

Building Communities & Sustainable Futures

Report in application of article 29 of the
Energy and Climate Law - 2022





Contents

1. Editorial – Message from the Co-CEO	3
2. PATRIZIA at a glance	5
2.1 Key Data 2022	6
2.2 ESG Timeline	10
2.3 Progress – Overview 2022	12
3. UN Sustainable Development Goals (SDGs)	14
4. Q&A with the Head of Sustainability & Impact Investing	17
5. Sustainability Strategy	20
5.1 Benchmarking	22
5.2 Our journey to Net Zero	24
5.3 How we incorporate ESG in our Investment Process	31
5.4 Governance	33
5.5 Our People	35
6. PATRIZIA Foundation	42
7. Outlook 2023	45
Contact	47



1. Editorial – Message from the Co-CEO

► Message from Co-CEO

Dear Reader,

2022 has been yet another busy year for PATRIZIA.

At the beginning of the year, we have acquired Whitehelm Capital, an independent infrastructure manager with an outstanding track record of more than 23 years. The acquisition further strengthened PATRIZIA's position as a leading global real asset investment manager and increased its assets under management (AUM) to over EUR 59 billion as part of its medium-term growth strategy.

PATRIZIA's infrastructure business's product offering, and investment expertise has significantly expanded PATRIZIA's portfolio, particularly in investment solutions in the areas of smart cities and digital infrastructure, decarbonisation and the shift to renewable energy, water, and environmental services, as well as social infrastructure and transport. For this, PATRIZIA's infrastructure business offers equity and debt products as well as listed infrastructure investments.

We have also converted from a German Aktiengesellschaft (AG) into a European Company (Societas Europaea, SE) in July 2022. The legal form of the SE emphasises the European and international orientation of the PATRIZIA Group. The previous dualistic management structure, consisting of a Managing Board and a Supervisory Board was adapted to an international, monistic management structure with an Administrative Board. Management is carried out by three managing directors. Wolfgang Egger, the company's founder, and majority shareholder, is the managing director and a member of the board of directors, together with six external and independent directors.

After publishing our four sustainability goals at the beginning of 2022, we have worked hard to progress towards achieving these.

We have defined a company-wide net zero carbon strategy that sets out an ambitious yet achievable roadmap on PATRIZIA's journey to reduce greenhouse gas emissions (GHG) from its assets, for the onsite deployment of renewables and the decarbonisation of its business operations. As part of this strategy, we have set ourselves mid-term targets, such as having a decarbonisation plan in place for all assets by 2025. We have also joined the Net Zero Asset Manager Initiative¹ in support of our goal of achieving a net zero carbon status by 2040.

PATRIZIA has also launched its first impact investment fund which aims to provide over 10,000 individuals with affordable housing.

We have achieved 4 stars in the most recent UN PRI assessment across all modules for real estate and the highest score of 5 stars across all modules for infrastructure, which brings us close to our goal of becoming a leading sustainable investor in real assets with a consistent UN PRI five-star rating from 2025 onward.

We have improved our funds and assets Global Real Estate Sustainability Benchmark (GRESB) scores by 20% (like-for-like). These further improvements testify our long-term commitment to sustainability.

As part of our ED&I mission, we have launched four Employees Resource Groups to provide a dedicated voice for specific PATRIZIAN communities and their allies, such as "Working Parents & Carers" with the purpose to create a supportive and inclusive working environment for all current and future working parents and carers.

The PATRIZIA Foundation, with more than 20-year track record of building better futures for children, played again a strong role in delivering our social mandate in 2022. Exciting programmes such as the Bavarian Peaks Challenge raised EUR 135,000 for the PATRIZIA Primary School in Songea in southern Tanzania.

At PATRIZIA, Building Communities & Sustainable Futures is more than just our purpose: it is our essence. Over the next few chapters, you will find a comprehensive overview of the impact we make and how we challenge ourselves to continuously improve, for a sustainable future.

Thomas Wels

Co-CEO and Chair of ESG Committee

¹ PATRIZIA's real estate business at the beginning of 2023 and PATRIZIA's infrastructure business in 2022.



2. PATRIZIA at a glance



2.1 Key Data¹ 2022

The diversity of our employees is the key to our business success - worldwide!

¹ Data as of 31st December 2022



► Our Employees

Diversity is a key value for PATRIZIA, and the diverse perspectives enabled by our incredibly international and multicultural business are key to our long-term success.



1011
employees

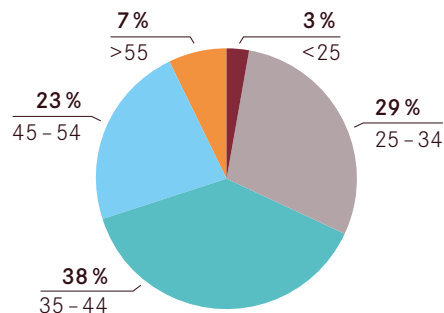


33
nationalities



12.7 %
part-time

Breakdown of age in years



PATRIZIA has a balanced age structure across the entire company.

Nationalities per category

Employee category	Count of nationalities
Executives	4
Managing Director	11
Director	21
Associate	23
Analyst	16
Support staff	11
Apprentice & Dual training student	2
Overall	33

The diversity of nationalities, cultures and languages is also a major strategic advantage for PATRIZIA. In the reporting year, the workforce had a total of 33 different nationalities.

Breakdown of part-time workers¹

Overall part-time workers	12.7 %
Part-time workers: Germany	15.4 %
Part-time workers: Netherlands	18.5 %

To improve employees' work-life balance, various forms of parttime work are available at all locations.

¹ There are also part-time employees in other locations, but Germany and the Netherlands have the largest share.

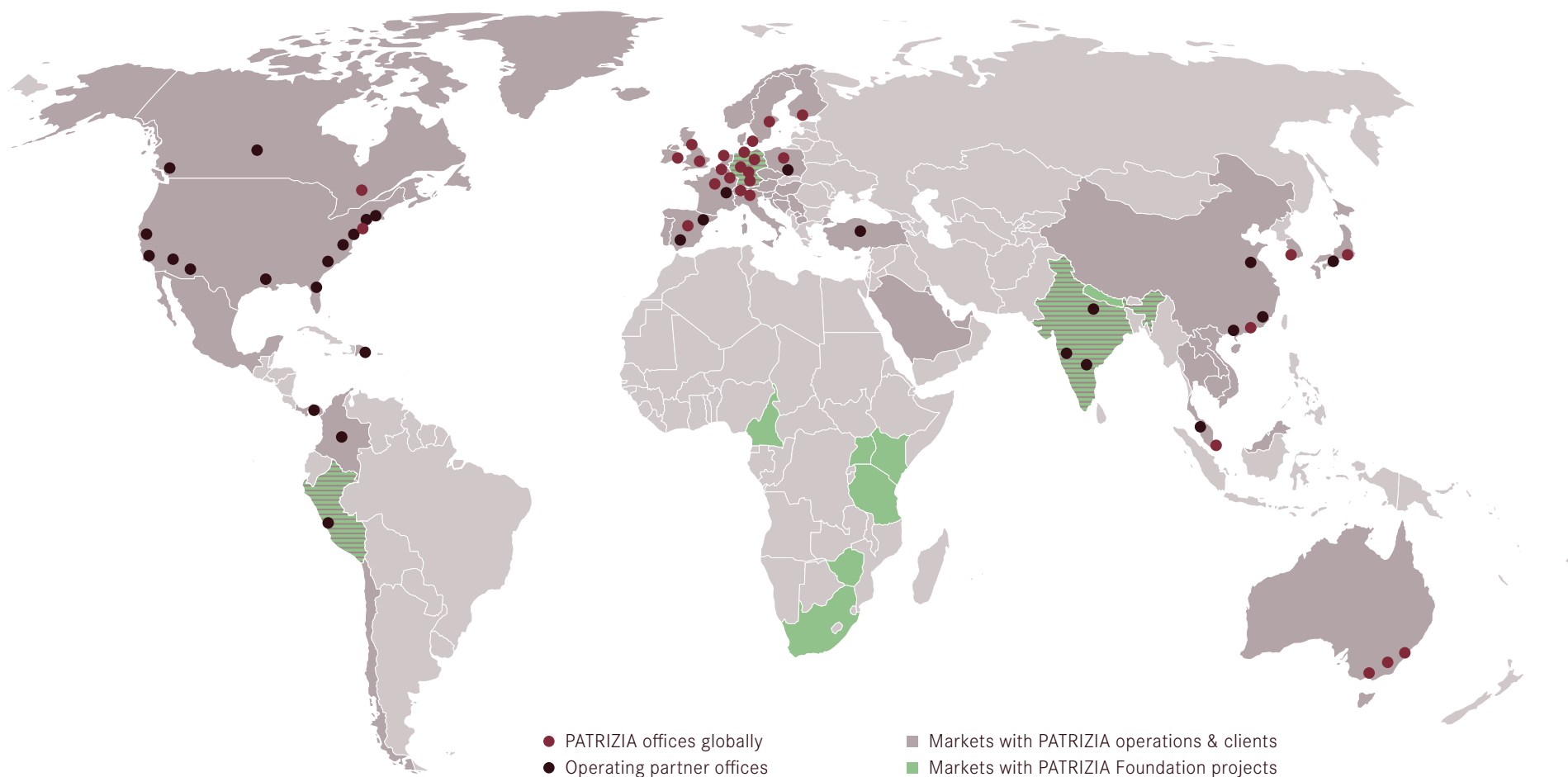
▶ Local in Europe & Connected Globally

PATRIZIA offers investment solutions with global reach an opportunity.



28

PATRIZIA offices globally to service clients & manage real assets locally

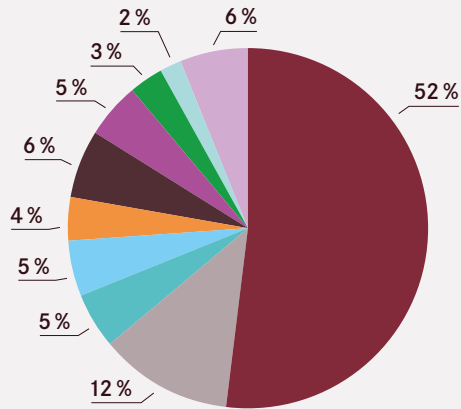


► Assets Under Management in detail



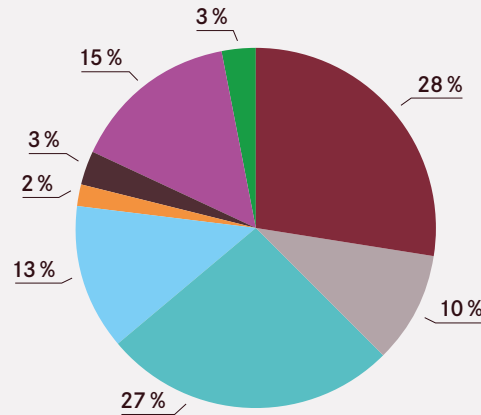
59.1 bn EUR
AUM

AUM by geography



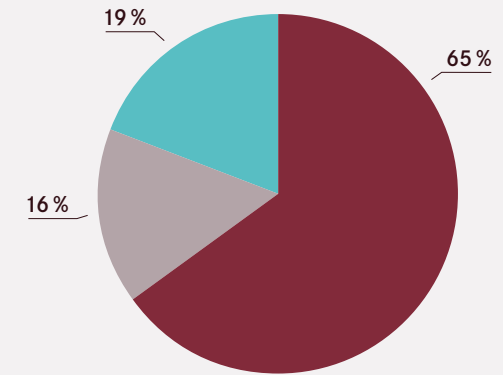
- Germany
- UK & Ireland
- Asia-Pacific
- North America
- Netherlands
- Nordics
- France & Belgium
- Spain
- Italy
- Others

AUM by sector



- Office
- Retail
- Residential
- Logistics/industrials
- Hotel
- Care homes
- Infrastructure
- Other

AUM by risk style



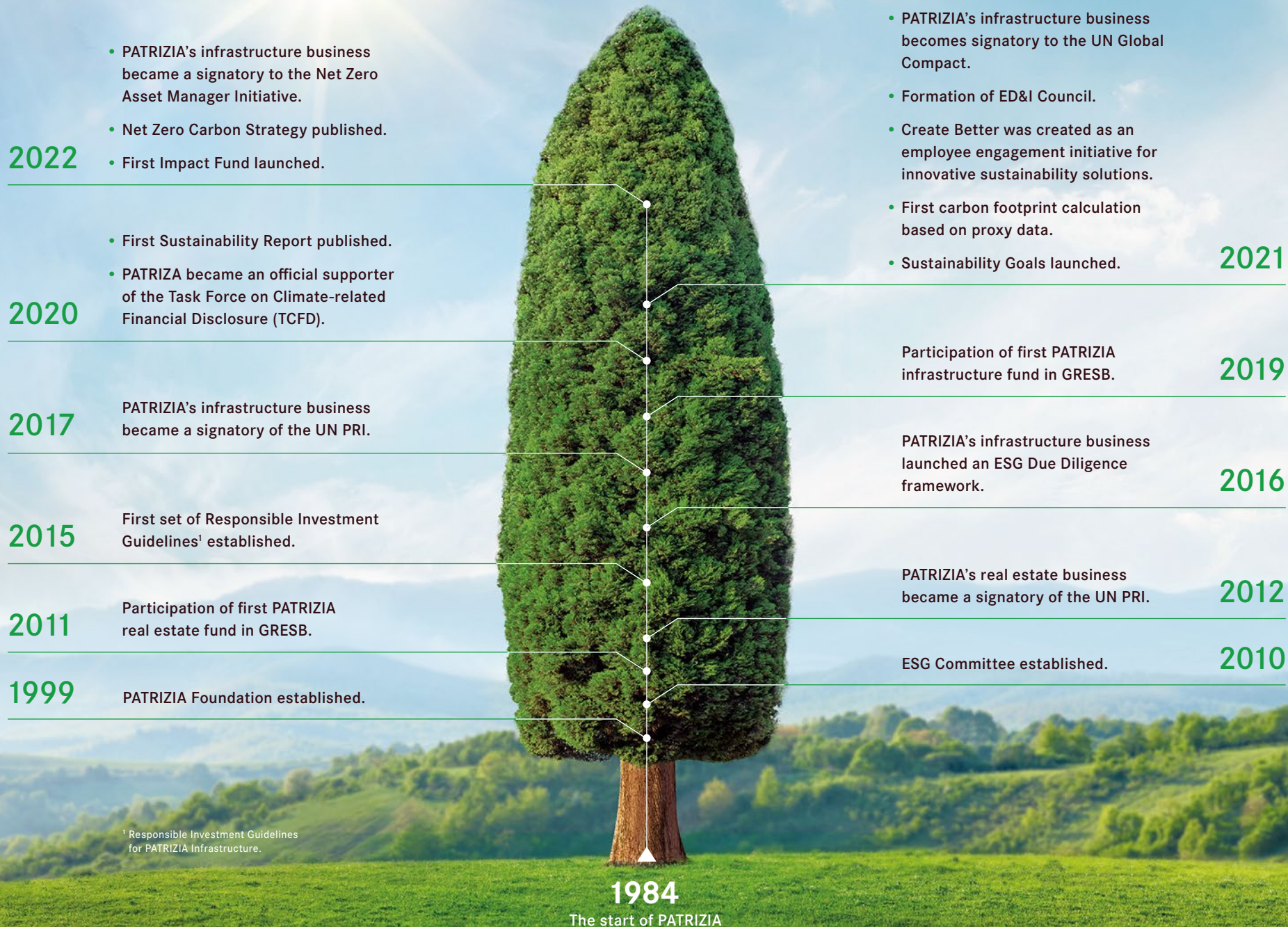
- Core
- Core+
- Value Add



2.2 ESG Timeline

Corporate responsibility, including sustainability, has been part of our company culture since our founding in 1984. This is driven by our purpose of “Building Communities & Sustainable Futures”.

► It all started in 1984 ...



¹ Responsible Investment Guidelines for PATRIZIA Infrastructure.



2.3 Progress – Overview 2022

Legislation and societal expectations are reshaping the landscape of real asset investments. PATRIZIA SE has set itself ambitious sustainability targets and has worked on initiatives throughout 2022 to make progress towards achieving these.

► In 2022, our achievements included:

ED&I

- PATRIZIA has launched four Employees Resource Groups to provide a dedicated voice for particular PATRIZIAN communities and allies.
- PATRIZIA included ED&I targets in senior leader, manager and employee goal setting.
- PATRIZIA committed to two partnerships to support underrepresented communities – 10,000 Black Interns and Moving Ahead.

Net Zero

- Developed & launched companywide Net Zero Carbon strategy with corresponding mid-term goals to support the achievement of a Net Zero Carbon status by 2040.
- Developed & launched fund-level Net Zero Carbon strategy & identified prioritised funds for implementation.
- PATRIZIA undertook assessment of asset level decarbonisation requirements across all prioritised real estate funds using Carbon Risk Real Estate Monitor (CRREM) analysis.
- PATRIZIA joined the Net Zero Asset Manager Initiative¹.

Portfolio

- PATRIZIA's infrastructure business forms a Sustainable Transformation function to drive sustainable performance improvements across our portfolio of investments.
- PATRIZIA launched its first impact investment fund which aims to provide over 10,000 individuals with affordable housing.
- PATRIZIA's Asset Management team appointed ESG Champions, representing the main jurisdiction PATRIZIA operates in, to accelerate ESG performance improvement on asset level.

Benchmarking

- 17 GRESB disclosures were submitted, scoring increase by 20% (like-for-like) across PATRIZIA's infrastructure and real estate funds.
- PATRIZIA's infrastructure business achieved a 5-star rating across all UN PRI modules.
- PATRIZIA Real Estate achieved a 4-star rating across all UN PRI modules.

Governance

- PATRIZIA established four cross-departmental working groups structure to accelerate ESG integration within respective functions.
- PATRIZIA updated and relaunched its ESG policies to reflect industry best practise, incorporate our sustainability goals, and integrate PATRIZIA's infrastructure business as well as to align with the EU Taxonomy.

¹ PATRIZIA's infrastructure business in 2022 and PATRIZIA's real estate business in February 2023.

PROGRESS





3. UN Sustainable Development Goals (SDGs)



► UN SDGs

PATRIZIA commits to actively contribute to the overall goal of the UN Sustainability Development Goals (SDGs) to create a better future for all. The SDGs are a universal set of goals, targets and indicators for global development that are very important guidelines for the PATRIZIA Sustainability Strategy and the Group's understanding what responsible practices are.

While supporting the SDGs in their entirety, PATRIZIA has identified the following SDGs as primarily relevant and closest to the Group's values and will proceed to include these in corporate and fund specific sustainability strategies. In addition, specific funds target additional SDGs in their sustainability strategies.



SDG 11 Sustainable Cities and Communities

reflects the core of real asset investment management.

We invest in cities and developments to create inclusive, safe, resilient, and sustainable communities. Having started off with ground-up development and management of residential real estate, we've focused on healthy communities since the very beginning.

When we invest or develop, we aim to fulfil this human need for community and maintain it for the long-term.



SDG 7 Affordable and Clean Energy and SDG 13 Climate Action

are fundamental to create sustainable cities and communities.

Reducing dependence of fossil fuels is as vital for the environment as it is for society. As such, SDG 7 Renewable Energy is pivotal to our purpose of Building Communities & Sustainable Futures.

In alignment with the sub-targets of SDG 7, we aim to increase the percentage of renewable energy used in our portfolio (target 7.2 Increase Global Percentage of Renewable Energy), by both purchasing green energy and by generating renewable energy on-site.



SDG 3 Good Health and SDG 4 Quality Education

are primary values of corporate social responsibility.

At PATRIZIA, we have always prioritised health and well-being for both clients and employees, as well as society at large. Our aspiration to link our business to a wider social purpose has been deeply carved into our roots for over 30 years, and health is a key part of this. Internally, we have several initiatives aimed at improving and maintaining our staff's health.

Meanwhile, our diversified portfolio includes affordable residential real estate and alternative asset classes that are directly linked to the health sector, such as care homes. Education is of primary importance at PATRIZIA. We support the career development of our employees by continuously offering internal and external education. Training is available for employees of all ages, apprentices, and trainees, and we offer entry-level opportunities for university graduates.



SDG 5 Gender Equality and SDG 10 Reduced Inequalities

Acting responsibly has always been an important part of how we do business at PATRIZIA.

To make a meaningful difference in the communities where we live and work, we have started out on a new journey to advance Equity, Diversity and Inclusion (ED&I) in our organisation, industry and more widely in society. Diversity and equality are key targets for board and management composition. PATRIZIA actively promotes equality and inclusion initiatives.



SDG 8 Decent Work and Economic Growth

PATRIZIA's real asset investments are a direct contributor and facilitator of economic activities.

The investments we have made in energy, tele-communications and transport infrastructure power economic activity, connectivity and help people and goods get to where they need to go.

We believe in decent work for all, and our investment and asset management frameworks focus on protecting labour rights and promoting a safe and secure working environment for all employees in our portfolio companies (target 8.8).

In addition, we screen all our portfolio companies periodically for modern slavery, forced labour and human trafficking risks (target 8.7).



4. Q&A with the Head of Sustainability & Impact Investing



► Q&A with Mathieu Elshout

Head of Sustainability & Impact Investing

Q1

Question 1:

PATRIZIA has achieved a lot in terms of ESG over the last two years. What were the main drivers for this?

We cannot ignore that the Earth's climate is rapidly changing and the impact it has on the world. We see the proof for this on a regular basis. Over the past years, Greece and California burnt, Pakistan and Nigeria experienced devastating floods and parts of the US and Canada witnessed scorching summer temperatures.

Real Estate alone accounts for around 40% of all global greenhouse gas emissions, the built environment sector has a pivotal role to play, both in reducing the impacts of climate change and in supporting the transition to a low carbon economy. Financial regulators around the world are increasingly considering climate change risks as relevant

to their supervisory mandate. The Task Force on Climate-Related Financial Disclosures has emerged as the leading global climate risk disclosure framework and has been mandated by regulators in the United Kingdom and New Zealand, and other jurisdictions are likely to follow in the coming years.

We also see a shift to socially and environmentally conscious investors and there has been an increase in public awareness. The global regulatory environment is also changing fast, with many countries enshrining ESG requirements in regulations.

ESG is a broad topic with a wide range of stakeholders. But when organisations value ESG priorities and execute them successfully, it can protect and enhance value both for organisations as well as the environment and society. That is why PATRIZIA continues to sharpen the focus on ESG activities. ■

Q2

Question 2:

PATRIZIA's focus has been on decarbonisation. Where do you see the focus going to extent to in the future?

While decarbonisation will remain one of the main focuses within PATRIZIA, one of our other focal points will be biodiversity. It is clear that we, as an asset industry, have a negative impact on the natural environment.

Therefore, we are going to obtain a better understanding of our dependencies and impacts on nature, look for opportunities to enhance biodiversity across our portfolio, as well as understanding how nature might impact financial performance as well as long-term financial risks that may occur from our interaction with nature. Against this background, PATRIZIA is developing a biodiversity strategy to enhance our company wide Sustainability Strategy.

The importance of biodiversity and the impact companies have on it, illustrated by the introduction of the Taskforce on Nature-related Financial Disclosure (TNFD), which is developing and delivering a risk management and disclosure framework for organisations to report and act on evolving nature-related risks. The task force will provide us with a framework to report and act on nature-related risks to support a shift in global financial flows away from nature-negative outcomes and toward nature positive outcomes.

We realise that we cannot achieve our sustainability goals in isolation. Therefore, we need to enhance collaboration with our stakeholders and intensify the dialogue with investors, tenants, service providers and surrounding communities to find solutions that create a positive social impact as well as to identify their common needs. ■



Q3

Question 3:

Looking back on the year of 2022, what were the ESG highlights for PATRIZIA?

Looking back at 2022, we have achieved a lot at PATRIZIA, and we have massively increased ESG integration as well as hugely improved the engagement of PATRIZIAns, but the main highlights in my view are the establishment of PATRIZIA's Net Zero Carbon strategy, the launch of our first impact investment fund, as well as the increased performance of our funds regarding the GRESB assessment.

In early July we launched our Net Zero Carbon Strategy at PATRIZIA which is our roadmap of how we want to fulfil our net zero carbon commitment. We have clear pathway goals which we are working towards. This means we are already decarbonising our flagship real estate funds to ensure we will have reduced our carbon intensity by 50 percent by 2030 across our operational assets. And we are actively engaging, for example through energy saving initiatives, our employees in net zero carbon initiatives to ensure that by 2030 we achieve net zero carbon status for our own business operations.

At the beginning of 2022, we launched our first impact fund. The Fund aims to create sustainable communities by providing thousands of affordable homes, including social housing, and additional social infrastructure, such as public facilities such as day care centres, healthcare facilities and libraries to underserved communities in around 25 locations

in and around major European cities. It is classified as an impact investment fund in that it provides homes for key workers who cannot afford to live close to their workplaces and for people on the social housing waiting list. In addition, the fund promotes social inclusion, boosts connectivity, and reduces the carbon footprint in the communities it invests in, while targeting attractive returns.

One of our flagship funds has received a GRESB 5 Star rating and other funds have increased their GRESB scores overall. The improvement of the GRESB results of our funds is testament to the hard work and tireless efforts especially of our colleagues in Asset Management in constantly improving ESG performance as well as our fund management colleagues in implementing clear policies and ESG strategies at fund-level. We can all be proud of this outcome which, although we have much work to do, shows that we are on the right track. ■

Q4

Question 4:

What are the main milestones which PATRIZIA are planning to achieve in 2023 to further the ESG agenda at PATRIZIA?

We have another busy year ahead of us to continue making progress against our ambitious targets. We will be undertaking a comprehensive ESG materiality assessment to further strengthen our Sustainability Strategy and to prepare for reporting under the Corporate Sustainability Reporting Directive (CSRD).

We will also derive a Net Zero Carbon Strategy for our corporate operations to support our goal of reaching a Net Zero Carbon status for our own operations by 2030. Our Asset Management team will continue to develop asset ESG action plans to increase sustainability performance.

A big focus will also be on further education of our employees with regards to ESG, as it is paramount for every PATRIZIAN to have a good understanding of ESG matters. As I mentioned before, we will also be embarking on developing our biodiversity strategy to minimise our negative impact on nature. Whereas this only reflects a few key activities for 2023, we will further progress on other aspects of our ESG agenda. ■



5. Sustainability Strategy



Have a look at the video about our Sustainability Strategy:

[▶ Link to the video or scan QR-Code.](#)





► Our Sustainability Strategy

Sustainability is about taking actions that create positive impact both today and in the future. Real assets play a pivotal role in society. Across residential, commercial, logistics, and infrastructure they serve basic human needs such as housing, workspaces, healthcare, energy, connectivity, and transportation. The impact we have as the real assets industry – both on the natural environment and the people that live within it – cannot be downplayed or ignored.

At PATRIZIA we know that behaving and investing responsibly is the right thing to do for our stakeholders, our communities, and the planet. Our purpose of Building Communities & Sustainable Futures is at the very heart of our business.

Humankind is faced with significant global challenges, such as:

- Climate change
- Social inequality
- Resource scarcity
- Business complexity & data abundance

Corporate responsibility, including ESG, has been part of our company culture since our founding in 1984. This is driven by our purpose of “Building Communities & Sustainable Futures”.

Based on this responsibility and to address the global challenges, we have set ourselves the following ambitious long-term goals for sustainability:



Become a leading sustainable investor in real assets with a consistent UN PRI five-star rating from 2025 onward.



Be an employer of choice in the Real Asset sector, where everyone feels included, represented, and valued equitably.



Become a leading global impact investor in the real assets sector with a meaningful part of our assets under management in impact investments¹ by 2035.



Achieve net zero carbon² status across our corporate operations and real asset portfolio by 2040 or earlier, with a clear ambition to execute as fast as external and our stakeholder requirements permit.

At the core of our Sustainability Strategy is ESG integration, which is essentially the incorporation of sustainability-related factors, often categorised as ESG, into material decision-making processes.

We regularly review and update internal governance policies to ensure that they reflect topical ESG issues that affect the corporate oversight of our business and funds. This commitment includes the development of key performance indicators to quantify sustainability performance and align reporting with internationally recognised standards, namely UN PRI, GRESB and INREV. Our strategy is underpinned by principles that we base on the UN Principles for Responsible Investment (UN PRI), in alignment with the UN Global Compact.

In keeping with our corporate social responsibility, we commit to fair Human Resource (HR) policies and procedures, and leading labour standards towards health, well-being, and safety policies. We aim for a diverse workforce, fair remuneration and hiring and promoting without any discrimination.

¹ As defined in the PATRIZIA Impact Investing policy, which broadly aligns to Article 9 of the EU Sustainable Finance Disclosure Regulation (2019/2088) and equivalents in other jurisdictions.

² Includes operational emissions and embodied carbon for new developments and major refurbishments, excluding the ‘sunk’ embodied carbon of the standing portfolio. Further details of the commitment, including a granular breakdown of the scope of the target, can be found in the [PATRIZIA Net Zero Carbon Strategy paper](#).



5.1 Benchmarking

Our investors entrust us with significant capital. To provide the utmost transparency around how we manage it, we give periodical reports on the performance of our investments. For us, the transparency of our sustainability performance is just as important as the transparency of the financial performance of our products. That's why we closely align with established industry standards to give direction to and monitor the overall progress of the PATRIZIA Sustainability Strategy as we strive for best-practice investor sustainability reporting.



Goal

Become a leading sustainable investor in real assets with a consistent UN PRI five-star rating from 2025 onward.



5.2 Our journey to Net Zero

The climate is changing, and the scientific consensus is clear; the cause is carbon emissions from human activity. With buildings alone accounting for 40% of all global greenhouse gas emissions, the built environment sector has a pivotal role to play, both in reducing the impacts of climate change and in supporting the transition to a low carbon economy.



Goal

Achieve net zero carbon¹ status across our corporate operations and real asset portfolio by 2040 or earlier, with a clear ambition to execute as fast as external and our stakeholder requirements permit.

¹ Includes operational emissions and embodied carbon for new developments and major refurbishments, excluding the 'sunk' embodied carbon of the standing portfolio. Further details of the commitment, including a granular breakdown of the scope of the target, can be found in the [PATRIZIA Net Zero Carbon Strategy paper](#).

► Net Zero Carbon Strategy

While the transition to a low carbon economy will undoubtedly present challenges, we believe that a proactive approach will help to protect and enhance long-term investment value. Climate change poses significant risk, but also creates new opportunities for value creation and differentiation.

PATRIZIA has defined a company-wide net zero carbon strategy that sets out steps for how we will identify and manage the transition to a low carbon economy, both for our corporate operations and Assets under Management.

Mid-Term Decarbonisation Targets

As part of this strategy, we have set ourselves the following mid-term targets:

Category	Strategic Goal & Timeframe
Energy and Carbon Intensity	Reduce energy intensity by 30% and carbon intensity ^{1,2} by 50% by 2030 across our Assets under Management, from an industry-wide baseline of 2019.
Data Coverage	Achieve 100% coverage of landlord procured energy data and establish an effective tenant engagement strategy ³ by 2025.
Renewable Energy Procurement	Procure electricity from renewable sources ⁴ for all landlord-controlled supplies by 2025 ⁵ , while encouraging occupiers to adopt renewable energy.
Asset Level Implementation	Develop a decarbonisation plan that applies the energy hierarchy, including feasibility studies for onsite renewable energy, for all assets under management ⁶ by 2025.
Decarbonisation of Heat	Remove fossil fuel heat sources ⁷ across all Assets under Management, where practically feasible ⁸ by 2030.
Development Emissions	Ensure that by 2030, all new developments ⁹ are net zero carbon.
Corporate Emissions	Achieve net zero carbon status for the group's own operations by 2030 ¹⁰ .

¹ Arising from scope 1, 2 and 3 energy consumption. | ² Subject to periodic review in line with best practice science-based target setting methodologies. | ³ With the aim of increasing tenant data coverage. | ⁴ Prioritising the use of supplies that demonstrate additionality in growing overall capacity for renewables. | ⁵ Where regional energy supply markets allow. | ⁶ Applicable to all assets but flexible in level of detail, depending on scope of landlord control and materiality of transition risk. | ⁷ Pertaining to scope 1 emissions. | ⁸ Where lease arrangements and phased maintenance and replacement programmes allow. | ⁹ Where PATRIZIA has full authority over the development process. | ¹⁰ The boundary of the commitment is defined in our Net Zero Carbon Strategy paper.

Have a look at the video about our decarbonisation and Net Zero carbon strategy:

▶ [Link to the video](#) or scan QR-Code.



We have implemented decarbonisation requirements at each step of the investment process, from acquisition to disposal. The key steps for decarbonisation for operational assets are:

- 1. Data monitoring** – to understand the baseline performance of our standing investments.
- 2. Stranding risk analysis** – Assessing the transition risk exposure for each of our assets will enable us to identify stranding risk, identify priority actions, and adopt meaningful asset-level performance targets.
- 3. Operational practices** – Operational practices will be modified to drive reduced energy demand, including the installation of Automated Meter Reading devices (AMR), implementation of energy improvement programmes and the development of an occupier engagement programme to collaborate on improvement activities.
- 4. Operational upgrades** – Technical building assessments will be undertaken to identify asset specific improvement measures and a decarbonisation plan will be developed and integrated into asset level business plans.
- 5. Renewable energy** – Remaining energy demand will be fulfilled by renewable sources.



While recognising that the work ahead of us will require significant and well-coordinated effort, our commitments build on an established sustainability framework.

Achievements to date include:

- We have derived a fund level decarbonisation strategy ready to be rolled out to our flagship funds which start adopting it in 2023. A number of our Real Estate funds and Asset Management mandates have already developed tailored net zero carbon strategies and action plans, targeting net zero carbon status for scope 1 and scope 2 emissions by or before 2030.
- PATRIZIA has undertaken a climate value at risk assessment across its real estate portfolio.
- PATRIZIA has undertaken a multi-point risk assessments for physical risks across its managed infrastructure portfolio.
- PATRIZIA have so far undertaken CRREM (Carbon Risk Real Estate Monitor) analyses for 780 assets of our real estate portfolio to assess the vulnerability of its portfolio to transition risk, based on greenhouse gas emission intensity.
- PATRIZIA's infrastructure business has assessed the stranding risks of each asset and reflects these in a detailed Climate Change Risk report per asset, including investee company mitigation strategies where required. The CO₂ footprint of each equity investment is reported annually, with decarbonisation planning on going, in line with PATRIZIA's infrastructure business' Net Zero Asset Manager Initiative (NZAM) commitments to reduce CO₂ intensity.

- Physical and transition risk analysis is conducted at the due diligence stage for all acquisitions and included in Investment Committee proposals.
- PATRIZIA's infrastructure business has signed up to the Net Zero Asset Managers Initiative¹.
- PATRIZIA has rolled-out energy audits for a variety of assets to identify energetic optimization measures to ensure compliance with climate targets and regulatory requirements.
- The Real Estate Development Matrix, which was first created in 2021, has been updated in 2022 to be aligned with reaching PATRIZIA's overarching goal of achieving a net zero carbon status by 2040 and with EU Taxonomy criteria for environmentally sustainable business activities. The matrix now uses the following categorisations for instilling sustainability requirements for refurbishments and new projects:
 - Operational Carbon
 - Embodied Carbon
 - Potable Water
 - Building Assessment
 - Compliance

All new developments and refurbishments undertaken by our Real Estate Development Team are targeting a Net Zero Carbon status by 2030, as stated in our Net Zero Carbon Strategy. All developments and refurbishments which have applied the development matrix have or are on track to achieve high levels of green building certification.

Visit also our website for further details about our Net Zero carbon strategy:

▶ Link to the website
or scan QR-Code.



¹ PATRIZIA's real estate business at the beginning of 2023 and PATRIZIA's infrastructure business in 2022.



Carbon Footprint

In 2021, we leveraged an assumption-driven model to calculate the carbon footprint of our real estate portfolio for the first time.

Based on proxy data provided by MSCI, this served as an important step in our Net Zero Carbon Strategy by providing an indicative baseline for the most significant component of our carbon footprint. The model considers the building sector and location of each asset to illustrate the likely magnitude of emissions that we must reduce in order to achieve our net zero carbon commitment.

For 2022, we have applied an updated methodology to establish our carbon footprint, based on data from CRREM, which is becoming an industry standard. For comparability, we also restate our 2021 carbon footprint by applying the same methodology and data source. This methodology is more specific, as it distinguishes between sub-sectors, (e.g., retail: high street, shopping centre, warehouse). While still indicative, this analysis provides valuable insight regarding the potential exposure of our real estate portfolio to climate change transition risk and steers prioritisation of decarbonisation efforts. The figures below show the floor area weighted average GHG intensity values per sector type, based on the sub-sector and location specific reference values for our portfolio.

From a total AUM of EUR 59.1 bn, the analysis of floor area weighted carbon intensity for 2022 covers EUR 34.9 bn, excluding infrastructure assets, the Dawonia portfolio, the Sustainable Ventures Future fund, the newly acquired Advantage portfolio as well as assets where the granularity of data was insufficient to accurately calculate the carbon intensity.

Floor Area Weighted Carbon Intensity¹ (kg CO₂ e/m²/Year)

Year	Office	Residential	Retail	Industrial
2021	52.56	29.79	50.10	19.56
2022	49.16	26.10	47.84	16.33

¹ This disclosure leverages reputable sources for proxy data, based on the location, sub-sector type and floor area of our assets. While this data provides a useful indication of our carbon intensity and associated risk, we recognise that there are inherent inaccuracies, which will be addressed over time as we replace proxy data with actual data. The scope 2 component of the carbon intensity figures disclosed is location-based, and therefore does not account for the considerable proportion of our energy that is procured from renewable sources, which we consider to be a conservative approach.

Through a concerted effort over the coming years, our goal is to progressively replace the assumption-based data with actual consumption data to refine the accuracy of our analysis and chart our progress accurately over time.

As we continue to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we intend to further develop our understanding of the financial value attributed to our net zero carbon approach, and report in line with best practice recommendations. This will enable us to build climate related impacts into our financial modelling to make the best long term expenditure decisions for protecting and creating value.

TCFD

At PATRIZIA we believe it is our fiduciary duty to review the climate resilience of investments and contribute towards financing the transition to a low-carbon economy.

Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we assess the transition risks and physical risks of climate change that, due to the long-term nature of the real asset industry, are inherent to our investment decisions.

Not only is TCFD a reporting framework, but it also serves as a guideline for instilling a sound approach for the integration of climate-related risks into investment processes, which we consider to be complimentary to PATRIZIA's overarching Sustainability Strategy. We strive to continuously enhance our reporting and business practices to drive best practices.

PATRIZIA has been a supporter of TCFD since March 2020 and the latest TCFD report is integrated in our annual report, which is available on the PATRIZIA website:

▶ **Link to our website with the annual report** or scan QR-Code.



Supporter of:



► Case Studies



FIVE | Prague | Czech Republic

The sustainable landmark asset FIVE in Prague was developed in 2017 and connects preserved historic elements with new architecture.

The former tram depot was converted into a sustainable office building. It received an award for the best office development and green building of 2017 in the Central and Eastern European Real Estate Quality Awards (CEEQA) competition. The building has highest ESG standards such as LED lighting, occupancy sensors, daylight sensors, and has a LEED Platinum certification.

Furthermore, the building uses the app Sharry, which tenants can use to search for available parking spaces, book the roof terrace or meeting points within the building. An energy audit has been carried out in 2022 to further promote the sustainability efforts of this building.

Project Viridis | Brussels | Belgium

The project is located in Schaerbeek, one of the most densely populated municipalities in Brussels.

The property, with its modern architecture, is comprised of 5 separate buildings centred around an internal green courtyard with a shared underground parking. It comprises of 115 residential units, 142 parking places, some retail and office space area and a children's day-care centre.

The project was acquired by PATRIZIA during construction phase. Several efficiency measures are currently being implemented to improve the future carbon footprint of the project:

- Replacement of all individual gas-heating boilers by heat-pumps;
- Installation of solar panels on the roofs;
- Installation of electric car charging stations in the underground parking;
- Installation of smart meters to monitor the water and electricity consumption;
- Collection of rainwater for the maintenance of the green courtyard.

There will be easy access to public transportation in the direct vicinity of the project (e.g., metro, tram, and bus lines) and the internal green courtyard will be pedestrian only. There will be green rooftops on all 5 buildings, and a green courtyard, accessible by the public and the people living and working on site.





Verulam Point | St Albans | UK

A phased refurbishment project for an office building constructed in the early 1990s, with an EPC rating of D, as tenant leases come to expiry over a two-year period.

The first two floors were refurbished in 2022, replacing all existing machinery and equipment with sustainable upgrades, including the installation of LED lighting and a new VRF heating, ventilation, and air conditioning system.

The refurbished space has an EPC rating of A and both floors have been let to strong tenants at record high rental levels for the local market. The remaining office space will be refurbished in 2023 alongside a new reception, tenant break-out space, five new showers, a locker room, secure bicycle storage, and six EV charging points.

The Louise | Brussels | Belgium

PATRIZIA is in the middle of redeveloping the iconic 1960s Brussels landmark, The Louise, into a state-of-the-art modern office space, which will be finished by the end of 2023.

The new office tower will be a net carbon-neutral building. Retaining the majority of the superstructure will allow CO₂ savings of around 8,500 tons, which equates to a 50% CO₂ saving compared to the average for new office buildings of the same size.

Stripped out materials are sent for recycling rather than to landfill, saving a further 1,500 tonnes of carbon emissions. Sustainable and non-porous materials will feature throughout the interior design.

Rainwater will be collected from all roofs and terraces, and the building will include an integrated water recycling system. Furthermore, indigenous flora species and insect hotels will create biodiversity zones, adding greenery and life to the work environment.





Mortons Lane Wind Farm | Victoria | Australia

The Mortons Lane wind farm consists of 13 x 1.5 MW Goldwind GW82 wind turbines and is connected to Powercor’s distribution network.

The asset generates ca. 64 GWh of clean electricity, which is enough to power more than 12,700 households in Victoria and reduce up to 68,000 tonnes of carbon dioxide emissions annually.

Given the nature of operations, we consider the wind farm to be a climate positive asset, generating utility scale clean energy for consumption. Opportunities to improve operational efficiencies, which allow the wind farm to better generate clean energy, are under constant review. One such opportunity may be investigating the construction of a battery on site, which would also be expected to provide financial benefits, as well as using latest technologies if a repowering were to occur, such as thermoplastic resin turbine blades, abating potential landfill items.

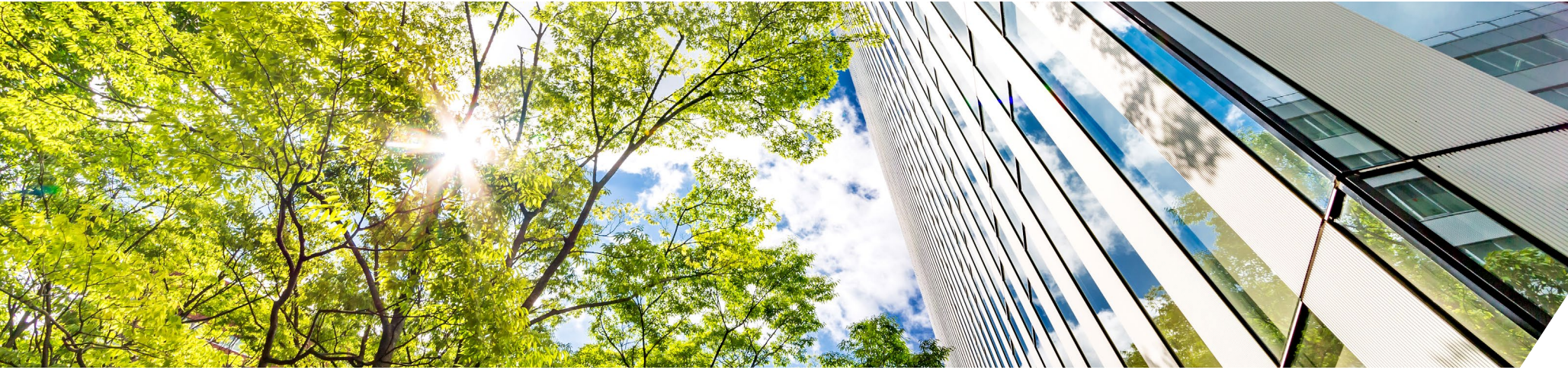
Connexin

Connexin is an innovative and disruptive technology company specialising in building and operating award-winning Smart City Infrastructure to support the Internet of Things (IoT). Connexin’s business covers fixed wireless access, internet of things and fibre.

Connexin’s IoT solutions have a direct impact on the conservation of the environment, with services that allow cities to manage their resources more efficiently, examples include:

- Utility smart meters: Tackling water and electricity leakages and encouraging reduction in consumption by the public.
- Smart Streetlighting: Cities energy consumption can be reduced by circa 60% through the retrofit of traditional lights into LED. In addition to the dimming capabilities and remote control the cities reduce consumption by a further ~20%.
- Smart Waste management: Enables local authorities to optimise the waste collection routes, reducing the amount of kilometres covered which leads to lower petrol usage and a reduction in CO₂ emissions (circa 60-70% reduction).
- Air quality control: Proactive monitoring of air quality to improve wellbeing of citizens.





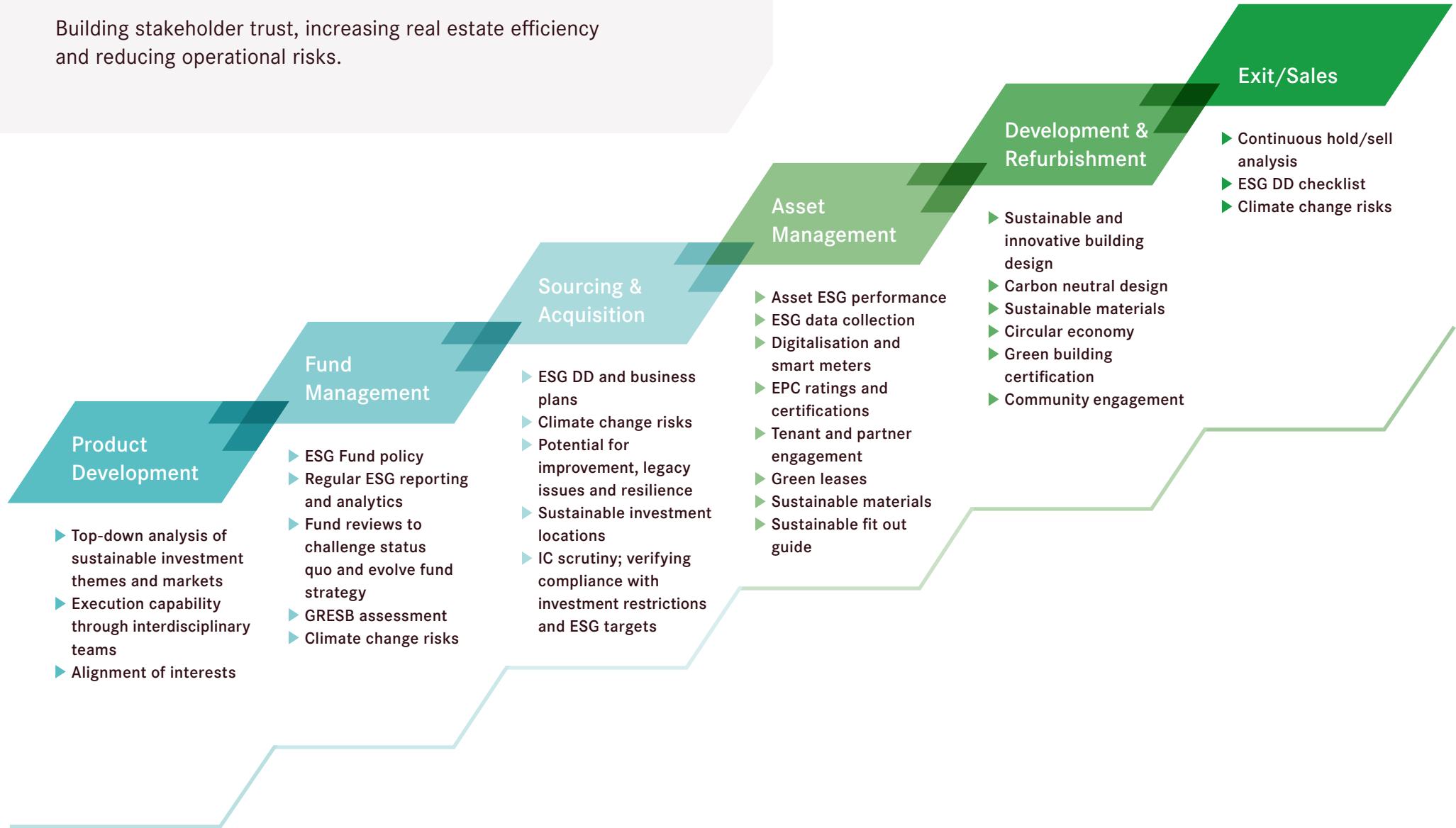
5.3 How we incorporate ESG in our Investment Process

Sustainable investment means promoting and safeguarding the environmental, social, and economic interest of our stakeholders, including clients, tenants, employees, and the communities in which we operate. The PATRIZIA ESG Committee has therefore instituted a systematic approach for ensuring just that. Responsible Investment Guidelines have been formulated and are considered throughout the investment process, from acquisition to disposal.

PATRIZIA has also developed a fund policy matrix, which sets out a 5-tier scale stipulating requirements to incorporate ESG within each fund's strategy. PATRIZIA's Real Estate Development team has created a development matrix, which considers ESG criteria for the development and refurbishment of assets. PATRIZIA continually strengthens its approach to ESG integration through consideration at each stage in the investment process, which influences both product design and engagement with business partners.

▶ ESG is firmly embedded in our Investment Process

Building stakeholder trust, increasing real estate efficiency and reducing operational risks.





5.4 Governance

Sustainability is most successful when implemented at both corporate level and investment level. Sustainable investment management requires that ESG responsibilities are integrated across all business functions and are part of the day-to-day operations of the Group. Therefore, PATRIZIA engages with internal and external specialists with ESG knowledge globally, across the entire scope of operations: fund and asset management, real estate development, transactions, and client services.



► Our ESG Governance Structure

Sustainability is a responsibility of the Executive Directors and the ESG Committee is chaired by PATRIZIA's Co-CEO Thomas Wels. The activities are therefore directly reported to the Executive Committee and via the Co-CEO to the Board of Directors. The ESG Committee is responsible for the ongoing development and the process of implementation of the ESG strategy for PATRIZIA Group.



Thomas Wels
Co-CEO & Chair of
ESG Committee

The Head of Sustainability and Impact Investing is responsible for the implementation of the Sustainability Strategy, driving the ESG integration and performance, while also growing the share of assets under management in impact investments. He also ensures proper coordination of ESG initiatives across the business functions.

To ensure strong alignment between sustainability implementation at the strategic Group level and the operational investment level, the ESG Committee includes leaders from Asset and Fund Management, Real Estate Development, Infrastructure, Transactions, Capital Markets, and corporate functions such as Human Resources, Asset Operations and Legal & Compliance.

The ESG Committee delegates operative tasks to dedicated ESG working groups made up of cross-departmental teams within the organisation in order to fulfil specific sustainability initiatives. A number of ESG Committee members are also members of the Investment Committee, which enables them to take their knowledge and expertise on ESG matters, such as climate risks into account when making investment decisions.



Mathieu Elshout
Head of Sustainability
& Impact Investing

Post-acquisition, PATRIZIA's infrastructure business merged most responsible investing policies and screens into the pre-existing PATRIZIA policies and has aligned to the four PATRIZIA corporate sustainability targets. Ownership and responsibility for execution of the PATRIZIA Infrastructure sustainability and Responsible Investing Framework is held by the PATRIZIA Infrastructure Management Committee which convenes as the PATRIZIA Infrastructure Sustainability Council at least twice a year, chaired by the CEO Infrastructure. The Head of Sustainable Transformations within PATRIZIA's infrastructure business sits on the PATRIZIA ESG Committee and chairs the related Working Group.

At PATRIZIA, sustainability is incorporated into day-to-day business activities across all functions. In addition to the roles and responsibilities described above, this is driven by a further six dedicated sustainability professionals, including three within a central sustainability team and others within Asset Management and infrastructure.

We have updated our suit of ESG policies to better reflect industry standards, incorporate our sustainability goals, and integrate PATRIZIA's infrastructure business as well as to align with the EU Taxonomy Regulation.



5.5 Our People

At PATRIZIA, we know that the power to create a better future starts with our employees. Our ambition to be a true global partner for real assets around the world is underpinned by our values of optimism, courage, ingenuity, and tenacity. As we grow our international footprint, we remain committed to being a diverse and inclusive company for all. Nurturing and maintaining our culture of trust, collaboration, and mutual respect will always be the key to our present and future success.



Goal

Be an employer of choice in the Real Asset sector, where everyone feels included, represented, and valued equitably.



► People Development

PATRIZIA’s conversion from a German stock company (AG) to an international Societas Europaea (SE) is not only a change of our legal entity; it comes with some important changes to position our company for stronger, scalable, and sustainable growth. This growth ambition is fully supported by the measures we put in place for our employees to thrive in New Work. These are not limited to, but include:



Rise

At PATRIZIA, we understand that taking on people management responsibilities requires a new set of skills.

Whether you are becoming a first-time people manager or whether you have recently started as a manager at PATRIZIA, we now have an 8-weeks programme which supports People Managers during this transition.

PATRIZIA Academy

As technological skills rise in demand, so do the human skills: emotional and cultural intelligence, ability to collaborate, inclusive leadership.

And if these skills are going to be high in demand over the years to come, our greatest return on effort is centred squarely on how proactively we help our teams learn and develop the full range of critical skills for the future. In 2022, we have further developed the PATRIZIA Academy to now include dedicated tracks on well-being and equity, diversity and inclusion. All PATRIZIANs now have access to training that strengthens their digital IQ and real asset expertise as well as their mental resilience and unconscious bias awareness. To make an impact, each of these courses considers how we adapt to hybrid ways of working at PATRIZIA.

“ Covid 19 has changed the way we work in such a drastically manner and in a radically speed that we weren’t really able to adapt to the new way of working. The PATRIZIA Academy training “Workload management in a hybrid work setting” helped me to implement tools to protect my time and productivity from any disruption and to tackle any self-management challenges.”

Yonatan Afoworki – Fund Management

Horizons Early Career Talent Programme

We launched Horizons in 2021, a two-track programme (“Step In” and “Step Up”) designed to offer an inclusive approach to developing talent whether you’re a new joiner, or an existing PATRIZIAN.

Step In focuses on supporting new talent stepping into PATRIZIA and Step Up focuses on developing existing PATRIZIANs stepping their game up. In 2021 six Step In Analysts joined the company on a rotational basis where they spend six months at a time in a team. By the end of the 2-year programme they will have all worked in Asset Management, Transactions and Fund Management, plus one additional function.

In early 2022, 14 existing Analysts joined the programme for 12 months, during which they rotate every three months and shadowing experienced employees in different parts of the business.

Both Step In and Step Up Analysts participated in a structured development program, received 1:1 and group coaching, been invited to project and time management training and to various career spotlight sessions. In 2022, another 6 Step In Analysts joined PATRIZIA, meaning that now in total we have 12 Step In Analysts in the company (5 in Germany, 7 in the UK).



Futures Emerging Leaders Talent Programme

With our PATRIZIA Futures Programme, which we launched in 2021, we're investing more than ever in our emerging talent through a unique development accelerator of applied innovation, leadership, and change.

This annual program for 30 of our future leaders blends individualised coaching with group workshops, networking, and innovation sprints. Since the launch 60 existing and future leaders have participated in the 6-month programme.

The 2021 cohort was fully online due to travel restrictions imposed by Covid-19, while the 2022 cohort was delivered in a hybrid manner. The delegates worked on real life business opportunities identified by Senior Leaders.

At the end of the programme the delegates presented their recommendations to the senior sponsors, giving them unique opportunities to raise visibility and build relationship with Senior Leaders. Some of these ideas formed the starting point for companywide initiatives that since have been implemented in the wider organisation.

Mental Health

At PATRIZIA, we realise how important the mental health of our employees is. Looking after our own health and happiness is the foundation of sustainable performance, making Work Well the most fundamental pillar of New Work.

To anchor Work Well in everything we do, a working group has been established, with employees across PATRIZIA who are passionate about wellbeing. The Work Well Champions are here to keep us honest and be the voice of PATRIZIANS when we shape what "Work Well" looks like in practice.

In 2022, we held a Mental Health awareness speaker series, for PATRIZIANS to learn more about how nutrition, emotional resilience and human connection are core pillars when building and supporting their mental wellbeing. We purchased 50 licenses to popular meditation app, Headspace, to help employees learn helpful techniques in support of their emotional and mental wellbeing.

In 2023 we are planning to train dedicated Mental Health First Aiders in Germany and UK. These individuals will learn about how to spot early signs of declining mental health and how they may support their colleagues in a mental health crisis.

NEW WORK

Work Free

Autonomy | Ambition | Impact

It's about WHY we work

With a new sense of empowerment enabled by self-determination, personal autonomy and shared trust.

Work Smart

Spaces | Choices | Collaboration

It's about HOW we work

With new physical and virtual workspace designed to enable different tasks and inspire different thinking.

Work Flexible

Flexibility | Mobility | Balance

It's about WHEN and WHERE we work

With new options and tools to create your perfect mix of home, office and mobile working.

Work Well

Health | Happiness | Sustainability

It's about WHAT works for you

With a bold new ethos that puts your physical and mental wellbeing at the heart of PATRIZIA life.



► Supporting Charitable Work

Building Communities & Sustainable Futures is part of PATRIZIA's DNA. In 1999, Wolfgang Egger established the PATRIZIA Foundation. Its mission is to improve the prospect of children across the globe, by collaborating with local communities to ensure access to education, better quality healthcare, and security for vulnerable youngsters/ children.

Up to 1% of PATRIZIA's EBITDA is used to cover the Foundation's administration costs, enabling 100% of donations to go to the Foundation projects. The Foundation forms an overall important part of our corporate culture; employees are encouraged to play it forward by volunteering for the Foundation or another charity that is close to their hearts.



The Bavarian Peaks Challenge

In 2022, 50 participants of the PATRIZIA Bavarian Peaks Challenge finished their two-day, 30 km mountain trek in the Bavarian Alps.

But not only the hike was a challenge: they collected EUR 135,000 for the PATRIZIA Primary School in Songea in southern Tanzania in a period of two months. With this great result, the school can be financed and further urgently needed renovation work can be started.

“Wonderful to connect with my colleagues in a new way in the beautiful Bavarian mountains.”

Teresa Kotlicka – Human Resources

“When this war broke out, it was clear to me that #patriziaride 2022 must raise money to alleviate the suffering of the Ukrainian people. Especially the children need our support now.”

Jan Kuhn – Fund Management

Cycle for Ukraine

This event was initiated and organized by two PATRIZIA volunteers.

235 volunteers participated in a visualized bike ride of 54,000 km around the whole of continental Europe to show PATRIZIA's solidarity with the children and young adults affected by the Ukraine war. They raised EUR 6,800 and 100% of the proceeds went directly to the PATRIZIA Foundation and the EduCare Europe Fund. With this fund the Foundation creates Child-Friendly Spaces across Europe to support traumatized children with psychological aid allowing them to return to everyday school life.



► Equity, Diversity & Inclusion (ED&i)

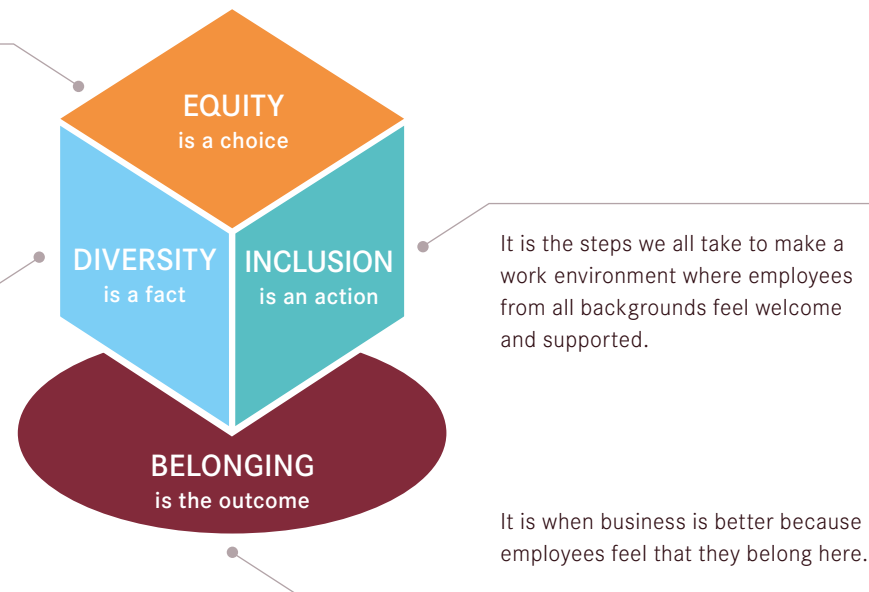
Acting responsibly has always been an important part of how we do business at PATRIZIA. To make a meaningful difference in the communities where we live and work, we have started out on a new journey to advance ED&i in our organisation, industry and more widely in society by appointing an ED&i Council. We believe everyone has a story worth telling, and there is always more we can do to listen to, learn from and celebrate each of them.

Three dimensions of ED&i to drive belonging

Arthur Chan¹ is famously known to share that “Equity is a choice. Diversity is a fact. Inclusion is an action. Belonging is the outcome.” We agree and here is how each differ:

It is our practice of ensuring that processes and policies are impartial, fair, and provide equal access to opportunities for everyone.

It is the valued presence of people with visible and invisible differences in our community, which can stretch across dimensions such as gender, age, nationality, ethnicity, or sexual orientation amongst others.



It is the steps we all take to make a work environment where employees from all backgrounds feel welcome and supported.

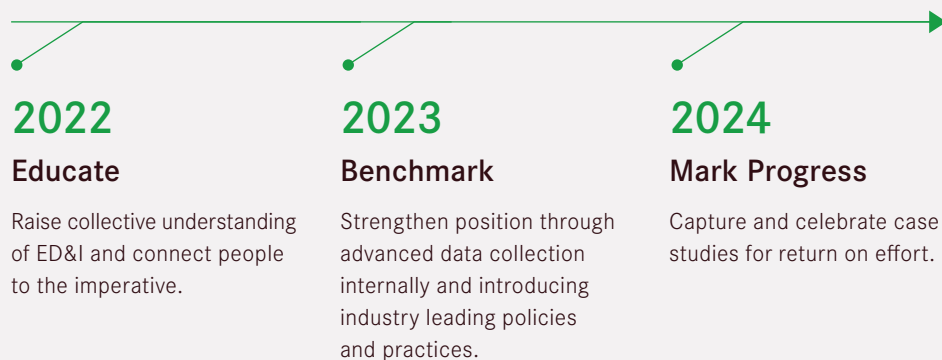
It is when business is better because employees feel that they belong here.

¹ Arthur Chan is an equity, diversity, and inclusion strategist with a background in clinical psychology and demonstrated experience in developing, operationalizing, and evaluating ED&i initiatives, policies, and programmes.

PATRIZIA's ED&I Strategy

To be an employer of choice in the Real Asset sector, we must proactively step-change PATRIZIA's ED&I Strategy.

For the first three years we committed ourselves to achieving the following strategic milestones:



PATRIZIA's ED&I Council

Since forming in September 2021, PATRIZIA's ED&I Council is working on continuously improving our ED&I approach and practices.

The work of the ED&I council focuses on the following areas:

Strategy & Policy	to review and upgrade our commitments and policies.
Recruitment & Selection	to ensure equitable diversity in hiring.
Retention & Development	to cultivate an inclusive community including equitable development.
Skills & Confidence	to raise awareness and build skills for ED&I.
Internal & External Partnerships	to support our internal employees resource groups and external non-profits.

Progress to date

We have made significant progress in 2022, we:

- Included ED&I goals in employees goal setting
- Launched 4 Employees Resource Groups (ERGs)
- Introduced a dedicated ED&I curriculum in PATRIZIA Academy
- Committed to the following partnerships to support underrepresented communities:



#10000 Black Interns

We are proud to be supporting the #10000 Black Interns program in the UK. The initiative has been started to transform the horizons and prospects of young black people in the United Kingdom by offering paid work experience across a wide range of industries, as well as world-class training and development.

For the next five years the program will offer 2000 internships a year to black students and recent graduates across 24 sectors including investment management. PATRIZIA's infrastructure business have proudly supported two interns in recent years, and we continue the partnership with additional placements in 2022/2023.



MOVING AHEAD

Moving Ahead

Moving Ahead's mission is to create inclusive workplaces where individuals and organisations can be the best they can be.

We formed this partnership in order to help develop PATRIZIA's female talent as well as help female talent across industries. Twenty PATRIZIANS will serve as either mentors or mentees in the 2022/2023 programme.

Deeper Look at our ERGs



PATRIZIA Advance

Strengthening the position and career growth opportunities to advance Women at PATRIZIA.



PATRIZIA NextGen

Winning, growing and engaging emerging talent globally.



Pride Alliance

Connecting LGBTQ+ PATRIZIAns and allies to create a working environment where everyone can be their true selves.



Working Parents & Carers

Creating a supportive and inclusive working environment for all current and future working parents and carers.

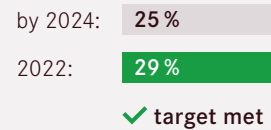


Targets for Diversity

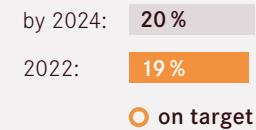
PATRIZIA's ED&I Strategy includes targets for Diversity which we measure progress against annually.

PATRIZIA has set a target of 25% for the share of women in its Board of Directors and a respective target of 25% for the Executive Directors, both to be achieved by 2024. PATRIZIA aims to increase the share of women in the first management level below the Executive Directors to 20% and for the second management level to 30% by 2024.

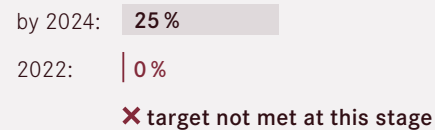
Board of Directors



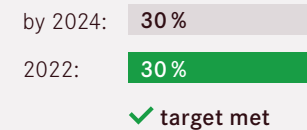
Level I below Executive Directors



Executive Directors



Level II below Executive Directors





6. PATRIZIA Foundation





► PATRIZIA Foundation

PATRIZIA's social responsibility is particularly evident in the company's attitude that part of its success must be shared with those who are in desperate need. A proof of impact of this responsibility is the support of the PATRIZIA Foundation. Wolfgang Egger established the PATRIZIA Foundation 23 years ago, to give children and young people around the world the chance for a better future through access to education.

Education is a human right. The belief that education is the key to a better life and the basis of long-term human development has shaped the corporate culture of PATRIZIA for over two decades, and today we support the Foundation both financially, and through employee volunteering.



Building better futures.

By targeting children and building educational infrastructures (including educational facilities, care facilities and health facilities) where they are urgently needed, the Foundation aims to enable the growth of independent and self-sufficient communities and break the vicious cycle of poverty.

Its aim is to strengthen individual identification, self-confidence, and a sense of responsibility locally. The PATRIZIA Foundation works with local partners to plan each project responsibly and commits to the project of every facility for a minimum of 25 years.

Since 1999, the Foundation has helped more than 250,000 children and young people via the 19 PATRIZIA KinderHaus facilities (three new ones are currently under construction). Thanks to PATRIZIA, which bears the Foundation's administrative costs, 100 percent of the donations flow directly towards the projects.

All of PATRIZIA's employees are encouraged to use up to one percent of their working hours for charitable purposes and support the work of the PATRIZIA Foundation.

2022 has yet again shown our employees' commitment to this endeavour, with various running, cycling and hiking challenges both initiated and loved by our workers.

In 2022 PATRIZIAns took part in:

- The Bavarian Peaks Challenge raised EUR 135,000 for the PATRIZIA Primary School in Songea in southern Tanzania.
- The Cycling Challenge "Cycle for Ukraine - Together for Solidarity" 235 participants got on their bikes in June and collected over EUR 6,800 for the EduCare Europe Fund.



EduCare Europe Fund

With the launch of the EduCare Europe Fund in 2022, the PATRIZIA Foundation reacted in a very short time after the outbreak of the war in Ukraine to acute occurring issues such as homelessness, displacement, traumatising, and the complete loss of any educational opportunities for children and young people.

The aim of the EduCare Europe Fund is to support children from Ukraine – through Education & Care. The fund finances trained emergency educators. They help traumatised children and ease their way back into everyday school life. PATRIZIA has been awarded with the Deutsche BeteiligungsPreis, which has been awarded annually by BeteiligungsReport and it honours special entrepreneurial achievements and sustainable investments, for its engagement in the PATRIZIA Foundation's EduCare Europe Fund.



A comprehensive package of relief activities and a targeted volunteering programme support this initiative at various European locations, including Warsaw and Augsburg. The Ukrainian Saturday School which works in cooperation with the local organisations “Ukrainischer Verein Augsburg e.V.” is one part of this initiative. The school offers children and young people a platform and opportunity to stay culturally connected.

In Ożarów Mazowiecki, about 30 km south of Warsaw, the Foundation opened the “Future for Ukraine Centre”. The facility offers 96 Ukrainian children and their mothers or accompanying persons safe accommodation, food and educational and psychological help to cope with their situation. Specially trained staff help the children to process and overcome trauma in order to be able to participate in educational opportunities again as quickly as possible. In cooperation with the United Nations High Commissioner for Refugees (UNHCR), the centre also provides additional extracurricular educational opportunities as well as PCs for the media room.



In December 2022, the Foundation organised a benefit concert with the Regensburger Domspatzen boys' choir in Augsburg's St. Anna Church. All proceeds (EUR 35.000) from the evening and additional donations and sponsorships will go 100% to the EduCare Europe Fund activities in Augsburg. It will be used to continue the support for the local organisations “Ukrainischer Verein e.V.” and “Deutsch-Ukrainischer Dialog”. Low-threshold, integrative offers in the form of courses, school support, cultural as well as leisure activities and emergency educational intervention are at the centre of all activities.

“The most important things are children and their future. We at PATRIZIA build sustainable communities and as part of that we have high responsibility in making that children have bright futures. We need to support the Foundation more because what they are doing is very important and it is fundamental for supporting the children's future.”

Amparo Zarca – Marketing



7. Outlook 2023

► Sustainability Outlook for 2023

2022 was another challenging year, with climate change remaining a priority of the sustainability agenda. PATRIZIA expects 2023 to be another year of accelerating change for sustainability. In order to achieve our ambitious sustainability goals, we will have again another busy year ahead of us. Key initiatives to be pursued include:



- Derive a Net Zero Carbon Strategy for our corporate operations to support our goal of reaching a Net Zero Carbon status for our own operations by 2030.
- Update our ESG materiality assessment to further strengthen our Sustainability Strategy.
- Develop a tenant/community engagement strategy.
- Develop decarbonisation plans for selected assets.
- Develop a road map to increase alignment with EU Taxonomy.
- Develop action plans to increase asset level sustainability performance.
- Enhance data management and processing capabilities to meet regulatory demands.
- Prepare reporting for the Corporate Sustainability Reporting Directive (CSRD).

2023

Contact



Mathieu Elshout
Head of Sustainability
& Impact Investing
sustainability@patrizia.ag
London | United Kingdom



Julia Groenewold
Associate | Sustainability
sustainability@patrizia.ag
London | United Kingdom

Disclaimer

The information contained herein is directed only at professional clients and intended solely for use by the recipient. No part of this document or the information herein may be distributed, copied, or reproduced in any manner, in whole or in part, without our prior written consent. This document is for information and illustrative purposes only. It does not constitute advice, a recommendation, or a solicitation of an offer to buy or sell shares or other interests, financial instruments, or the underlying assets, nor does this document contain any commitment by PATRIZIA SE or any of its affiliates. Whilst prepared to the best of our knowledge, the information contained in this document does not purport to be comprehensive. PATRIZIA SE and its affiliates provide no warranty or guarantee in relation to the information provided herein and accept no liability for any loss or damage of any kind whatsoever relating to this material. The information herein is subject to change without notice.

31 of December 2022 | PATRIZIA SE