Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant: ECE Real Estate Partners S.à r.l., LEI: 984500D2HC0D4JF02B49

1. Summary

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR) requires that financial market participants that consider principal adverse impacts on their investment decisions on sustainability factors publish a periodic statement on due diligence policies with respect to those impacts, taking due account of their size, the nature and scale of their activities and types of financial products they make available.

ECE Real Estate Partners S.à r.l. (LEI: 984500D2HC0D4JF02B49) considers Principal Adverse Impacts (PAIs) of its real estate assets investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of ECE Real Estate Partners S.à r.l. (ECE REP).

This PAI statement outlines how sustainability factors are central to the investment decisions taken by ECE REP. PAI on sustainability factors are the negative impacts, whether they are negative, material, or likely to be material, caused by a company or an asset on the environment and/or society, resulting from or directly related to investment decisions and advice provided by the legal entity.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2025. ECE REP measures the environmental impact of its assets under management and this statement describes ECE REP's methods and rationale behind the disclosed figures. The statement also summarizes the significant actions taken in the reference period to mitigate these impacts and/or outlines the plans for the upcoming periods.

ECE REP manages funds where the investment focus primarily lies on shopping centers complemented by other real estate asset classes (together "real estate assets"). ECE REP follows a holistic sustainability approach wherein Sustainability and Responsibility are key focus areas, being an integral part of ECE REP's corporate strategy. ECE REP considers several sustainability indicators during the acquisition and operational process which are over and above the PAI indicators. ECE REP considers the following mandatory indicators for investments in real estate assets in its investment strategy according to Commission Delegated Regulation (EU) 2022/1288 Table 1 of Annex I:

- Fossil fuels: Exposure to fossil fuels through real estate assets
- Energy efficiency: Exposure to energy-inefficient real estate assets

Additionally, ECE REP considers three additional climate and other environment-related indicators for investments in real estate assets according to Commission Delegated Regulation (EU) 2022/1288 Table 2 of Annex I:

- Greenhouse gas emissions: GHG emissions
- Energy consumption: Energy consumption intensity
- Waste: Waste production in operations

ECE REP has utilized this reference period for quantitative disclosure by focusing on activities related to PAI, including data gathering, investment analysis, and strategy development. ECE REP is committed to enhance its ESG integration approach and would consider incorporating additional indicators in future disclosures, subject to the indicator being material to ECE REP's investment activities and availability of robust data.

In cases relevant for ECE REP's investment efforts, the following information outlines the metrics, impacts, explanations as well as actions taken, and actions planned, and targets set for the next reference period concerning adverse impacts. Overall, the reporting covers all assets owned by ECE REP's real estate funds throughout the whole reporting period 2025. Assets acquired during the reporting year or under major refurbishment at the time of reporting, are not included in this report. These assets will be subject to the reporting in the following periods, once the refurbishment is completed.

2. Description of the principal adverse impacts of investment decisions on sustainability factors

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.15%	0.15%	This indicator is used to determine the number of the real estate assets that are directly associated with extraction, storage, transport, or manufacture of fossil fuels. As per our assessment, ECE REP has a few shopping centers within the portfolio which house gas station operator as tenant(s). However, the total rental income gained from gas station operators corresponds to less than 1% of the total rental income from the real estate assets portfolio managed by ECE REP. ECE REP has all the available data to evaluate the share of the shopping centers regarding fossil fuels for all assets in the portfolio. Therefore, the data coverage for the underlying indicator is 100%. The displayed data coverage is calculated based on the assets market value and the respective ownership structure. Exclusions: ECE REP has not considered real estate assets that use heating oil or gas tanks to power their heating system.	ECE REP does not exclude investments in real estate assets with exposure to fossil fuels as petrol stations are often part of the investment class shopping centers. However, the possible exposure of the real estate assets is part of the due diligence during the acquisition phase. If this PAI is applicable for a fund managed by ECE REP, the exposure of the portfolio will be kept to a minimum. Furthermore, ECE REP takes action to reduce the negative impact of storing fossil fuels by promoting alternative mobility concepts and infrastructure such as electric charging stations, bike repair stations etc.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	64.11%	64.03%	ECE REP uses this indicator to determine the share of inefficient real estate assets in the portfolio. The calculation is based on the formula according to Commission Delegated Regulation (EU) 2022/1288 formula (5) of Annex I where the market value of real estate assets with an EPC rating of C or below and/or for real estate assets built after 31/12/2020 with Primary Energy Demand below NZEB are put into ratio with the market value of all real estate	ECE REP assesses the energy efficiency of their real estate assets during due diligence of the acquisition phase. Furthermore, ECE REP improves the energy efficiency of its real estate assets by implementing several measures, such as LED implementation or energy audits to monitor energy-intensive operations. The energy efficiency of the real estate assets is regularly analyzed regarding potential for improvement.

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned, and targets set for the next reference period
					assets that are subject to EPC ratings. In addition, the respective ownership of each asset is considered. Where no EPC rating is available, a market standard to assign the energy efficiency to an EPC Rating is used, for example for commercial assets in Germany. The data coverage of the displayed KPI is 100%. The portfolio of ECE REP includes shopping centers located in Poland. As of now there are no EPC ratings for the Polish assets and no market standard of assignment available. Considering only assets with an available EPC rating, excl. assets without an EPC rating in the calculation, the share of energy-inefficient assets in the portfolio is 77.20% (2024: 76.92%). In this case the data coverage is 83.05% (2024: 83.24%). The displayed data coverage is calculated based on the assets market value and the respective ownership structure.	In 2025, ECE REP continued working on a number of measures aimed at improving energy efficiency of existing buildings, such as bringing the exchange of all lighting (incl. outdoor and parking) to LED lighting forward and progressing on feasibility studies, installation of sustainable technologies such as speed controlled fans and progressing on the installation of photovoltaic systems on the rooftops where possible, introducing high speed charging stations across the Funds´ portfolio, and further increasing the share of Green Leases across the portfolio. Moreover, energy audits and monitoring for energy intensive plants and operations has been conducted and extensive smart metering programs have been brought forward.
Greenhouse gas emissions	18. GHG emissions	Scope 1 GHG emissions generated by real estate assets	2,189 t CO2e	2,030 t CO2e	ECE REP has referred to Commission Delegated Regulation (EU) 2022/1288 formula (1) of Annex I to determine the total GHG emissions generated by their real estate assets. The CO2e emissions are calculated using the 'market-based' method of the GHG protocol and emission factors supplied by "Sphera". Those consider only direct emissions as well as CO2-equivalents. Whenever emissions factors are not provided by suppliers, factors that represent average emission factors in the respective country or the EU are used. ECE REP has currently limited consumption data of their tenants and therefore the emission data is based on the	ECE REP assesses the energy consumption and the resulting GHG emissions of their real estate assets in the due diligence process during the acquisition phase. ECE REP has ambitious targets to reduce both operational energy consumption and operational GHG emissions of their real estate assets. In order to continuously improve their operational performance, ECE REP carries out energy audits to optimize energy efficiency and identify new opportunities for improving energy performance. To improve transparency and reliability of data, ECE REP continues implementing a Green Lease Standard for new and
		Scope 2 GHG emissions generated by real estate assets	4,832 t CO2e	4,293 t CO2e		
		Scope 3 GHG emissions generated by real estate assets	N/A	N/A		
		Total GHG emissions generated by real estate assets	7,031 t CO2e	6,323 t CO2e		

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned, and targets set for the next reference period
					landlord-controlled areas energy consumption of the real estate assets. It should be noted that all available tenant consumption, over which ECE REP has the operational control, are included in the reported landlord-controlled consumption. Furthermore, a subdivision of GHG emissions into Scope 1 and Scope 2 is outlined. Scope 3 emissions are not being reported, as there is still a lack of reliable data. ECE REP considers all assets of the portfolio for this indicator, therefore the overall data coverage is 100%. However, as described, consumption data gaps, especially for tenant's data are present. The displayed data coverage is calculated based on the assets market value and the respective ownership structure. In 2025, overall energy consumption remained stable. The reported CO2e emissions however increased, mainly due to (1) Different CO2e factors used for green electricity in international shopping centers (0.0187 in 2025 vs 0.0060 in 2024), and (2) Improved availability of data (more tenant consumption data available and included as from 2025).	extended lease contracts. ECE REP's Green lease program also sensitizes tenants to implement energy efficiency measures in their operations to reduce their individual GHG emissions footprint. In addition, the Green Lease Standard is equipped with contractual clauses that foster the tenant-data (e.g. energy consumption) collection. ECE REP is actively looking at decarbonizing their Scope 2 emissions i.e. Purchased electricity. During the year ended 31 December 2025, all real estate assets in the portfolios of ECE Funds procured emission free 'Green Power' for all common and landlord-controlled area operations. In Haid Center, 100% electricity from emission-free renewable sources is used for the entire asset including tenants. Further progress was made with regards to feasibility analysis of installation or extension of photovoltaic systems on the rooftops of several shopping centers. Implementation of smart metering for water and energy usage is progressing, with completion targeted for 2026. Both tenant and landlord will have the opportunity to follow-up on respective consumptions on an ongoing basis. Centers in Germany have already been equipped with smart meters where technically feasible and supported by the provider. Also, several international centers have started switching to smart meters. This will further drive optimizations in consumption and
Energy consumption	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square meter	0.0001 GWh/m²	0.0001 GWh/m²	This indicator is used to determine the annual energy consumption in GWh per sqm based on the respective ownership structure. The energy consumption includes consumption for electricity, heating and cooling. The indicator covers the total energy consumption of the landlord-controlled areas. This covers the common, vacant and partially tenant areas. The displayed energy consumption data includes all areas ECE REP has the authority	

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned, and targets set for the next reference period
					to collect the data. Therefore, the data coverage for the underlying indicator is 100%. As mentioned above consumption data gaps, especially for tenant's data are present. The displayed data coverage is calculated based on the assets market value and the respective ownership structure.	ultimately reduction of GHG emissions, as well as reduction of service charges for tenants. In parallel, a common software tool to collect and analyze available consumption data automatically is used for all German centers. In addition, several centers have started implementing or are already using an energy monitoring, which includes adding smart meters for energy-intensive equipment. Residential assets under ECE REP´s management continued to demonstrate outstanding performance across various environmental and social criteria. All properties are equipped with LED lights and have efficient floor plans. Properties in Manchester and Leeds belong to the group of most energy-efficient buildings in the UK. Apartments in Njalsgade are heated via the largely CO2-neutral district heating network of the City of Copenhagen.
Waste	20. Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract	0%	0%	This indicator is used to determine the number of the real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract. As per our assessment, all real estate assets are equipped with the required facilities and contract. All assets of the portfolio are considered for this indicator, therefore the overall data coverage is 100%. The displayed data coverage is calculated based on the assets market value and the respective ownership structure.	Although the ECE REP meets the required reporting standards, it is always striving to minimize waste generation in their real estate assets and increase the proportion of recycled and reused materials. For this reason, for example the ECE REP is currently promoting the development of a central waste monitoring system in its shopping centers. Professional waste management process was introduced for all German centers, and is planned to be rolled out across the whole portfolio.

3. Description of policies to identify and prioritize principal adverse impacts of investment decisions on sustainability factors

Sustainability and responsibility are crucial for ECE REP. Accordingly, ECE REP pursues a holistic sustainability strategy approach at the corporate level. Individual investment strategies have been developed for each fund, depending on the country and asset class, which, in any case, incorporate consideration of PAIs for investing in real estate assets. For some funds, additional environmental and social characteristics, and if applicable, criteria for sustainable investments have also been defined.

To implement the respective investment strategy, a process has been established which ensures that PAIs play a vital part in every investment decision. This means that every potential investment is analyzed for PAIs right from the acquisition phase. This is done as part of the due diligence process using ECE REP's ESG checklist, which includes selected indicators for investments in real estate asset as well as other sustainability-related factors. Based on this information, necessary measures are defined to enhance the sustainability performance of the real estate asset. These measures are subsequently integrated as a fixed component into the fund's as well as individual assets´ business planning.

Additionally, an ESG Quick Check on asset basis is performed on a yearly basis during the management phase to monitor and verify the impact of the measures and adjust actions.

PAIs to consider are selected depending on their relevance to the respective asset class, and severity of their potential impact on sustainability factors.

To meet the sustainable objectives, the consideration of adverse impacts on sustainability factors is firmly anchored in investment decisions and governance processes. For this reason, a Responsible Investment Committee ("RI Committee") was established by ECE REP, which focuses on the topic of ESG and reports regularly and directly to the management. The RI Committee forms a link between investors, ECE REP employees and other stakeholders regarding ESG issues. This enables a direct and effective exchange between all parties involved. Responsibilities of RI Committee are formalized in the respective Terms of Reference of RI Committee. Furthermore, ECE REP has a dedicated ESG Policy which is available on the ECE REP´s website and is subject to regular reviews (the last update approved by ECE REP´s Board of Managers on 7 May 2025).

Data Quality and limitations

The data collection of the underlying reporting refers to the above defined reporting year which includes all data from 1 January to 31 December 2025. The reporting of the PAIs depends on the available data. In general, the necessary data is collected by the technical staff who work on-site together with external service providers. ECE REP always makes the greatest effort to establish a complete and reliable data foundation for reporting. Nevertheless, ECE REP as well as many participants of the real estate market must contend with common limitations, such as limited access to tenant data. To continually enhance the data foundation, ECE REP is using Green Lease Clauses for all new lease agreements and lease prolongations as well as technical measures step by step, with the target to improve the transparency of tenant data. However, the data is currently not available in the necessary quality and quantity for all real estate assets within the funds managed by ECE REP. Regarding the mentioned data gap concerning consumption data for tenant spaces, ECE REP discloses consumption data that primarily pertains to the areas under their control (landlord-controlled areas). Landlord-controlled areas include common, vacant, and partially tenant areas as well as Center Management offices.

A number of actions have been taken during the year ended 31 December 2025 aiming to further improve availability and quality of consumption data. In particular, implementing Green Lease clauses in the new lease agreements and prolongations, and installation of smart meters for all types of energy and water consumption across the portfolio. The Fund Manager is actively progressing with the implementation of smart metering for water and energy usage, with completion targeted for 2026. Both tenant and landlord will have the opportunity to follow-up on respective consumptions on an ongoing basis. Centers in Germany have already been equipped with smart meters where technically feasible and supported by the provider. Also, several international centers have started switching to smart meters. This will further drive optimizations in consumption and ultimately reduction of GHG emissions, as well as reduction of service charges for tenants.

In parallel, a common software tool to collect and analyze available consumption data automatically is used for all German centers. In addition, several centers have started implementing or are already using energy monitoring, which includes adding smart meters for energy-intensive equipment

4. Engagement policies

Due to its investment focus on real estate, ECE REP does not have an engagement policy referring to 2007/36/EG article 3g. Nevertheless, ECE REP is aware of its obligations to its investors and other key stakeholders and regularly engages in dialogues. Whilst no specific engagement policies have been designated there are ongoing interactions of ECE REP and its ECE advisors with property and facility managers of each asset under management, with regards to collection of data, monitoring and development of ESG related matters. In case that no reduction of the principal adverse impacts over several periods is recognizable, the engagement policies will be reviewed and the ESG measures will be adjusted. In addition, ECE REP has established a complaints and conflict of interest policy. The complaints policy discloses the processes on how ECE REP deals with investors' issues in a prompt, efficient, appropriate, and satisfying manner. Furthermore, the conflict of interest policy ensures rules and procedures that aim to minimize the risk of investors' interests being prejudiced and that investors' interests are safeguarded. The ESG matters are also explicitly addressed in the conflict of interest policy. To secure that ECE REP's business operations comply with prevailing standards in the areas of environment, equality, human rights, and labor rights, adherence to the ECE Code of Conduct is mandatory to all employees. Furthermore, ECE REP expects adherence to the applicable standards and laws regarding human rights and labor rights from its external service providers and their employees.

5. References to international standards

ECE REP became a signatory to the UN Principles for Responsible Investment (UN PRI) on the 16th of June 2020. Since then, ECE REP has committed to taking the following principles into consideration in its investment decisions:

- ECE REP will incorporate ESG issues into investment analysis and decision-making processes.
- ECE REP will be active owners and incorporate ESG issues into our ownership policies and practices.
- ECE REP will seek appropriate disclosure on ESG issues by the entities in which ECE REP invests.
- ECE REP will promote acceptance and implementation of the Principles within the investment industry.
- ECE REP will work together to enhance our effectiveness in implementing the Principles.
- ECE REP will each report on our activities and progress towards implementing the Principles.

Furthermore, ECE REP's due diligence and reporting procedures are guided by global standards and industry-specific recommendations, which encompass the European Association for Investors in Non-Listed Real Estate Vehicles (INREV). Additionally, selected funds participate in the global industry specific ESG benchmark of GRESB.

Forward-looking climate scenarios are part of the annual analysis of the EU Taxonomy alignment (referring to Regulation (EU) 2021/2139 Appendix A). The analysis is based on market standards but not conducted by an external service provider, DGNB.

6. Historical comparison

The data was collected the first time for the underlying reporting year 2022. Historical comparison of the 2025 data with previous periods is presented below. The 2023 data is presented in two versions, (1) Like-for-like including only assets that were included in the 2022 PAI statement and are therefore comparable to the 2022 data, and (2) complete 2023 data, including all assets that were owned by the funds managed by the ECE REP during the entire year 2023.

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2023 like for like with 2022[1]	Impact 2022
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.15%	0.15%	0.17%	0.18%	0.22%
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	64.11%	64.03%	63.30%	68.32%	69.22%
Greenhouse gas emissions	18. GHG emissions	Scope 1 GHG emissions generated by real estate assets	2,189 t CO2e	2,030 t CO2e	2,062 t CO2e[2]	2,062 t CO2e[4]	2,188 t CO2e[4]
		Scope 2 GHG emissions generated by real estate assets	4,832 t CO2e	4,293 t CO2e	4,153 t CO2e[4]	3,726 t CO2e[4]	3,749 t CO2e[4]
		Scope 3 GHG emissions generated by real estate assets	N/A	N/A	N/A	N/A	N/A
		Total GHG emissions generated by real estate assets	7,031 t CO2e	6,323 t CO2e	6,216 t CO2e[4]	5,789 t CO2e[4]	5,937 t CO2e[4]
Energy consumption	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square meter	0.0001 GWh/m²	0.0001 GWh/m²	0.0001 GWh/m²	0.0001 GWh/m²	0.0001 GWh/m²
Waste	20. Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract	0%	0%	0%	0%	0%

[1] Excluding ECE Better Living Europe Fund A and ECE Better Living Europe Fund B, which were excluded from 2022 PAI statement since their seed assets were acquired in October and December 2022

[2] 2023 CO2e emissions have been recalculated to align emission factors for district heating with those used for 2024.