

# CBRE Global Investors Open-Ended Funds S.C.A. SICAV-SIF- Pan European Core Fund

Financial Year 2022

## PAN EUROPEAN CORE FUND - PORTFOLIO BASED IMPACT REPORT

Eligible Green Project Portfolio by environmental certification and EPC label						
Certification type	No of assets	Eligible Green Project Portfolio coverage by value and certification type	Eligible Green Project Portfolio coverage by area and certification type	Calculated GHG emissions change (kgCO <sub>2</sub> /m <sup>2</sup> )	Carbon usage intensity (kgCO <sub>2</sub> /m <sup>2</sup> )	Carbon usage intensity (kgCO <sub>2</sub> /EUR)
Operational	11	32.1%	47.8%	11.8	59.15	0.03
Major Refurbishment	3	19.1%	2.9%	(6.5)	20.53	0.00
New Development	11	30.5%	36.2%	2.1	12.84	0.01
Total certified	25	81.7%	86.9%	5.87	37.98	0.01
Uncertified	6	18.3%	13.1%	4.51	10.27	0.00

  

EPC label	No of assets	Eligible Green Project Portfolio coverage by value and EPC label	Eligible Green Project Portfolio coverage by area and EPC label
A	13	32.9%	32.2%
B	4	15.4%	12.4%
C	3	20.6%	17.1%
D	-	-	-
Total rated	20	68.9%	61.7%
Unrated	11	31.1%	38.3%

Notes: (1) The Eligible Green Project Portfolio and its use of proceeds was determined as per the eligibility criteria defined in the Green Finance Framework, October 2021. (2) GHG emissions change and carbon usage are reflected on an intensity basis (per sqm) in order to properly reflect portfolio changes through asset disposals and acquisitions.

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# Annual Sustainability Update

We strive to deliver sustainable investment solutions that enable our clients, people and communities to thrive. CBRE IM has a responsibility and opportunity to drive positive change in the environment and the communities in which we invest. As a global leader in real assets investing, we can use our scale and expertise to deliver and influence how infrastructure and real estate is built, managed and occupied.

To accelerate the delivery of our sustainability commitments and align our long-term goals with those of our investors, partners, tenants and regulators, this year we significantly increased the size of our Sustainability Team by adding additional members, bringing our team to nine by year-end. We believe that our approach to sustainability is essential to mitigating risk and enhancing investment returns while also helping to improve the wellbeing of our occupants and local communities and preserve our planet for future generations.

We achieved many milestones in 2022; below are highlights grouped by three important themes:

## **Demonstrating industry leadership in sustainability**

- **Global Commitment:** CBRE IM became a signatory to the Net Zero Asset Managers initiative, which commits the Firm to achieve net zero performance across all scopes by 2050 or sooner.
- **Environmental Management System (“EMS”) Certification:** At the end of 2022, we received ISO 14001 certification for our EMS.
- **Reporting and Benchmarking:**
  - **GRESB:** Submitted 66 real estate portfolios, the most of any real estate fund manager, and our core private infrastructure fund. Achieved 30 out of 30 on the management section - an indication of strong sustainability governance.
  - **PRI:** Received four and five stars for all modules submitted in the 2021 Pilot Year PRI Assessment (results published in September 2022)
- **Influence:**
  - Helped develop a new net zero standard with the International Organization for Standardization (“ISO”) which was launched in November at the UN COP27 Convention on Climate Change.
  - Joined a steering committee to improve ESG reporting standards undertaken by PRI, Urban Land Institute, UN’s Environment Program Finance Initiative and the European Association for Investors in Non-Listed Real Estate Vehicles (“INREV”).

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### **Establishing a cohesive sustainability strategy**

- **Process Integration:** Improved the sustainability data and information that is discussed in our investment committees, as well as enhanced our asset management tools and process. As a voting member of our investment committees, I have provided a perspective on sustainability risks associated with each proposed investment.
- **Renewable Energy:** Launched a logistics rooftop solar program in the U.S. to help decarbonize assets and signed leases for 17.2 MW of installed solar; also developed a strong pipeline for 2023.
- **Diversity, Equity & Inclusion (“DE&I”):** In 2022, we focused and built programs around three DE&I pillars: culture, talent and marketplace.

### **Developing sustainability fluency across the organization**

- **Training, Education and Building Accountability:** Began an initiative to create greater sustainability fluency through training and education:
  - Launched the *Sustainability Knowledge Hub*, which provides a source of sustainability content, tools and resources.
  - Established a fun and effective learning platform called *Stickerbook*, which allows us to provide the organization with ongoing training and market-based updates.
  - Launched a *Sustainability Ambassadors* program to help embed sustainability throughout the CBRE IM platform by integrating knowledge and training across funds, sectors and geographies.

We believe that sustainability preserves and creates value in the real assets portfolios we manage. We continue to see increased demand from the market for sustainable products and services. This fact reinforces our commitment to embed sustainability more deeply into our investment process. It enables us to assist global efforts to lower greenhouse gas emissions, support the wellbeing of our stakeholders, and influence our operating partners, tenants and supply chain towards achieving our collective goals.

As we continue the transition to a sustainable, resilient, and healthy society, we recognize that this can be achieved only as a joint effort. Thank you for your support and collaboration in 2022 and we look forward to continuing our journey together in 2023.

**HELEN GURFEL**  
**HEAD OF GLOBAL SUSTAINABILITY & INNOVATION**

# Portfolio Ambition and Performance Targets

	TARGET	ACTUAL	% YoY		TARGET
<b>CERTIFICATION PERFORMANCE 2021</b>					
Assessed to third party green building certification (BREEAM, LEED, etc)**					
Design/construction certifications (% AUM)	100% by AUM	32%	0%		
↳ Certification level (% certified AUM)	>75% Excellent/Gold	16% Excellent/Gold 6% Very Good/Silver	0%		
Operational certifications (% AUM)	50% by AUM	33%	-5%		
↳ Certification level (% certified AUM)	>75% Excellent/Gold	0% Excellent/Gold 8% Very Good/Silver	-5%		
<b>PORTFOLIO PERFORMANCE 2021</b>					
Portfolio performance assessed to third party framework (GRESB)					
Standing Assets	Absolute GRESB Score	75-100	87.4	-4%	✓
	GRESB Star Rating	★★★★	★★★★★	0%	✓
	Relative peer GRESB performance*	Top 20% of peer group	Top 43% (3rd of 7)		
Development	Absolute GRESB Score	75-100	94	8%	✓
	GRESB Star Rating	★★★★	★★★★★	25%	✓
	Relative peer GRESB performance*	Top 20% of peer group	Top 35% (6th of 17)		

\* Diversified peer group for standing assets. Diversified for development.  
\*\* Does not include certification that are in progress.

The Firm's ESG vision is integrated into PEC's ESG ambition and Strategy:

## Climate

- Net-zero operational carbon (scope 1 & 2) by 2040
- Additionally, Paris Aligned: net-zero by 2050 (scope 1, 2 & 3) with interim target 50% reduction of greenhouse gas emissions (GHG) in 2030
- Conduct Transition Risk Mapping to determine whether the Fund can accelerate its GHG emission reduction

## People

- Enhance wellbeing by offering inspirational future proof places where people work, live, play and thrive
- Connecting with people is of growing importance in an inclusive, diverse and collaborative world
- Contribute to place making through the office refurbishment strategy
- Offering of housing at affordable rents in main cities
- Undertake tenant engagement surveys
- Continue to align with the principles of WELL Certification

## Influence

- Maintain 5-star GRESB rating
- Entire portfolio to become 100% BREEAM Certified by 2025
- Entire office portfolio to be WELL Certified by 2027
- Influence tenants to procure 100% renewable energy sources through green clauses and incentives
- Showcase and celebrate ESG achievements of (re)developments with all stakeholders