



ESG Policy

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Version control

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1. Introduction

1.1 Background

Cities are the beating heart of entire communities and nations. They are where people like to live, work, shop and play. But cities are evolving rapidly and we believe they have a key role to play in contributing to the future health and well-being of both people and planet.

Redevco is part of a family enterprise that cares deeply about the people and communities it serves. For this reason, at Redevco, we strive to have a lasting positive impact on society and the environment. Our motto 'A force for good in the build environment' guides us in how we do business. This Redevco ESG Policy is our overarching framework coupled with several specific underlying policies.

Redevco's ESG policy shapes how we want to work as a real estate specialist and how we wish to interact with our stakeholders: our investor clients, our tenants, our service providers and suppliers, as well as our employees and our shareholders.

1.2 Principles and Guidelines

Redevco is continuously reviewing the degree to which our investment and management processes are aligned with the following international normative standards:

- [The UN Global Compact Principles](#)
- [The OECD Guidelines for Multinational Enterprises](#)
- [The UN PRI \(Principles of Responsible Investing\)](#)

These standards define broadly supported principles for responsible business conduct on ESG matters, which Redevco expects its employees, business partners and service providers to follow. This means that we expect all parties to adhere to internationally accepted minimum standards on governance, human rights, labour practices, environment and anti-corruption.

In addition, Redevco is committed to ensuring that any of its subsidiaries (but especially its regulated entities) adopt and comply with all EU and/or national legislation or directives on ESG topics in those jurisdictions where we are active.

Furthermore, Redevco has identified ESG-related topics that are material to the real estate sector and society. These topics are explained in this ESG Policy.

1.3 Aligning with broader impact commitments

Redevco's ESG policy is naturally connected to the Redevco Human Rights Policy, Embodied Carbon Strategy, Design Guide, Climate Policy and other related sustainability policies under development (such as the Nature/Biodiversity Policy). Furthermore, this ESG

Policy is embedded in Redevco's overall governance, risk and compliance framework and policies, as well as being fully incorporated in our investment and management approach.

1.4 ESG topics and double materiality

At least every other year, Redevco performs a Double Materiality Assessment (DMA) to prioritise sustainability topics. Material topics are those that have an impact on the company (financial materiality) and/or through which the company has an impact on society and/or the environment (impact materiality), along with other matters that are of importance to Redevco.

The overarching approach to ESG topics and other matters that are of importance to Redevco are explained in this ESG Policy.

These topics are related to our mission and can be categorised in four main impact themes: built environment, natural environment, social value and responsible governance.

- **Built environment** relates to our mission to have a net zero carbon asset portfolio that is climate proof.
- **Natural Environment** refers to the company's response to environmental issues such as climate change, resource depletions, waste, and pollution.
- **Social values** are related to the company's care for people, workers, and local communities, including health and safety issues.
- **Governance** topics refer to how we run our business, from corporate policies and decision-making processes to compliance and our stance on issues such as corruption, diversity and remuneration.

Progress on these topics is reported in Redevco's annual [Responsible Investment Report](#).

2. Built environment

With the built environment¹ responsible for circa 35% of global energy consumption and 35% of global carbon emissions, Redevco believes it has a clear duty to actively reduce carbon emissions to contribute to the fight against climate change.

2.1 GHG emissions reduction

Considering Redevco's commitment to being a positive force in the fight against climate change, our primary focus is on the energy consumption and GHG emissions reduction of our assets under management. Since 2019, we have endorsed an ambition to work towards a Net Zero Carbon portfolio by 2040 (our "Mission 2040"). We take deliberate action in the portfolios we manage on behalf of our investor clients that explicitly support our Mission 2040.

In addition, we actively engage with and encourage all other or new investor clients to endorse this ambition too.

On **Energy reduction**, we aim to reduce energy consumption in Redevco's assets under management to align with the Carbon Risk Real Estate Monitor (CRREM) pathways.

Our **GHG emissions reduction** targets are:

- Net zero operational emissions by 2030 for scope 1 and scope 2 emissions of in-control areas of Redevco's AuM.

¹ The built environment encompasses every construction or improvement that has been created by people, for people.

- Tenant engagement to reduce scope 3 ('Downstream leased assets') emissions.
- Reduction of embodied carbon for major refurbishments or redevelopments.

Whilst our Net Zero Carbon ambition by 2040 has not been externally validated, Redevco does have our 2030 emissions reduction target validated by the Science Based Target Initiative (SBTi).

2.2 Renewable energy generation

To facilitate an increasing share of renewable energy consumption in our assets under management, we implement renewable energy solutions and projects to generate renewable energy and reduce GHG emissions.

The generated electricity is intended for use by the existing tenants on-site, as well as for common area installation and consumption. Excess energy generation is injected into the local grid to assist with the clean energy transition. The ultimate goal is to reduce GHG emissions.

2.3 Resource inflows

Material efficiency for buildings has the highest emissions reduction impact. That's why all our redevelopments need to implement circularity principles by reusing or upcycling building materials.

To track embodied carbon, we require all significant developments to be designed according to our Sustainable Design Brief, Building Information Modelling (BIM) requirements and have a Whole Life Carbon Assessment (WLCA).

2.4 Climate adaptation

In the context of climate change and the increasing extreme weather events that impact the built environment, it is becoming more important to specifically design buildings for greater resilience against catastrophes or disasters. Hence we assess all assets against physical climate risks and incorporate climate adaptation solutions in investment decisions, operational management and (re)developments.

Our [Climate Policy](#) explains how Redevco assesses and mitigates climate physical and transition risks.

2.5 Building certification

Redevco requires compliance with the most appropriate building certification methodology for major redevelopments to improve energy efficiency and occupant health and well-being.

3. Natural Environment

Natural Environmental topics refer to the company's response to environmental issues such as resource depletions, waste and pollution.

3.1 Biodiversity - soil sealing

According to the UN, biodiversity is our strongest natural defence against climate change. To protect our planet and our way of life, it is essential that the value of nature and biodiversity is fully acknowledged within our industry. Integrating nature and biodiversity into real estate strategies is imperative not only to achieve Net Zero targets, but to retain asset value, minimise risk and support our communities.

Redevco commits to delivering biodiversity net gain (impact). Ultimately this means putting the environment first to ensure that any development leaves the natural environment in a measurably improved state with cleaner air, water and land as well as greater biodiversity.

One key element to increase biodiversity, captured under the term soil sealing, is to increase the total area that is available to biodiversity and nature (i.e., green areas, verges, green roofs). We actively strive to increase these green areas as part of our asset management and development activities.

3.2 Circular Economy – Resource outflows

Another focus area related to the circular economy is to reduce waste generated during construction. Waste should be recycled as much as possible to reduce waste going to landfills.

Furthermore, we collaborate closely with our tenants and property managers to facilitate and stimulate reduction and recycling of operational waste.

3.3 Responsible water consumption

We care about water and aim to reduce the consumption per square meter (water intensity ratio) in our portfolio.

We deliberately embed water management measures into redevelopment processes with the goal to store, recycle and reuse water. Measures include water buffering, creating wadis, grey water systems, green roofs, changing pavements with permeable material and rainwater harvesting systems.

3.4 Pollution prevention

Redevco aims to prevent any pollution of water, air and soil, including indoor air quality. Measures include reducing emissions, optimising resource use and implementing sustainable waste and water management practices.

4. Social Value

Social topics are related to the company's care for people, workers and local communities, including health and safety issues.

4.1 Contribute to vibrant communities

Redevco wants to create places that people value and want to spend time in. We aim to deliver social value in the communities where our assets are located by way of:

- Promoting local skills and development.
- Supporting the growth of regional, local businesses.
- Procuring locally if possible.
- Contributing to placemaking through community engagement initiatives.
- Building strong relationships with stakeholders.

4.2 Child, Forced or Compulsory Labour

Redevco explicitly condemns any child, forced or compulsory labour relating to any employment, construction, maintenance work or service provision to our business or to any of our assets under management. Please read more in our [Human Rights Policy](#) and [Supplier Code of Conduct](#).

4.3 Employee Engagement



Redevco employees during a volunteering day.

Redevco believes that businesses have a responsibility to positively impact the communities in which they operate. Through the Redevco Foundation and by offering our employees one volunteering day per year for a charitable organisation of their choice, we have created an opportunity to 'give back' and go beyond simply maximising our operational sustainability.

4.4 Employee Remuneration

The remuneration philosophy at Redevco is that the CEO's targets – which explicitly include targets on ESG performance – are cascaded to all senior leaders, incl. portfolio & investment managers. In fact, all employees have a portion of their remuneration determined by all company results on the stated ESG targets. An internal remuneration policy explains how remuneration is linked to sustainability performance.

4.5 Health and Safety

Employees: Redevco is committed to minimising health and safety risks and reducing workplace injuries. More details can be found in Redevco's Health and Safety approach. Incidents are reported in our annual Responsible Investment Report.

Redevco believes that a happy, healthy workforce contributes to company success. We strive to create a positive work environment and promote healthy lifestyles. More information can be found in "Happy & Healthy Employees: Our Vision on Well-being".

Value Chain Workers: Redevco prioritises the physical and mental well-being of construction site workers and addresses human rights impacts throughout its value chain. We ensure compliance with health and safety regulations and expect our suppliers and contractors to do the same, as outlined in the Supplier Code of Conduct.

Tenants and Visitors: Redevco upholds a duty of care for all who work, live or visit our properties, fostering a safe environment for tenants, employees and visitors. We expect compliance with high health and safety standards, including up-to-date safety documentation.

Our buildings meet high health standards and comply with local regulations to ensure users' well-being. Building design and management impact health through factors like lighting, ventilation and materials. This is detailed in Redevco's sustainable design guide.

4.6 Human Rights

Redevco commits to respecting internationally recognised human rights as outlined in the International Bill of Human Rights² and the principles concerning fundamental rights in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

² The International Bill of Rights includes the Universal Declaration of Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR)

The [Redevco Human Rights Policy](#) is grounded in the [UN Guiding Principles](#) on Business and Human Rights and the [OECD guidelines for Multinational Enterprises](#)³ with recommendations for responsible business conduct and supply chain due diligence.

5. Responsible Governance

Responsible governance refers to how we run our business, from corporate policies and decision-making processes to compliance and risk management. Redevco applies a [responsible governance approach](#), focused on business ethics, integrity, compliance and clear accountabilities, thereby ensuring business continuity and stakeholders' trust.

5.1 Corporate culture

We strive for sustainable, long-term value creation and subsequently expect high standards of business integrity from our employees and business partners. A well-embedded [Business Integrity Policy](#) (BIP) ensures that possible conflicts are identified, dilemmas can be openly discussed, and misconduct can be reported (via a [Speak Up Policy](#)). It also provides grounds to walk away from an attractive deal because of e.g., ethical issues. This reduces the level of risk of misconduct in our entire business operations and ensures that the way we do business is in line with best practice ethical standards.

5.2 Inclusion, Diversity and Equity

In line with [Redevco's core values](#) (Integrity, Excellence, Balance and Team Spirit) and our [Business Integrity Principles \(BIP\)](#), we recognise the importance of inclusion, diversity and equity.

Redevco is committed to creating an inclusive working environment where individual differences are valued and respected, in which each employee can fulfil his/her potential and maximise his/her contribution and in which equal employment opportunity to all applicants and employees is provided. More information can be found in our [Inclusion, Diversity and Equity Policy](#).

5.3 Gender equality and equal pay

All employees are treated fairly in the workplace in terms of pay, benefits, and opportunities for advancement. [The remuneration policy](#) (WIP) outlines equal pay for work of equal value for the company's own workforce.

5.4 Protection of whistleblowers

In Redevco's [Speak Up policy](#) we strongly encourage employees as well as external stakeholders to report any breach or suspected breach of any law, or a breach of the [BIP](#) or other Redevco policies and procedures. Incidents may be reported to the local management team or [via our website](#).

5.5 Responsible tax

Redevco commits to paying, disclosing and reporting on tax matters in line with national and international regulations within the timeframes required.

³ https://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.html

5.6 Responsible sourcing

Our vision for Responsible Sourcing is centred on fostering sustainable practices that prioritise environmental stewardship, ethical labour and increases social and natural values. We encourage our employees to choose responsible services and goods that reflect this vision.

By collaborating with transparent suppliers and investing in innovative technologies, we strive to build developments that not only meet today's needs but also safeguard the resources and well-being of future generations. This commitment to responsible sourcing will not only enhance the value of our projects but also contribute to a more sustainable and equitable built environment.

5.7 Supplier Standards

Redevco prefers to work with suppliers that are aligned with our ESG efforts and do business in an ethical and environmentally responsible way. Our [Supplier Code of Conduct](#) sets out what we want to achieve and what we expect of our Suppliers related to transparency, integrity, work processes, health and safety and impact on the environment and society. This includes providing a safe and inclusive working environment for workers. We expect all suppliers to adhere to this supplier code of conduct.

5.8 Stakeholder relations

We periodically seek feedback from a wide range of stakeholders, including shareholders, investor clients, tenants, suppliers and employees.

As a tool to monitor how representatives in the industry view Redevco's practices, also in the context of sustainability (ESG), we participate in an annual industry benchmark. Relevant performance dimensions in the minds of our stakeholders, such as service, price/performance, local market and technical competence, as well as reputational factors are condensed in this annual research. The results provide us insights into the positioning of our company and if significant changes in the individual dimensions of our brand occur, we can interpret and define action.

Stakeholder outreach is also seen as a vital part of conducting effective materiality assessments. In line with international reporting requirements, Redevco conducts 'double materiality assessments' on a broad range of sustainability topics. Based on input from stakeholders, including shareholders, investor clients, tenants, suppliers and, of course, employees to assess the validity and materiality of our sustainability focus areas.

We look explicitly at the impact Redevco can have on people, planet and society (impact materiality), as well as the impact external events can have on the Redevco business (financial materiality). We report on the outcome of these double materiality assessments and what actions Redevco takes in response in our annual Responsible Investment Report.

Furthermore, Redevco's employees are actively involved in national and international industry councils and associations to share knowledge and insights with like-minded industry professionals. It is our conviction that participating in these forums helps to have a positive impact on a multitude of ESG topics within our sector.

5.9 Training and skills development for the company's own workforce

We firmly believe in the principle of continuous learning and development as a catalyst for growth and progress, both on an individual and an organisational level.

We regularly block all calendars to provide dedicated moments to focus specifically on personal or team learning. In addition, the Redevco Skills Builder offers a wide variety of training opportunities, including various sustainability courses to further embed sustainability expertise amongst all employees.