ARDIAN REAL ESTATE

ESG STATEMENT

EDITO

Ardian Real Estate is committed, alongside the other Ardian activities, to integrate ESG criteria throughout the investment process, in particular for the first generation of the real estate funds.

Ardian Real Estate Europe Fund (AREEF) is the first real estate fund of Ardian, launched in 2016. Our investment strategy targets high-potential real estate offices in the major cities of the European core markets (France, Germany and Italy). With highly experienced senior teams based in Frankfurt, Paris and Milano, AREEF aims to become a major player in the European property market.

Our strategy focuses on repositioning and improving the performance and value of our properties during the ownership period. We believe that Environmental, Social and Governance (ESG) considerations should be part of this value creation strategy and will contribute to its success.

Our ESG approach is based on the following pillars:

- **A holistic approach** in line with Ardian Responsible Investment Policy, integrating ESG principles into daily asset management, with a specific value creation strategy for each owned property;
- **A pragmatic vision** which aims at improving each property under management;
- **A collaborative methodology** supported by all the team members as well as key value chain actors.

The purpose of this document is to outline the ESG principles and commitments that guide our activity and the main implementation into the AREEF’s activity. It is in line with the United Nations Principles for Responsible Investment (PRI) and focuses on major sectorial ESG issues. It is supported by specific tools that have been elaborated to ensure the assessment and monitoring of the ESG performance of our properties.

OUR COMMITMENTS

1. Managing our business and engaging with our stakeholders according to Ardian Responsible Investment Policy principles

2. Measuring improvement of every property’s ESG performance through the “ARDIAN Real Sustain” tool during the ownership period

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BUSINESS MANAGEMENT

Business ethics

As part of an established company, Ardian Real Estate, and thus AREEF, is committed to comply with the business ethics principles set in Ardian Responsible Investment Policy as well as with the UN PRI principles. We bring strong attention to the stakeholders involved in the asset management process, who are required to follow our specific Code of Conduct.

People

We create a working environment that values a skilled and diverse workforce, provides challenging opportunities for employees and rewards performance. In particular, we benefit from Ardian Global Policy to foster career development through mobility and training programs.

Community involvement

We are committed to enhancing and contributing to the communities in which we operate, in line with Ardian Foundation’s activities, and support relevant community initiatives at the property level.

PROPERTY PERFORMANCE

Pursuant to the UNPRI principles, Ardian Real Estate integrates ESG criteria at every stage of the investment cycle, with the overarching objective of measuring the improvement of each property’s ESG performance from the acquisition to the exit stage.

<table>
<thead>
<tr>
<th>Investment stages</th>
<th>Goal</th>
<th>Key steps</th>
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<tbody>
<tr>
<td>Investment</td>
<td>Primary identification of areas of improvement</td>
<td>Before the acquisition, a preliminary analysis of the ESG issues is performed and potential macro areas of improvement are identified.</td>
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<tr>
<td>Ownership</td>
<td>Improvement of the asset’s ESG performance on a set of customized criteria</td>
<td>A deep analysis of ESG topics is performed after acquisition and a detailed value creation strategy is identified for each property. ESG performances are monitored during the entire holding period on a regular basis.</td>
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<tr>
<td>Exit</td>
<td>Demonstration of the asset’s improvement on a set of ESG criteria</td>
<td>A final assessment of the ESG performance and value created during the entire holding period is carried out at exit.</td>
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Ardian Real Estate and AREEF particularly focus on addressing the following ESG issues at the property level:

- Ardian Real Estate monitors the **environmental performance** of its properties and, when relevant, sets improvement targets. Specific attention is given to energy and water consumption, as well as waste generation and carbon emissions. Customized environmental KPIs (included in the “ARDIAN Real Sustain” tool) are monitored on a regular basis.

- Ardian Real Estate certifies each “value added” property with the BREEAM protocol. In addition, each local team could consider the possibility to certify properties with an additional certification protocol for strategic reasons and local context.

- Ardian Real Estate strongly values its occupiers’ **satisfaction** and pays specific attention to issues such as air quality and health and safety conditions, and more broadly the occupiers’ wellbeing. Surveys and other tools could be used to assess their satisfaction and identify potential improvements.

**ARDIAN Real Sustain is a key component** for the implementation of the ESG policy. It will allow the assessment of real estate properties after acquisition and it will track performance during the entire holding period.