



Perspectives

CBRE Investment
Management

2025 Listed Real Assets Engagement Report

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CBRE Investment Management's (CBRE IM's or the Firm's) sustainability program is focused on creating value, managing risk, complying with regulatory requirements and maximizing long-term investment returns. The Firm recognizes that active ownership and engagement are fundamental to our business and to driving long-term outperformance.

As a premier global investment manager, we regularly encourage companies to apply best practices through our disciplined proxy voting process and engagement. In this report, we review our 2025 engagement activity, present examples and summarize proxy voting for listed real assets.

Essential engagement in real assets

The listed real assets universe totals over \$8 trillion in total market capitalization. Companies across listed real estate and infrastructure present both unique risks and opportunities because of the vital functions they perform in enabling economies and facilitating the movement of people, goods, energy and data. Engagement with owners and developers of real assets is essential given the characteristics of this diverse asset class. Real asset facilities, which require substantial capital to build and are actively in use for decades, are exposed to environmental risks, yet can have opportunities for energy savings or mitigation strategies. Assets, and uses within assets, have a powerful effect on community health, safety and wellbeing. From a governance perspective, complexity in real assets ownership can create potential for conflict and misalignment with stakeholders. Due to the size, scale and nature of real assets ownership, it can take a long time to see changes across a collection of assets. Through engagement, CBRE IM addresses these concerns with management teams and encourages best practices for positive outcomes.



Engagement priorities

Engagement priorities are developed annually by the Head of Sustainability for Listed Real Assets and members of the Investment Team. Specific engagement activities are driven by the relevant analysts who cover each company. In our engagements, our analysts and team members encourage best practices and gain an understanding of a company’s sustainability risks and opportunities. Engagement also informs analyses that enable our portfolio management decisions. Within our Listed database, we track over 120 fields comprising over 100,000 distinct data points for sustainability in real assets companies to better inform our views. Below is a blueprint that serves as a general guide for our engagement.

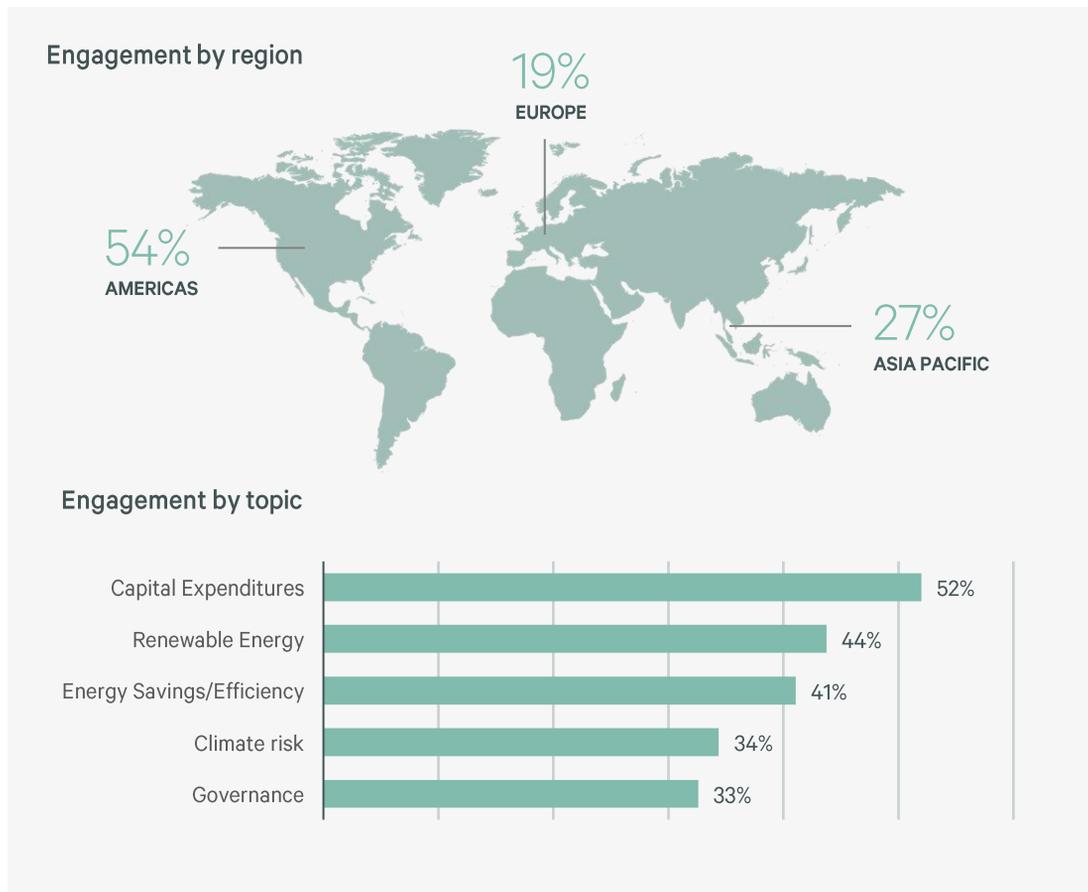
Environmental	Social	Governance and Disclosure
Encourage		
<ul style="list-style-type: none"> Goals for energy conservation, carbon reduction; an adherence to industry standards Sustainability values in their business 	<ul style="list-style-type: none"> Programs within assets and communities to support and engage stakeholders Commitment to a strong workplace culture 	<ul style="list-style-type: none"> Disciplined corporate governance, with strong board oversight and shareholder-friendly provisions Transparent, organized and accessible disclosures
Understand		
<ul style="list-style-type: none"> Assessment of physical and transition risks and climate-related opportunities; investment in asset-level resiliency measures Emissions reduction targets and net zero commitments set by management Renewable energy deployment; opportunities and limitations 	<ul style="list-style-type: none"> Hiring and recruitment processes Tenant and community health, safety and engagement Opportunities for education, growth and advancement of employees 	<ul style="list-style-type: none"> Quantifiable sustainability and financial metrics related to executive compensation; achievability of those metrics Company views of best practices and benchmarks Awareness of sustainability ratings and sustainability action groups

Source: CBRE Investment Management

2025 in review

In 2025, CBRE IM Listed Real Assets sustainability engagement spanned the globe. Companies within the Americas and Europe represented 73% of our engagements, and Asia Pacific region represented 27%. The sustainability topics discussed during these engagements varied based on the company. Throughout the year, capital expenditures of sustainability projects and upgrades were a dominant topic, followed by other environmental topics including energy savings and efficiency, renewable energy, and climate risk. We covered governance topics in over 30% of our engagement meetings and social topics related to community in over 20% of our meetings. Senior members of the management team (CEO, CFO) were present in the majority of our engagements, which we believe reflects the value that C-suite executives place on communicating about sustainability initiatives. Our meetings were led by the analyst directly responsible for fundamental security coverage and supported by our Head of Sustainability for Listed Real Assets. Below, we highlight listed sustainability engagement in real assets for 2025:

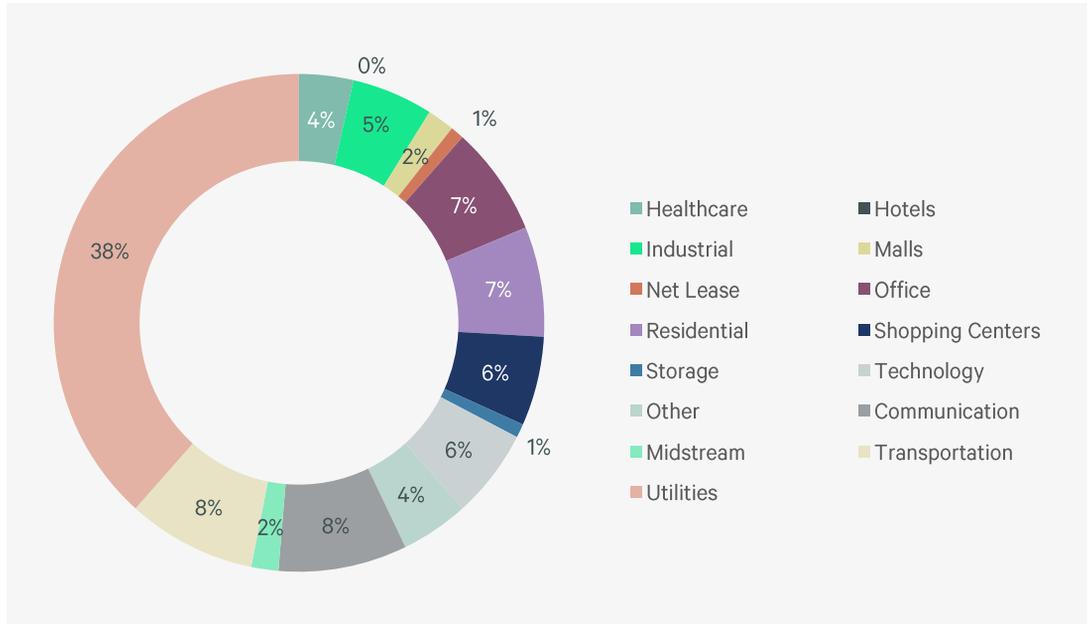
Sustainability engagement



Source: CBRE Investment Management

Engagement across company types spanned the real assets universe. In 2025, the utility and power sectors comprised about 38% of engagements. Real estate sector engagement was highly diversified. CBRE IM Listed Real Assets may prioritize engagements by several factors, including portfolio exposure, concerns about disclosure, controversies or items related to proxy voting.

Engagement by company type:



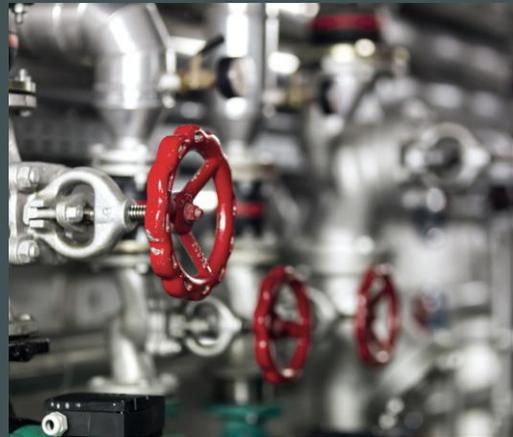
Source: CBRE Investment Management





OUR ENGAGEMENT IN 2025

North American Utility



Stakeholder engaged and participants

CBRE IM engaged a leading U.S. based electric utility where our U.S. Investment team met with senior members of the company's sustainability and IR teams. The meeting was a direct engagement, which was initiated by CBRE IM.

Overview of engagement

CBRE IM initiated the engagement to discuss the company's decarbonization pathway and fossil fuel generation mix as well as a controversy related to the company's lobbying efforts.

Progress and outcome of the engagement:

The company has evolved their power generation mix over the last 20 years by retiring 14GW of coal-fired generation capacity and investing in clean capacity. This action had reduced coal from 70% of the company's generation mix to less than 50%. The company's ability to retire the remaining coal units is limited by state regulator decisions and strong forecasted demand growth. However, the company continues to invest in new renewable power generation with over \$8 billion of investments in new capacity expected through 2030.

Regarding the company's lobbying efforts, the company settled with the regulator and agreed to pay a \$19 million fine. A complete internal review around political engagement was conducted, and new anti-corruption policies and disclosure requirements for political contributions were adopted.

We will continue to monitor the company's operations and engage when appropriate on future issues and sustainability topics.



OUR ENGAGEMENT IN 2025

North American Healthcare REIT



Stakeholder engaged and participants

CBRE IM engaged a leading U.S.-based owner of senior housing assets, where our Investment team met with sustainability professionals of the company. The meeting was a direct engagement, which was initiated by CBRE IM.

Overview of engagement

CBRE IM initiated the engagement to obtain a general update from the company on its sustainability progress. The company grew its sustainability team since the last time we had engaged with them, and we wanted to hear about any changes in strategy. Additionally, we looked to validate or challenge our externally sourced research data on items where there was no scoring for the company.

Progress and outcome of the engagement:

The expansion of the sustainability team has resulted in improved attention and direction of the sustainability initiatives at the company. The team is now under the operations department, which allows them to be closer to activity at the asset level, and they are creating more structure around sustainable decision-making. For example, they have increased their focus on their renewable energy strategy and believe that there are numerous opportunities in the portfolio, prioritizing assets in states with high utility rates first. While subtle, the prioritization could allow for meaningful savings. They also tie in other capital expenditures that are required at the assets—such as roof replacement when they are looking to add solar—to determine the most feasible projects and are still able to meet their financial underwriting criteria on solar projects.

The company recently set new medium-term goals to reduce Scopes 1&2 GHG emissions intensity, energy intensity and water intensity. Intensity goals allow for normalized comparison for a growing portfolio. These goals, which we view positively, are important for the company and team to make progress and stay on track on significant plans. They are also working to improve data collection at the asset level.

We are encouraged with enhancements made at the company via the expansion of their sustainability team. We updated our internal scoring after the meeting on items that we considered to be inadequately captured by our external research vendor and intend to follow up in the next year to hear of additional progress.



OUR ENGAGEMENT IN 2025

U.K. Water Utility



Stakeholder engaged and participants

CBRE IM engaged a leading U.K.-based water utility where our European Investment team met with senior members of the company's executive and regulatory teams. The meeting was a direct engagement, which was initiated by CBRE IM.

Overview of engagement

CBRE IM initiated the engagement to discuss environmental controversies the company is facing related to water leaks, discharges and water quality issues. It was a thorough discussion with the company addressing how they responded to each issue.

Progress and outcome of the engagement:

The company and U.K. water sector have been challenged in recent years with a series of operational issues that has led to significant negative publicity. Investigations into controversial sewage discharges into public water have led to scrutiny on the company from politicians and the public. While not always found to be at fault, the company has agreed to pay fines and invest more into their systems to mitigate future issues.

A recent parasitic outbreak in drinking water on one of the company's systems was another source of controversy. The company emphasized that they thoroughly test drinking water for contaminants, and the source of this outbreak was related to a third-party contractor not involved with the company's operations. An investigation by the water inspector is ongoing, and the company is cooperating.

We will continue to monitor the company's operations and engage with them to ensure they are executing on their plans and are implementing best practices to ensure the public's confidence in their water quality. We believe the recent regulatory investment proposal issued in 2025 will support more investment into the company's assets and improve their operational performance.



OUR ENGAGEMENT IN 2025

Australian Real Assets Manager



Stakeholder engaged and participants

CBRE IM engaged a leading Australian real assets manager. Our Australian Investment team met with the company's Board of Directors, Head of Sustainability and Investor Relations Manager. The meeting was a direct engagement, which was initiated by CBRE IM.

Overview of engagement

CBRE IM conducted follow-up engagement with the company relating to its Remuneration and Incentive Plans and raised ongoing concerns about the rigor of performance targets with subjective, qualitative outcomes. CBRE IM advocated for a simplified, quantifiable and sustainable remuneration framework with shareholder-aligned outcomes.

Progress and outcome of the engagement:

Our active engagement continued during 2025, following the prior year's equity grant withdrawal and successive remuneration 'strikes' in 2023 and 2025. During the year, we met with the company two more times, continuing to advocate for consistent remuneration outcomes that align with long-term performance. We proposed greater disclosure, reduced complexity and the removal of subjective non-financial targets.

The Board has responded to our concerns by appointing external advisers to develop an independent remuneration framework and has temporarily withheld its short-term incentive award. The revised long-term incentive has been simplified to a shareholder-aligned structure, with intent to minimize yearly change.

CBRE IM will continue engaging with the company regarding the appropriate remuneration settings and quantifiable sustainability scorecard.



OUR ENGAGEMENT IN 2025

North American Data Center REIT



Stakeholder engaged and participants

CBRE IM engaged a leading U.S.-based data center company where our U.S. Investment team met with senior members of the company's IR and Sustainability team. The meeting was a direct engagement, which was initiated by CBRE IM.

Overview of engagement

CBRE IM initiated the engagement to discuss the company's energy usage and to better understand plans for Scope 2 emissions reductions. The company discussed their use of renewable energy across their operations to manage their emissions profile while still providing reliable service to their customers.

Progress and outcome of the engagement:

The company has a goal to use 100% renewable energy across their entire portfolio. As of 2025, 96% of their electricity consumption was sourced from renewable sources, making 2025 the seventh consecutive year above 90%. In some markets where renewable energy is more readily available such as Europe, the company's operations are entirely covered by renewable energy.

The company also highlighted other areas where they are contributing to the environment such as recovering and reusing waste heat in their operations. We believe the company is a leader in the data center industry in terms of managing their energy consumption and utilization of clean energy sources. While some of the renewable energy is sourced via renewable energy credits, the company plans to shift to more direct renewable sources as more capacity becomes available in the markets where they operate.

Our proxy voting update

CBRE IM Listed Real Assets treats proxy voting as a fundamental responsibility that can effect positive management behavior change over time. CBRE IM analysts are responsible for proxy voting in accordance with specified guidelines developed by the Listed Head of the Sustainability and the senior portfolio management team. CBRE IM annually reviews and updates internal guidelines, which reflect preferences for a governance structure that is responsive to stakeholders and supportive of responsible investment goals. Examples of specific governance risks that CBRE IM focuses on include:

01 Proxy access, shareholder rights

04 Poison pills or anti-takeover defenses

02 Board term structure

05 Remuneration

03 Board independence and composition

06 Clarification on corporate responsibility

Source: CBRE Investment Management.

In 2025, 99% of CBRE IM's votes aligned with our internal guidelines, and because CBRE IM aims to avoid investing with companies whose management teams exhibit poor governance practices 97% of our votes were in line with the respective companies' management and 3% of the votes were against management. Disagreements centered on the appointment of specific directors and certain executive remuneration packages as well as capital issuance. We present our 2025 proxy voting below.

Calendar Year 2025 Proxy Voting Record (All Institutional Accounts)

275
MEETINGS
ELIGIBLE FOR VOTE

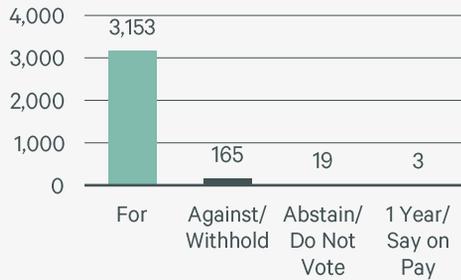
3,340
PROPOSALS
ELIGIBLE FOR VOTE

Voting per management recommendation

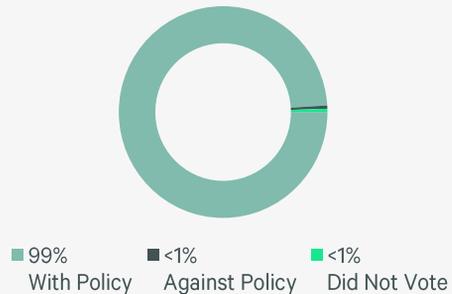
● 97% With management | ● 3% Against management



Voting statistics

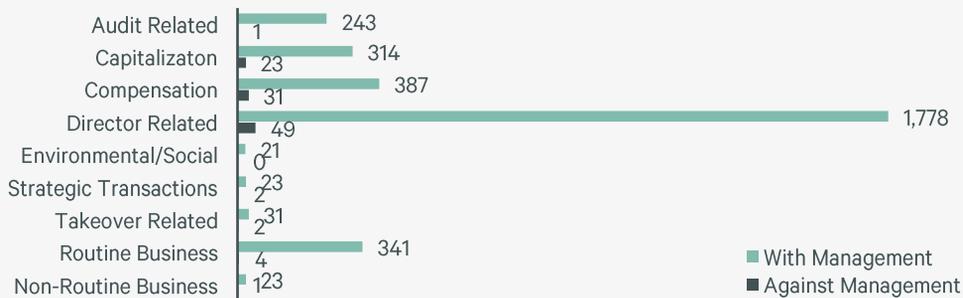


Voting alignment with internal policy guidelines

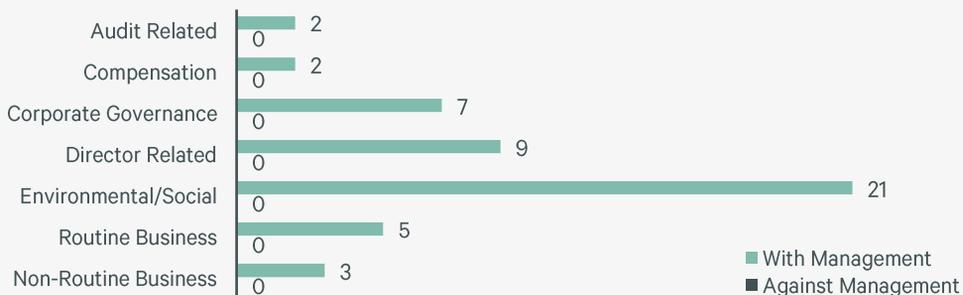


Voting by proposal category

Management proposals



Shareholder proposals



Proxy voting information is summarized by CBRE Investment Management (CBRE IM) for the institutional accounts where CBRE IM has proxy voting discretion. All proxies are voted in accordance with CBRE IM's global proxy voting policy and guidelines. This information is not indicative of the ultimate result of the proxies and is not intended to provide a commentary on management or ballot items.

The future of our sustainability engagement

CBRE IM believes that active ownership and consideration of sustainability factors, are fundamental to our business and to driving long-term outperformance by creating value and managing risk. We will continue to engage with global real assets companies as we look toward a more sustainable future.

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Disclaimer

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Past Performance: Any performance data or comments expressed are an indication of past performance. Past performance is not indicative of future results, and no representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided.

Forward-Looking Statements: The contents of this document may contain forward-looking statements that are based on management's beliefs, assumptions, current expectations, estimates, and projections about the real assets industry, the financial industry, the economy, CBRE Investment Management itself or its investments. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. Therefore, actual results and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements. Furthermore, CBRE Investment Management undertakes no obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

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