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) 2020/85252

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** %	☒ It **promoted 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

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

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.

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 remained stable with respect to last year and the amount of solar panels remained stable. Furthermore, the average kWh per m^2 for non-refrigerated real estate has decreased. The kWh per m^2 for refrigerated real estate has increased a bit compared to the previous year. We are taking measure to decrease this figure.

How did the sustainability indicators perform?

- 100% of Green energy labels (A-C)[1]
- 100% of A labels[1]
- Number of solar panels: 832 based on figures Q4 2023[2]
- 302 Average kWh per m^2 (refrigerated) based on figures 2022[3]
- 178 Average kWh per m^2 (non-refrigerated) based on figures 2022[3]

…and compared to previous periods?

- The number of green labels, A-labels and solar panels remained stable compared to 2022.
- The average kWh per m^2 – refrigerated (based on figures 2022) increased compared to previous reporting period (based on figures 2021).
- The average kWh per m^2 – non-refrigerated (based on figures 2022) improved compared to previous reporting period (based on figures 2021).

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?
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. Altera did not exceed these thresholds.

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 applicable because Altera has a Human Rights Policy that comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

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[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] Recalculation of the 2022 figures.
[3] Real energy consumption (instead of theoretical consumption which are displayed in the energy labels) and taking into account both building-specific and user consumptions.

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 Union 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.

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

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

Results of 2023
- 0% exposure to fossil fuels through real estate assets
- 0% exposure to energy-inefficient real estate assets
- 15,463 tonnes of GHG emissions (Scope 1,2,3) based on figures 2022
- 302 Average kWh per m^2 (refrigerated) based on figures 2022
- 178 Average kWh per m^2 (non-refrigerated) based on figures 2022

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Houten – Het Rond a.o.	Retail	10.2%	The Netherlands
Waddinxveen – Gouweplein	Retail	9.0%	The Netherlands
Zwolle – Van der Capellenstraat	Retail	8.7%	The Netherlands
Uithoorn – Zijdelwaardplein	Retail	6.6%	The Netherlands
Amersfoort – Sint Jorisplein	Retail	5.6%	The Netherlands
Amstelveen – Westwijkplein	Retail	5.0%	The Netherlands
Dordrecht – Van Eesterenplein	Retail	4.6%	The Netherlands

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2023

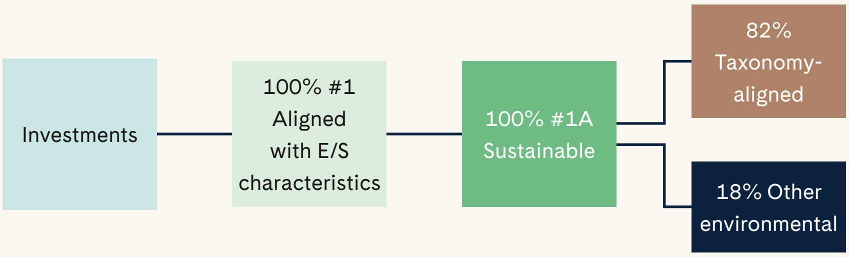
What was the proportion of sustainability-related investments?

100% of the investments are aligned with the environmental characteristics of which 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[4]. A percentage of 82% is Taxonomy aligned under the Taxonomy Regulation.

[4] *It is for parking garages not possible to obtain an energy label.*

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.

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

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

In which economic sectors were the investments made?

Retail real estate

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

82%

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[5]?

Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

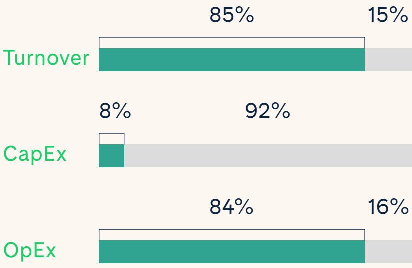
[5] *Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.*

Taxonomy-aligned activities are expressed as a share of:

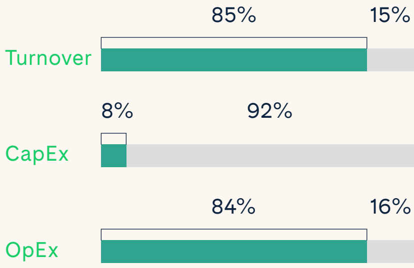
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned: (no gas and nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

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 investments made in transitional and enabling activities?

0 %

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

The percentage of investment that were aligned with the EU Taxonomy increased from 0% to 82%. This percentage increased due to the implementation of our Human Rights Policy that complies with the minimum social safeguards requirement.

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

Currently, 18% of the sustainable investment with an environmental objective were not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

None

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 2024. In 2023, 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 2023, we purchased several high sustainable assets, such as Nieuw Sloten, Amsterdam and Langdonkenstraat, Eindhoven, with both a energy label A. We have also implemented our Human Rights Policy. This Policy adopts international standards for human rights and two of the Altera core values: Transparency and Integrity. The human right risks as described in section 2 'Identify and assess adverse impacts in operations, supply chains and business relationships' form the core of this policy. The Policy expands on the Social and Governance component of the ESG Strategies, increasing their robustness. Altera expects its employees and stakeholders, including customers, suppliers and other business partners, to understand and cooperate in complying with the Policy.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N.A.

How does the reference benchmark differ from a broad market index?
N.A.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?
N.A.

How did this financial product perform compared with the reference benchmark?
N.A.

How did this financial product perform compared with the broad market index?
N.A.