, social, environmental and financial – and we operate our business according to our ESG principles as well.

To do our bit for the decarbonisation imperative, Redevco launched 'Mission 2040' at the end of 2019: our commitment to strive towards a Net Zero Carbon portfolio by 2040. We shared our detailed roadmap in last year's report and had intended 2020 and 2021 to be years of real activation of Mission 2040 within our organisation. Despite COVID-19 and all its consequences extending well into 2021, the component parts of our roadmap have been disseminated widely and frequently among our colleagues over the past 18 to 24 months and it has been firmly embedded as an important element in Redevco's multi-year strategic plan.

And yes, Redevco also made two formal commitments. We submitted our Letter of Intent to the Science-Based Targets Initiative (SBTi), in which we committed to setting a GHG emissions reduction target in line with the 1.5°C scenario of the Paris Agreement. We are now in the process of collating the final bits of data we need in order to submit our baseline data and target to SBTi for validation and we will report transparently when our target has been officially validated. Our target will encompass our full Scope 1 and 2 as well as material Scope 3 emissions. Furthermore, we signed the [World Green Building Council's Net Zero Carbon Buildings Commitment](#),

which challenges us on two fronts. First, to reduce our Scope 1 and 2 emissions (also a requirement for our SBTi commitment, as stated above). And second, to learn about, understand and subsequently reduce the whole life carbon emissions of our buildings and our activities, specifically the upfront ('embodied') carbon of our development and redevelopment activities.

As a responsible investment manager, Redevco has added its voice to the many making pledges and commitments in the run-up to COP26 to help signal that business is ready to take action. Appropriate policy and regulatory support is, of course, welcome, but 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 frameworks such as the UN Sustainable Development Goals (SDGs) as well as the targets set out in the Paris Agreement of 2015. Throughout the remainder of this report, we hope to demonstrate some of the actions taken in 2021 to start giving shape to our Mission 2040 roadmap, all of which are relevant in the context of both our SBTi and World Green Building Council Net Zero Carbon Buildings commitments.

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 four material issues, so that we can focus on high-impact areas. We believe that incorporating SDGs in 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: Affordable and Clean Energy and SDG 13: Climate Action. See the chapter 'Our roadmap to 2040' 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 our occupiers.

At the same time, Redevco's employees are actively involved in national and international industry councils and associations with the aim of sharing 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: Partnerships for the goals.



Clemens Brenninkmeijer
Head of Sustainability

Reinventing the way we live, work and play

We strongly believe that we can help cities become more positive environments for citizens and visitors alike. Our cities are becoming more digital and more sustainable, driven by shifting demographics and changes in people's needs, habits, values and aspirations.

The vibrancy, diversity and multifunctionality of cities make them very attractive environments in today's world for people to live, work and play. The urban population in Europe is expected to grow by 70 million people before 2050, driving up demand for commercial space and quality, affordable housing.

At Redevco, we believe that we have a responsibility to contribute to a more sustainable urban future that can positively impact the health and well-being of people and the planet. We can help cities become safer and more vibrant environments for citizens and visitors. By making deliberate investment, asset management and redevelopment choices, we are convinced that we can make a contribution to SDG 11: Sustainable Cities and Communities – make cities and human settlements inclusive, safe, resilient and sustainable.

Attractive hubs to live, work and play

Real estate will not only play a critical role in determining whether the world successfully decarbonises. It will also continue to reinvent the way we live, work and play through these profound physical and economic changes. Several megatrends are likely to shape the development of our cities over the next decades. Urbanisation and changes to the demographic structure of populations – especially aging and a rise in single-person households – could lead to a shortage of certain types of housing. The growth of the experience economy and e-commerce should offer opportunities for curated mixed-use concepts in city-centre locations. An increase in remote working – together with the desire to live and work in vibrant

hubs – is likely to reduce the demand for traditional office space. And finally, sustainability and technological innovations should become an integral part of the future of our cities. These are the megatrends we see:

- The transformation of retail space into multipurpose locations.
- The increasing importance of convenience retail in larger urban areas.
- Changing demographics affecting the need for more residential buildings and affordable housing as people are increasingly priced out of city centres.
- Larger populations requiring better mobility solutions.
- The need to solve sustainability issues to make cities future-proof.

Redevco's extensive internal and external research maps the impact of these growing trends on the future of cities and real estate. 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 to diversify beyond retail. Our specialist investment strategies focus on repurposing existing assets into mixed-use assets, building sustainable and affordable homes, creating leisure and hospitality opportunities and modernising the retail warehouse parks landscape. We are harnessing our retail real estate experience to create vibrant and future-proof destinations in the urban realm, providing a solution to these trends and developments.



Marrit Laning

Chief Strategy & Innovation Officer



Hollandse Meesters, Amstelveen

Two new residential developments show Redevco's green credentials

The Porseleinen Toren (Porcelain Tower) in Delft, the Netherlands, acquired from developer Synchroon in 2021, is a notable example of affordable housing in one of the most densely populated parts of the Netherlands. There is also a massive shortage of high-quality rental accommodation here. In fact, nowhere in the country the housing shortage is as acute as it is in Delft. The average shortfall here is even higher than in Amsterdam and Utrecht. The 40-metre-high, energy-efficient residential complex will be the centrepiece of a sustainable new neighbourhood.

The complex will use solar panels and an alternative energy source supplied by a highly innovative fresh-air heat-exchange installation. Maximum insulation will add to a high level of energy-efficiency. No trees are being chopped down during the development – in fact a parklike environment with plenty of trees will be created where once a high-speed train cut a swathe through the countryside.

Repurposing a former office building into a sustainable residential complex

Another residential development is the Hollandse

Meesters (Dutch Masters) complex in Amstelveen, the Netherlands. These apartments form part of a new complex at a former office location just 20 minutes from Amsterdam and will provide high-quality sustainable homes in an area where there is a huge housing shortage.

Hollandse Meesters will also incorporate highly sustainable solutions, including thermal energy storage technology, solar panels and water buffering on the roofs, to regulate the indoor climate. The building's design is aimed at maximising natural light and air quality to promote a healthy environment and lifestyle.

The Hollandse Meesters redevelopment is also a great example of repurposing, giving a former office location a new lease on life. It contributes to our diversification strategy and renewed focus on liveable and sustainable urban areas in Europe's most attractive cities.



Fleur Abas

Transaction Manager

Our roadmap to 2040



From commitments to actions

As a manager of more than 260 real estate assets throughout Europe, we have a responsibility to use an environmental approach to managing the properties and reduce carbon emissions. This is why we committed to making our entire portfolio of assets under our management Net Zero Carbon by 2040 with the launch of Mission 2040.

Mission 2040 is aligned with the World Green Building Council's definition of Net Zero Carbon, meaning that buildings must be highly energy efficient and disconnected from fossil fuel use for heating or hot water, with the remaining energy needed to operate fully delivered by on-site and/or off-site renewable energy sources.

In order to achieve our goal, we follow four steps towards Net Zero Carbon, which have also been described and communicated in our [visual roadmap](#).

1. Measure and disclose energy consumption and emissions

The process of improving buildings starts with gaining insight into their energy consumption and emissions. For a few years now, we have been working hard to improve the completeness, accuracy and robustness of energy consumption data from our assets under management, both for common areas as well as tenant spaces. We want to ensure as accurate a baseline as possible. Despite this being a challenging exercise (not least with COVID-19 restrictions throughout 2020 and 2021), we are confident that we are nearly there and that we will be able to report on our scope 1, 2 and 3 emissions in next year's report. In 2022, we aim to significantly improve our coverage of smart meters for automated data collection in our AuM.

2. Reduce energy demand

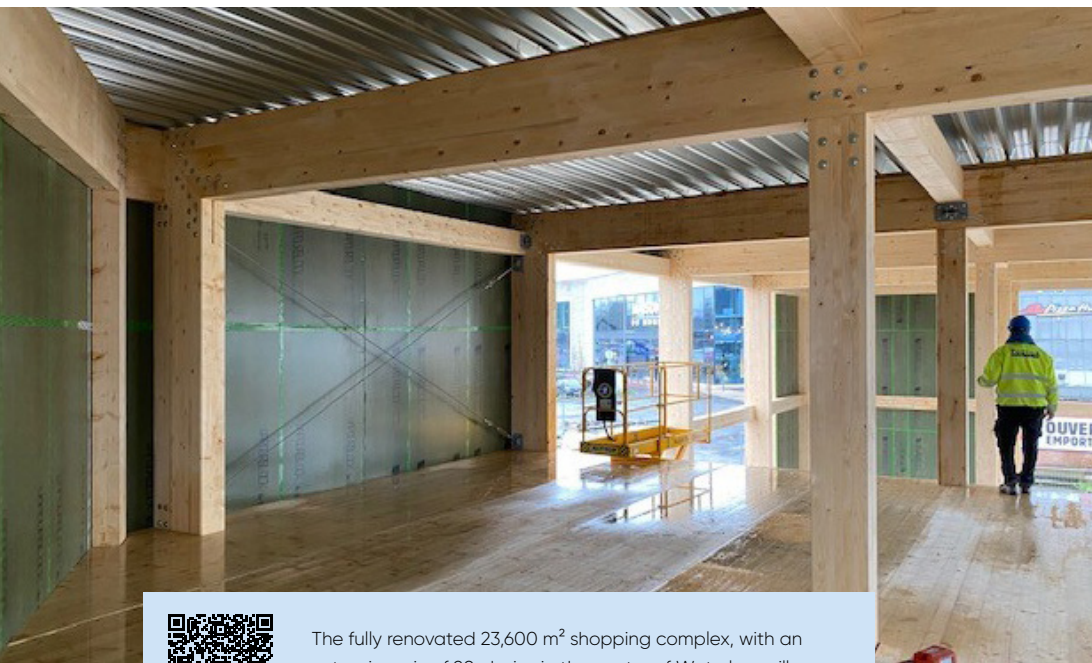
At every natural intervention moment in an asset's lifecycle, we aim to take deliberate decisions to target a significant reduction in energy demand. We take a 'fabric first' approach: first maximising the performance of the components and materials that make up the building fabric and then working with tenants to reduce the operational energy demand. When redeveloping a building, we will also disconnect it from fossil fuel supplies where possible. 18 Septemberplein in Eindhoven, the Netherlands, is a good example of this type of redevelopment project. You can read more about this redevelopment on [our website](#).

3. Generate balance from renewables

On- and off-site renewable energy generation is an integral part of our approach to redeveloping buildings. As part of this, we launched [Project Solar](#) together with our shareholder COFRA Holding in 2020. Through the installation of solar panels on the roofs of the buildings, Project Solar provides on-site, emission-free energy to the tenants of the retail park assets that we manage for COFRA in Belgium. You can read more about this project on p. 35.

4. Improve verification and rigour

We recognise that our approach towards Net Zero Carbon is also one of continuous improvement -



The fully renovated 23,600 m² shopping complex, with an extensive mix of 20 chains in the centre of Waterloo, will open in November 2022 and operate under the name RICH'L.

taking learnings and best practices from previous initiatives and projects and applying those to current and future projects. This means evolving over time from an operational carbon focus to a whole life carbon approach. Therefore, we are starting to take upfront embodied carbon, into consideration when developing and redeveloping assets. Embodied carbon are emissions related to the materials, transport, construction, maintenance and deconstruction of real estate assets.

The redevelopment of the shopping complex in the centre of **Waterloo**, Belgium, is a great example of this. The final building, which represents one third of the total complex, is currently under construction and is targeting carbon neutral in operation. The insulation values will be higher than the current standards and the building materials will be selected according to the 'Cradle to Cradle™' principle. Two stand-alone retail units for Medi-Market and Pizza Hut were built with a timber structure that can be completely dismantled and reused.

While steps 2 and 3 are clearly intended to drive down operational energy consumption and corresponding CO₂ emissions, the built environment sector is recognising that embodied carbon is also a significant contributor to overall emissions and must be reduced too. We will work with our supply chain partners (architects, advisors and construction companies) in the years to come to take a deliberate approach to reducing the embodied carbon related to our redevelopment projects. As this is still relatively new for the real estate sector, we will need to learn how best to measure, record, reduce and report on embodied carbon emissions. Redvelopments in Berlin and **Hamburg** mark our next steps towards minimising embodied carbon, where the designs include the use of bio-based materials (in this case timber). We look forward to reporting on our progress in future editions of our Responsible Investment Report.

BREEAM In-Use: a pragmatic approach

BREEAM is a well-recognised, international standard that takes a holistic approach to measuring the environmental performance of real estate assets. For

“Our Mission 2040 is aligned with the World Green Building Council’s definition of Net Zero Carbon, meaning that buildings must be highly energy efficient and fully powered from on-site and/or off-site renewable energy sources.”

Mission 2040, we will be focusing on KPIs that reflect our ambition to drive down carbon emissions related to our assets under management. That said, we recognise and value the holistic approach of BREEAM In-Use to drive deliberate choices at asset level, so we have changed the way we use BREEAM. Over the past four years, we have been recertifying the vast majority of our portfolio on an annual basis, even when nothing has changed at asset level. Going forward, we will continue to certify newly acquired assets and will recertify existing assets following redevelopments that lead to significant changes in their performance. This will allow us to understand the environmental performance of newly acquired assets and identify improvement opportunities, and to verify that planned redevelopments have resulted in improved performance.

Ambition for BREEAM In-Use ‘Excellent’ redevelopment ratings

A redevelopment is the key moment in a building’s lifecycle to create the biggest impact on its performance. We have therefore raised the bar for significant redevelopments to target a BREEAM In-Use ‘Excellent’ rating. In 2021, we achieved this standard for the certification of **Vredenburg** in Utrecht, the Netherlands. The redevelopment returned this asset to its former glory at the same time as improving its environmental performance. As well as making improvements to glazing and the façade, we installed a green roof and solar PV panels on the roof. Energy efficient installations for the tenant will further reduce operational energy consumption.



Photograph: Kees Hummel

“Our team worked closely with the tenants, Decathlon and Zalencentrum Vredenburg, during this renovation to come to the most sustainable result possible.”

Joep Wensveen | Project Manager Redevco NL



Challenges in our Net Zero Carbon roadmap

Energy transition

The transition to a Net Zero Carbon portfolio is one of Redevco's top priorities and we are aware that this transition will be characterised by uncertainties, changes and risks. We recognise that the entire built environment sector is still learning how to tackle the energy transition and other uncertainties such as the pace of the 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. Over the past two years, mostly due to COVID-19, it has been challenging to engage with our tenants on our energy efficiency and emissions reduction ambition. Their focus and attention has understandably been elsewhere to get through the difficult times. That said, we continue to focus on collaboration with our tenants during the planning and execution of our improvement projects. We are convinced that early engagement and regular communication does lead to better environmental outcomes as well as increased tenant engagement.

Collecting reliable and accurate data

Obtaining reliable and accurate data to understand where we stand today remains challenging. Over the years, we have been collecting energy consumption data from our tenants directly, a process that was laborious and time-consuming and added little value to our tenant relationship, because we simply did not have the tooling to report back. However, reliable and accurate energy and emissions data underpins Mission 2040 and our journey to becoming Net Zero Carbon. We have therefore committed to installing smart meters in all our properties, connected to local platforms as well as 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.

We have made good progress installing smart meters over the past year and with the further roll-out this year, we expect to be in a position to provide robust data next reporting year. Interim analysis of 2020 and 2021 energy consumption data vs. our 2019 baseline has not been particularly insightful given the impact of COVID-19 restrictions on store closures, but we expect to be able to provide a more substantive view of our progress in future editions of this report.

Update on our 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 as an operationally NZC mixed-use landmark. A design has been created that adheres to the high standards set for our portfolio. To manage the multitude of possible approaches, three key strategies played a vital role in the ongoing planning process to arrive at the most sustainable design.

- **Cradle to Cradle™ (C2C):** Firstly, we favoured an approach based on C2C principles. This involves implementing simple and demountable constructions and element build-ups above composite elements to maximise the recyclability, adaptability and recoverability of materials. Selecting durable, healthy and sustainable components is of utmost importance in this.
- **CO₂ reduction** is leading in the construction and operation of the building. The structure of the building will be optimised in terms of span, dimension and materiality to achieve the lowest possible overall carbon footprint while remaining constructionally and economically feasible. To reduce the operational ecological footprint, the building is designed to adhere to the BEG 40 standard in terms of thermal insulation, energy consumption, management and



The largest single PV installation on the roof of the C&A Distribution Centre in Boom, near Antwerp in Belgium, with a capacity of 1.1 MWp.

production. This means applying external sun blinds and ensuring high insulation values and carefully designed building services. The main source of energy is supplied through ecologically sourced district heating combined with high-efficiency technology for cooling, ventilation and photovoltaic systems. Mission 2040 commits us to supplying the building with green energy only and in line with this, the building will be equipped for adaption to hydrogen usage in the future. All aspects of building services will be optimised to support comfortable operation while maintaining a low energy profile.

- **Certification:** The project is using several certification methods as guidelines and goals to unify, constantly check and verify the design approaches within the chosen strategies and to verify the concepts implemented. The current design aims to achieve a BREEAM 'Excellent' rating as well as to comply with the local BEG 40 standards. C2C specialists provide general planning oversight and consultancy, ensuring continuous attention to all ecological, economic and social sustainability aspects.

On-site renewable energy generation project

An important contribution to our emissions reduction roadmap in the context of Mission 2040 is the provision of as much on-site renewable energy as possible for our tenants. Increasing the share of our tenants' use

of renewable electricity (their Scope 2 emissions) will benefit us by directly reducing our Scope 3 emissions and will also contribute to the clean energy transition Europe needs. While 2020 saw the launch of the project and a fair amount of preparation, during 2021 we managed to install 23 PV installations on the roofs of various retail park assets in Belgium. The total installed capacity at the end of February 2022 was 4.2 MWp, with the largest single installation on the roof of the C&A Distribution Centre in Boom, near Antwerp in Belgium, with a capacity of 1.1 MWp.

Energy security and energy price volatility are becoming an ever-increasing risk that our occupiers want to manage and mitigate. We are confident that by continuing to roll out Project Solar on suitable roofs of our assets, we are offering a beneficial service to our tenants and making our assets more future-proof and resilient.

Downtown shopping centre project in Bordeaux, France

The respective investor clients for this particular asset, specifically requested this multi-tenanted, city centre, open air shopping destination - now into its sixth year of operation - to operate at Net Zero Carbon level by 2030. The specialist consultancy we selected undertook a full site survey to establish key requirements and write an action plan outlining key deliverables to achieve that goal. After the successful installation of

smart metering, we are now in the phase of looking at making both physical and operational improvements to the asset. The first annual smart metering review has taken place and has brought to light some simple ways of improving energy consumption. We will share this information with our tenants and regularly update them on progress and possible improvements. In the first half of 2022, we will also start implementing the Smartvatten water efficiency solution. A test pilot has been set up and we will check the functionality of the system before a full launch with the tenants. Finally, the solar panel project is well underway. Kick-off should take place just before summer 2022, when the equipment has been installed and the three-month administrative process with the energy provider completed.

Residential development project in Amstelveen, the Netherlands

This residential complex consists of two towers on a shared parking garage. It contains 172 rental homes,

parking spaces and a commercial space, and one tower contains 131 homes that will be sold by the developer. The final design will be ready in the summer of 2022 and construction is planned in the period 2022–2025. The property will be equipped with a thermal energy storage system, solar panels and a mobility hub (car and bicycle sharing provider). It will be WELL certified and added in the database of the Madaster materials and products registry.



Guido den Teuling
Sustainability Manager





Our sustainable platform

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Our Sustainability team as the driving force

Our Sustainability team, located in Amsterdam, proposes and promotes Redevco's responsible investment approach. It has primary responsibility for developing, implementing and overseeing the execution of Mission 2040 – our long-term sustainability ambition of achieving a Net Zero Carbon portfolio by 2040.

The Head of Sustainability reports to the Board member responsible for Strategy, Innovation & Sustainability and the Board is given a monthly ESG update and Mission 2040 status report.

The Sustainability team drives the execution of our sustainability initiatives for the assets under management. Each team member is involved in one of our signature projects. The Head of Sustainability provides specific ESG input and recommendations to the Investment Committee on all acquisition and (re) development opportunities. Furthermore, to ensure that relevant and appropriate ESG parameters are included in investment mandates, the team collaborates closely with colleagues representing our investor clients at Client & Fund Management. They also work in close cooperation with our global asset management community, in particular through monthly meetings with the country Portfolio Directors, to ensure regular engagement with the people ultimately responsible for implementing our sustainability initiatives at asset level.

Regular interaction with the Portfolio Directors as well as Asset Managers aims to ensure that every opportunity to take action to drive down energy and carbon intensity at asset level is captured. Each lease negotiation, renewal, minor or major maintenance

intervention and especially the major redevelopments are all moments for deliberate decision-making in support of our ambition. At least one colleague in every Redevco country team has trained as a sustainability specialist and together with members of the central Sustainability team they support the activities of the Portfolio Directors and Asset Managers.

Redevco organises activities to promote sustainability knowledge and expertise among our Asset Managers, Project Managers, Development Managers and Transaction Managers. In 2021, these included a series of 'sustainability power breaks' to discuss sustainability issues they encounter in their day-to-day work. We also organised a Lunch & Learn session for the wider organisation on the progress of our Mission 2040 and a sustainability Masterclass specifically for our Property Managers so that they could learn from each other and discuss case studies.

To decrease Redevco's own organisational carbon footprint, the Sustainability team sets the corporate sustainability targets for our office operations, focusing on areas such as office energy use, company cars and air travel. Finally, the team is also responsible for coordinating the grant-making activities of the Redevco Foundation.

Maintaining a high team spirit

Redevco team spirit

2021 was another challenging year for keeping collective spirits high and energy up. We missed seeing each other in our offices and catching up face to face on a regular basis. As the COVID-19 pandemic continued to impact our daily lives, we all acknowledged that the working routine would remain hybrid at best for the foreseeable future and that we needed to continue to engage and inspire from a distance. A whole host of activities were organised, from a professional live stream event to kick off the year and informative summer school sessions to fun pub quizzes and books being sent to all our colleagues at home. We also organised a virtual book club for everyone in the organisation, inviting the author of 'The Long-Distance Teammate' to talk to us and answer questions on this topical subject. And we proved that laughter really is the best medicine when a comedian joined us to 'roast' Redevco and our management team.

“We strive to stimulate our employees’ continuous professional and personal development through a wide range of global and local initiatives.”

Staying connected through shared philanthropy was also a significant theme in 2021. Our employee philanthropy programme All Good was a great platform for this. Donations and matching grants can be made all year round through All Good, so it has never been easier to contribute and support causes that are

close to our hearts and highly valued and appreciated by our people.

Through EcoMatcher, we planted a Redevco forest in Nepal and allocated three newly planted trees to every colleague by way of a gift. Visit the entire Redevco forest via [this link](#). Trees are considered the lungs of the world and help to reduce global warming. New trees are also a symbol of new life in some cultures, making this the perfect gift to ring in the New Year with our employees.

Welcome aboard

Joining a new team can be daunting at the best of times, and in the middle of a global pandemic it is even more challenging. Though our preference would certainly have been to onboard all our new colleagues face to face, we are happy that the 33 new employees that joined us this year were very positive about how Redevco welcomed them to the team. Our focus as an organisation on sustainability, philanthropy and health and well-being are the aspects most often mentioned by new colleagues as being unique and engaging.

Emma Megarry, Investment Manager in Amsterdam on her first few weeks at Redevco:

“The organisation of the introductory calls was fantastic. It was brilliant to meet such an array of personnel from across the business and to get visibility with the management team in my first few weeks. This was particularly valuable as we were working remotely.”
Adam Forster, Development Manager in London on what surprised him when he joined Redevco:

“Lots of companies declare a green agenda and their intention to be more sustainable, but now that I

“Redevco decided to establish the NextGen Board in its efforts to promote an inclusive culture, to acknowledge the value of diversity and to harness talent.”

am on board, I regularly see Redevco demonstrate a genuine sustainability ambition way beyond the token greenwashing that is so widespread.”

In 2021, we extended our onboarding procedure, adding a survey after the first three months followed by three-way discussion between the new employee, their manager and HR. This additional step aims to ensure everyone settles in well and to identify ways to continue improving the onboarding experience.

Diversity & Inclusion

Formalising our existing ethos in a Diversity & Inclusion Policy in 2020 put this topic firmly on the agenda for 2021. We are very proud therefore to present our first **NextGen Board**! Redevco decided to establish this board in its efforts to promote an inclusive culture, to acknowledge the value of diversity and to harness talent. For details of the NextGen Board's activities and responsibilities, see the Case Study on page 43. For details on gender and age, please see page 55 in the Annex of this report.

Redevco Pulse

As an important input for our leadership team, we regularly take our people's "pulse" through the Redevco Pulse check. In such an extreme situation as with the pandemic, with many societal concerns around health & well-being, the economy and other factors, we were not surprised to see a slight dip in the November 2021 results around the topics of positive momentum and confidence in our progress. Nevertheless, we have taken these results very seriously and will intensify our efforts to connect and communicate with our teams around these and other challenges which impact our people, markets and business results. The

average engagement index score from Redevco Pulse was 85% in 2021.

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'.

Health and well-being

It stands to reason that in another year marked by the worldwide health crisis, health and well-being were key topics for Redevco in 2021. In response to this, we launched a new approach to flexible working. Transitioning back to the office required us to explore again what it will mean in terms of flexibility in time and place once all COVID-19 restrictions are behind us and we settle into a 'new normal'. Equipped with lessons learned from a year of remote working, as well as intense engagement with and feedback from colleagues on their experiences of it, we had some



fairly clear ideas on what the updated Working from Home Policy could look like. As a next step, we checked some of our assumptions with our people through the Pulse survey.

In defining our way of working going forward, it was important to strike a balance between the input colleagues provided in the Pulse survey – specifically around flexibility – whilst ensuring that we maintain a strong team and company culture and enabling effective remote working and team collaboration from various locations. Our collective view is described in the document ‘Balance & Flexibility’ and provides guidance on a new way of working for our organisation.

Learning & development

We strive to stimulate our employees’ continuous professional and personal development through a wide range of global and local initiatives. The backbone of the online offering, our Redevco Skills Builder learning platform, was upgraded again in 2021 with new content to ensure it remains relevant and varied.

Programmes promoting leadership excellence included webinars with the Remote Leadership Institute for global leaders and learning tracks for leaders and managers combining online learning with webinars. One-on-one coaching also has a high uptake in the organisation, fuelled by positive feedback from colleagues about their experiences. The launch of the Asset & Development Management Learning Calendar in 2021 added further engaging activities, with Lunch & Learn and Masterclass events bringing colleagues together to share knowledge and actively discuss relevant issues. 95% of employees participated in training courses or development programmes in 2021.



Florentine van Notten
HR Capability Manager



	Results 2020	Target 2021	Results 2021
Get the best out of our people by giving clear feedback and guidance on performance KPI: % of employees having received regular performance feedback	95%	90% (annually)	97%
Maintain high engagement of our employees KPI: Average engagement index score from Redevco Pulse	89%	85% (annually)	85%
Professional development of our employees KPI: % of employees participating in training courses or development programmes	87%	80% (annually)	95%

Representing the voice of Redevco's future

In the spirit of Diversity & Inclusion, Redevco established a NextGen Board in 2021. This allows the younger voice in our company to be heard, which will be instrumental in helping the company play its role in the transition that cities need to make. The purpose of this board is to create a more inclusive culture, acknowledging the value of diversity and promoting openness. The members represent multiple functions from across our six offices, and they all bring unique perspectives, valuable expertise and new ideas to the table. Our NextGen Board is there to develop new ideas and to strengthen Redevco's vision, mission, strategy and culture. The NextGen Board members, all young professionals, will be the voice of Redevco's future.

Including the younger generation to shape the future

Being part of Redevco's NextGen Board is a unique opportunity for our younger colleagues to learn and develop, and to work on important strategic topics that are crucial to the further evolution and future of our company. The main responsibilities of our NextGen Board are idea generation and innovation, advisory and delegated decision-making. The members help the Redevco Board assess new ideas and concepts and support them in thinking out of the box to create new perspectives.

Future of work and well-being

The pandemic has pushed companies and consumers to rapidly adopt new behaviours that are likely to

stick. Coming out of the COVID-19 pandemic, people have had to change the way they organise their lives. Forced to work from home for a long time, people also started to see the benefits of the flexibility this gave in their lives. Since the start of 2022, the NextGen Board has been working on a Future of Work and Well-being Policy for Redevco. The big questions to answer are: How do we want to work together? What do we want that to look like? This is also one of the key questions for new generation workers, who have different expectations of their employers than previous generations.

Emma Taylor, Chair of the NextGen Board: "Young people have an important role to play in the future of Redevco. Being chosen as part of the NextGen Board offers a great opportunity to learn and develop while working on important strategic topics that are crucial to the evolution of our company. One of our goals is to work with our senior management, the Redevco Board in particular, to develop a more inclusive culture for the business in recognition of the value that diversity and openness bring for organisations such as ours."



Emma Taylor

Chair of the NextGen Board

Working towards a Net Zero Carbon platform

Leading by example can be a powerful way to inspire our client investors and our tenants to invest in sustainability and green buildings. While our platform has a lower impact than our portfolio, every improvement counts and we are always looking for opportunities to reduce our footprint here.

Our commitment to drive down our environmental impact applies as fully to our own operations as to our assets under management. Our operational carbon emissions come mainly from energy use in our six offices, air travel and company cars. Currently, 86% of our offices have green energy contracts and we aim to raise this to 100% by 2023, while solar panels on the roof of our Amsterdam office supplied 96% of our total office energy consumption there in 2021. Due to COVID-19 restrictions and colleagues having to work from home, this percentage was extremely high, and we expect it to be lower again in a 'normal' year.

Net Zero Carbon platform

In keeping with Mission 2040, we aim to maintain a Net Zero Carbon platform. Our platform is already carbon neutral as we compensate the scope 1, 2 and 3 emissions related to our activities and operations as investment and asset manager. In 2019 we bought offset certificates from Gold Standard to offset our 2018 emissions. In 2020 we entered a longer-term partnership with Land Life Company to offset CO₂ emissions from our platform's operations. Through Land Life Company our emissions of 237 tonnes of CO₂ in 2020 were offset by planting trees in northern Spain. Our 2021 emissions of 253 tonnes of CO₂ will be offset by Land Life Company again. While offsetting certainly contributes to a more resilient environment, we view it as a last resort and our principal focus is on actively driving down our emissions further. Now that we are returning to a more balanced way of working that

includes some commuting and business travel, we will focus on making deliberate choices in that regard to continue reducing our office operations footprint.

A slight increase in CO₂ in 2021 compared to 2020

When we successfully met our emissions target for 2019, it represented a 50% reduction against the 2009 base-line (see previous reports for details). In early 2020 we subsequently set a new emissions target of 2,000 kg CO₂ per employee by 2025, representing a further 35% reduction compared to 2019. This target was easily surpassed in 2020 (1,019 kg CO₂ per employee) due to the pandemic and its various lockdowns and restrictions. Our performance in 2021 was 1,242 kg CO₂ per employee, a small increase due to slowly resuming some business travel. Clearly, the COVID-19 pandemic continued to play a major role in 2021, with travel restrictions and lockdowns in many regions. As most restrictions across Europe were lifted in early 2022, we look forward to being able to compare the carbon footprint of our 'new normal' way of working to the 'business as usual' approach prior to the pandemic. Behavioural change will be the biggest driver to ensure that we stay on track for our medium-term 2025 target.





Planting trees with Land Life Company

Last year, we announced the start of a five-year partnership with Land Life Company. We work with Land Life Company to offset our annual CO₂ footprint of our office operations (253 tonnes CO₂ emissions in 2021) by reforesting degraded land in the region of Castile and León in north-western Spain. Reforestation is the natural or intentional restocking of existing forests and woodlands (forestation) that have been depleted. Land Life Company focuses on reforestation and ecosystem revitalisation, applying principles like native species, biodiversity and mosaic landscape design. It aims to develop strong, stress-resistant trees with a large potential for CO₂ absorption. In the autumn of 2021, in their largest operational project to date, Land Life Company planted two million trees in northern Spain, restoring nearly 2,000 hectares of degraded land in the process.

Three of our colleagues were able to visit the planting sites in Spain in November 2021 and do some tree planting themselves.

Marijn Reijners, Corporate Responsibility Manager: "It was very impressive seeing the tree planting sites in

real life. It made us realise that it's not just a question of: you plant the trees and the job is done. It takes 30 years for the trees to absorb the CO₂ from the air that we emit today. So it's very important to cut our emissions as much as possible right now to have a real impact on climate change."



Marijn Reijners

Corporate Responsibility Manager

Giving back to our communities

In a world that is strongly interconnected and inter-dependent, we believe businesses have a broader responsibility to the communities in which they operate. Redevco creates opportunities for colleagues to give back to society in a way that is meaningful to them through employee philanthropy, funded by the Redevco Foundation, and by giving them one volunteering day per year.

A positive impact on local communities

Colleagues are invited to propose and support charities of their choice as part of All Good, our group-wide employee philanthropy programme. Through its online platform, All Good allows employees to play an active role in proposing charities in a number of categories (see below), preferably in the cities in which we operate. All of the initiatives have a positive societal, environmental and/or cultural impact. Around 75% of our colleagues have joined the platform to get involved in the programme. Employees can also use donation credits that they earn by taking part in activities such as our 'step challenges' and Christmas campaign.

The Redevco Foundation

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

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

In 2021, the Redevco Foundation made donations of ca. €1.14 million through grants to over 50 different charitable organisations in these categories, and through donation credits and matching grants to a range of other charities proposed by our employees.

Volunteering day

As well as through funding, we encourage colleagues to give back to society by spending one working day a year volunteering for a charity of their choice. Employees can volunteer either individually or in teams, and many view their volunteering days as a great way to combine doing good and team building. Uptake in the scheme is generally high, but with the restrictions around COVID-19 still in force last year, only a handful of employees had an opportunity to use their volunteering day in 2021.

Our employees appreciate having a voice in deciding where the Redevco Foundation's money is spent. They recognise the importance of serving society in a broader sense and are proud to be making a difference through targeted financial support and volunteer work.





Annex

- 48** Reporting Principles
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- 61** Assurance Report of the Independent Auditor

REPORTING PRINCIPLES

Reporting standards

This Responsible Investment Report sets out our progress in the area of sustainability in 2021. The reporting period covers March 1, 2021 to February 28, 2022. 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 2021, following the principles for defining report content (GRI SRS) with regard to the organisation's activities and impacts and the substantive expectations and interests of its stakeholders. We have mapped these issues in the materiality matrix in the 'Responsible Investing' chapter of this report, page 21.

When comparing the latest materiality matrix with existing Risk-Based Policies (RBP), we can conclude that three material issues (Responsible Governance, Responsible Rent & Lease Management and Employer of Choice) are sufficiently embedded in existing RBPs and handbooks. With regards to GHG emissions of our corporate data, we report on our scope 1, 2 and material scope 3 emissions. At this moment, we include 'Business Travel' as material scope 3 for our corporate footprint.

Regarding Climate Resilience, we have embedded a deliberate review of physical risks to real estate as a result of climate change into both the ACQ (Acquisition) and MAD (Maintenance and Development) processes and corresponding RBP's.

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 stewardship, we have concluded that we pay less attention to this specific issue in the report. However we continue to report on our annual progress through two KPIs (amount spent and % volunteering days).

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.

We have no formal policy to implement 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 2021 reporting year (see assurance report on page 61).

2021 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.

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 1 to December 31, 2021 and March 1, 2021 to February 28, 2022.

The reporting date for other types of portfolio information (number of leases and lease area) is 28 February 2022. 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

In previous years, Redevco adopted a portfolio certification approach to monitor and track progress of BREEAM In-Use rating improvements. This also enabled reporting against our stated KPI: percentage of investment value allocated to BREEAM In-Use Very Good or better (which related only to funds with BREEAM targets).

With our decision in 2021 to no longer annually recertify all assets, this KPI has been abandoned. Where we state that a particular asset has achieved a particular BREEAM rating, it will reflect the rating according to the most recent version of BREEAM against which the asset was certified. We continue to (re)certify assets after significant intervention activities at asset level.

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 28 (or 29 in leap years) in each reporting period. Employees who had a contract ending on February 28 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 28, 2022.

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 28 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 International Energy Agency (IEA) Emission factors 2020 emission factors have been applied. To calculate the carbon emissions related to business travel by air, the AMEX GBT dashboard 2021 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).

Corporate data are collated using a spreadsheet developed in-house. 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;
- Total number of incidents of non-compliance with regulations and voluntary codes.

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 employed by Redevco on February 28 are requested to sign the Business Integrity Principles annually (2021 score: 100% signed). In situations of long sick leave, maternity leave, or employees who have left the company close after February 28 2022, these employees will not be included in the calculation of the BIP score. Awareness of these topics is further created by e-learning for all employees (score 91% 2021).

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 other than March 1, 2021 to February 28, 2022, 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 lon-

ger 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 was provided by local travel agencies.

Consequently, the data does 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 6. Reporting scope and boundaries

	Portfolio data	Corporate data (Sustainable business operations)
Austria	✓	
Belgium	✓	✓
Czech Republic	✓	
France	✓	✓
Germany	✓	✓
Hungary	✓	
Luxembourg	✓	
Netherlands	✓	✓
Portugal	✓	
Spain	✓	✓
Switzerland	✓	✓
United Kingdom	✓	✓
Corporate Services	✓	✓

TABLES AND GRAPHS

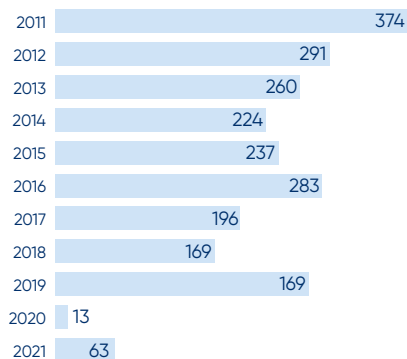
Table 1. Reporting scope and boundaries

Redevco-occupied offices	unit	Amsterdam		Brussels		Paris		Düsseldorf		Madrid		Zürich		London		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Scope 1																	
Gas	GJ/year	523	437	-	-	-	-	-	-	82	61	-	-	225	264	831	762
	t /year	26.6	22.3	-	-	-	-	-	-	4.2	3.1	-	-	11.5	13.5	42.3	38.9
Total Direct	GJ/year	523	437	-	-	-	-	-	-	82	61	-	-	225	264	831	762
	tCO ₂ /year	26.6	22.3	-	-	-	-	-	-	4.2	3.1	-	-	11.5	13.5	42.3	48.6
Scope 2																	
Electricity non-renewable	GJ/year	180	215	-	-	202	212	-	-	76	78	28	28	-	-	486	533
Electricity renewable	GJ/year	-	-	98	102	-	-	62	62	-	-	-	-	218	213	377	377
Electricity generated	GJ/year	166	207	-	-	-	-	-	-	-	-	-	-	-	-	166	207
	tCO ₂ /year	1.8	1.0	-	-	3.3	3.4	-	-	6.1	6.2	0.2	0.2	-	-	11.4	10.9
District heating	GJ/year	-	-	44	28	167	185	359	359	-	-	62	62	-	-	632	634
	tCO ₂ /year	-	-	2.1	1.3	7.9	8.9	17.0	17.2	-	-	2.9	3.0	-	-	30.0	30.4
District cooling	GJ/year	-	-	60	62	317	403	-	-	-	-	20	20	-	-	397	485
	tCO ₂ /year	-	-	2.8	2.9	5.4	6.8	-	-	-	-	0.2	0.2	-	-	8.4	10.0
Total indirect	GJ/year	180	215	201	192	687	800	421	421	76	78	110	110	218	213	1,893	2,030
	tCO ₂ /year	1.8	1.0	4.8	4.2	16.6	19.2	17.0	17.2	6.1	6.2	3.4	3.4	-	-	49.8	51.3
Total Scope 1 and Scope 2 energy consumption	GJ/year	703	652	201	192	687	800	421	421	158	139	110	110	443	477	2,723	2,791
Total Scope 1 and Scope 2 emissions (market-based)*	tCO ₂ /year	46.2	31.1	8.4	5.9	27.6	24.1	42.7	23.8	23.0	15.6	4.2	4.1	29.7	18.2	181.7	122.8

*Retrospectively we report higher numbers for 2020 than last year, due to updated emission factors.

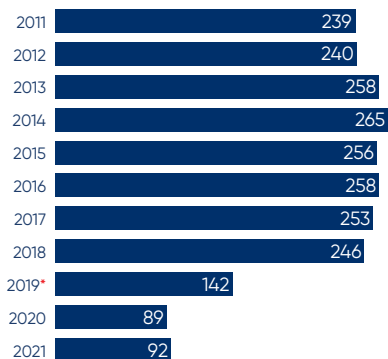
Figure 7. CO₂ emissions account related to Redevco's own operations ** (tCO₂e) Like-for-like (GRI SRS 302-1, 305-1, 305-2, INREV: 3.5, 3.6)

Air



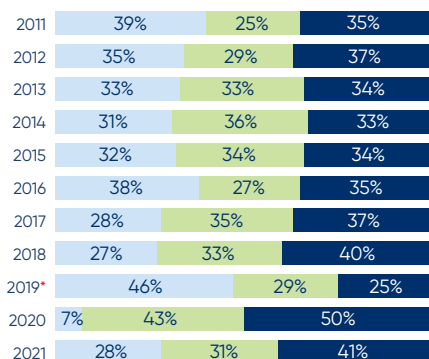
Total CO₂ emissions for business air travel in tCO₂e/year

Office*



Total CO₂ emissions for Redevco-occupied offices in tCO₂e/year

Air | Car | Office*

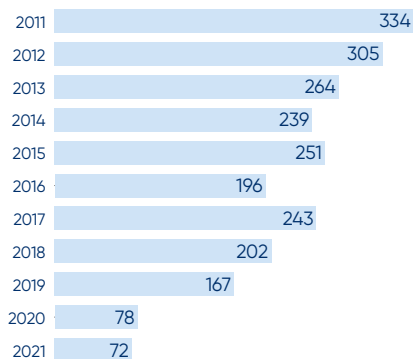


Emission impact by type

*Excluding German office data for year 2019.

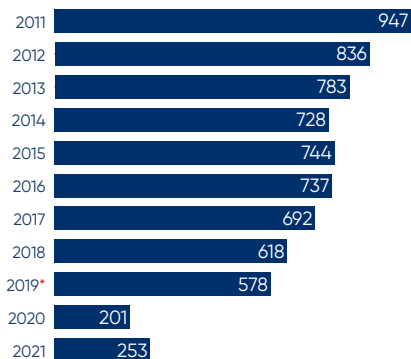
**Retrospectively we report a lower number here than last year, due to updated emission factors.

Company car



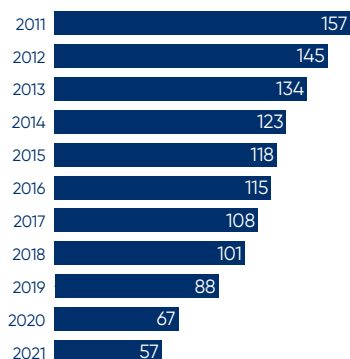
Total CO₂ emissions for Redevco company cars in tCO₂e/year

Total*



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

Company car



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)

Table 2. Intensity figures Redevco-occupied offices (GRI SRS 302-3)

Total lettable floor area

Redevco-Occupied Offices	Total lettable floor area in 2021	2021			2020		
Total	5,179	146	35.1	0.30	150	23.7	0.25
Amsterdam *	1,192	164	38.7	0.32	152	26.1	0.27
Brussels	1,070	52	7.8	0.35	50	5.5	0.32
Paris	800	238	34.5	0.50	278	30.1	0.41
Düsseldorf **	670	175	63.7	0.10	175	35.5	0.36
Madrid	651	67	35.3	0.44	59	24.0	-
Zürich	266	115	15.7	-	115	15.4	-
London	530	232	56.1	0.06	250	34.3	0.07

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

Figure 8. Total GHG emissions according to the greenhouse gas protocol (tCO₂e/year) like-for-like (GRI SRS: 305-1, 305-2, 305-3, invrev: 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.

*Retrospectively we report different numbers for 2020 than last year, due to updated emission factors

Figure 9. Management position broken down by gender and by age Like-For-Like (GRI SRS 405-1)

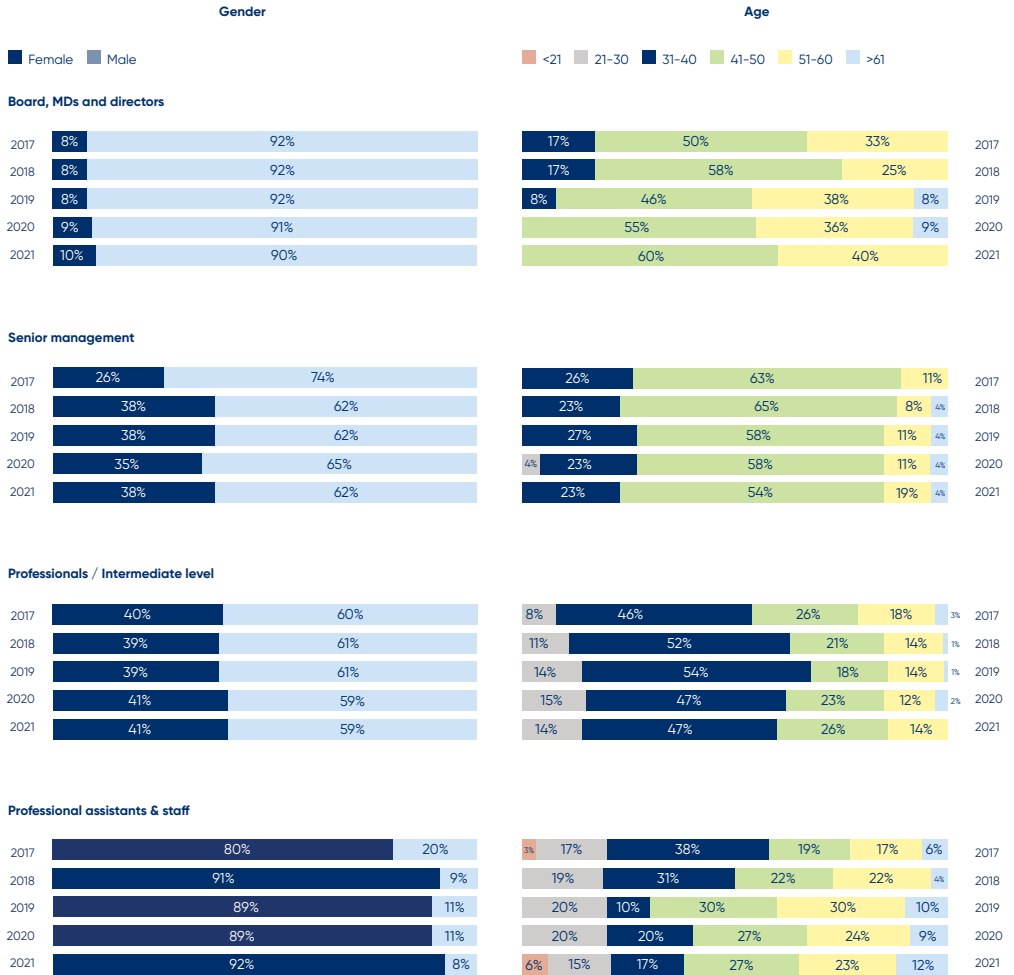


Figure 10. Employment type and contract type broken down by gender (GRI SRS 405-1)

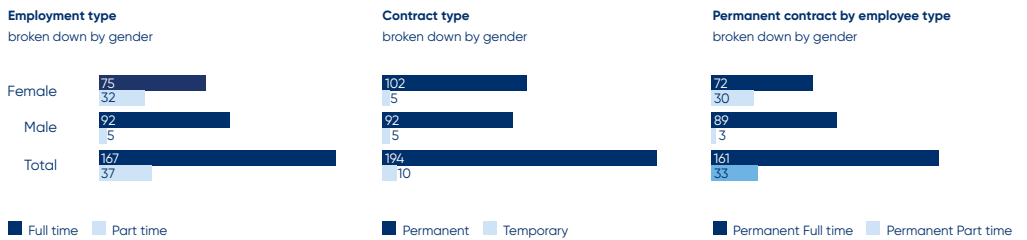


Figure 11. Years employed by Redevco (%) like-for-like

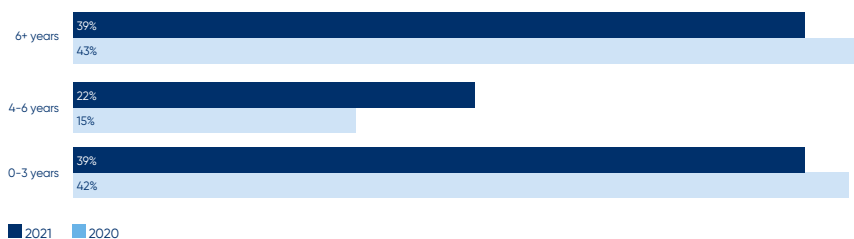


Figure 12. Staff turnover, new hires and new hires leaving employment by gender and by age group (GRI SRS 401-1)

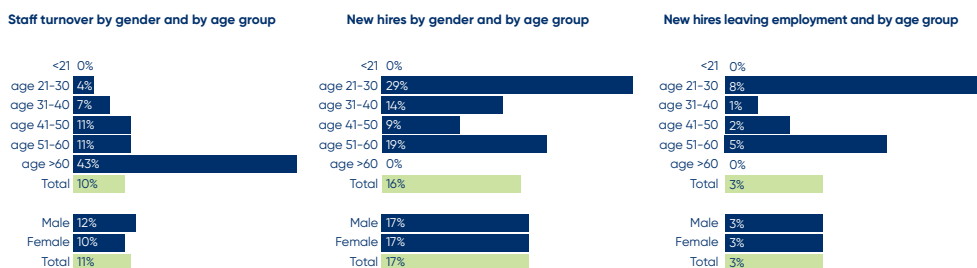


Figure 13. Total workforce by staff turnover, new hires, new hires leaving employment and absenteeism (GRI SRS 401-1)

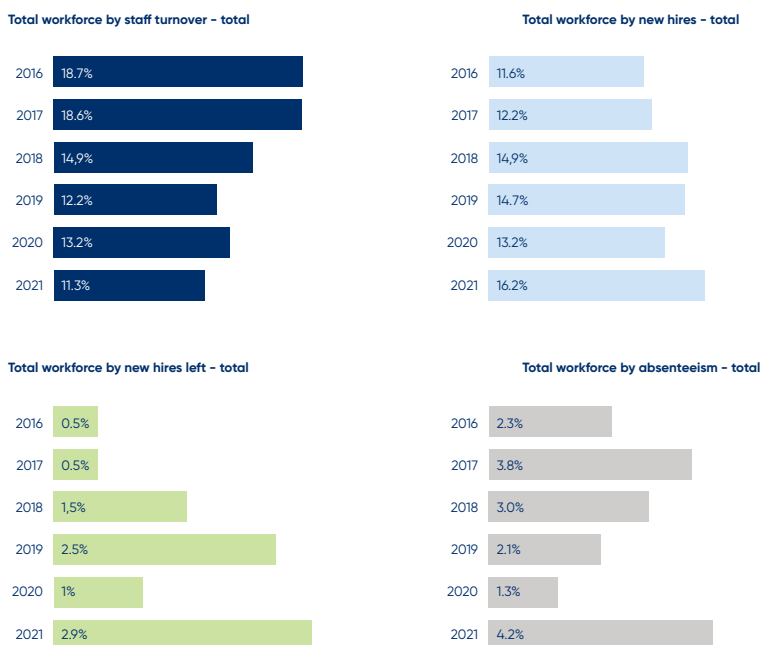


TABLE MATERIAL TOPICS

Table 3. GRI 103 Management Approach 2022 – material aspects

GR 103	Management Approach	Material aspects		
New material topic	Old material topic	GRI-SRS	Disclosures on Management Approach	
Innovation	N/A	103-1	Explanation of the material topic and its Boundary	Investing in and piloting new concepts and designs that focus on making our business and assets under management future-proof.
		103-2	The management approach and its components	Chapter Responsible Investing
		103-3	Evaluation of the management approach	Page 25
Responsible rent and lease management	Responsible rent and lease management	103-1	Explanation of the material topic and its Boundary	Engaging with and encouraging tenants in relation to their sustainability performance and creating optimal rent agreements to ensure a positive impact on the financial stability of our tenants.
		103-2	The management approach and its components	Chapter: Our roadmap to 2040
		103-3	Evaluation of the management approach	Page 34
GHG emissions	Emissions	103-1	Explanation of the material topic and its Boundary	Managing and minimizing our impact on climate change, caused by emissions from our (own or outsourced) operations and the use of our assets under management
		103-2	The management approach and its components	Chapter: Responsible Investing, Our sustainable platform
		103-3	Evaluation of the management approach	Page: 31, 32, 44
Renewable energy	N/A	103-1	Explanation of the material topic and its Boundary	Implementing renewable energy solutions and projects to generate renewable energy and reduce GHG emissions.
		103-2	The management approach and its components	Chapter: Our Roadmap to 2040
		103-3	Evaluation of the management approach	Page: 31, 35
Employer of choice	Employer of choice/ Employee development*	103-1	Explanation of the material topic and its Boundary	Providing a work environment that facilitates health, safety, and well-being in order to stimulate employee engagement, development and employability.
		103-2	The management approach and its components	Chapter: Our sustainable platform
		103-3	Evaluation of the management approach	Page: 39, 40, 41

GR 103	Management Approach	Material aspects		
New material topic	Old material topic	GRI-SRS	Disclosures on Management Approach	
Equality, diversity and inclusion	N/A	103-1	Explanation of the material topic and its Boundary	Creating equal opportunities for all and offer a place where each employee is able to fulfil their potential and maximize their contribution
		103-2	The management approach and its components	Chapter: Responsible Investing, Our sustainable platform
		103-3	Evaluation of the management approach	Page: 40, 43
Responsible governance	Responsible governance	103-1	Explanation of the material topic and its Boundary	Ensuring good governance (including business ethics, integrity and compliance) to ensure business continuity and trust.
		103-2	The management approach and its components	Chapter: Business activities, Our sustainable platform
		103-3	Evaluation of the management approach	Page: 16, 17, 38
Climate resilience	Climate resilient portfolio	103-1	Explanation of the material topic and its Boundary	Implementing effective measures to improve the ability for society to prepare for, recover from, and adapt to more frequent and severe weather, ocean warming and acidification, extended periods of drought and extreme temperatures, and other deleterious effects of climate change. Climate resilience is part of new investment and designs in all regions where we operate or consider operating.
		103-2	The management approach and its components	Chapter: Responsible Investing, Our roadmap to 2040
		103-3	Evaluation of the management approach	Page: 26, 27, 31
N/A	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: 26-28, 31-36
N/A	Social and environmental influence of portfolio	103-1	Explanation of the material topic and its Boundary	The impact Redevco has on urban environments through its investments and asset management activities.
		103-2	The management approach and its components	Chapter: Responsible Investing
		103-3	Evaluation of the management approach	Page: 28

GRI SUSTAINABILITY REPORTING STANDARDS

Table 4. GRI 102 General Disclosures

GRI 102 General Disclosures

100	Universal standards	Chapter / Page
Organisational profile		
		Reporting Principles
102-1	Name of the organisation	Business Activities / 12
102-2	Activities, brands, products, and services	Business Activities /12
102-3	Location of headquarters	Colofon / 63
102-4	Location of operations	Business Activities / 15
102-5	Ownership and legal form	Business Activities / 12
102-6	Markets served	Business Activities / 15
102-7	Scale of the organisation	Business Activities / 15 and: Redevco 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 / 55, 56
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: Redevco's Business Integrity Policy is applicable: http://www.redevco.com/about/our-governance/
102-12	External initiatives	Responsible Investing / 26
102-13	Membership of associations	Responsible Investing / 26
102-14	Statement from senior decision-maker	Message from the CEO / 4, 5, 6
Ethics and integrity		
102-16	Values, principles, standards, and norms of behaviour	Responsible governance / 16
Governance		
102-18	Governance structure	Business Activities / 13, 14 and Our Governance of sustainability activities / 38
Stakeholder engagement		
102-40	List of stakeholder groups	Responsible Investing / 21
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 / 21, 22
102-43	Approach to stakeholder engagement	Responsible Investing / 21, 22 and Our sustainable platform / 40
102-44	Key topics and concerns raised	Responsible Investing/ / 21, 22
Reporting practice		
102-45	Entities included in the consolidated financial statements	n/a
102-46	Defining report content and topic Boundaries	Responsible Investing / 21, 22 / 48-51
102-47	List of material topics	Responsible Investing / 21

102-48	Restatements of information	Targets & KPIs 2021 / 9 Tables and graphs / 52-54
102-49	Changes in reporting	Reporting principles / 48-51
102-50	Reporting period	Reporting principles / 48-51
102-51	Date of most recent report	Responsible investment 2020/2021, published in June 2021
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 / 48-51
102-55	GRI content index	GRI Sustainability Reporting Standards / 57, 58
102-56	External assurance	Reporting Principles, Auditor statement / 61, 62

GRI 103 Management Approach 2016

103-1	Explanation of the material topic and its Boundary	Chapters, Table material topics / 57, 58
103-2	The management approach and its components	Chapters, Table material topics / 57, 58
103-3	Evaluation of the management approach	Chapters, Table material topics / 57, 58

300 Environmental standards

Energy

302-1 INREV	Energy consumption within the organisation	Tables and graphs / 52-54
302-3 INREV	Energy intensity	Reference / Direct answer: only reported for Redevco controlled area on page 54
302-4	Reduction of energy consumption	Reference/Direct answer: partially reported on page 52
305-1 INREV	Direct (Scope 1) GHG emissions	Tables and graphs / 54
305-2 INREV	Energy indirect (Scope 2) GHG emissions	Tables and graphs / 54
305-3 INREV	Other indirect (Scope 3) GHG emissions	Tables and graphs / 54
305-4 INREV	GHG emissions intensity	Tables and graphs / 52-54
305-5	Reduction of GHG emissions	Tables and graphs / 52-54

400 Social standards

Employment

401-1	New employee hires and employee turnover	Tables and graphs / 55, 56
404-3	Percentage of employees receiving regular performance and career development reviews	Our sustainable platform / 42 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 / 55

Assurance report of the independent auditor

To: the managing board of Redevco B.V.

Our conclusion

We have reviewed the Responsible investment report 2021/2022 (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 review 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 2022

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

Basis for our conclusion

We have conducted 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 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.

Our conclusion is not modified in respect to these matters.

Responsibilities of the management board for the Report

The management board is responsible for the preparation of 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.

Furthermore, the management board is responsible for such internal control as it 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 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, 7 June 2022

Ernst & Young Accountants LLP



Digitally signed by
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