

SFDR Annex IV Retail

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Altera Retail

Legal entity identifier: 724500 U1 GLBNBLC85D73

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective

Yes

- It made **sustainable investments with an environmental objective**: %
- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- It will make a minimum of **sustainable investments with a social objective**: %

No

- It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 100% of sustainable investments
- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective
- It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The product promotes the environmental characteristic climate change mitigation. The environmental characteristics promoted are met. The amount of A-labels increased with respect to last year and there was also a significantly increase in solar panels. Furthermore, the average kWh per m² for non-refrigerated real estate has decreased. The kWh per m² for refrigerated real estate has increased a bit compared to the previous year. We are taking measures to decrease this figure.

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

- 100% of Green energy labels (A-C)¹
- 100% of A labels¹
- 1,120 solar panels, based on figures Q3 2022
- Average kWh per m² (refrigerated): 280 based on figures 2021²
- Average kWh per m² (non-refrigerated): 196 based on figures 2021²

...and compared to previous periods?

Not applicable because this is the first reporting period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objective of the sustainable investments is climate mitigation objective, by investing in energy efficient real estate and/or by taking measures to make existing investments more energy efficient.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

How were the indicators for adverse impacts on sustainability factors taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The real estate is not involved in the extraction, storage, transport or manufacture of fossil fuels and therefore complies with Table 1 of Annex I (sub 17). Next to this Altera has set thresholds for indicator 18 of Table 1 of Annex I and the relevant adverse sustainability indicators from Table 2 of Annex I of the SFDR Delegated Regulation (EU) 2022/1288. Altera has identified which indicators are considered relevant to assess significant harm, and for which sufficient robust data or proxies are available. Altera needs to stay below these thresholds in order to cause no significant harm.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

These guidelines and principles are not applicable because Altera invests only directly in real estate properties.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

¹ Including A+ to A++++, This indication has been calculated based on the value of the investment. Individual units will be aggregated to average energy label at property level.

² Real energy consumption (instead of theoretical consumption which are displayed in the energy labels) and taking into account both building-specific and user consumption.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considers principle adverse impacts by assessing every year the following principle adverse impact indicators.

Below you find the results of 2022:

- 0% exposure to fossil fuels through real estate assets
- 0% exposure to energy-inefficient real estate assets
- 8,500 tonnes of GHG emissions (Scope 1,2,3) based on figures 2021
- 280 Average kWh per m² (refrigerated) based on figures 2021
- 196 Average kWh per m² (non-refrigerated based on figures 2021)



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 2022

Largest investments Retail sector	Assets	Country
Houten - Het Rond	10.2%	NL
Zwolle - Van der Capellenstraat	9.2%	NL
Waddinxveen - Gouweplein	8.7%	NL
Uithoorn - Zijdelwaard	7.1%	NL
Amersfoort - Sint Jorisplein	6.1%	NL
Amstelveen - Westwijk	5.2%	NL
Dordrecht - Bieshof	5.0%	NL

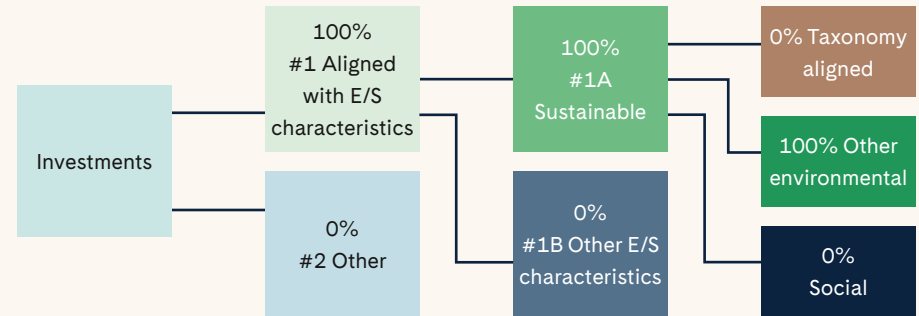


What was the proportion of sustainability-related investments?

100% of the investments are aligned with the environmental characteristics. In total 100% are sustainable investments under the SFDR. This includes garages that do not have an energy label, which we combined with the assets of which they are a component of.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which sectors were the investments made?

Retail real estate



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

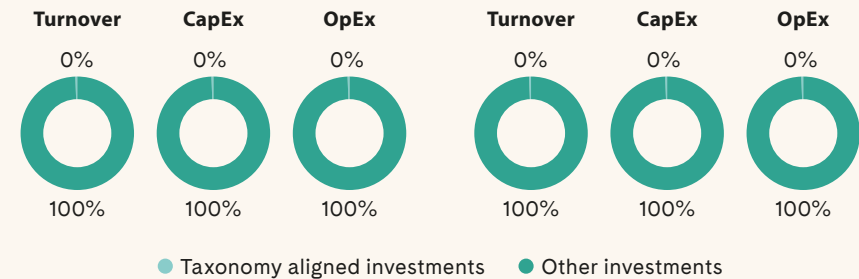
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*

2. Taxonomy-alignment of investments excluding sovereign bonds



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

Not applicable because no taxonomy aligned investments were made.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable because it is the first reporting period.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

100% of the sustainable investments are not aligned with the EU Taxonomy. Currently, we are developing a procedure to determine the taxonomy-alignment percentage.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

None.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- Substantial progress has been made in assessing necessary measures on the roadmap to Paris. Steps were taken – in cooperation with third parties – to deploy and implement Paris Proof investments in 2023. In 2022, we continued with the roll-out of our asset-level Paris Proof roadmaps for both portfolios to ensure that the portfolios are Net Zero Carbon before 2040. We have integrated the projected ESG capex into our budget forecasts and multi-annual maintenance plans and are currently in the process of implementing sustainability measures per asset.
- Purchase of sustainable real estate. In 2022, we purchased several high sustainable assets, such as Het Stroink in Enschede, which has a A+++ energy label and solar panels, Goes and Vlashoeck with an energy label A. This resulted in the increase of the number of solar panels with 1,120.