

Mitiska REIM 2023 ESG report

Your Partner in Convenience Real Estate

2023 FINANCIAL YEAR



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Message to stakeholders

Dear stakeholders,

We are delighted to share with you Mitiska REIM's further progress and achievements over the past year, along with our ambitious plans for the future. While last year we observed a progressive shift in attitude from a "nice-to-have" to a "must-have", we are now observing our stakeholders proactively engaging with us on ESG matters. A significant change in recent times on the part of investors but also buyers shows that the lack of consideration for ESG factors is becoming a reason to not even consider investing and acquiring assets.

We are happy to see all stakeholders taking ESG more seriously than in the past.

2023 Business highlights and ESG integration

One of the most significant accomplishments of the year has been the successful divestment of assets in the FRI and FRI 2 funds in Romania, Belgium and Portugal, a journey that commenced in early 2023 and concluded at the end of the year with a total sale of c. € 500 million. These transactions were not only momentous from a financial standpoint but also highlighted our unwavering commitment to Environmental, Social, and Governance (ESG) principles. It's worth noting that the ESG efforts integrated into our retail parks played a pivotal role in facilitating their smooth exits from Mitiska REIM's portfolio. This was only possible thanks to a strong and cohesive team that has worked hard for several years to ensure the delivery of outcomes and the ESG quality of the assets.

Our rigorous adherence to sustainability standards not only enhances our reputation but also ensures that our investments align with our values and contribute positively to the communities and environments in which we operate.

Mitiska REIM, fostering quality

Mitiska REIM continues to distinguish itself in the competitive landscape of the convenience real estate and has become a true frontrunner in retail parks. In a market where certified retail parks are a rarity, Mitiska REIM stands out as a beacon of best practices, reaching full certification of assets ranging from "Very Good" aiming to "Excellent" BREEAM In-Use ratings.

Not only in Belgium where Mitiska REIM was established, but also in other countries (10) where we operate, our activities have become synonymous with excellence and best-in-class practices. This recognition not only validates our commitment but also inspires us to continuously raise the bar and set new benchmarks for sustainable business practices.

At Mitiska REIM, our overarching ambition is to lead in ESG within the constraints of the market and financial realities, thereby ensuring value-add returns for our shareholders and investors while simultaneously enhancing liquidity through strategic ESG initiatives. We believe in ESG as a strategic means for value-add creation.

While our first fund, FRI, was fully divested in 2023, the progress made in value creation for FRI 2 is a testament to our unwavering dedication to unlocking value and fostering sustainable growth across our portfolio. In addition, the launch of FRP, a new fund backed by Swiss leading global private markets firm Partners Group, which is also the first core/core + fund of Mitiska REIM, is a new opportunity for enhancing returns through modest value-add strategies like refurbishments and active asset management. This will allow investors to benefit from a stable income and potential appreciation.

Moreover, efforts are already underway to continue fundraising for our fund MEREP 3, to expand our portfolio and deliver strong returns for our shareholders as well as a positive impact for all our stakeholders. We concluded our first investments

MESSAGE TO STAKEHOLDERS

of MEREP 3, with projects Storo, OPC, Europa Centralna and AG Capital, reaching its fundraising up to €168 million at the end of 2023.

The strategy for MEREP 3 focuses on the accelerating opportunity we see in convenience real estate across Europe. The fund targets grocery-anchored retail parks, multi-let light industrial, self-storage and last-mile urban logistics opportunities located on urban infill locations, aiming to unlock opportunities and drive sustainable value creation through investment in standing assets with light to heavy value-add opportunities – this ranges from tenant restructuring, refurbishment and extension, through to full repurposing or retrofitting. The fund will also execute de-risked development projects, with a focus throughout on skilled active asset management.

For each new acquisition, we will implement the ESG Due Diligence (DD) Checklist, which was finalized beginning of 2023, and which allows us to identify possible risks linked to ESG aspects and therefore to define a fairer acquisition price.

On the ESG front, our commitment remains unwavering, as evidenced by our achievements in data collection, automation, and pioneering pilot projects on greenhouse gas emissions reduction.

On the data collection part, we consider it to be quite extraordinary in the fact that we achieved 100% of the energy consumption data collected, which includes tenant data (scopes 1, 2 and 3). On this front, digitalization is the key: scaling up our efforts on automating data collection with smart meters showed substantially positive results in increasing our data coverage, as well as in the relationship with our tenants. During a pilot project for Ninove (Belgium), we had the opportunity to showcase to tenants the benefits of having a centralized system that not only collects data in an automated manner but also provides analytics to help operators highlight discrepancies and patterns in consumption.

Furthermore, our initiatives aimed at reducing greenhouse gas emissions, coupled with our focus on improving tenant satisfaction through and gradually increasing the number of signed green leases, exemplify our dedication to fostering sustainable business practices through meaningful

cooperation between the stakeholders involved in the value chain.

Looking into the near future

Looking ahead, our business focus for 2024 will be for MEREP 3 to reach above €300 million in fundraising, by securing several key investments for this fund and build the pipeline of convenience real estate investments. Regarding FRI 2, the objective will be to complete and stabilize projects that are still ongoing and continue the exits where the price and timing is right.

In terms of ESG, we move forward on decarbonization, enhancing stakeholder relationships, and further integrating ESG considerations into our investment strategies. To reach this, we will consolidate the CRREM exercise on a fund basis. By doing so, when external assessments of investments are conducted, we will be able to demonstrate that all renovated buildings and new development projects adhere to the Paris Agreement's 1.5°C commitment and align with the Science Based Targets Initiative (SBTi).

We are committed to consolidate automated data collection, participating and reaching a higher GRESB scoring, aiming every year to improve our previous score, and fostering stronger partnerships with stakeholders, with whom we want to have a dialogue at regular intervals in time. By aligning our business objectives with the principles of sustainability, we are confident that we can create value for our stakeholders while simultaneously contributing positively to the broader communities we serve.

In conclusion, Mitiska REIM remains a leader in the convenience real estate sector in its commitment to advancing ESG principles while delivering strong and sustainable financial returns. Our achievements over the past year are a testament to the dedication and hard work of our team, and we are excited about the opportunities that lie ahead as we continue to navigate the evolving landscape of convenience real estate. We are deeply grateful for your continued support and partnership as we strive to build a more sustainable and prosperous future together.

Sylvie Geuten-Carpentier, Axel Despriet

About Mitiska REIM

Mitiska REIM is Europe's leading specialist investor in convenience real estate, spanning retail parks, multi-let light industrial, self-storage and urban logistics projects.

Our investment focus capitalizes on the converging trends across these sectors and the increasing demand for urban infill sites from a growing range of end-users that offer accessible locations, affordable buildings, flexible design and sustainable solutions. **Our approach is to unlock opportunities and drive superior value creation through the value-add refurbishment and repositioning of standing assets, new development projects and active asset management.**

Headquartered in Brussels, Mitiska REIM's investment model is partnership-driven, positioning ourselves as an active, value-add investor, in collaboration with experienced local co-investment partners in respective geographies. Our strong and long-established relationships with

leading national and international retailers and other tenants are a key element of our investment strategy. As part of our value-add approach, we leverage these relationships to optimize the mix in our sites, for the benefit of our stakeholders.

At Mitiska REIM, we recognize that achieving sustainable urban growth is an important and pressing issue both today and in the future. We believe that considerations concerning ESG factors play a crucial role in being a responsible fund manager and are a key driver in creating long-term value for all our stakeholders and society by making our business and our managed assets 'future-proof'. Mitiska REIM is therefore committed to incorporating environmental, social and governance factors across all aspects of our business activities.



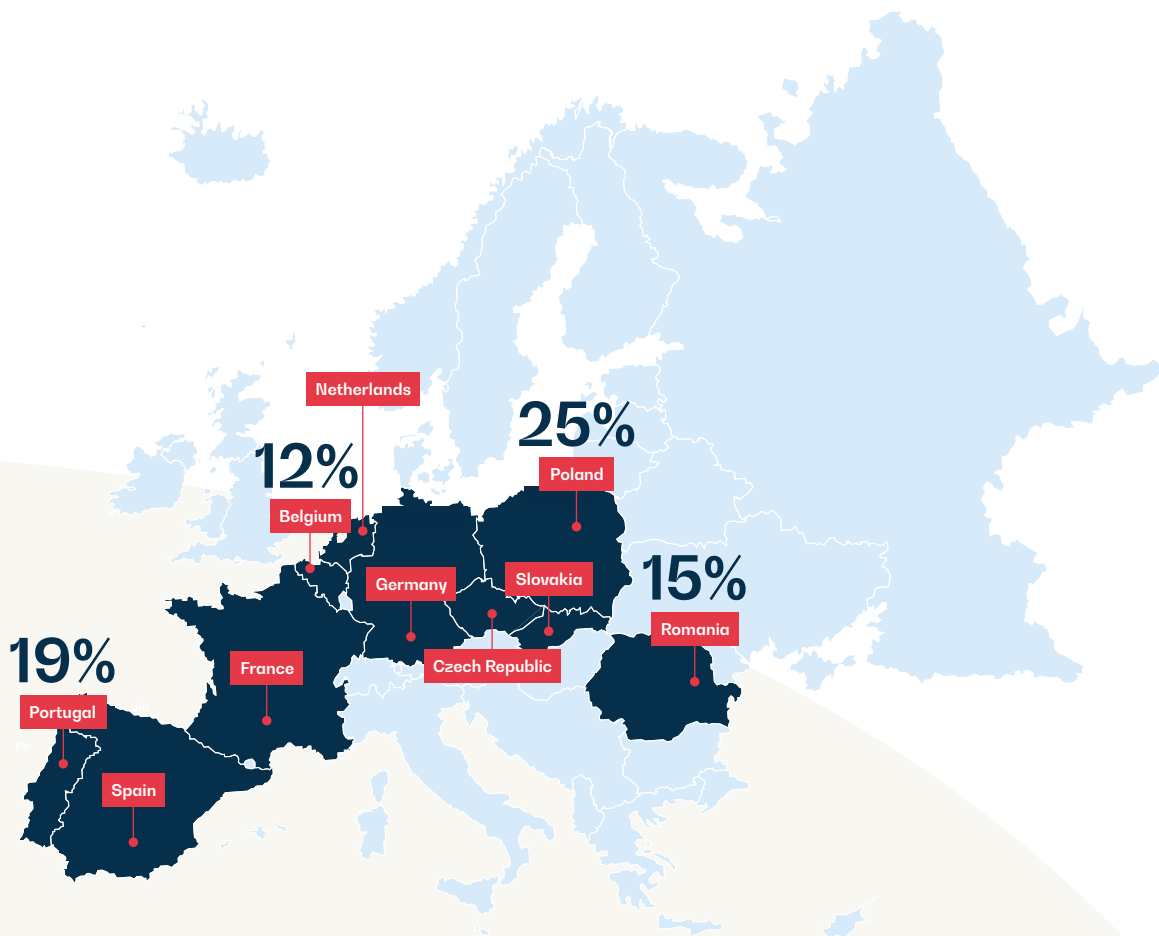
Malinas, Belgium

ABOUT MITISKA REIM

Over the past decade, Mitiska REIM has raised 5 funds and built a portfolio of 94 properties representing ± 1,200,000m² gross leasable area across Belgium, The Netherlands, France, Germany, Spain, Portugal, Romania, Poland, Czech Republic and Slovakia. A brand new core/core+ fund FRP was created in 2023, covering 10 properties in Belgium and Portugal, at the moment of writing this report. Mitiska REIM is a licensed alternative investment fund manager (AIFM) supervised by the Belgian regulator FSMA.

At Mitiska REIM, we are a team of 43 people who are highly engaged and dedicated both individually and collectively to various aspects of our business and the broader scope of ESG considerations. Each team member is involved in transversal working groups to move forward on those different topics. This way ESG is a team goal and work, ensuring that Mitiska REIM's vision is carried out and achieved by everyone and that each individual finds meaning and is motivated to move forward even further.

MITISKA REIM'S 2023 KEY HIGHLIGHTS



Main openings in 2023

5 openings for FRI 2
3 openings for MEREP 3

Local partners

beyond 20 partners
across Europe

Main partners



HAPPENED IN 2023

Happened in 2023



HAPPENED IN 2023

Karuzela Biala Podlaska (PL) — FRI 2

The food-anchored (Lidl) retail park had a very successful opening in September 2023 after the completion of the construction during the summer. The scheme (17,547m² GLA) counts 29 tenants including popular brands like Action, Kik and CCC. Also the neighboring Agata Meble (furniture store – 7,000m² GLA) and Bricomarché (DIY – 3,300m² GLA) opened, resulting in a high quality retail destination of 28,000m² GLA. Biala Podlaska also won the first price for "Retail Project Medium" on the 2024 CEE Retail awards. This project is eligible for BREEAM "Very Good" rating.





**Albert Ceske
Budejovice (CZ)**
— FRI 2

The project consists of a repurposing of an existing Albert hypermarket of 8,000m² GLA into a 4,432m² GLA supermarket and an adjacent retail park of 6,289m² GLA. The construction works started in January 2023 (10,720m² GLA). Opening of Albert (food anchor) took place in September 2023, while the retail units opened in November.



**Europa Centralna
(PL)**
— MEREP 3

Acquisition of Europa Centralna in Poland: a strategically located high potential property (27ha, 67,000m² GLA retail scheme) with an attractive broad master plan and strong international tenants such as Castorama, Jysk, Action and McDonald's. The project will be repositioned and renovated in order to make the asset future-proof from both perspectives, commercially and sustainability.



Storo Roeselare
(BE)
— MEREP 3

Mitiska REIM and STORO opened their second Self-Storage in September 2023 in Roeselare. The asset (4.860m² GLA) consists of 386 self-storage units, combined with two commercial units and 10 SME units. STORO is a Belgium based operator of self-storage sites with a highly digitized business model.



Business Park
Montataire
(FR)
— MEREP LI

Acquisition of Village Économique Montataire, an income-producing SME business park in the Greater Paris region. The business park has an existing gross leasable area (GLA) of 22,000m² comprised of around 60 SME units and offices. The project will be renovated in order to make the asset future-proof in terms of sustainability and the total GLA will be enlarged.

About the ESG report

The ESG report describes how Mitiska REIM manages risks and opportunities associated with the environmental, social and governance scopes. This report covers the calendar year 2023. All published data is as of 31 December 2023.

In particular, it outlines the procedures aiming at reducing greenhouse gas (GHG) emissions to reach carbon neutrality targets, as well as defining sustainable operations and project development practices through a holistic approach. Furthermore, it develops and outlines concrete actions to ensure social sustainability and value creation for its stakeholders.

Mitiska REIM is communicating transparently its ESG performance and present the content index of **INREV Sustainability Guidelines** on pages 62 and 63.

The transparency of the performance is a key element of Mitiska REIM's sustainable financing. In 2023, we started defining the main pillars of our future framework, and set objectives for its drafting.

The information disclosed here is aligned with **INREV and Sustainable Development Goals**.

A glossary has also been added at the end of the report, on page 63, to make reading easier.



Building the future, Mitiska REIM's ESG commitments

Mitiska REIM's vision revolves around responsible business practices, emphasizing sustainable value creation through development projects, asset management, and value-add initiatives.

This commitment is evident across **three key areas** of operation:

- ESG criteria integrated into asset acquisition and development processes, enhancing portfolio value and resilience.
- Supported ESG aspects in fund asset management, serving the best interests of all stakeholders; namely tenants, banks, investors, local partners and communities.
- Integrity in business management, integrating ESG considerations into corporate governance and involving the entire team in this journey.

Responding to evolving societal trends, we have advanced our ESG ambitions, setting a foundation through strategic work since 2021 driven by the

active engagement of our team. Aligning with our mission of sustainable value creation, during 2023 Mitiska REIM has concretized the foundation of its work to scale up its ambitions in the upcoming year.

On the **environmental front**, Mitiska REIM is committed to decarbonizing its activities and business to align with the Paris Agreement by 2050. We aim to establish Science Based Targets (SBTI) for our own operations and funds within the next two years. As part of our continuous efforts to reduce carbon emissions, we will ensure that all current and future funds align with the CRREM curves. Our approach is holistic, addressing energy and water conservation measures, while also assessing waste management practices to understand their impact on carbon emissions.

Regardless of the function of the property, **tenants** are **key stakeholders** in the real estate sector and are extremely valued by Mitiska REIM, and we continuously engage them in the definition of common objectives and targets to ensure that common goals are achieved. The **community** is the larger audience of Mitiska REIM, who strives to provide an increase in quality of life, creating new jobs and valuing their opinion on the project.

In its partnerships with local stakeholders, Mitiska REIM adopts a proactive and specialized role, fostering value creation while strengthening ties with regions. Collaborating closely with **local partners** in each country, Mitiska REIM leverages its expertise to rapidly adapt to market opportunities.

Mitiska REIM considers its **employees to be key actors** in implementing the ESG strategy of the company. This is why at Mitiska REIM the management is always proactively engaging employees to be part of the strategic ESG activities, utilising their feedback as a precious steppingstone in the definition of the strategy. Furthermore, we believe that investing

in human capital is essential to attracting and retaining talent. Continuous training and skills development for the team is essential, this will not only benefit the team members personally in their current and future careers but will also benefit the company as a whole.

Finally, the **governance of ESG aspects**, including the risks and opportunities linked to climate change, is well integrated into the overall governance structure of Mitiska REIM. Sustainability strategy execution and progress are monitored at the executive management. ESG activities are led by a dedicated ESG Steerco and are overseen by the Management Committee.

As part of daily operations, the ESG strategy is implemented thanks to the working groups which cover the ESG focus area Mitiska REIM works on. Thanks to regular ESG knowledge sharing and all-hands meetings, the team at Mitiska REIM is taking ownership of the implementation of the ESG strategy, and making ESG something fully embedded in the whole organization.

Mitiska REIM arose as an offshoot of the listed company Mitiska NV, and as such has over 30 years of experience in both retail and real estate. Mitiska NV was a holding company that successfully invested in more than 30 retail brands, including Carpetland, Brantano, Heytens, Vandenborre and AS Adventure. In 2009, the focus shifted from retail, to retail real estate and Mitiska REIM was founded by Mitiska NV and Axel Despriet. Since then, the scope of Mitiska REIM has evolved further and the focus is now on “convenience real estate”. Mitiska REIM has also been officially recognized as a fund manager since 2022 as a result of obtaining an AIFM license, which has enabled Mitiska REIM to build on its reputation as a European market leader in convenience real estate, through the first funds under management, MEREP Light Industrial and MEREP 3.

2023 ESG Highlights

ENERGY INTENSITY

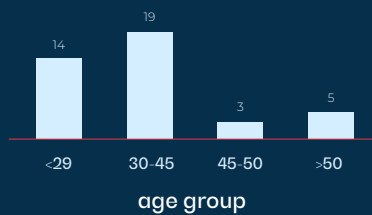
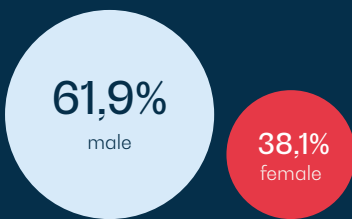
122 kWh/m²

EMBODIED CARBON

19.800 tCO₂e

TOTAL CARBON

45.262 tCO₂e



GREEN LEASES

70%

of new leases are green leases

BREEAM IN-USE CERTIFICATION IN 2023

41/64

assets

85%

are "Very Good" rating or higher





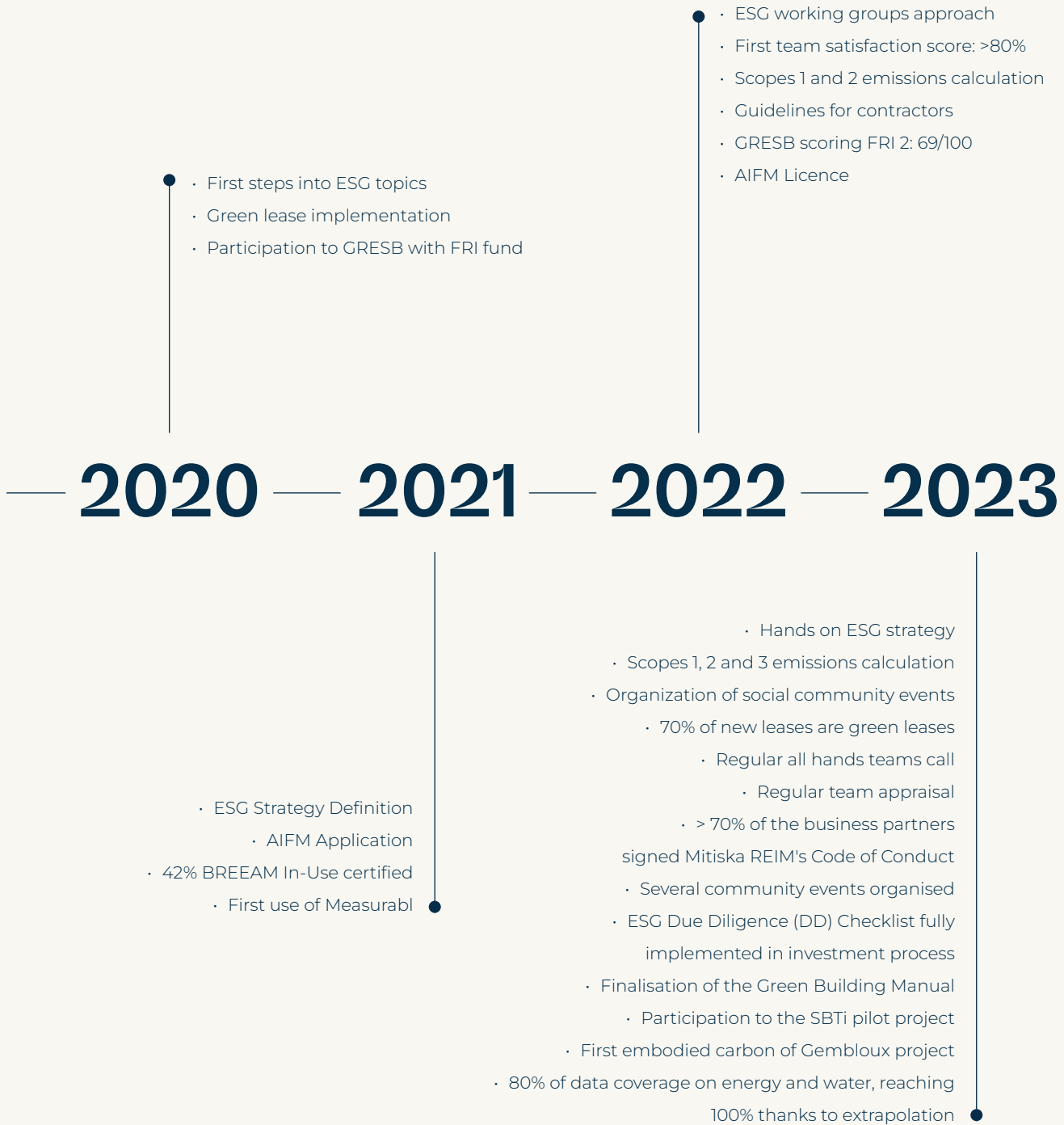
With the ESG steering committee, we play a dual role within the company. We maintain an overarching perspective on all ESG matters at Mitiska REIM and develop the long-term perspective and priorities.

Simultaneously, we strive to serve as a driving force and motivator for the various ESG working groups in their pursuit of achieving their ESG goals. Additionally, we organize four "ESG all-hands" calls once every quarter, bringing together the entire Mitiska REIM team to discuss the progress and findings of one or more ESG working groups, and to share relevant experiences.

MATTHIAS, ELINE, AXEL, ELISABETH, IOANA, DAVID, ESG Steerco



Achievements and progress towards objectives



PAST YEARS

ACHIEVEMENT AND PROGRESS TOWARDS OBJECTIVES

- Concrete action plan for all focus areas
- Use the ESG DD checklist for 100% of acquisitions
- Green Building Manual fully implemented
- Increase of GRESB score for FRI 2
- Complete data collection and data visualization
- Decarbonization plan
- Use of CRREM tool on all existing buildings and new investments
- Develop training opportunities
- Social activities and community engagement
- Adoption of green lease by 100% of top 15 existing tenants
- Reporting under SFDR Article 8 for MEREP 3

**Alignment with
Paris Agreement**

2024/2025

2026

2050 →

- Participation to GRESB with FRI fund
- 100% of BREEAM In-Use Certifications by end of the holding period
- Establishment of a Green Financing Framework
 - Automatization of data collection
- Define goals and have them validated by the SBTi
 - Use the CRREM tool for all the funds

SHORT TERM

LONG TERM

Mitiska REIM's Funds & AIFM license

2012
FRI

Type of assets

Retail parks. Primarily aimed at providing accessible, affordable, and convenient retail spaces.

Mitiska REIM's role

Fund advisor.

Countries

Romania, Belgium, Poland, Czech Republic

Fund equity

€ 76

mIn Total Value

19 (19)

total assets (o/w divested)

160.447

total m² (incl. exits)

Realized return (fully divested projects)

Average gross MM: **2,2x**

Average gross IRR: **19%**

DPI: **1,9x**

Additional information

Fully divested. On 31 December 2023, all assets were sold.

2016
FRI 2

Type of assets

Retail parks. Emphasizes convenience-driven retail and a broader range of services.

Mitiska REIM's role

Fund advisor.

Countries

Belgium, The Netherlands, France, Germany, Spain, Portugal, Poland, Czech Republic, Slovak Republic, Romania

Fund equity

€ 263

mIn Total Value

62 (34)

total assets (o/w divested)

751.992

total m² (incl. exits)

Realized return

Average gross MM: **2,2x**

Average gross IRR: **16,8%**

DPI: **0,6x**

Additional information

Fully invested, currently in the value-add phase. Selling projects that are transitioned to "core" status.

2021
MEREP
Light Industrial

Type of assets

Focuses on light industrial assets in urban infill locations

Mitiska REIM's role

MEREP Light Industrial is managed by Mitiska REIM.

Countries

Germany, Poland, Slovakia, Belgium, France

Fund equity

€ 35

mIn Total Value

8 (1)

total assets (o/w divested)

154.138

total m² (incl. exits)

Additional information

Fully invested.

2022
MEREP 3

Type of assets

Dedicated to convenience real estate, including food-anchored retail parks, light industrial assets, self-storage and urban logistics.

Mitiska REIM's role

MEREP 3 is managed by Mitiska REIM.

Countries

Belgium, Poland, Slovakia

Fund equity

€ 193

committed at the date of the report

5

total assets

77.694

total m²

Additional information

Complies with SFDR Article 8 regulations.

2023
FRP

Type of assets

Only retail parks. FRP is a continuation fund of 5 Belgian and 5 Portuguese retail parks

Mitiska REIM's role

FRP is managed by Mitiska REIM.

Countries

Belgium & Portugal

Fund equity

€ 105

mIn Total Value

10

total assets

182.634

total m²

Additional information

FRP is the first core/core+ fund in the portfolio of funds managed by Mitiska REIM

AIFM LICENSE

The key driver of obtaining an AIFM license was for Mitiska REIM to grow and further professionalize its processes.

Since its launch in 2009, Mitiska REIM has grown and evolved from a real estate developer to an advisor to investment funds, and a fund manager of the so-called 'light regime'. This means Mitiska REIM can manage funds with total assets of up to €100 million if one or more funds use leverage (e.g. bank financing) or up to €500 million in funds without leverage.

To sustain Mitiska REIM's further growth, an AIFM license was crucial as it allows us to manage funds without restrictions on the total amount of assets under management. An additional advantage is that it also allows Mitiska REIM to raise funds from professional investors throughout the European Union, using the European fund passport. Moreover, an AIFM license is also a quality label demonstrating that the fund manager operates professionally and that the necessary policies and procedures are in place to safeguard the interests of investors.

In 2022 Mitiska REIM's application for AIFM was approved, making it a pivotal year for us and allowing us as a fund manager to manage more than €500 million in total assets.

Having an AIFM licence allowed us to think bigger in terms of impact, which is why it aligns perfectly with our long-term ESG strategy. Furthermore, the AIFM licence put additional focus on the risk management and governance, as well as the investment process itself. This led to an increased attention to ICT & cybersecurity procedures and anti-money laundering efforts.

In the meantime, and making use of its AIFM license, Mitiska REIM has three funds under management (MEREP Light Industrial, MEREP 3 and FRP) and provides certain AIFM services to two other funds (FRI and FRI 2).

In the course of 2023, an EU marketing passport was obtained for MEREP 3 which allows Mitiska REIM to market MEREP 3 for fundraising purposes in the EU (and EEA) member states of its choice.



De Lely, Netherlands

ESG trends and Mitiska REIM ESG Strategy

In the most recent years, sustainability has played a crucial role in shifting the strategy and action plans of most players in real estate. This shift is influenced by important sustainability factors such as climate change, urbanization, demographics, a continuously changing economy and new regulation.

This progressive shift has coincided with significant changes in contemporary society, which has been

grappling with the impacts of a pandemic and the repercussions of two conflicts over the past four years. These events worked as a catalyst force for accelerating the changes that were already happening.

The changes that are particularly relevant to convenience real estate are addressed by Mitiska REIM in its business strategy, which is progressively aligned with the ESG strategy.

CLIMATE CHANGE AND ENVIRONMENTAL CONCERN

Mitiska REIM is aware of the fact that climate change poses a long-term risk to society and the economy. It's becoming evident that climate change is and will remain a primary driver of business decisions and investment strategies in the foreseeable future. Consequently, there will be a gradual integration of ESG principles into these strategies.

At Mitiska REIM, the entire team is committed to decarbonizing our own operations and our different

funds in alignment with the Paris Agreement by 2050. We recognize the urgency of addressing climate change and mitigating its disruptive effects. To achieve this goal, we have the ambition to use tools such as CRREM and SBTi to guide our decarbonization efforts and ensure that our investments are in line with the objectives of the Paris Agreement.

ESG REGULATION

Increasing regulation is one of the main concerns of real estate businesses for the past year and the future. In particular, the coming into force of important legislations such as the EU Taxonomy and the CSRD are changing the shape of companies' efforts not only to comply but to be able to fully integrate the demand of such legislations in day-to-day businesses.

While not yet concerned by the reporting requirements of the Corporate Social Responsibility Directive (CSRD), Mitiska REIM has already integrated the EU Taxonomy demands as a fundamental pillar for ensuring access to finance for the acquisition and renovation of best-in-class properties.

OPPORTUNITIES IN CONVENIENCE REAL ESTATE

Despite the challenges posed by the COVID-19 pandemic and cost of living crisis, certain types of retail, particularly grocery-anchored retail parks, have demonstrated resilience due to their focus on convenience, essential shopping and value for money, which are now increasingly recognized by retailers, shoppers and investors alike. This has created opportunities for specialized investors such as Mitiska REIM to identify underperforming assets with potential for improvement and purchase them at discounted rates.

On the end user side, changing consumer habits and environmental standards have rendered some retail assets obsolete. We see this as an opportunity

to repurpose and retrofit these assets into modern, sustainable convenient real estate projects. For example, in 2022, Mitiska REIM transformed a former Tesco hypermarket into a modern, sustainable retail park in Pulawy, Poland.

Moreover, the demand for multi-unit light industrial schemes is on the rise as a growing number of small and medium-sized businesses look for convenient sites close to their customer bases and their employees, in which to expand their operations. The design of multi-unit light industrial, coupled with a retail park, means employees can benefit from a large offer of the retail park onsite, and a lively and attractive place to work.



Pulawy Retail Park, Poland

Finally, the rise of e-commerce is driving demand for urban logistics solutions. However, the supply of suitable land is limited. Mitiska REIM, leveraging its experience and local partnerships, is capitalizing on

this demand by developing multi-let urban logistics projects. For instance, a project near Bratislava, Slovakia, offers flexible units in a prime logistics hub.



Sladkovicovo, Slovakia

For other mixed-use developments, such as local hubs, service centres, and distribution centres, these properties enable maximized land use efficiency and provide flexibility in sourcing and

development. Additionally, those properties play a role in contributing to local employment opportunities and services.

CONSTRUCTION COSTS AND AVAILABILITY OF RESOURCES

2023 might have been one of the most difficult for the construction industry. With construction costs rising, together with the increasing shortage of labour, the difficulties of the development industry dominated the business discussion and forecasts

in the year. Despite this backdrop, Mitiska REIM opened a number of developments and completed refurbishments during 2023. The year 2024 seems promising, although the sector is still cautious.

Value chain

Mitiska REIM's approach to the value chain is driven by our overarching vision and mission, outlined in our key focus areas of acquiring, developing, and managing buildings. These areas act as strategic pillars, allowing us to manage the value chain comprehensively and inclusively. This involves engaging with a diverse range of stakeholders, including local governments, local operating partners, contractors, communities, landowners, tenants, buyers, investors, and financial institutions, as well as our internal team.

By prioritizing collaboration with each stakeholder group, we aim to build sustainable relationships,

promote social responsibility, and create positive impacts across the value chain. This holistic approach strengthens our ability to address challenges and opportunities in the real estate sector while demonstrating our commitment to long-term value creation and sustainable development goals.

The team - as an **internal stakeholder** -, and its involvement in Mitiska's strategy and related actions are described on page 47 of this report. The table below shows the relationships with **external stakeholders** and the concrete actions carried out in 2023.

External stakeholders	Mitiska REIM relationships and 2023 actions
Local operating partners	<p>Local operating partners are integral to Mitiska REIM's investment strategy in our active markets. They co-invest in projects and play an active role in sourcing, development, asset, and project management. Their involvement is crucial in implementing actions aimed at developing sustainable and future-proof assets.</p> <p>In 2023, our initiatives included sharing information on our building evolution based on the CRREM tool and automating data collection, considering the progress and constraints in each country.</p>
Buyers	<p>Mitiska REIM manages funds with predetermined lifespans, necessitating the eventual sale of all assets back into the market after a holding period of 3-7 years. Today, sustainability holds significant importance for potential buyers, leading to thorough ESG due diligence assessments prior to asset acquisitions. This involves requests for certifications such as BREEAM and EPCs, assessing alignment with the EU Taxonomy, and analyzing energy consumption levels using tools like CRREM.</p> <p>This shift underscores the increasing recognition of environmental factors in real estate investment performance and risk mitigation.</p> <p>In 2023, during the sales process for divesting the Belgian and Portuguese assets of FRI and FRI 2, we observed the growing importance of sustainability indicators. Investors' initial inquiries focused on CRREM and EPC certificates rather than rent rolls, highlighting the value of our efforts in data collection over the years and wider sustainability efforts.</p>

VALUE CHAIN

External stakeholders	Mitiska REIM relationships and 2023 actions
Contractors	<p>Contractors play a crucial role in real estate development and value-add processes, contributing significantly to project execution and success. However, they face challenges such as fluctuating raw material prices, narrow profit margins, labor shortages, and safety concerns on construction sites. Collaboration between investor developers and contractors is essential to address these challenges while prioritizing sustainability. Despite difficulties, contractors are increasingly embracing sustainability and integrating it into their operations.</p> <p>As a real estate developer, in 2023 Mitiska REIM, values its partnership with contractors and is finalizing a "Green Building Manual" that outlines expectations for contractors, with plans to implement it in 2024. Furthermore, Mitiska REIM intends to establish a follow-up process to ensure that all contractors with whom it collaborates adhere to the sustainability guidelines outlined in the Manual, thereby fostering a collective commitment to sustainability throughout the construction process.</p>
Landowners	<p>In urban development, collaboration with landowners is pivotal for sustainable progress. In Western Europe, where suitable urban infill locations are scarce, there's a shift towards redeveloping, retrofitting, or repurposing existing sites to address urbanization challenges. Landowners play a crucial role in this process. They hold the key to unlocking the potential of their parcels. Increasingly, landowners are favoring convenience real estate options such as light industrial parks or self-storage facilities to maximize their land's utility. Repurposing outdated shops or showrooms into self-storage or last-mile multi-let light industrial hubs caters to the growing demand for e-commerce delivery services. This collaborative approach not only aligns with market trends but also fosters sustainable urban development.</p> <p>Recent examples highlight how working with landowners can create sustainable value. For instance, the reconversion of a Tesco hypermarket in Pulawy, Poland and the Albert Ceske Budejovice project in Czech Republic showcase the repurposing of underutilized retail spaces. Similarly, the redevelopment and soil decontamination of a former furniture warehouse in Gembloux, Belgium, into a modern mixed-use convenience real estate project, completed in 2023, demonstrate the transformation of neglected spaces into vibrant urban hubs, all through collaborative efforts with landowners.</p>
Local communities	<p>Mitiska REIM recognizes the significant impact its assets have on local communities. By actively involving communities in decision-making processes from the outset, it seizes opportunities to drive positive change and deliver sustainable value-add projects that align with community aspirations. This commitment to community engagement and inclusive decision-making underscores its dedication to responsible stewardship and sustainable development, ultimately enhancing community well-being.</p> <p>Many examples in 2023, including initiatives such as (i) improving multimodal accessibility at projects like Malinas in Mechelen (BE) and Quartier Enée in Gembloux (BE), (ii) establishing car charging facilities on several sites in Portugal and Romania and across all Belgian sites through a partnership with Allego, and (iii) introducing leisure facilities in Gembloux (BE) to address a noted lack of such amenities in the area.</p>

External stakeholders	Mitiska REIM relationships and 2023 actions
Local governments	<p>Local authorities play a vital role in obtaining building permits, making it essential to understand their needs and maintain close communication. Many are concerned about the impact of e-commerce on city center vacancies and strive to create balanced retail infrastructure. Multi-unit light industrial, fostering local employment, are also favored by local governments. Today, issues like multimodal accessibility, architectural quality, and green spaces receive increased attention compared to three decades ago.</p> <p>Mitiska REIM prioritizes early dialogue with municipal authorities to incorporate their input into development plans from the outset, reflecting its commitment to continuous improvement.</p>
Banks	<p>Banks recognize the importance of ESG criteria in their real estate financing processes, as they effectively manage risks, generate sustainable financial returns, and align with investors' and regulators' increasing expectations for social and environmental responsibility. Mitiska REIM firmly believes that its comprehensive efforts across various ESG initiatives should lead to improved and more cost-effective access to debt funding. Collaboration with the financial sector is paramount, and Mitiska is committed to meeting their evolving demands.</p> <p>Mitiska REIM encourages its teams to integrate sustainability considerations into discussions with lenders and, ultimately, into loan agreements. In 2023, the company signed three new loan agreements, expanding the number of sustainability-linked bilateral financings from six transactions with two banks in two countries to nine transactions with four banks in four countries, demonstrating significant progress.</p> <p>Furthermore, Mitiska REIM aims to establish a Sustainable Financing framework by 2026. For further details, please refer to page 59 and 60 of this report.</p>
Investors	<p>For investors, sustainability has become the standard in real estate. What was once considered a 'nice to have' feature is now a fundamental requirement, with green credentials seen as a premium for commercial properties. This shift is being driven by institutional investor demands, corporate sustainability goals, and government initiatives aimed at addressing climate change.</p> <p>European regulations, such as the EU Taxonomy and CSRD, are playing a crucial role in accelerating this trend by setting high standards for sustainable performance criteria. This is pushing investments towards purely sustainable options while gradually phasing out unsustainable ones.</p> <p>In recent years, and even more so in 2023, investors expect Mitiska REIM not only to deliver excellent financial results but also to demonstrate outstanding sustainability in its operations and projects. Mitiska REIM's commitment to sustainability is evident in its efforts to achieve green building certification for all projects and systematically improve their green building scores during the holding period or to develop only "Very Good" projects on the green building scale. Furthermore, Mitiska REIM participate to GRESB with its fund FRI and FRI 2, while its fund MEREP 3 is a SFDR Article 8 fund.</p>

External stakeholders

Mitiska REIM relationships and 2023 actions

Tenants

Retail tenants typically focus their sustainability efforts on the supply chain, which accounts for the majority of their carbon footprint. However, this divergence in focus can create a gap between landlord and tenant priorities regarding sustainability, leading to tenant wariness of initiatives that may increase fit-out and operational costs.

Collaboration between landlords and tenants is crucial for effective sustainability efforts, with a partnership approach proving most beneficial. Mitiska REIM utilizes green leases as a powerful tool to align objectives and improve building performance. The green lease, providing a framework, is a joined agreement between the landlord and tenant to engage ESG efforts into the building by both parties.

Mitiska REIM actively promotes sustainability through green leases, with 35% of tenants across its European markets signing such agreements by end of 2023. Moreover in 2023, 70% of all leases signed were "green leases." Further details on green leases can be found on page 39-40 of this report.



Environmental

2023 KEY FIGURES



2023 ACHIEVEMENTS

- 1** **Data coverage** of 100% energy consumption data for the entire portfolio across all funds ("December Data Campaign"), with 83% data collection
- 2** Full mapping of the **carbon footprint** of Mitiska REIM and its global activities (scopes 1, 2 and 3) as well as an embodied carbon study on one project (i.e. Quartier Enée, Gembloux)
- 3** Finalizing of the **Green Building Manual** addressed to internal developers and external contractors
- 4** Implementing **BREEAM In-Use certification plan**
- 5** Selection among 15 companies worldwide and participation in the SBTi pilot project "Building sector"

MITISKA REIM AMBITION

On the **environmental front**, Mitiska REIM is committed to decarbonizing its activities and business to align with the Paris Agreement by 2050. This commitment extends to both its operations and the current and future funds it manages. Mitiska REIM will align with the SBTi pathways once confirmed and ensure that all current and new funds adhere to the CRREM curve as part of its efforts to reduce carbon emissions. To achieve this objective, we will continue to work on automating and analyzing data collection, analysing it and implementing both internal guidelines for ourselves as well as for partners, contractors and tenants with the goal to improve the carbon and energy performance as well as quality of all our buildings and project developments.

SHORT TERM CONCRETE ACTIONS (2024-2025)

- 1 Further **automatization of data collection** through the installation of smart meters across the entire portfolio
- 2 **Visualization of consumption data** in user friendly dashboard to help investment teams track asset performance
- 3 Using the CRREM tool to assess the climate risks of all existing buildings and all new investments, with a focus on identifying assets vulnerable to transitions to a low-carbon economy
- 4 Implementation of a clear decarbonization plan, consistent with SBTi standards, to improve building performance and achieve long-term carbon neutrality targets
- 5 Exploring deployment of solar panels in all the countries where we are active
- 6 Exploring how to reduce data extrapolation by collecting current data of refrigerants, embodied carbon and waste

TOWARDS DECARBONISATION

Data coverage

The primary near-term challenge lies in digitizing data collection. Starting in 2021 and ongoing into 2023 and beyond, our intensified focus on automating data collection through smart meters has yielded favourable outcomes, bolstering both our data coverage and tenant relationships.

Automating the data collection process is done for several reasons. This enables:

- Collecting data remotely without the need for additional management effort
- Minimizing the margin of error as manual data processing is no longer necessary
- Accessing and analysing both real-time and historical data from anywhere and at any time in order to monitor and optimize energy consumption.

As of December 2023, 11% of the total energy data was already being collected through an automated way (smart meters connected to a local platform), while 89% of the collected data represents the collective effort of manual data collection. The objective is to gradually increase this automation by placing smart meters where feasible, both in newly renovated buildings and in new development projects. Our aim is to increase digital readings to more than 45% of the total data that are collected during 2024. In the coming years, the focus will be to consolidate the data into one platform, which will boost the understanding and analysis of the energy and CO2 performance at the portfolio level.

In assets where smart meters are not available, we manually record meter readings at least once a year (the so called "December Data Campaign"). This ensures we have a comprehensive view of the water and energy consumption across our entire portfolio. This resulted in 100% data coverage for the year 2023 with only 17% data extrapolation. A significant improvement considering that data

coverage stood at 81% in 2022, where no data was extrapolated where the scope of assets was smaller.

Expanding on our automated data collection, we are also looking into monitoring the data. This serves two purposes: gaining insights into our tenants' energy needs and serving them in reducing the energy usage of their stores.

Notably, during a pilot initiative for the Ninove (BE) retail park, we successfully showcased to tenants the advantages of a centralized monitoring system. The monitoring system detected unusually high energy consumption at certain times in a specific unit of the retail park. The system investigated the cause of this consumption, upon which a bug in the automatic lighting control system was observed. By adjusting this system, a 25% reduction in energy consumption was achieved, making this particular store the most energy efficient store in their entire portfolio. The retailer further decided to implement this energy monitoring system throughout its entire portfolio of stores in Belgium.

However, certain data categories remain relatively challenging to collect, notably about potential leaks of refrigerant gases from refrigeration installations, as well as embodied carbon from development projects. These aspects are currently extrapolated, based on our embodied carbon pilot project Quartier Enée in Gembloux (BE), however, we aim for meticulous measurement. In 2024, our primary focus is on addressing these specific data collection challenges and maintaining our minimum data coverage level of 90%.

Energy consumption and waste production

In 2023, the global energy consumption of all operational assets amounted to 122 kWh/m². This average consumption can be compared to a 181 kWh/ m² intensity as in the EU Benchmark for the year 2023¹.

¹ Deepki ESG Index



Collecting and analyzing data in a structured way is an essential building block in our ESG roadmap allowing us to set priorities, establish targets, measure progress and report transparently both internally as well as externally. We take pride in achieving 100% data coverage in 2023 and implementing a user-friendly dashboard tool for comparing and analyzing data.

BART, ELINE, RALPH, ALEXANDER, BLAISE, Working group Data collection and analysis





Embracing efficiency and sustainability, we've illuminated our path forward by replacing conventional lighting with energy-efficient LED lights, by transitioning to a fully green electricity contract, powering our operations with renewable energy, and driving our car fleet with zero emissions.

NATACHA, LIEN, SYRCHE, Working group Mitiska REIM Net Zero Carbon (NZC)



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	Energy intensity (FE) (kWh/m ²)*	Average EU Benchmark 2023 (Deepki)
Retail park	126	181
BE	107	
CZ	291	
DE	151	
ES	83	
FR	<60	
NL	147	
PL	117	
PT	107	
RO	151	
SK	87	
Self storage	<40	123**
SME	<60	***
Total	122	

Adapted for annualized consumption.

** Full logistic

*** SME consists of mixed-use. Therefore benchmarking is not relevant and available in this case.

During 2023, we see that except for Belgium, our properties' energy intensity (final energy) is always below the average energy intensity per country as expressed in the EU Benchmark for 2023 (<https://index-esg.com/>)

Our aim is now to decrease this consumption by heightening tenant awareness through regular dialogue and implementing guidelines for our own organization, our local partners, the construction firms with whom we engage, as well as for our tenants through in particular the green lease. This approach aligns seamlessly with Mitiska REIM's overarching strategy, centred on sustainable value creation within our investments.

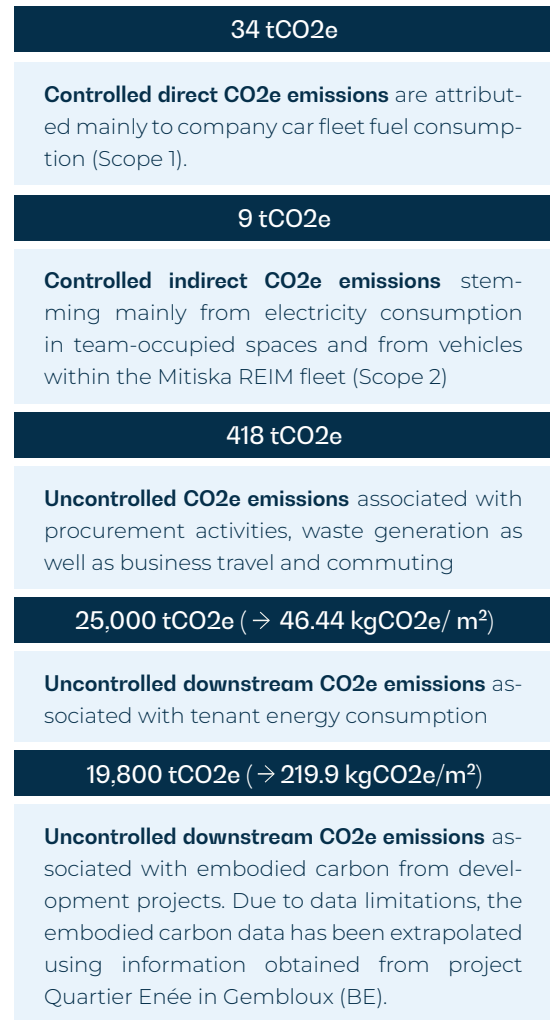
Moreover, we remain dedicated to our commitment to collaborating with tenants to enhance waste sorting and monitoring practices, with the ultimate goal of maximizing recycling rates.

Decarbonization

Since 2021, Mitiska REIM has enhanced its ambitions regarding energy consumption and carbon

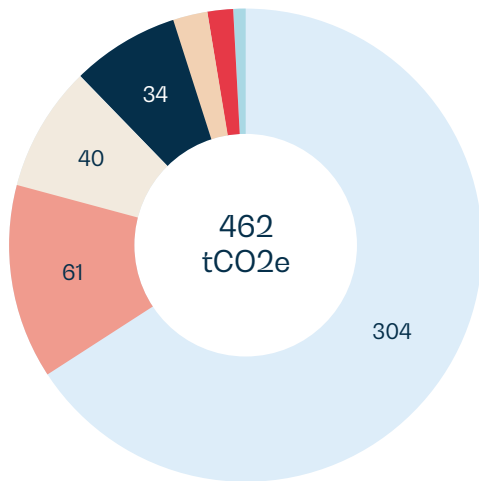
emissions reduction, by setting a Net Zerodecarbonization commitment. To do so, we began with rigorous measurement of significant greenhouse gases emissions and defined clear targets for each of our activities. Activities linked to the our operational team, those linked to the buildings in operation as well as those linked to development projects. In 2023, Mitiska REIM undertook its inaugural comprehensive carbon footprint assessment in alignment with the GHG Protocol. A meticulously defined and consolidated methodology has been established and enshrined in internal guidance documents.

The total emissions amounted to 462 tCO₂e for Mitiska REIM operations and to 44,800 tCO₂e for emissions related to assets of all funds, with a breakdown as follows:



*The building consumption data were collected for each building and extrapolated for the whole year based on the period of ownership of these buildings by Mitiska. Nevertheless, the data collection is a challenging process and will become more precise in the coming years to enable consistent comparisons over time, by country and building type. The benchmark used provides European values per function which are general and not country-specific. Additionally, the benchmark scope applies to general functions: logistics and retail. For example, consumptions of self-storage buildings were compared with full logistic data from the benchmark which in this case are relatively low as it is a basic self-storage with low energy needs, in contrast with refrigerated storage buildings. The retail consumption data can also vary depending on the presence and/or supermarket area (and thus refrigerated and cooling needs).

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Emissions by activity (tCO2e)

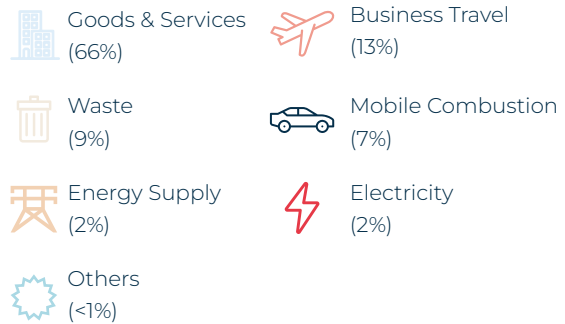


Figure 1: Mitiska operations emissions by activity (tCO2e)

To offer holistic view, specific data related to heating, electricity, operational waste, water consumption, refrigerant leaks, and more have been extrapolated. In 2023, this extrapolation constitutes approximately 17% of the tenant data, including energy and water consumption and is expected to decrease in the following years or remain below 10%, even with an increase in the number of buildings planned for renovation across various funds.

For its operations, Mitiska REIM's ambition is to decarbonize its activities as much as possible and align with Paris Agreement. This means addressing internal activities and defining a clear transition plan for all stakeholders. As one of the main contributors to a company's carbon footprint, we will further encourage soft mobility as well as further transition the fleet of cars to fully electric, and ensuring the right infrastructure of car chargers is available for team members. Considering that the nature of our portfolio is international, while aiming at optimising international travel, and travel sustainable where possible, the remaining flights emissions will be subject to offsetting.

However, decarbonization cannot solely rely on our operations. Therefore, in alignment with our objectives, Mitiska REIM is committed to decarbonizing its assets of all funds. Our decarbonization strategy for various funds operates on two fronts: the **value-add strategy** and the approach to new **development projects**.

- The value-add strategy entails acquiring buildings in poor condition and executing significant renovations within five years of acquisition. These

renovations focus on enhancing quality and optimizing energy usage, thereby reducing building energy consumption. Measures include enhancing building energy performance, increasing the utilization of renewable energy sources such as solar panels, and promoting green energy contracts with tenants. In Retail Park Arnhem for example, green leases are signed with tenants to make them independent from gas for the heating of their unit. Instead, units are equipped with heat pumps in combination with a better isolation of the roof, which makes the asset more energy efficient and less polluting.

- In new development projects, our objective is to prioritize energy efficiency and minimize CO2 emissions. This involves phasing out fossil fuels, adopting heat pump technology, and integrating renewable energy sources like solar panels whenever possible, as demonstrated in the project Quartier Enée, in Gembloux (BE). In this project, there is no gas connection, all tenants installed heat pumps and LED lighting, and solar panels will be active as from mid 2024. Other projects presents these same characteristics, such as Couvin, Malinas and Ninove,

We hope that those initiatives will help to keep the projects under the **CRREM** curve.

Certification plays an essential role in both strategies. Our aim is to achieve at least a BREEAM In-Use certification or equivalent green building certification with a rating "Very Good" or better post-renovation/construction. Our 2024 action plan will focus on planning investment initiatives to ensure that these buildings stand below CRREM curve

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upon exiting the asset. Throughout this process, we strive to strike a sustainable balance between project quality, energy efficiency, and financial performance.

Regarding solar panel initiatives, our strategy remains consistent with previous years, i.e. aiming to install solar panels on all our assets. This entails feasibility studies, compliance evaluation with renewable energy regulations across different countries, devising clear implementation plans, and exploring alternative renewable energy solutions.

In 2024, Mitiska REIM remains committed to evaluating progress towards the international goal of limiting global warming to 1.5°C, as outlined in the Paris Agreement, by adopting well-known international methodologies. This involves leveraging the framework proposed by the **Science Based Targets initiative (SBTi)** and building upon our participation in a pilot project (more detailed information later in this report). Within the two following years, Mitiska REIM will henceforth aim to align with the standardized targets set forth by the SBTi achieving net-zero carbon emissions by 2050 as a minimum.

We will assess certain assets by using the **CRREM tool** as initiated in 2023 for select assets and projects. It will assist in determining the reduction targets for operational as well as embodied CO2 emissions. Specifically, our objective for 2024 is to deep dive into the CRREM tool for operational carbon and seamlessly integrate it into our operational management practices. Furthermore, we aim to fully integrate it into the ESG due diligence of acquisitions and disposals, ensuring that ESG considerations are embedded into our financial performance.

Finally, all projects under MEREP 3 will be below the CRREM curve upon sale of the project, after realisation of the development and/or value-add plan. This rule does in principle does not apply to the other funds as this ambition has not been foreseen in the business plan upon acquisition.

Life Cycle Analysis (LCA), pilot project in Gembloux

In order to learn more and gain insights about embodied carbon emissions, we conducted a Life

Cycle Analysis (LCA) in 2023 on the project Quartier Enée, a development project of the retail park Gembloux, (BE), that was completed in May 2023. Such a study analyses and calculates all greenhouse gas emissions emitted during the complete lifetime of the building, from extraction of the materials to the construction, to the operational phase and towards the demolition and the disposal/recycling of the building.

We learnt a lot about the different life cycle stages and the different technical aspects to consider at each stage of the life cycle of a building. The final result confirmed that a large amount of the emissions are extracted during the pre-operational phases of the building, being construction materials. This emphasises the importance of taking ESG measures into account as of the beginning of each (re)development process, by optimising both the design as well as the materials that are used.

To illustrate the findings of this research, the following graph shows the decomposition of the C2C climate footprint of the main materials to the relative contribution of the different life cycle phases for the project Quartier Enée. The highest impact is caused during the production (A1-A3) of the construction materials. This includes raw material extraction, transportation, and the production of the components. Together with the transport from the production facilities to the construction site (A4) and the assembly of the components on the construction site (A5), the A-module is responsible for over 97% of the impact (the production and construction module). The operational phase only counts for less than 1%.

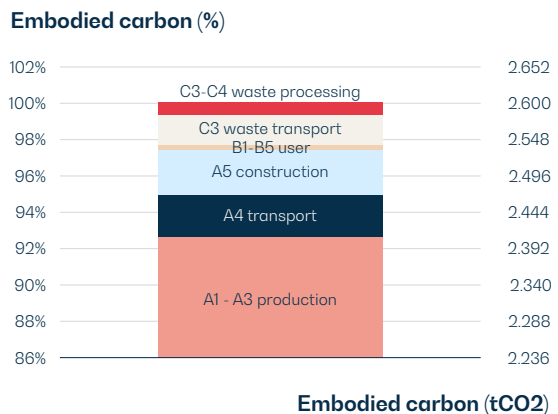


Figure : Embodied carbon per life cycle phase for the project Quartier Enée (Gembloux, BE)

The LCA analysis was conducted during the execution of the construction works, so no optimisation could be taken into account to lower emissions in this particular project. Nevertheless, it taught us a lot and gave Mitiska REIM a tangible example of an LCA analysis and the impact of embodied carbon in a development project. These learnings are now integrated by a large part of the team.

Addressing the challenge of embodied carbon in (re)development projects, we will focus on using the experience gained from the project Quartier Enée in Gembloux (BE) to perform a Life Cycle Analysis (LCA) in each new project in the MEREP 3 fund and utilizing it as a metric and alignment tool with international objectives. This endeavour will require robust data collection from suppliers and meticulous material selection in construction projects.

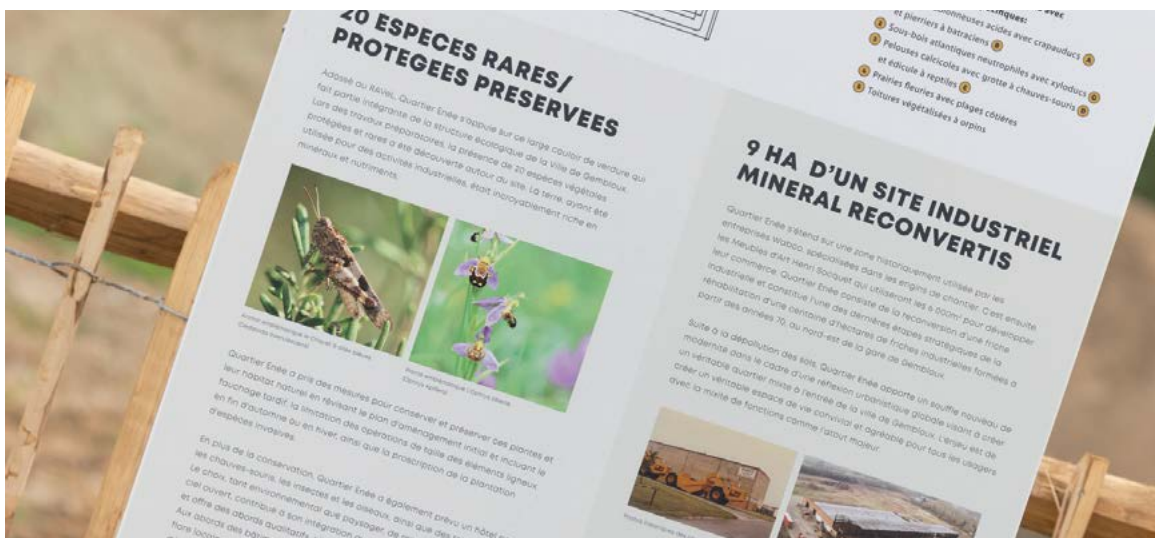
To conclude, our goal extends to renovating existing buildings and developing low-carbon buildings, demonstrating our commitment to sustainable development and environmental stewardship.

The project Quarter Enée in Gembloux (BE) not only served as a testing ground for life cycle analysis but also provided an opportunity to address biodiversity concerns. Following an initial assessment, it became evident that the area boasted rich green spaces and harbored protected species. This prompted us to pursue solutions that would not only align with existing ecosystems but also actively safeguard the local biodiversity.

One key initiative involved adapting the shape of the basin to create a more conducive environment for protected orchids, ensuring they had ample

space and sunlight for optimal growth. To achieve this, we implemented various measures to preserve the habitat of both flora and fauna. This included the installation of a bat hotel and a stony base for the blue locust, alongside the strategic allocation of public areas and the incorporation of informative signage.

Moreover, we carefully selected and planted indigenous plant species, ensuring that no invasive species were introduced that could potentially disrupt the balance of the local habitat.





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ESG GUIDELINES

ESG Due Diligence Checklist

In 2023, Mitiska Reim has implemented the ESG Due Diligence (DD) Checklist for acquisition of standing assets with the aim to give clear guidance on all ESG topics to be considered during the due diligence, while focusing on material ESG issues and risks relevant to the investment.

The checklist is now an integral part of Mitiska Reim's investment process and ensures the ESG DD criteria are applied consistently in all projects. It covers the identification of potential significant short and long-term environmental and social risks associated with the acquisition, looking at:

- **Environmental impact:** presence of hazardous materials, soil contamination and stability, natural risks (flood, earthquake), assessment of renewable energy potential, BREEAM Part 1 pre-assessment.
- **Social impact:** community opinion, respecting Human Rights, worker's safety.
- **Governance:** anti-competitive behaviour, litigation, building/ property management.

As the Green Building Manual (mentioned below), this checklist has a supporting role for the EU Taxonomy reporting and the BREEAM In-Use certification process.

Through the establishment of this checklist, Mitiska REIM can more easily zoom in on the capex generating the most impact and identify long-term value creation opportunities in line with its value-add vision. While the environmental matters play the most crucial prior to the acquisition, social and governance topics which are linked to the management of the asset become key post-acquisition.

Since its creation, the ESG Due Diligence checklist is used for all existing asset acquisitions, namely used for the acquisition of the many projects in the course of 2023. Regular monitoring and evaluation of the criteria is key to the successful roll-out of our value-add programs.

Green Building Manual

In 2023, the Mitiska REIM team wrote the Green Building Manual, a comprehensive set of guidelines integrating environmental, social, and governance criteria across all phases of project development, from conception to post-construction. The Green Building Manual exists of 4 parts:

- 1. Developer checklist :** Checklist for the country team, internal developer at Mitiska REIM to keep track of all steps to undertake regarding ESG during the development process
- 2. Architect checklist** (still to be developed in 2024): Checklist for the external architects with criteria, aspects to investigate and/or to integrate in the development plan
- 3. Contractor guidelines :** Guidelines to take into account by the external contractor in order to ensure good data collection, health and safety as well as good communication on site
- 4. Green lease :** ESG commitments of the landlord and the tenant to include during the fit-out and operational phase of the project

As the green lease was already implemented, in 2023, we focused on the creation of the developer checklist and contractor guidelines.

Firstly, this checklist is a crucial resource for internal teams, internal developers, ensuring the seamless integration of ESG criteria and operating partners throughout every stage of project execution. It provides detailed checklist for monitoring projects from initial design to project delivery, covering essential aspects such as the use of construction materials, life cycle analysis (LCA), conservation of natural resources, EU taxonomy criteria and the submission of BREEAM In-Use certification. Additionally, it underscores the significance of considering ESG factors during the pre-use stage of building projects, as demonstrated in the LCA analysis of Quartier Enée in Gembloux (BE).

Similarly, contractors are equipped with guidelines for on-site compliance, encompassing safety protocols, working conditions, community and

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neighbourhood engagement. By engaging stakeholders directly and offering tangible support to developers and contractors throughout project implementation, we aim to guarantee that every necessary measure is taken to uphold our commitment to sustainability and excellence in every aspect of our operations.

Importantly, these guidelines adhere rigorously to prevailing regulations, including the EU Taxonomy and the chosen BREEAM In-Use certification ensuring both compliance and leadership in sustainable development practices.

To facilitate implementation and monitoring, the checklists checklist and guidelines delineate

between “must have” and “nice to have”, taking into account project-specific variables such as type, location, and feasibility.

Moving forward, our focus is on implementing this manual in the upcoming construction projects, onboarding internal developers and contractors, and providing comprehensive training to ensure alignment with Mitiska REIM's sustainability vision. Additionally, in 2024, we will establish a robust monitoring and measurement process to track the implementation of the guidelines and drive continuous improvement. The objective will also be to put the same type of guidelines and processes intended for the architects with whom we work and will work in the future.



Santarem, Portugal

CERTIFICATIONS

Sustainable buildings are high on the agenda at Mitiska REIM and since 2021 we have been subjecting all our operational assets to BREEAM In-Use certification. In 2023, a total of 3 additional assets obtained a BREEAM In-Use certification.

Over the past three years, while the number of operational assets increased by a third, so has the proportion of certified assets, from 42% at the end of 2021 to 64% at the end of 2023³. The collective experience of our team members with this certification has led to the integration of BREEAM criteria into both our development and value-add projects, and improving the scores of our operational and already certified assets.

Score improvement plans are prepared in collaboration with our local assessors, and rolled out with the help of our property managers. For example, this is the case for a portfolio of 6 assets in Portugal, whereby we expect an improvement of score from "Good" to "Very Good" upon recertification in December 2024. Through these concerted efforts, we are positioned to drive significant advancements in sustainability across our portfolio, fulfilling our commitment to environmental responsibility and long-term value creation.

BREEAM Certification for new developments

We are committed to our position as a leading player in convenience real estate, which translated to setting ambitious goals. For that reason, we aim to achieve (at least) a BREEAM In-Use "Very Good" rating (or equivalent) for all our new development projects. Challenging our team and stakeholders (e.g. local development partners) to assure we maximize the certification levels of our projects is an action embedded into investment process.

As explained earlier in this report, to facilitate this endeavour and ensure adherence to sustainability standards, we have developed a Green Building Manual. This manual serves as a practical resource, providing concrete guidelines aligned with certification requirements such as BREEAM or equivalent, or the EU Taxonomy, Nearly Zero Energy Building (NZEB) standards, etc.

BREEAM In-Use Certification for standing buildings

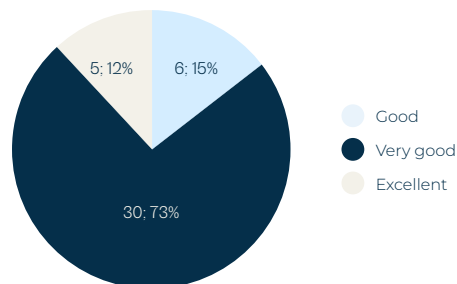
We are also committed to ensuring the consistent application of ESG criteria across all existing buildings and value-add projects within our portfolio. To this end, we have two main goals for our operational assets by 2026:

- Achieving a base level of 100% BREEAM In-Use certification at the "Very Good" level (or equivalent);
- Attaining a BREEAM In-Use score surpassing "Very Good" (or equivalent) for most buildings, prioritizing those where the economic and ecological balance is sustainable. This objective is integral to our long-term strategy, which includes the implementation of a clear investment plan to elevate buildings in their BREEAM In-Use rating.

We draw inspiration from our peers and aim to become a reference in our sector, so in the last quarter of 2023 we conducted an analysis on the certifications of retail buildings across Europe that prompted a re-evaluation of our ambitions. Rather than focusing strictly on BREEAM certification, our new aspiration is to ensure that all buildings attain a Green Building certification, assuring a better fit with the regulations and standards of the countries we do business in (e.g. DGNB certification is more common in Germany than BREEAM). This strategic shift reflects our dedication to embracing a broader spectrum of environmentally friendly practices and certifications, thereby enhancing our impact on sustainability across diverse geographical contexts.

2023 BREEAM In-Use Certifications

Number of assets certified as of 31/12/2023



³ Part of the GLA included in this value has been divested in December 2023

SBTI PILOT PROJECT

In the absence of universally accepted standards concerning embodied carbon, past endeavours predominantly concentrated on delineating targets for operational CO₂ emissions of both landlord and tenant-controlled areas. Nevertheless, predicated upon the available information at the time, Mitiska REIM endeavoured to position itself for a low carbon, or even zero carbon, transition to be achieved in the coming years. However, the culmination of various factors, encompassing the Gembloux pilot LCA and evolving insights regarding this facet, has prompted a recognition that this projection was not achievable in the nearest future. Nonetheless, by the close of 2023, the Science Based Targets Initiative (SBTi) undertook the initiative to delineate overarching standards for both operational and embodied carbon targets. It was imperative for Mitiska REIM, therefore, to be able to contribute from the outset to the organizations seeking to shape these guidelines.

The **Science Based Targets initiative (SBTi)**⁴ is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis. SBTi develops standards, tools and guidance which allow companies to set greenhouse gas (GHG) emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.

After indicating our willingness to contribute to the target setting practice, Mitiska REIM was honoured to be selected among 65 worldwide companies and financial institutions in the buildings value chain to participate in a pilot testing launched by SBTi at the end of 2023. From this pool, a handpicked panel of 15 companies, including Mitiska REIM, embarked on testing building Science-Based Target-Setting Guidance and Tool Draft.

Participation in this pilot project empowered the dedicated teams at Mitiska REIM to expedite the data collection process, streamline the production of our carbon footprint encompassing all three scopes, and conduct thorough data analysis. Furthermore, it provided an invaluable opportunity to familiarize ourselves with the tools provided by SBTi, enabling us to onboard and train our internal teams effectively.

This endeavour not only catalyses our goal of setting ambitious carbon reduction targets in the next two years but also prompts the development of a robust action plan to realize these objectives. In 2024, Mitiska REIM remains steadfast in evaluating progress towards the international goal of limiting global warming to 1.5°C, as outlined in the Paris Agreement. Aligning with standardized targets set by the Science Based Targets initiative (SBTi), we aim for net-zero carbon emissions by 2050.

⁴ For more information <https://sciencebasedtargets.org/>



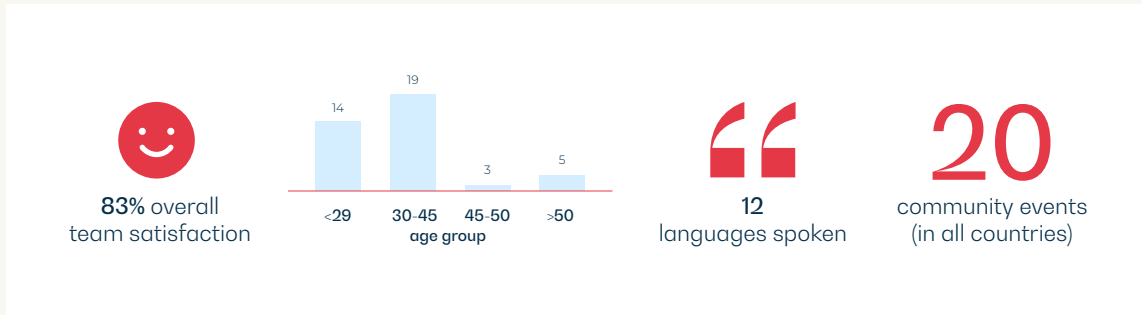
We are very proud to have been selected to participate in the SBTi pilot project which proves that we are in the leading group of real estate investment managers in terms of ESG ambitions & efforts. Thanks to our participation in the SBTi pilot project, we are setting the decarbonisation ambitions for the European real estate sector, through a holistic approach that combines our own operations, operational carbon and embodied carbon in a single tool.

AXEL, DAVID, VIVIEN, NIELS, Working group Assets Net Zero Carbon (NZC)



Social

2023 KEY FIGURES



2023 ACHIEVEMENTS

Mitiska REIM's team

- 1 Enhanced team ESG awareness by continuous involvement of all colleagues in the thinking and implementation of the ESG strategy
- 2 Team satisfaction survey remained at a same high level above 80%, for the 3rd year in a row, showing strong cohesion in the team
- 3 Further strengthening of the team from 35 at the end of 2022 to 43 at the end of 2023
- 4 Quarterly all hands teams calls to improve internal communication
- 5 Providing French and Dutch language courses at the office
- 6 Regular appraisals (twice per year) where team members are encouraged to providing their feedback in a continuous way
- 7 Electrification of the fleet and installation of car chargers at Mitiska REIM's offices

Tenants, suppliers & communities

- 8 Fostering collaboration with tenants: 35% of tenants across Mitiska REIM's European markets have signed green lease agreements, and 70% of new lease agreements in 2023 were green leases.
- 9 Organisation of community events to get to know the neighbourhood better
- 10 More than 70% of business partners already signed Mitiska REIM's Code of Conduct

MITISKA REIM AMBITION

Challenge and put into action all measures to inspire the entire team to find purpose in their contributions within the company, ensuring their well-being, development and motivation.

Increase collaboration with all of our external stakeholders, understand their needs to best meet their expectations.

Make use of team surveys to identify internal areas for improvement and prioritize these concerns in the upcoming year and actively seek solutions to address them.

SHORT TERM CONCRETE ACTIONS (2024-2025)

Mitiska REIM's team

1 Maintain a high score, above 80% in the satisfaction survey and ensure the implementation of a concrete action plan on weak points

2 Further improve internal communication, minimizing the use of emails for this purpose

3 Further increase the number of targeted training opportunities for team members to ensure their personal and professional development

4 Continue organising team building activities, (such as our "Aperiska" after work drinks) all year long

5 Preparing the move into our new Mitiska REIM HQ offices

Tenants, suppliers & communities

6 Social activities for the communities already in the pipeline for 2024

7 Adoption of the green lease by 100% of the top 15 existing tenants

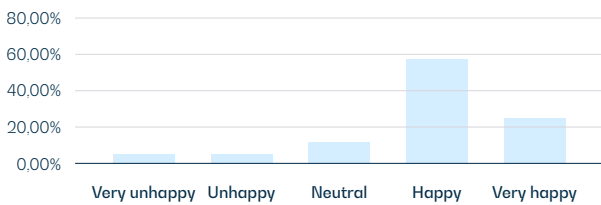
8 Strengthen the connection with the community by continuing organizing events in collaboration with local partners

ENERGIZING EXCELLENCE, EMPOWERING MITISKA REIM TEAM

The team at Mitiska REIM serves as the core driving force behind the company's operations, embodying its values - Entrepreneurship, Teamwork, Orientation, and Integrity - and showcasing its progress daily.

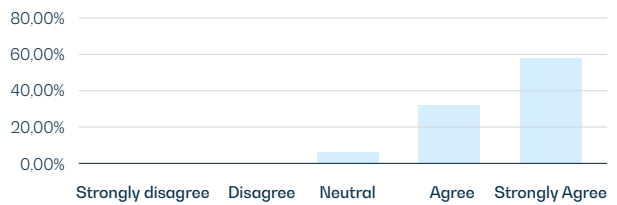
83% of colleagues is happy to work at Mitiska REIM

My general feeling at work is



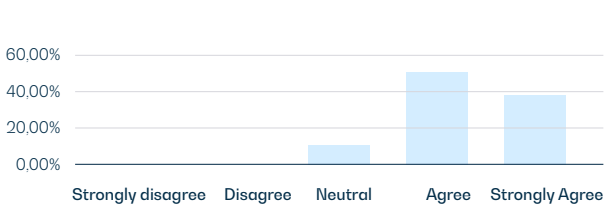
93% of colleagues feel proud to work at Mitiska REIM

I am proud to work at Mitiska REIM



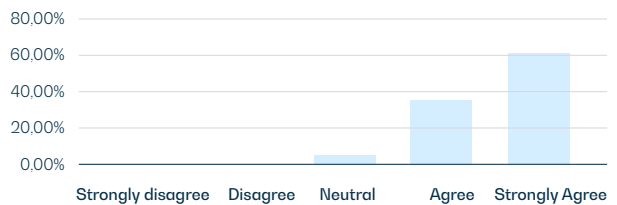
93% of colleagues feel involved in the goals and ambitions of Mitiska REIM

I feel involved in the goals and ambitions of Mitiska REIM



98% of colleagues strongly support their colleagues

I have the impression my colleagues are good at their jobs



SOCIAL

At Mitiska REIM, we are dedicated to fostering a workplace culture that prioritizes both the well-being and professional growth of our team members. This commitment is evident through initiatives such as sports challenges, yoga sessions, and leisure activities aimed at promoting physical and mental wellness. Moreover, our new offices, featuring spacious layouts, a modern aesthetic, and amenities like a large kitchen and terrace, are designed to enhance employee satisfaction and overall well-being.

We also place great importance on social cohesion among colleagues, regularly organizing team events and welcoming suggestions for new activities. Additionally, we understand the importance of maintaining a healthy work-life balance, which is why we organise frequent team events like our cooking, pottery and wine tasting workshops, afterwork drinks and last but not least our upcoming trip to Lisbon which will offer us a valuable opportunity to immerse ourselves in our assets in Portugal, enhancing our understanding and expertise. Through these efforts, we aim to strengthen team bonds, enrich our collective expertise, and demonstrate our genuine care for both our team members and the community through various social responsibility initiatives planned for 2024.

High level of team satisfaction scoring

As part of our ongoing commitment to the team well-being, we regularly measure and analyse key metrics to understand the team's satisfaction and engagement in Mitiska REIM activities. Our most recent survey results highlight that our team's overall satisfaction is steady at a **high level of more**

than 80% of the team being satisfied working at Mitiska REIM. We will work towards keeping this score through the next year. While the issue of high workload is still present for some colleagues, the survey highlighted an important key result, which is the **strong cohesion** between colleagues, motivated by a corporate culture where ESG is fully incorporated into the daily activities of all teams. Communication is the key: this is why in 2024 we will continue to develop innovative and fun ways to boost internal communication.

At Mitiska REIM, we prioritize an inclusive work environment, starting from our comprehensive Company Policy. The Company Policy is an essential document for the day-to-day activities of the team. It includes practical guidelines regarding the day-to-day activities at Mitiska REIM, as well as providing important information on the tools and instruments to use to carry out their work. Furthermore, the company policy also showcases Mitiska REIM's commitment to diversity and fair and equitable recruitment practices.

To make the onboarding process as smooth as possible, we drafted a checklist, helping our HR team to use a structured framework to welcome new colleagues and ensure they have the resources and support they need to succeed from day one. Furthermore, our onboarding process includes site visits and private sessions with colleagues from various teams, providing insights into the company and discussing their daily tasks as well as the broader framework in which we operate (from an investment, financial and regulatory angle). This serves as a valuable opportunity for new hires to get to know their colleagues and gain an understanding of the company's operations.





Team satisfaction is the glue that binds employees working together and inspiring each other to achieve a shared goal.

TINA, KATHLEEN, SANDY, MANDY, Working group Teams & Social



FOSTERING COLLABORATION WITH TENANTS

Without tenant cooperation, it is less likely that asset owners can reach their ESG and reduction in carbon footprint goals. Across the industry, there is still a long way to go to resolve the differing priorities of landlords and tenants but, for those working in partnership, it is certainly moving in the right direction.

Mitiska REIM proactively engages tenants within its ESG strategy by signing the **green leases** since 2020. As of 31 December 2023, 35% of existing tenants across Mitiska REIM's European markets have signed green lease agreements. Of all leases signed in 2023, 70% was a "green lease".

The green lease represents a powerful instrument to achieve common objectives of improving building performance. Thanks to this tool, Mitiska REIM offers a framework to tenants to encourage them to look at the building and include it in the scope of their ESG efforts.

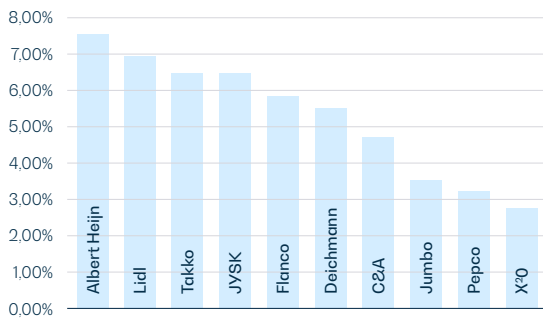
A standard green lease already exists, but currently, we are in the process of updating it by developing a comprehensive checklist that outlines the essential components of a green lease, distinguishing between must-have provisions and desirable additions. This checklist will serve as a tool to ensure consistency and effectiveness in our green leasing practices.

In the short term, we are also drafting a green lease template that will be adopted for all new tenants and contract renewals. This standardized approach not only streamlines the leasing process but also reinforces our commitment to sustainability principles. In 2024, we are looking forward to have this system fully implemented and 100% of our leases to be signed in the form of a green lease. Among others, main topics that are part of the green lease are fit out (requirements on finishes and recommendations on circular design) and data collection (implementing smart meters and energy and water consumption monitoring).

To facilitate effective communication and collaboration, face-to-face meetings will be conducted with our top 15 tenants, providing an opportunity to discuss green lease provisions in detail, address concerns, and foster a shared commitment to sustainable business practices. Additionally, we prioritize gathering feedback from tenants through recurrent interviews and meetings, aiming to understand satisfaction levels and define improvement trajectories in our relationship with tenants. ESG considerations are always on the agenda during these engagements. In 2024, we will continue one-to-one meetings, while launching a structured tenant satisfaction survey for operators in other regions.

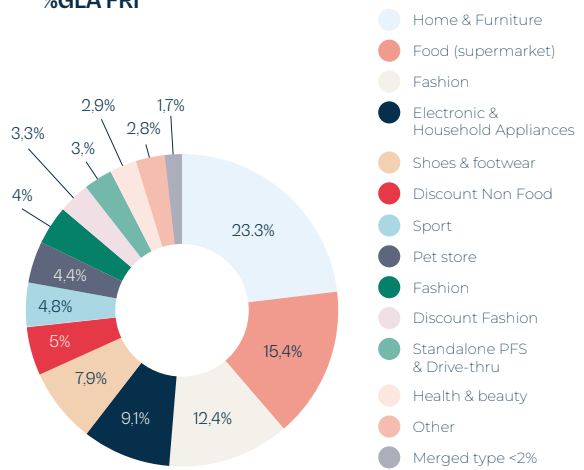
SOCIAL

Top 10 Tenants FRI fully divested

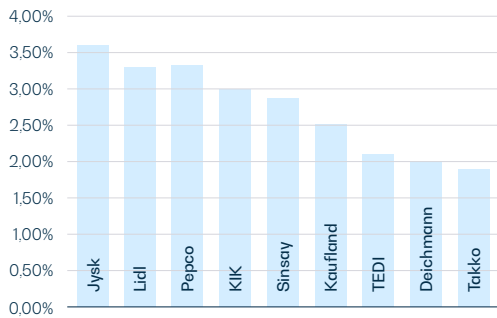


Merged type <2%: Restaurants & cafés, Services, Toys & Kids, Leisure & Entertainment, Bookstore & Press

%GLA FRI

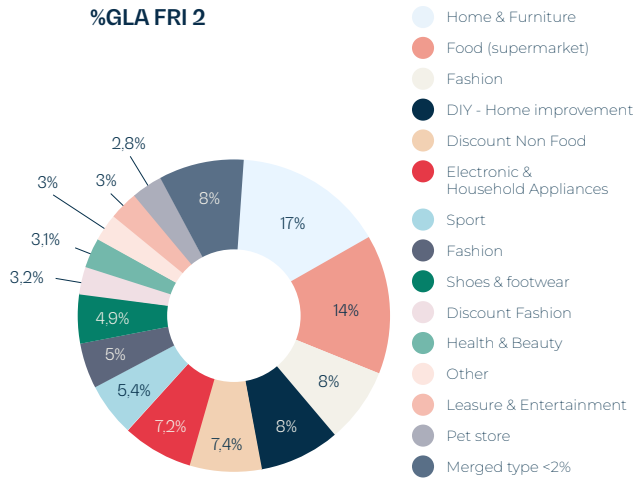


Top 10 Tenants FRI 2



Merged type <2%: Restaurants & cafés, Services, Toys & Kids, Leisure & Entertainment, Bookstore & Press

%GLA FRI 2





VAL SAINT-CLAIR

20 BOUTIQUES
ET RESTAURANTS

ELECTRO
BENOT

ATOL

CHLASSÉO

SUBWAY

EXTRA
CONVERTERS

Royal
Wool
Soleil Clair

Coiff. Co

Compagnie
Publique
Régionale

GO SPORT

JYSK

amplicon

ACTION

ekart

KFC

JYSK

Market

ZEEHAN

LD





Restaurant

KFC

Restaurant

KFC



INTERDIT
SANS
VOITURE
HANDICAPÉES



MANAGING AND ONBOARDING SUPPLIERS AND PARTNERS

Because Mitiska REIM is determined to encourage the highest ethical and professional standards in the services it provides to its clients and in the conduct of its staff, Mitiska REIM has implemented a 'Code of Conduct'.

This Code of Conduct also refers to provisions regarding rules of conduct specifically about **suppliers and partners** of Mitiska REIM, the 'Partner Code of Conduct'. The Mitiska REIM Partner Code of Conduct is based on the UN Suppliers Code of Conduct and on internationally accepted good labour practices. All business partners of Mitiska REIM and their affiliates and subcontractors are expected to comply with this Code of Conduct and with all relevant and applicable laws and regulations of the country in which they are active.

The Code of Conduct includes Mitiska REIM's expectations regarding their commitment to

reduce their environmental impact, by managing hazardous substances and waste carefully in order to reduce its impact on the environment, as well as monitoring air emissions associated to operations. In the social spectrum, the Code of Conduct provides guidelines to its partners on relationship with employees and human rights, and expects partners to be compliant and effectively manage conflicts of interest.

All business partners of Mitiska REIM, including their affiliates and subcontractors, are expected to comply with this Code of Conduct and with all applicable laws and regulations of the country in which they are active.

Mitiska REIM asks each of the partners to sign the Partner Code of Conduct for receipt and acceptance. As of 31 December 2023, 71.4% of partners signed the Partner Code of Conduct.

CARING ABOUT THE COMMUNITY

Mitiska REIM is well aware of the impact that its projects can have on the neighbouring community and the potential role that the retail and business parks can play in driving social cohesion and environmental respect. This is why Mitiska REIM considers involving the community and local authorities as key stakeholders in its activities.

As catalyst for value creation out of urban infill locations, through the increase in labour demand creating jobs in local communities, convenience real estate can bring new retail infrastructure to communities and new businesses to operate in the area.

In Belgium, as in other countries where Mitiska REIM operates, key events for the community

are organized in partnership with other key stakeholders, including tenants, contractors, and non-profit associations. While opening events for new retail parks are always organized, in the year 2023 other events for promoting social impact have been organized, reaching up to 20 events throughout the countries where Mitiska REIM operates, such as **charities and fundraising events** (16) and events promoting **animal protection**, like the ones hosted at Europa Centralna (MEREK 3), as well as the ones **promoting recycling of second-hand clothes**.

In 2024, we aim at strengthening our connection with the community by continuing organizing events in collaboration with local partners.

Governance

2023 KEY FIGURES

GRESB COMMITMENT

renewed
for 2024

100%

of employees
signed code of conduct

SUSTAINABLE FINANCE

(7 green loans and 2
green equity bridge)

2023 ACHIEVEMENTS

1

7 Green loans, 2 Green Equity Bridge

2

Deep dive into the understanding of the EU Taxonomy to further prepare the assets alignment

3

Launch of our first core/core+ fund, First Retail Partners (FRP), the third fund under management for Mitiska REIM

MITISKA REIM AMBITION

Regarding governance, Mitiska REIM is dedicated to transparent communication and sustainable project financing, ensuring compliance of all documents with European legislation. Additionally, Mitiska REIM prioritizes involvement of team members on ESG topics, while upholding business ethics and prioritizing cybersecurity protection. This multifaceted approach aims to foster a culture of integrity, sustainability, and resilience throughout the organization.

SHORT TERM CONCRETE ACTIONS (2024-2025)

1 Participation to GRESB with FRI 2 fund, aiming for a higher score in 2024

2 Finalisation of the green financing framework and subsequently carrying out a second-party opinion

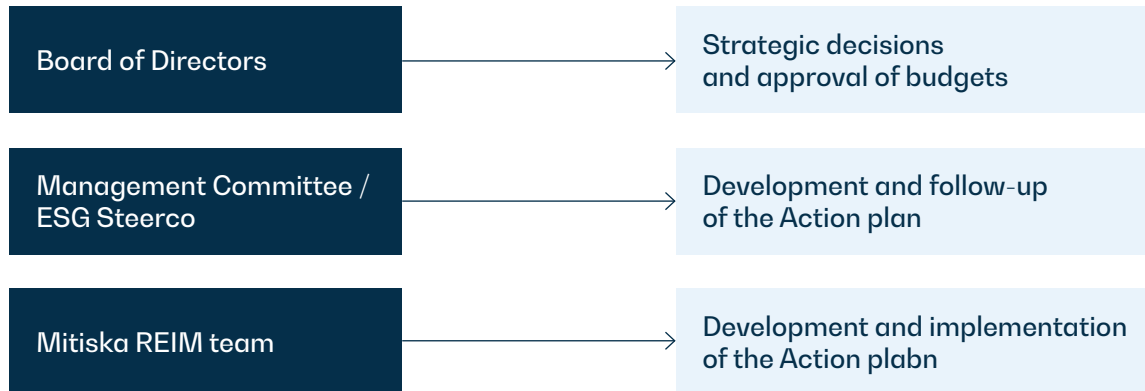
3 Commitment to have all Mitiska REIM documents and guidelines comply with the evolving European regulatory framework

4 Reporting under SFDR Article 8 for MEREP 3 and



Quartier Énée, Gembloux, Belgium

GOVERNANCE STRUCTURE



ESG Steerco

The sustainability strategy progress and execution are monitored at the highest level of executive management. Mitiska REIM's ESG activities are led by a dedicated **ESG Steerco** and are overseen by the **Management Committee** and ultimately by the **Board of Directors** of Mitiska REIM.

To ensure ESG is integrated across all parts of the business, members of the ESG Steerco are drawn from a wide and diverse representation of the company. Senior managers (including Managing Partner and Partner of Mitiska REIM) are part of the ESG Steerco that meets at least every two weeks and monitors the incorporation of ESG issues into the investment decision and asset management processes as well as in the Mitiska REIM operations.

The Steerco is above all the guardian of the global ESG vision, entrusted with the responsibility to challenge and motivate the Mitiska REIM team to delve deeply into ESG topics, while ensuring alignment with our value-add strategy and green business financing targets.

ESG employees working groups

Furthermore, ESG operational responsibilities are decentralized across the entire organization via working groups, ensuring a comprehensive and

integrated ESG strategy. With all 43 team members distributed among nine working groups, our ESG ambitions receive robust support, yielding significant benefits. This bottom-up approach facilitates automatic integration of ESG principles into company operations, fostering motivation, pride, and rapid learning.

Now, ESG knowledge is ingrained within our organization's expertise in real estate investments, complementing skills in bank financing, purchasing, development and construction. Embracing our flat structure and entrepreneurial culture, we encourage initiative-taking, making it fitting to disseminate ESG expertise across various working groups. These groups are responsible for generating ideas and initiatives related to ESG, as well as for ensuring follow-up and implementation of KPI validated by Steerco. While these groups delve deeply into specific topics, we acknowledge the importance of cross-pollination of insights through regular group meetings and summaries. Information is shared during ESG all-hands meetings, where all colleagues participate once every 3 months to ensure knowledge sharing. Finally, this approach is cross-country and beyond seniority, as colleagues come from junior positions to managing partners. These diverse teams provide opportunities for colleagues who don't often collaborate to meet, discuss, and interact on a fresh set of ESG topics.



BUSINESS ETHICS AND CYBERSECURITY

Mitiska REIM believes that the team is determined in reaching its long-term objectives, and that all team members need to be rightfully informed of what is the Code of Conduct that can help behaving in a way that ensures the achievement of the company's objectives in an ethical manner.

That is why in 2022, Mitiska REIM implemented a Code of Conduct that gives provisions on conduct and integrity for all team members. The Code of Conduct includes Mitiska REIM's rules of business conduct, first of all how to deal with conflicts of interest, confidential information as well as fair practice and zero tolerance for bribery. Mitiska REIM values privacy and has set a GDPR policy and unit to watch over the respect of the law in terms of privacy.

To protect its activities from external threats, Mitiska REIM has worked on setting an internal cybersecurity policy. In the case of an attempted threat to Mitiska REIM's system, a business continuity policy is activated so that Mitiska REIM

can put in place practices to ensure its long-term activity. Annual phishing tests are conducted to raise and maintain awareness on the threats of ICT related incidents. In addition, in 2023 a "cyber resilience scan" was carried out by a specialized company to detect and remedy any potential areas of concern in the field of ICT.

As Mitiska REIM considers transparency a strong commitment, we have also adopted various policies to further implement its Code of Conduct. Such policies include a Conflicts of Interest Policy, the AML Policy, the Remuneration Policy, an ESG Policy at the fund level and the Cyber Security Policy & Business Continuity Policy.

In 2024, our objective is to further follow up the evolution of legalisation and ensure that all Mitiska REIM policies, supporting documents and guidelines are aligned with the evolving European regulations. This will also include reporting under SFDR Article 8 for MEREP 3.

REPORTING COMPLIANCE

To communicate transparently and effectively, Mitiska REIM has adopted and followed INREV Sectorial Guidelines to report its performance, including the ESG performance and financial performance. This report is built in accordance with the INREV Sustainability Guidelines published in the reporting requirement summary tables, on pages 62 and 63 To ensure the comparability of information, we foresee keeping such an alignment in the coming years.

After a thorough analysis run in 2022 on the FRI 2 fund's GRESB Real Estate Benchmark, it was clear

to us that collaborative work via working groups focusing on topics such as data collection and performance of the assets would be the key to improve the score. This is why in 2023 the main focus was on advancing the data available to determine the quantitative performance of FRI 2 and share it with GRESB in the 2024 assessment. We already confirmed our participation in the 2024 GRESB Real Estate Benchmark, and we aim at reaching a three-star rating or better for the fund FRI 2.

SUSTAINABLE FINANCING FRAMEWORK

Mitiska REIM is convinced that its company wide efforts on the different ESG initiatives should ultimately also result in better and cheaper access to debt funding. We target to have a Sustainability Financing framework in place by 2026 and have started drafting such framework for discussion with internal and external stakeholders. In 2024, we aim at further elaborating the framework and start identifying parties who can provide a Second Party Opinion, which will confirm the alignment of the framework and its application with the Green Loan Principles (GPL) and the Sustainability Linked Loan Principles (SLLP). With the upcoming stringent requirements that accompany the European Legislation, in particular the EU Taxonomy, we think it is essential to align funding for financing (or re-

financing) within the global ESG Strategy.

Such framework will cover different topics including Use of Proceeds, the Selection Procedure, the reporting and the third party opinion.

As an intermediate step, the Mitiska REIM teams are encouraged to integrate sustainability features into the discussions with lenders and ultimately into loan agreements. In the course of 2023, 3 new loans agreements have been signed increasing the number of sustainability linked bilateral financings from 6 transaction with 2 banks in 2 countries to 9 transaction with 4 banks in 4 countries which clearly demonstrates the initiative gains traction.

Case study examples: 2023 Green & Social Portfolio



Retail Park Salinas (Alverca, PT)

Salinas in Alverca, Portugal—a dynamic project transforming an existing warehouse into a vibrant retail park, complemented by new SME units on the remaining land plot. As Mitiska REIM undergoes this exciting transition, the installation of PV panels and multiple EV chargers is currently underway, highlighting our dedication to sustainability and innovation. By the end of 2024, Mitiska REIM aims to achieve a BREEAM rating of "Very Good" reflecting our commitment to environmental excellence while creating a modern, inclusive space for businesses and visitors alike.



Retail Park Malinas
(Mechelen, BE)

Discover Retail Park Malinas, a premier shopping destination offering 27,637 square meters of diverse retail space spread across 20 units. Since January 2022, our commitment to sustainability has shone through with our solar system covering 33% of both tenant and common area electricity needs. As Mitiska REIM prepares to elevate our environmental BREEAM efforts from "Excellent" to "Outstanding", we aim to set a new standard for environmentally responsible retail spaces while providing unparalleled convenience and satisfaction to its visitors.



Makado Beek
(NL)

Welcome to Makado Beek, where transformation meets sustainability in the heart of the region. Our ambitious value-add plan aims to reposition Makado from a traditional shopping centre to a cutting-edge regional convenience hub, all while future-proofing the asset in terms of ESG principles. Currently, we are implementing initiatives such as the installation of PV panels to harness solar energy from the expansive roof and introducing EV chargers to promote eco-friendly transportation options. With a steadfast commitment to sustainability, Makado Beek currently has a BREEAM rating of "Very Good".



The relentless efforts made by all our teams, combined with an increasing number of our lending banks recognizing these efforts, allow us to contract an increasing number (8 so far) of green or sustainability-linked loans. These efforts are expected to contribute to our access to efficient debt funding

BERT, GRZEGORZ, LAURIDS, NICOLE, Working group Green Finance



Annex ESG Reporting Requirements

INREV SUSTAINABILITY GUIDELINES

Vehicle long term strategy		
ESG-LTS 1.1 Requirement	Describe the overall approach to setting a long term ESG strategy for the vehicle. Make reference to the overall governance approach, which is covered in the INREV Corporate Governance Guidelines.	p11-p27
ESG-LTS 1.2 Requirement	Detail the vehicle's approach for ensuring compliance for current legislation relating to ESG issues is in place.	p21
Annual objectives		
ESG-ANN 1.1 Requirement	<p>Based on the strategy of the vehicle described in ESG-LTS 1.1, set out the annual objectives and associated targets for the coming 12 month reporting period on the aspects set out below:</p> <ul style="list-style-type: none"> • Asset management ESG initiatives: describe the targets that should be reached within the next 12 months with the individual asset sustainability plans, set out the impact on portfolio level • New build and/or refurbishment ESG initiatives • ESG initiatives for acquisitions • Initiatives to reduce and/or measure energy, GHG emission, water & waste management. • Green building certificates and energy ratings: Describe the vehicle's strategy regarding green building certificates and energy ratings. Detail the current state, the certification scheme(s) and the percentage of the portfolio certified. Set out related ambitions. 	p28-p41

ANNEX ESG REPORTING REQUIREMENTS

ESG-ANN 1.2 Requirement	Detail objectives for the next 12 month reporting period for ensuring compliance with current legislation in relation to ESG and about preparations for any future legislation that may be undertaken in this period.	p28-p29
Annual portfolio information		
ESG-POR 1.1 Requirement	Report against annual objectives and associated targets set for the vehicle as set out in ESG-ANN 1.1.	p28-p29 p42-p43 p52-p53
ESG-POR 1.2 Requirement	Report against compliance with current legislation requirements and objectives and associated targets for preparations for upcoming legislation.	p21
Environmental data		
ESG-ENV 1.1 Requirement	Disclose absolute and like-for-like environmental data for the proportion of the vehicle's portfolio that is in the fund manager's operational control. This should cover: Energy · GHG Emissions · Water · Waste	p30-43
Intensities	Report the intensity ratios for energy and GHG emissions per property type. Detail the calculation methodology including applied normalization factors and which types of energy / types of GHG Emissions are included in the ratio.	p31-p34

Glossary

ESG – Environmental, Social and Governance

NZC – Net Zero Carbon

GHG Emissions – Greenhouse Gases Emissions

CO2e – CO2 equivalent

tCO2e – Tons of CO2 equivalent

CSRD – Corporate Sustainability Reporting Directive

SBTi – Science Based Targets Initiative

AIFM – Alternative Investment Fund Manager

LCA – Life Cycle Analysis

SFDR - Sustainable Finance Disclosure Regulation





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