

A composite background image showing a classical building with a white facade and a balcony on the left, and a brick building with a dark roof and a dormer window on the right. The left side is overlaid with a semi-transparent blue filter.

# ESG Analysis – Commercial Real Estate Players

October 2021

# ESG Benchmarking & Ranking – Transparency

	IMMOFINANZ	CA IMMO	S IMMO	Alstria	Aroundtown
Start year of ESG effort <sup>1</sup>	2018	2018	2017	2010	2016
Transparency rating	4	7	2	10	9
Reporting of 14 PAIs? <small>More details in the appendix</small>	(✓)	(✓)	(✓)	(✓)	(✓)
Reporting EU Taxonomy? <small>Required from 2022<sup>2</sup></small>	X	X	X	X	X
Reporting of emissions? (Portfolio)	<ul style="list-style-type: none"> <li>● <b>Scope 3</b> reported (total landlord obtained energy; GHG-Indir-Abs GRI 305-3 (2016))</li> <li>● Building GHG emissions intensity (GHG-Int CRE3)</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Scope 1 + 2 + 3</b> reported</li> <li>● Building GHG emissions intensity</li> <li>● Location- and market based</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Scope 2 &amp; 3</b> reported together</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Scope 1 + 2 + 3</b> reported</li> <li>● Location- and market based</li> <li>● Highest level of granularity</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Scope 1 + 2</b> reported</li> <li>● Location- and market based</li> </ul>
Reason for ranking	<ul style="list-style-type: none"> <li>● Relatively high number of KPIs disclosed (looks like copy/past from Alstria)</li> <li>● Confusing representation of numbers vs. peers (incl. calculation inaccuracy<sup>3</sup>)</li> <li>● No market-based method<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>● Large number of KPIs disclosed in “Consumption data file”</li> <li>● Representation of data could be improved – impractical to have a data dump on one page</li> </ul>	<ul style="list-style-type: none"> <li>● Low number of KPIs</li> <li>● No intensity KPIs</li> <li>● No market-based method</li> <li>● Some interesting additional figures that only S IMMO reports, e.g. km of executive travel</li> </ul>	<ul style="list-style-type: none"> <li>● All relevant ESG KPIs disclosed in an easily understandable fashion</li> <li>● First to disclose non-financial report in German RE space</li> <li>● Disclosure level exceeds peers substantially</li> </ul>	<ul style="list-style-type: none"> <li>● All relevant ESG KPIs disclosed by category</li> <li>● Disclosed metrics based on SASB Mapping</li> </ul>

1) Refers to first year of publication of non-financial data disclosure.

2) If size threshold is met.

3) For its intensity calculation, IIA takes the total annual consumption and divides it by year-end area rather than taking the average area of the year. Peers calculate this correctly.

4) “For the calculation of Scope 2 emissions in accordance with the market-based method, a corresponding data system for collecting reported CO2e per electricity provider is under development”.

Source: Company filings

# ESG Benchmarking & Ranking – True Commitment

	IMMOFINANZ	CA IMMO	S IMMO	Alstria	Aroundtown
True commitment rating	3	5	5	9	8
Reason for ranking	<ul style="list-style-type: none"> <li>Long-term goal of achieving climate neutrality, however no concrete incentives or targets to improve from an ESG perspective</li> <li>Tenants are made responsible for CO2 emissions, water consumption, etc.<sup>1</sup></li> <li>Many initiatives mentioned in 2020 non-financial report but no results yet</li> </ul>	<ul style="list-style-type: none"> <li>Developed “agenda for sustainable business operations”</li> <li>100% electricity from renewable sources by 2023, compensation of CO2 emissions through purchase of certificates</li> <li>Development of a green lease strategy to increase the share of renewable electricity in the investment portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Even though number of non-financial KPIs is relatively low, S IMMO publishes: Human Rights Policy, Code of Conduct, Environmental Policy and Sustainable Bond Framework with Second Party Opinion</li> <li>Very few precise targets for improvement</li> <li>Switch to green electricity in all markets by 2022</li> </ul>	<ul style="list-style-type: none"> <li>First mover into sustainable RE in Germany</li> <li>Details on proportions of renewable sources</li> <li>Solar generation on site</li> <li>Rainwater recycling</li> <li>Refurbishing instead of replacing old building with new building</li> <li>Do not only chase carbon neutrality by focussing on buildings' operational emissions (challenging the EU Taxonomy)</li> </ul>	<ul style="list-style-type: none"> <li>Energy investment programme</li> <li>Installation of solar- and wind production systems, 25k EV charging stations in the following years</li> <li>Conversion of corporate fleet to EVs</li> <li>Expect same standards for suppliers<sup>2</sup></li> <li>Systematically switching energy contracts to renewable based electricity and carbon neutral gas supplies</li> </ul>
Contribution to ESG R&D	7	6	4	8	0
Reason for ranking	<ul style="list-style-type: none"> <li>R&amp;D agreements with TU Wien dedicated to climate change, Fachhochschule Vienna and others</li> <li>Test pilot for an urban forest project based on the Miyawaki afforestation method (Japanese botanist Akira Miyawaki)</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration with RWTH Aachen (smart building project)</li> <li>Partner of Fraunhofer IAO Institute (Office 21 research project)</li> <li>Memberships in German and Austrian sustainable property societies (e.g. ZIA, ÖGNI)</li> </ul>	<ul style="list-style-type: none"> <li>Partnership with Danube University Krems but focused on funding students rather than research collaboration</li> <li>Member of corporate platform respACT and the Austrian Sustainable Building Council (ÖGNI)</li> </ul>	<ul style="list-style-type: none"> <li>Developed their own low carbon design principles, provide data on operational carbon and embedded carbon in construction materials for new buildings (going far beyond the EU Taxonomy standards)</li> </ul>	<ul style="list-style-type: none"> <li>No contribution to ESG research apparent from public disclosure</li> </ul>

1) “Energy efficiency does not only depend on the building. In the properties managed by IMMOFINANZ, energy consumption is instead strongly driven by tenant behaviour and therefore lies to a large extent within their responsibility” (Page 11, 2020 Sustainability Report).

2) Through Supplier Code of Conduct and Green Procurement Policy.

Source: Company filings

# ESG Benchmarking & Ranking – Tie into Corporate Strategy

	IMMOFINANZ	CA IMMO	S IMMO	Alstria	Aroundtown
<b>Progress vs. last year<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Energy intensity: (5%)</li> <li>GHG intensity: +1%</li> </ul>	<ul style="list-style-type: none"> <li>Energy intensity: (3%)</li> <li>GHG intensity: (17%)</li> </ul>	<ul style="list-style-type: none"> <li>Energy intensity: n.a.</li> <li>GHG intensity: n.a.</li> </ul>	<ul style="list-style-type: none"> <li>Energy intensity: (7%)</li> <li>GHG intensity: (18%)</li> </ul>	<ul style="list-style-type: none"> <li>Energy intensity: (6%)</li> <li>GHG intensity: (9%)</li> </ul>
<b>ESG tie into corp. strategy</b>	4	4	3	9	7
<b>Reason for ranking</b>	<ul style="list-style-type: none"> <li>Rollout of sustainability certifications</li> <li>Support of Sustainable Development Goals (SDGs) of the UN</li> <li>Start of rollout of PV systems for STOP SHOPS</li> </ul>	<ul style="list-style-type: none"> <li>Rollout of sustainability certifications</li> <li>Supports the Sustainable Development Goals (SDGs) of the UN</li> <li>Definition of a group-wide standard for sustainable project development</li> <li>Seems to be part of risk management rather than core contributor to corporate strategy</li> </ul>	<ul style="list-style-type: none"> <li>Rollout of sustainability certifications</li> <li>Saying “<i>Comply with environmental laws and official requirements</i>”<sup>2</sup> does not indicate strong motivation to go above and beyond for carbon neutrality</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability and carbon neutrality major part of corporate strategy</li> <li>Development of Real Estate Carbon Accounting Principles (RECAP)</li> <li>Company does not just follow regulation but has intrinsic motivation to approach carbon neutrality</li> </ul>	<ul style="list-style-type: none"> <li>Tries to actively incentivise tenants to reduce water / waste consumption (e.g. no charge for recycling and paper in Germany and other locations and green lease elements)</li> <li>Replacing/upgrading fossil fuel heating systems</li> <li>Building upgrades with the goal to receive green building certifications</li> </ul>
<b>Green financing?</b>	(✓)	✓	✓	(✓)	X
<b>Details</b>	<ul style="list-style-type: none"> <li>€100m Revolving Credit Facility (ESG-linked)</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable bond framework published together with second-party opinion</li> <li>€350m Green bond issued in 2020</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable bond framework published together with second-party opinion</li> <li>Aligned with green and social bond principles</li> <li>€150m Green bond issued in 2021</li> </ul>	<ul style="list-style-type: none"> <li>No details on green bonds/loans</li> <li>Inventor of green dividend concept (Shareholders can vote to allocate a small dividend 1ct towards green projects that would not have been selected from a pure return perspective)<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>No details on green bonds/sustainable financing</li> </ul>

1) Refers to percentage change from 2018 to 2019 (except for CA Immo where we are showing 2017 to 2018). For company by company definitions, please refer to page 7.

2) S IMMO FY'20 results presentation (page 27/38).

3) <https://green-dividend.com/>.

Source: Company filings

# ESG Benchmarking & Ranking – Company Targets

	IMMOFINANZ	CA IMMO	S IMMO	Alstria	Aroundtown
ESG targets?	(✓)	(✓)	(✓)	✓	✓
Quantitative targets	X	<ul style="list-style-type: none"> <li>100% renewable energy in the existing portfolio by 2023 (purchased from the landlord)</li> </ul>	<ul style="list-style-type: none"> <li>Switch to green electricity in all markets by 2022 (only CEE left)</li> </ul>	<ul style="list-style-type: none"> <li>30% reduction of GHG emissions by 2030</li> <li>100% renewable energy (already achieved)</li> </ul>	<ul style="list-style-type: none"> <li>Achieve 40% reduction in CO2 emissions by 2030</li> <li>€210m investment programme by 2022<sup>3</sup></li> </ul>
Qualitative targets / other details on targets	<ul style="list-style-type: none"> <li>“Currently working intensively on measures and the formulation of quantitative targets to achieve long-term climate neutrality in its portfolio”</li> <li>ESG target development announced with regards to CO2 emissions and water consumption (not published yet)</li> <li>“Reduction of IMMOFINANZ’s contribution to climate change through decarbonisation of the business model with the goal of reaching climate neutrality”</li> </ul>	<ul style="list-style-type: none"> <li>Developed “agenda for sustainable business operations”</li> <li>Reduction of average CO2 emissions in building operation</li> <li>Reduction of energy consumption of the investment portfolio</li> <li>Development of all new projects according to at least LEED or DGNB Gold standard</li> <li>Implementation of waste management system and water consumption monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Aim to improve energy footprint over next several years (no precise year)</li> <li>Reduce paper consumption and waste consumption</li> <li>Reduce travelled km</li> <li>Use ecological construction materials</li> </ul>	<ul style="list-style-type: none"> <li>Science-based targets, 2013 and 2018 are used as base years</li> <li>2020 goals were approved by Science Based Targets Initiative</li> <li>Scope 1 emissions in line with below 2 degrees trajectory, whereas Scope 2 target is in line with 1.5 degrees trajectory (Paris agreement)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of environmentally friendly refurbishing</li> <li>Reduce total amount of water use and waste produced (no precise time mentioned)</li> <li>Optimise the group’s cost structures via installation of sustainable systems and use of renewable energy</li> <li>Sustainable energy program encompassing investment in solar and wind power systems</li> </ul>
Net zero commitment?	(X) <sup>1</sup>	(X) <sup>2</sup>	X	✓	✓
Net zero plan?	X	X	X	✓	X

“We believe that **setting science-based targets** is the only collective effort companies can make to ensure their decarbonization pathways are in line with what the latest climate scenarios say is **necessary to meet the goals of the Paris Agreement**”  
 + use of **CRREM Tool** that provides companies with Paris-aligned decarbonization and energy reduction pathways defined by country and building type

1) “Ongoing development of a long-term strategy to achieve climate neutrality”.  
 2) “CA Immo wants to actively contribute to achieving the climate and environmental goals defined by the European Union (climate neutrality by 2050).”  
 3) Incl. installation of 75 MW solar systems, installation of energy generating systems based on combined heat and power production or combined cooling heat and power (CCHP), up to a potential capacity of 60 MW, installation of up to 25,000 EV charging stations.  
 Source: Company filings

# ESG Benchmarking & Ranking – Mgmt. Incentivisation

For 2021, these ESG targets have been selected:

- **Carbon emissions** (50% weighting): Alstria remains on path to 2030 target (linear decrease)
- **Resource management** (50% weighting): Successful renewal of ISO 50001 certification for energy management
- Compliance is a knock-out (incidents of corruption or compliance related fine), ESG achievement will be 0

	IMMOFINANZ	CA IMMO	S IMMO	Alstria	Aroundtown
ESG part of mgmt. comp?	✓	✓	✓	✓	✓
Quantitative targets?	X	X	X	✓	✓
Description	<ul style="list-style-type: none"> <li>• ESG targets are a sub-category within the performance target determining the STI (STI ~18% of total comp; max 130% of base)</li> <li>• 20% of STI are “individual and stakeholder targets” of which ESG is one category</li> <li>• ESG targets include milestones in sustainable construction projects, carbon reduction, or customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Half of variable remuneration (max 200% of base) is based on “operational targets”</li> <li>• ESG makes up 10% of variable remuneration</li> <li>• ESG target achievement is based on “ESG reporting” (e.g. optimisation of sustainability reporting)</li> <li>• 100% achievement by management in 2020</li> </ul>	<ul style="list-style-type: none"> <li>• 30% of variable remuneration (max 100% of base and an additional 50% discretionary from supervisory board) is based on “qualitative performance criteria”</li> <li>• 1/3 qualitative criteria are non financial targets related to the Austrian sustainability &amp; diversity act</li> </ul>	<ul style="list-style-type: none"> <li>• 20% of STI plan are ESG targets</li> <li>• ESG target criteria span: carbon emissions, resource mgmt., employees, diversity &amp; inclusions, employer brand, etc.</li> <li>• The SB decides on criteria of relevance for the respective financial year</li> <li>• Any ESG target needs to be reasonably quantifiable</li> </ul>	<ul style="list-style-type: none"> <li>• LTI programme B includes ESG criteria in the form of carbon emission targets, i.e. 20% reduction by 2025 (in line with company target to reduce emissions by 40% in 2030)</li> <li>• Operational performance goals may also include diversity and sustainability objectives as well as targets regarding staff turnover</li> </ul>
Who do the ESG targets apply to?	<ul style="list-style-type: none"> <li>• Executive board (as per remuneration report)</li> <li>• No comment on other mgmt. layers</li> </ul>	<ul style="list-style-type: none"> <li>• Management board members</li> <li>• LTI plan also takes into account “first-line managers” but not linked to ESG</li> </ul>	<ul style="list-style-type: none"> <li>• Management board members</li> <li>• No comment on other mgmt. layers</li> </ul>	<ul style="list-style-type: none"> <li>• Management board members</li> <li>• No comment on other mgmt. layers</li> </ul>	<ul style="list-style-type: none"> <li>• Management board members</li> </ul>
Other employees incentivised?	X	X	X	X	(✓)

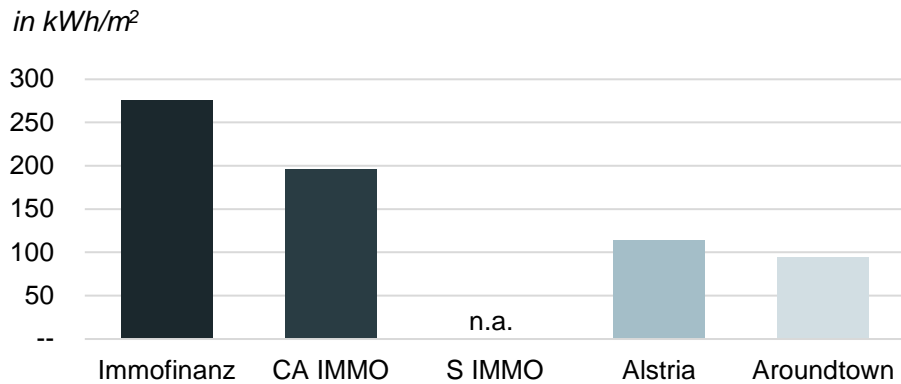
May serve as voluntary guideline for compensation of employees in senior positions

# Benchmarking of Main ESG KPIs (Office Portfolios Only)

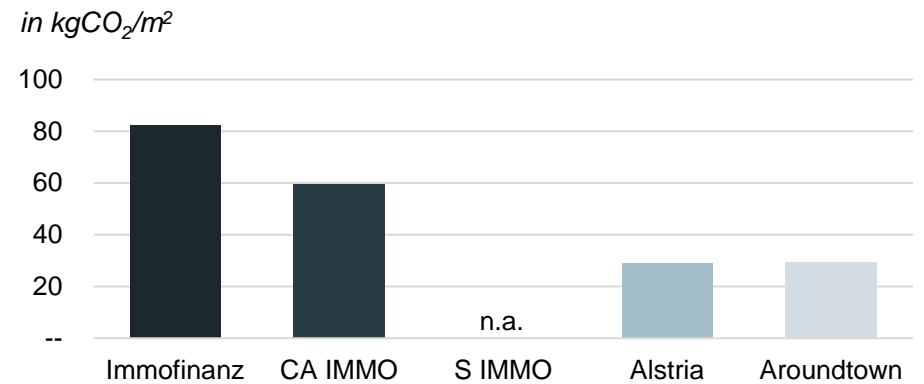
2019 data<sup>5</sup>

**Comparability impacted by different disclosure levels**

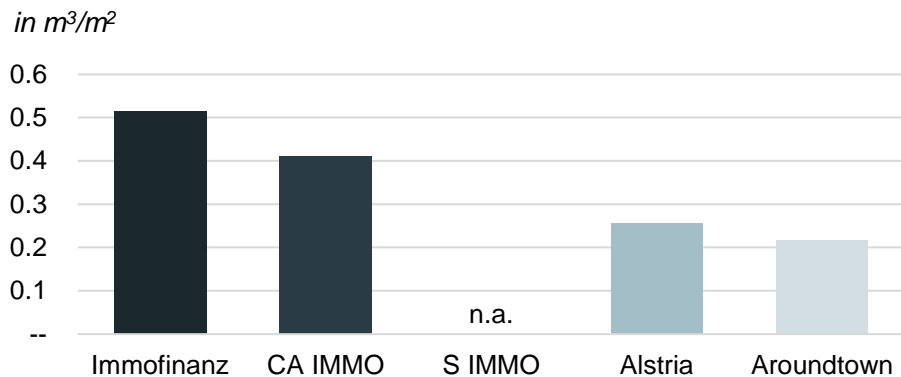
### Energy intensity of portfolio<sup>1</sup>



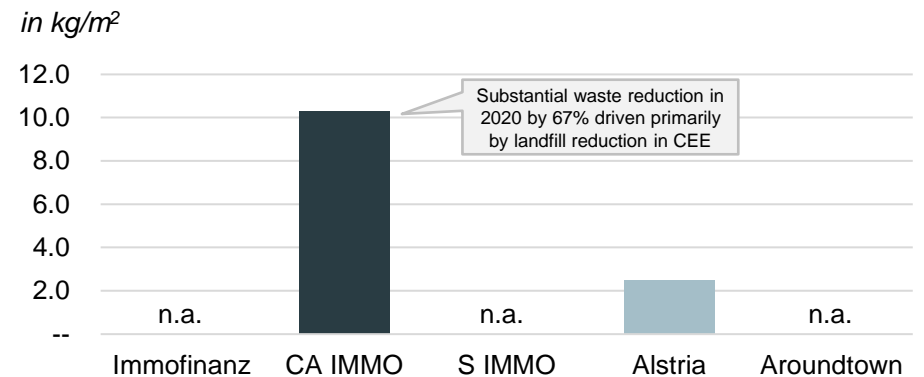
### GHG emissions intensity from building energy consumption<sup>2</sup>



### Total water intensity<sup>3</sup>



### Total waste intensity<sup>4</sup>

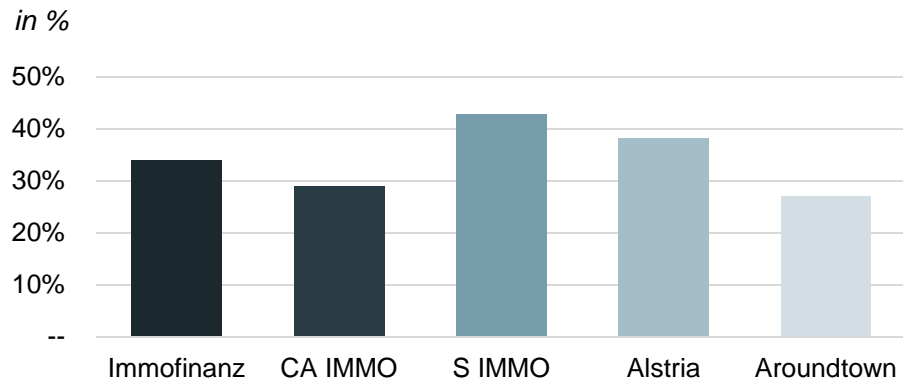


1) IIA refers to total energy consumption (GRI 302-2 (2016)) divided by avg. rented space; CAI refers to like-for-like building energy intensity (whole building); AOX refers to energy intensity of building portfolio (lettable area); AT1 refers to building energy intensity.  
 2) IIA refers to GHG-Indir-Abs GRI 305-3 (2016) divided by avg. rented space; CAI refers to like-for-like building GHG emissions intensity (Scope 1+2+3.13, whole building); AOX refers to GHG intensity of building portfolio (Scope 1+2+3, lettable area); AT1 refers to Scope 1 and 2 intensity from building energy.  
 3) IIA refers to GRI 303-1 (2016) Water-Abs divided by avg. rented space; CAI refers to like-for-like building water consumption intensity (whole building); AOX refers to water intensity of total building portfolio; AT1 refers to building water intensity.  
 4) CAI refers to total waste I/I divided by gross internal area (GIA) of applicable properties; AOX refers to waste intensity of building portfolio (Waste-Int).  
 5) Latest year for which comparable data is available. Please note that CAI KPIs refer to full portfolio as split by office, hotel and others is not available for 2019.  
 Source: Company filings

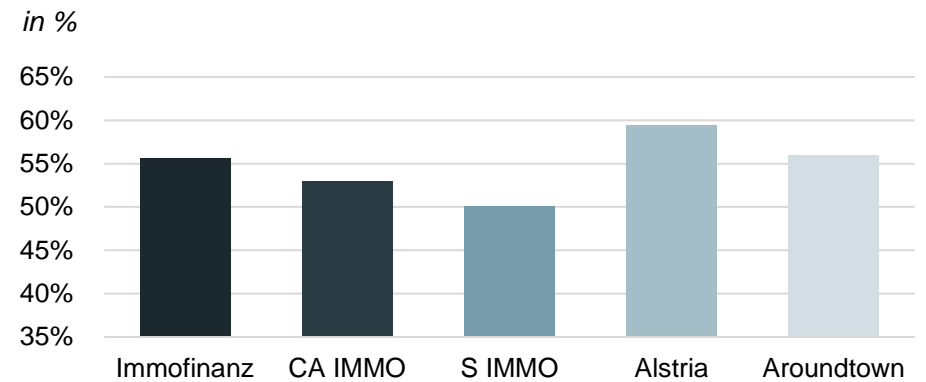
# Benchmarking of Main ESG KPIs (Cont'd)

2019 data<sup>1</sup>

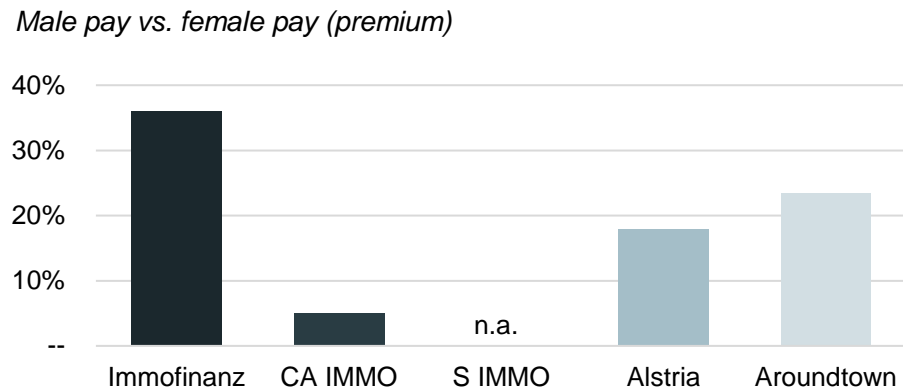
## Women in management positions



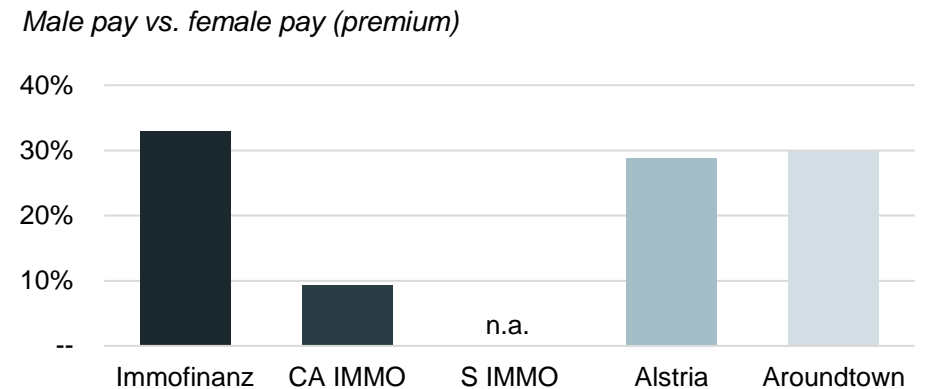
## Women in total company<sup>2</sup>



## Gender pay gap (Mgmt.)<sup>3</sup>



## Gender pay gap (Non-mgmt.)<sup>4</sup>



1) Except for CA IMMO, where 2018 is the last available year. Gender pay gap for IIA refers to 2020 data.

2) IIA refers to full-time employees.

3) CAI refers to "Executives"; AOX refers to "Management Level 1+2".

4) AT1 refers to total workforce.

Source: Company filings



# Appendix

# Reporting on Principal Adverse Impact (PAI)

## Overview of current disclosure regarding 14 PAIs

Indicator	IIA	CAI	SPI	AOX	AT1
1. GHG emissions	✓	✓	✓	✓	✓
2. Carbon footprint	✓	✓	✓	✓	✓
3. GHG intensity of investee companies	✓	✓	NA	✓	✓
4. Exposure to companies active in the fossil fuel sector	NA	NA	NA	NA	NA
5. Share of non-renewable energy	✓	✓	✓	✓	✓
6. Energy consumption intensity	✓	✓	NA	✓	✓
7. Activities negatively affecting biodiversity areas	NA	NA	NA	NA	NA
8. Emissions to water	NA	NA	NA	NA	NA
9. Hazardous waste ratio	NA	✓	NA	✓	NA
10. Violations of UNGC principles and OECD guidelines	NA	NA	✓	✓	NA
11. Lack of process to monitor UNGC principles	NA	NA	✓	✓	NA
12. Unadjusted gender pay gap	✓	✓	NA	✓	✓
13. Board gender diversity	✓	✓	✓	✓	✓
14. Exposure to controversial weapons	NA	NA	NA	NA	NA

### PAI reporting:

- Overall, our CRE peer group has good disclosure of 14 PAIs
- Gender pay gaps are disclosed by 4/5 firms (vs. 15% disclosure ratio in the MSCI ACWI (as per Goldman research))
- Some of the impacts are less relevant for real estate companies e.g. “emissions to water”, “exposure to controversial weapons”
- Mandatory disclosure from 2022 onwards for investment firms with >500 employees on the PAIs of their portfolio and how they take the PAIs into account when making an investment decision
- Use of PAIs is optional for smaller investment firms but mandatory disclosure needs to be made stating if PAIs are taking into account when making investment decisions

## GHG emission reporting under EPRA guidelines

- “GHG-Dir-Abs Total **direct greenhouse gas** (GHG) emissions”: GHG-Dir-Abs refers to the total amount of direct greenhouse gas emissions generated (‘direct’ meaning that GHG emissions are **generated on site through combustion of the energy source/ fuel**)
  - To calculate direct emissions, report kilograms of carbon dioxide equivalent (kgCO<sub>2</sub>e) emitted from fuels burned on site
  - Use recognised conversion factors, such as those published by recognised international bodies/initiatives such as the Intergovernmental Panel on Climate Change<sup>1</sup> (IPCC) or International Energy Agency<sup>2</sup>
- “GHG-Indir-Abs Total **indirect greenhouse gas** (GHG) emissions”: GHG-Indir-Abs refers to the total amount of indirect greenhouse gas emissions generated (‘indirect’ meaning that GHG emissions are **generated off site during combustion of the energy source**)
  - Identify indirect location-based emissions<sup>3</sup> of greenhouse gases resulting from the offsite generation of purchased electricity, heat, or steam (please use the amounts of purchased electricity, heat and steam as reported in Elec-Abs and DH&C-Abs)
  - Report kilograms of carbon dioxide equivalent (kgCO<sub>2</sub>e) emitted by the offsite generation of electricity, heat or steam consumed. Use recognised conversion factors such as those published by recognised international bodies/initiatives such as the Intergovernmental Panel on Climate Change<sup>1</sup> (IPCC) or International Energy Agency<sup>2</sup>
  - With regard to reporting of tenant and landlord emissions, the **allocation of indirect GHG emissions between scope 1/2 and scope 3 is dependent on the metering and sub-metering arrangement in place between tenants and landlords**. Reporters need to decide how to interpret Category 13 of the Technical Guidance for Calculating Scope 3 Emissions of the GHG protocol<sup>4</sup>
- “**GHG-Int Greenhouse gas (GHG) emissions**”: GHG-Int refers to the **total amount of direct and indirect GHG emissions generated from energy consumption in a building** over a full reporting year, normalised by an appropriate denominator
  - **Issue:** The variety of approaches used by companies to calculate intensity indicators represents a challenge for stakeholders when understanding how to interpret these indicators

1) <https://www.ipcc-nggip.iges.or.jp/EFDB/main.php>.

2) <https://www.iea.org/statistics/topics/CO2emissions>.

3) Calculated according to the location-based method.

4) [www.ghgprotocol.org/sites/default/files/ghgp/standards/Scope3\\_Calculation\\_Guidance\\_0.pdf](http://www.ghgprotocol.org/sites/default/files/ghgp/standards/Scope3_Calculation_Guidance_0.pdf).

Source: EPRA guidelines

## Glossary

Table [3.2] Accounting for emissions across an electricity value chain

Reporting company	Scope 1	Scope 2	Scope 3
<b>Coal mining, processing, and transport (Company A)</b>	5 t CO <sub>2</sub> e	0 t CO <sub>2</sub> e (unless electricity is used during coal mining and processing)	100 t CO <sub>2</sub> e from the combustion of sold products (i.e., coal) <i>Reported in category 11 (Use of sold products)</i>
<b>Power generator (Company B)</b>	100 t CO <sub>2</sub> e	0 t CO <sub>2</sub> e	5 t CO <sub>2</sub> e from the extraction, production, and transportation of fuel (i.e., coal) consumed by the reporting company  <i>Reported in Category 3 (Fuel- and energy-related activities not included in scope 1 or scope 2)</i>  Note: The generator does not account for scope 3 emissions associated with sold electricity because the emissions are already accounted for in scope 1.
<b>Utility (Company C)</b>	0 (unless SF <sub>6</sub> is released from the T&D system)	10 t CO <sub>2</sub> e from the generation of electricity purchased and consumed by Company C	0.5 t CO <sub>2</sub> e from the extraction, production, and transportation of fuels (i.e., coal) consumed in the generation of electricity consumed by Company C (5 tons from coal mining x 10 percent of electricity generated by B that is consumed by C)  94.5 t CO <sub>2</sub> e from the generation (life cycle, i.e., upstream activities and combustion) of electricity purchased by Company C and sold to Company D  <i>Both are reported in category 3 (Fuel- and energy-related activities not included in scope 1 or scope 2)</i>
<b>End consumer of electricity (Company D)</b>	0	90 t CO <sub>2</sub> e from the generation of electricity purchased and consumed by Company D	4.5 t CO <sub>2</sub> e from the extraction, production, and transportation of coal consumed in the generation of electricity consumed by Company D  10.5 t CO <sub>2</sub> e from the generation (life cycle, i.e., upstream activities and combustion) of electricity that is consumed (i.e., lost) in transmission and distribution  <i>Both are reported in category 3 (Fuel- and energy-related activities not included in scope 1 or scope 2)</i>

Source: Table 5.6 from the Scope 3 Standard.

### Alstria reporting (in line with GHG Protocol Standard):

- **Scope 1 emissions:** Direct emissions (Dir) resulting from our company's vehicles and gas heating in our corporate offices
- **Scope 2 emissions:** Indirect emissions (Indir) resulting from the consumption of electricity in the common areas of our multi-let buildings, as well as electricity and heating consumption from our corporate offices
- **Scope 3 emissions:** Indirect emissions (Indir) arising from business travel, employee commutes, and energy consumption in tenant areas
- *In addition, there are two available methods for calculating Scope 2 and 3 emissions. The location-based method uses mostly grid average emissions factor data, whereas the market-based method uses electricity that companies have purposefully chosen (e. g., renewable energy procurement)*

# Disclaimer

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