



Responsible Investment Charter



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Edward Bates
CEO

As a real estate investment and asset manager, STAM Europe is mindful of its responsibility towards the environment and society and has always thrived to make a positive impact for its various stakeholders. Our corporate social responsibility is a key element of our investment strategy.

We consider the current changes in user needs and regulatory/ESG requirements as opportunities to look at the future with an innovative and conscious eye. We are convinced that extra-financial criteria are now more than ever a source of value creation and protection for our clients' portfolios.

Rather than excluding under-performing assets, STAM chooses to reposition them in order to future-proof their value and create a tangible improvement in their immediate environment. Our recognized expertise in the design and implementation of adapted capex programs gives us an advantage to deliver on this ambition. We aim to contribute to the protection of the environment and biodiversity as well as significantly improving our tenants' experience and well-being.

We believe our success lies in the motivation and involvement of our team, therefore STAM is committed to enhancing the individual responsibility of each employee through ESG related training, objective setting and providing the right tools to implement our socially responsible investment strategy.

Together let's change the real estate industry for a more sustainable world.

Introduction

STAM Europe is an investment and asset management company, specialized in real estate since its creation in 1997.

Since 2008, STAM manages regulated OPPCI vehicles through its affiliate STAM France Investment Managers (STAM FIM), a regulated AIFM. Together, STAM Europe and STAM FIM, form the STAM group (STAM).

In January 2020, Corestate Capital Holding S.A. acquired STAM Europe. Corestate is a European real estate management company, listed on the Frankfurt Stock Exchange, with its headquarters in Luxembourg.

STAM Europe retains its identity and autonomy to pursue its development.

Since its creation, STAM has made more than 5 billion euros of investments on behalf of its investor clients, mainly in France.

Today, STAM develops its activity on different real estate asset classes (logistics, offices, residential, retail) through funds managed on behalf of European institutional investors and separate account mandates or partnerships with institutional investors on customized investment strategies.

STAM's activity is focused on the responsible creation of value for our investor clients but also for the occupants of our assets and for all the actors of the real estate value chain.

The correlation between social and environmental performance with financial performance allows us, through the consideration of sustainable development criteria, to strengthen financial performance over the medium/long term and to preserve the value of assets over time.

With this objective in mind, this responsible investment charter aims to share STAM's ambitions in considering Environmental, Social and Governance (ESG) criteria in its investments.

It formalizes and specifies (i) STAM's commitments in terms of CSR and responsible investment, (ii) the approach to the construction of the ESG policy and its convictions in terms of responsible investment, (iii) its commitment to its stakeholders, and (iv) the implementation of this ESG policy.

STAM commits to share its responsible investment charter with all its employees, partners and investors and to review it at least every three years.



STAM's commitments

STAM's CSR policy

As a real estate investor and asset manager, STAM Europe is aware of the key role of the real estate sector in protecting the environment. We are also committed to providing assets that ensure the comfort and well-being of our tenants. Finally, we make commitments within STAM itself, in our governance practices and the management of our human resources.

Our position as an investor and asset manager allows us to create value for all our stakeholders through a full range of investment strategies combining financial performance and extra-financial performance. In order to support this shared value creation, STAM is committed, in accordance with the United Nations Global Compact, the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, to :

Maintain ethical and transparent governance in order to :

- Conduct business in accordance with our Code of Ethics and adopt principles of good corporate governance such as transparency and accountability, identify and implement the necessary processes to prevent all types of corruption and unethical practices.
- Respect human rights throughout the value chain and show no tolerance for child or forced labor.
- Reject all forms of discrimination based on gender, age, religion, race, origin, sexual preference, mental or physical disability.
- Promote equality and inclusiveness in the workplace, enhance the well-being of its teams, provide professional development opportunities for its employees.
- Comply with local laws and regulations, statutes and other obligations related to the environment and health, workplace safety, and transparency of financial products.

Protect the environment and reduce the footprint of its operations by:

- Measuring and monitoring its environmental performance (energy, greenhouse gas (GHG) emissions, water consumption, waste, mobility) and developing concrete actions to minimize its environmental impact, promote renewable energy, make its portfolio resilient to climate change, preserve biodiversity and protect natural resources.
- Integrating ESG criteria into its investment decisions and due diligence process.
- Obtaining environmental certifications and labels such as BREEAM.
- Assessing and managing the non-financial risks and impacts of its business and investments.

Develop our social commitment and involve our stakeholders through the following actions :

- Measure and monitor our social performance.
- Strengthen an open dialogue and long-term relationships with our internal and external stakeholders, in particular on ESG issues.
- Support, engage, develop and advance each employee of STAM.
- Raise awareness on sustainable development among employees and organise training on CSR and ESG.
- Carry a responsible purchasing policy.
- Promote gender equality, an essential value for STAM Europe: we are signatories of the charter for the commitment to parity and professional equality between women and men in the real estate sector.
- Work to create well-being inside our buildings and improve the safety, health and services to the tenants.
- Adopt a corporate citizenship approach by supporting charities.

Materiality matrix

We place great importance on the impact of our business on our stakeholders, as well as the impact of our stakeholders on our business. Environmental, social and governance issues are areas on which we wish to focus and create our financial and non-financial value. We have therefore decided to carry out a materiality analysis, the result of a diagnosis that includes all our employees as well as certain external stakeholders.

In order to consult and evaluate the priorities of each person, individual interviews were conducted with members of the management team and online surveys were completed by all employees and certain external stakeholders. The selection of relevant ESG issues was based on the analyses of various benchmarks, labels and key CSR/ESG commitments in the real estate sector. Two axes (priority and impact), including factors such as maturity, importance, level of risk and opportunity of each issue, were used to build the matrix.

Consulted and validated by all the members of the management team, this matrix, which includes **23 CSR issues** divided into four main categories: (i) **Environment**, (ii) **Social**, (iii) **Societal**, and (iv) **Governance**, has allowed us to identify 10 priority issues to build STAM's CSR & ESG strategy. Discussing this materiality matrix has enabled us to highlight 3 additional priority issues in light of current climate issues and employees' expectations of the company.

A total of **13 issues** were thus identified as priorities and on which STAM is committed to paying particular attention.

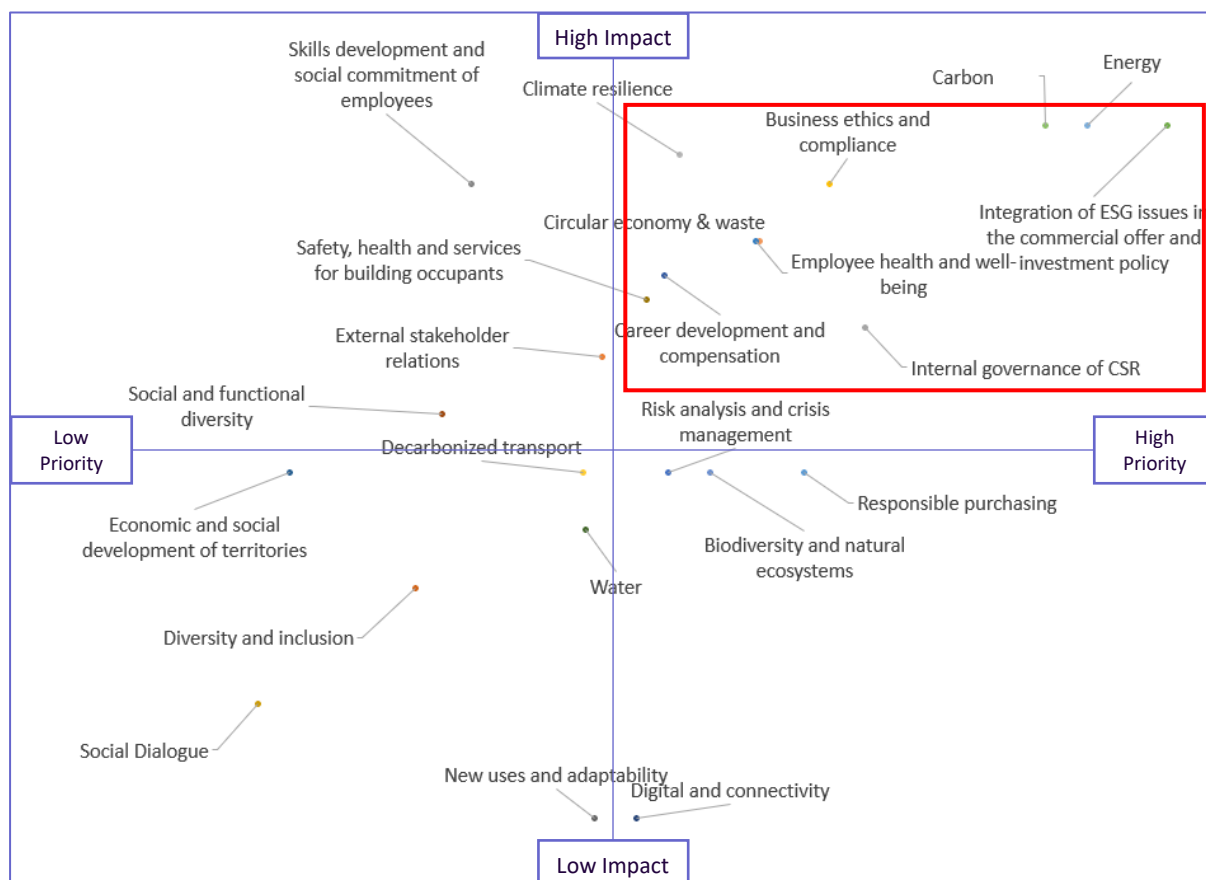


Fig. 1: STAM materiality matrix, 2022

Category	Issues
Environment	Energy
Environment	Carbon
Environment	Climate resilience
Environment	Circular economy & waste
Environment	Biodiversity*
Environment	Water management*
Social	Employee health and well-being
Social	Development of employees' skills and commitment to society*.
Social	Career development and remuneration
Social	Security, health and services to the building occupants
Governance	Integration of ESG issues in the commercial offer and investment policy
Governance	Business ethics and compliance
Governance	Internal governance of CSR

* Issues not included in the materiality matrix but voluntarily added by STAM

Fig. 2: List of STAM priority issues

Responsible investment approach, at the heart of the ESG strategy

Investment is at the heart of STAM's activity. Implementing the CSR strategy therefore implies defining a responsible investment approach, in line with the group's CSR policy. An approach that fully integrates ESG themes is a key priority for STAM. This challenge consists, on the one hand, in identifying and controlling ESG risks in the investment policy and, on the other hand, in structuring new products and operating methods focused on the creation of environmental and social value.

In order to meet this ambition, new tools are used from the acquisition or portfolio entry phase to strengthen the ESG analysis at the asset and fund level. For example,

- our ambition is that 100% of the newly built assets acquired should be aligned with a carbon trajectory contributing to the national objective of carbon neutrality by 2050,
- that the entire portfolio should be audited to identify areas of improvement concerning climate risks,
- or that we should acquire more buildings that have integrated a circular economy approach.

Thus, STAM Europe is committed to high standards of ESG management across its portfolio, including by:

- Conducting ESG due diligence on all new acquisitions.
- Formalizing ESG action plans for all assets under management.
- Taking ESG criteria into account in all construction and renovation projects.
- Implementing an ESG compliance monitoring system to ensure that all investments and practices comply with legislative requirements.
- Reporting annually on the ESG performance of its portfolio.

This is a particularly strategic area of development for STAM Europe, based on the expectations and needs of its investor clients, and driven by the European and French regulatory and legislative framework for sustainable finance.

Go further than the existing regulations thanks to labelling

In the future and as part of its 2026 strategy, STAM Europe plans to participate in international labels and assessments for its assets.

- **To improve the energy performance of our assets**, we aim to label 30% of our assets BREEAM-in-Use, at a minimum level of "Good" .
- **To guarantee the well-being and comfort of our occupants**, we intend to rely on WELL certification and certify some of our buildings under construction/refurbishment.
- Finally, **to demonstrate our commitment to connectivity and digitalization**, we aim to obtain the WiredScore certification for some of our emblematic office buildings, starting with our latest delivery, the Tribu office building.

In addition, STAM also places importance on financial product labeling. In that sense, we want all our future new funds marketed to meet the requirements of **Article 8 of the SFDR**.

We will also carry out an alignment study of our assets with the benchmark established by the European Green Taxonomy and will share the status of our portfolio in our ESG communications with our clients and investors.



General objectives sought by taking ESG criteria into account

We are aware of the key role of the real estate sector in the fight against climate change and, more broadly, in protecting the environment. We have therefore prioritized environmental issues (carbon, energy, resilience, waste management) in order to structure their consideration through the implementation of quantified indicators and by integrating them into the various decision-making committees.

Our commitments also fully integrate the social value created by our assets. We are convinced that considering comfort, health and services for occupants are sine qua non conditions for long-term value creation.

STAM has therefore defined concrete objectives in its ESG strategy to be reached before 2026 in order to rapidly reinforce the consideration of environmental, social/societal and governance issues in the management of its real estate assets and investments.



Fig. 3 : STAM's goals for 2026

Presentation of the ESG evaluation grid for real estate assets

The work carried out within the teams and in collaboration with STAM Europe's stakeholders has enabled us to build a CSR and SRI strategy that is in line with the expectations of stakeholders and to focus our efforts on priority high-impact themes. From this strategy, the evaluation criteria have been developed to assess and monitor the assets throughout the life cycle of the portfolio.

The ESG evaluation grid was developed based on market benchmarks, studies of peer practices and in close collaboration with STAM Europe's technical teams. The ESG grid is composed of extra-financial criteria organized around three pillars: Environment (E), Social (S) and Governance (G). It includes several themes and criteria that may vary according to the type of asset assessed and its condition (management, acquisition, renovation, restructuring or construction).



Offices



Logistics / Light industrial



Residential



Retail

Fig. 4 :Typologies covered in the ESG evaluation grid



The objectives of the ESG evaluation grid are :

1. The integration of extra-financial criteria in the investment and management process of our assets;
2. To obtain an up-to-date overview of the ESG performance of the assets in our portfolio;
3. The comparison of our assets with each other thanks to an ESG score;
4. The implementation of forward-looking plans to improve assets to optimize their ESG performance.

The ESG evaluation grid allows us to define an ESG rating for each real estate asset evaluated. The ESG profile of an asset is composed of an overall score out of 100 and a score on each of the Environmental (E), Social (S) and Governance (G) pillars, also out of 100.

Depending on STAM's objectives and priorities, the ESG criteria are weighted, i.e. they will have a greater or lesser weight depending on the E, S or G area and whether it is a mandatory criterion in the area concerned or not. For example, in the environmental field (E), 2 criteria are mandatory: energy and carbon. Each of these criteria must represent between 10% and 30% of the environmental pillar.

Also, the criteria of the ESG evaluation grid and their weightings vary according to the type of building evaluated (office, logistics, residential, retail) or its life phase (management, acquisition, renovation, restructuring or construction).

ESG assessment requirements	E	S	G
Share of the area concerned in the overall ESG rating of the asset	Between 30 and 60%	Between 20 and 50%	Between 20 and 30%
Share of each mandatory criterion in the area concerned	Between 10 and 30%	Between 10 and 30%	Between 10 and 30%

Fig. 5 : The weightings of pillars E, S and G according to the guidelines of the Real Estate SRI Label



Determining the ESG profile of each asset and monitoring its performance

At acquisition / Entry into portfolio:

STAM Europe evaluates the ESG performance of each asset during the pre-screening and due diligence phases using an ESG grid.

This evaluation allows us to obtain an initial score and to identify the SRI issues that will be looked at during the Investment Committee that will decide whether or not to send an indicative offer letter or LOI. This ESG score is adjusted during due diligence to establish, as far as possible, a "target" score, determined by integrating a work plan to improve ESG performance. If, however, achieving a target score is not feasible, the action may be compensated for differently.

In management phase:

Once the asset is in the portfolio, STAM Europe re-evaluates the ESG scores of the whole grid perimeter annually. The ESG assessment is shared with investors as part of the funds' annual ESG reporting.

ESG assessments of assets already in the portfolio are carried out retroactively and when new acquisitions are made. The grid is reviewed at least once a year following a benchmark of new barometers affecting ESG criteria.

In addition, ESG evaluation criteria related to a possible renovation phase are integrated into the rating grid. They allow for the ESG evaluation of the construction phase, which can have a significant environmental and societal impact in the life cycle of a real estate asset.



Fig. 6: Taking ESG criteria into account in management and investment processes

STAM's commitments to its stakeholders

Relationship and commitments to investor clients

STAM is committed to setting up a simplified dialogue on its ESG approach and to facilitate the exchange of information with its investor clients, as they represent an essential part of the beneficiaries of the responsible approach taken.

With this in mind, STAM is committed to the recurrent evaluation of ESG criteria in the management of its real estate assets, but also to greater transparency by publishing an annual CSR/ISR report on the activities of its funds. STAM's approach is to anticipate risks and improve the positive impact, going beyond regulatory compliance. The methodology and ESG analysis of assets will be made available to investors upon request. This includes due diligence reports, action plans and regular monitoring results.

In addition, STAM communicates on the implementation of its ESG investment policy in its annual report and highlights relevant progress. More broadly, STAM is committed to communicate annually on the evolution of its assets as well as on its new initiatives.

Relationship and commitments to service providers

We attach great importance to the ESG and CSR performance and commitments of our suppliers. During our selection process, we aim to systematically integrate CSR criteria into 90% of corporate purchases for suppliers above a certain threshold. To this end, we have defined a policy for the selection of service providers that integrates elements relating to environmental protection, waste treatment, pollution control, health and safety, and the fight against illegal labor.

Relationship and commitments to tenants

For STAM, the tenants and end-users of our commercial properties are at the heart of our concerns: we ensure their satisfaction but also wish to involve them in our responsible investment approach.

To ensure occupant satisfaction, we have planned to set up a tenant satisfaction survey and will put in place a specific action plan to achieve the highest possible level of satisfaction while preserving the balance of our commitments.

With regards to the inclusion of tenants in the ESG approach, and in a spirit of cooperation, we are carrying out actions enabling tenants to reduce their environmental footprint by adapting their use and consumption.

Managing the responsible investment process

Presentation of internal governance

In order to achieve the commitments defined in our strategy, we wish to progressively put in place an adapted governance as well as the adequate human resources.

The ESG/CSR approach will thus be supervised by a dedicated committee and associated processes. This committee will meet quarterly to monitor the progress of the action plans.

In order to implement this approach, STAM Europe will support the training of its employees on ESG issues and will allocate a variable part of the remuneration to the achievement of ESG objectives.

Non-financial risk management

As a portfolio management company duly authorized by the Autorité des marchés financiers (AMF) to manage Alternative Investment Funds (AIF) and provide investment advice, STAM is notably subject to the provisions of the European Regulation (EU) 2019/2088 known as Sustainable Finance Disclosure (SFDR) on sustainability reporting in the financial services sector.

The management company does not take into account the main negative sustainability impacts. Instead, it intends to conduct a reflection for integrating a methodology to assess the impacts of its real estate investment decisions on sustainability factors, i.e. environmental, social and personnel issues, respect for human rights and the fight against corruption and bribery.

Commitment to transparency

STAM Europe wishes to help its investors to better understand the ESG policies and practices implemented within its funds.

To do so, STAM wishes to act at the level of its assets as much as at the level of financial products. Financial products will be categorized to reach 100% of new funds marketed as meeting the requirements of article 8 of the SFDR. According to this SFDR regulation, STAM is required to integrate sustainability risks (environmental risks on investments) and key negative impacts (environmental risks of investments) into its investment policies and explain their management.

Sustainable finance regulations:

The European Sustainable Finance Disclosure Regulation (SFDR): it imposes transparency rules on financial market players regarding the inclusion of sustainability risks and negative externalities in the investment process. This regulation aims to improve transparency on sustainability information and to direct investment flows towards more sustainable assets.

Article 29 of the Energy-Climate Law: its purpose is to clarify and strengthen the extra-financial transparency of actors. It requires some companies to publish a report with two objectives :

- To facilitate the integration of climate and biodiversity issues in investment strategies
- To encourage the consideration of ESG criteria in risk management

Directive 2011/61/EU (AIFM): its objective is to establish a harmonized regulatory framework for alternative funds in Europe in order to guarantee investor protection and avoid systemic risks.



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