

# 2023 SFDR Report

Asia Green S.A. SIF-SICAV – Diversified Real Estate Fund

Article 9 SFDR

Asia Green Real Estate AG

Status:

Non-listed feeder fund

Target Fund:

Asia Green S.A. SIF-SICAV – Real Estate Fund

Underlying Assets Location:

South-eastern Asia

Property Type:

Diversified - Office/Residential

ASIA GREEN S.A. SIF-SICAV - DIVERSIFIED REAL ESTATE FUND (the “Diversified REF”) considers principal adverse impacts of its investment decisions on sustainability factors. As of December 31st, 2022, the Diversified REF is invested in (i) Asia Green S.A. SIF-SICAV - Real Estate Fund (the “REF”) which represents 56% of the Diversified REF’s Net Asset Value (“NAV”) and (ii) the Asia Green S.A. SIF-SICAV - Property Fund III (“PF III”) which represents 42% of the Diversified REF’s NAV. The present statement is the consolidated principal adverse sustainability impacts statement (“PAI Statement”) of Asia Green Real Estate AG (the “Investment Manager” or “Asia Green”).

This PAI Statement covers the reference period from 1 January to 31 December 2022. It only reflects the Diversified REF’s share of investment in the REF. It needs to be noted that while 56% of the Diversified REF’s assets are invested in the REF, the Diversified REF’s share in the REF represents 2% of the REF’s total NAV value.

## Principal Adverse Impacts

Table 1 – Climate and Other Environment-Related Indicators

Adverse sustainability indicator	Metric	Impact 2022	Explanation and Target
<b>Greenhouse gas emissions</b>			
1. GHG emissions	Scope 1 GHG emissions	0.95 tCO <sub>2</sub> e	Please refer to the explanation under "Total GHG emissions".
	Scope 2 GHG emissions	36.51 tCO <sub>2</sub> e	Please refer to the explanation under "Total GHG emissions".
	Scope 3 GHG emissions	16.91 tCO <sub>2</sub> e	Please refer to the explanation under "Total GHG emissions".
	Total GHG emissions	54.36 tCO <sub>2</sub> e	Asia Green is committed to achieving net zero carbon emissions by 2050. To achieve this, 3 categories of measures are planned: 1) increasing energy efficiency; 2) using renewable energy; 3) carbon offsetting. Target 2023: 2% reduction of total GHG emissions per m <sup>2</sup> of rented area.
2. Carbon footprint	Carbon footprint	12.3 tCO <sub>2</sub> e/€M	Asia Green is committed to achieving net zero carbon emissions by 2050. To achieve this,

			3 categories of measures are planned: 1) increasing energy efficiency; 2) using renewable energy; 3) carbon offsetting. Target 2023: 2% reduction of total GHG emissions per m2 of rented area.
3. GHG intensity of investee companies	GHG intensity of investee companies	1225 tCO2e/€M	Asia Green is committed to achieving net zero carbon emissions by 2050. To achieve this, 3 categories of measures are planned: 1) increasing energy efficiency; 2) using renewable energy; 3) carbon offsetting. Target 2023: 2% reduction of total GHG emissions per m2 of rented area.
4. Exposure to companies active in the fossil fuel sector	Share of investments	0%	Investments are made in the real estate sector only, therefore the Diversified REF doesn't have any exposure to companies active in the fossil fuel sector.
5. Share of non-renewable energy consumption and production	Total energy consumption	0.11 GWh	In 2023, Asia Green plans to assess options of increasing share of renewable energy consumption by either purchasing renewable energy certificates or installing PV panels on the roofs in the residential assets. Feasibility study to assess solar potential will be conducted for Verde Two East and Samara Suites.
	Total energy consumption from renewable sources	0 GWh	
	Share of non-renewable energy consumption	100%	
6. Energy consumption intensity per high impact climate sector	Energy consumption intensity	2.26 GWh/€M	Asia Green has set a target to reduce energy consumption per m2 of rented area by 2% in 2023. To achieve it, building operators will implement energy saving measures, which include turning off lighting and air filtration fans on unoccupied floors, and raising of tenant awareness on energy use.
<b>Biodiversity</b>			
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments	0%	The Diversified REF invests only in real estate. The assets are located in central business districts of major Asian metropolises. The assets are not located in or near to biodiversity sensitive areas and do not negatively affect those.
<b>Water</b>			
8. Emissions to water	Water emissions per million EUR invested	0 tonnes/€M	The Diversified REF invests only in real estate. There are no direct emissions to water of hazardous substances (nitrates, phosphate, pesticides etc.) caused.
<b>Waste</b>			

9. Hazardous waste and radioactive waste ratio	Hazardous waste per million EU invested	0.017 tonnes/€M	Hazardous waste includes such categories as electronic waste, batteries, lighting bulbs, engine oil. In 2023, Asia Green plans to fully eliminate hazardous waste generated at the asset level.
	Radioactive waste per million EUR invested	0 tonnes/€M	The entity doesn't generate any radioactive waste.

Table 1 – Social and Employee, Respect for Human Rights, Anti-Corruption and Anti-Bribery Matters

Adverse sustainability indicator	Metric	Impact 2022	Explanation
<b>Social and employee matters</b>			
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments	0%	Asia Green has zero tolerance policy towards violations of the UNGC principles and seeks to cooperate only with highly reputable counterparties on the ground, whose values and commitments are in line with those of Asia Green. Local teams conduct regular inspections of the actual work conditions within the investee companies.
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments - Policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises	100%	Set of policies jointly ensures adherence to the UNGC principles. Principles of the Code of Conduct and Human Rights Policy are applicable to all employees and investee companies. Employees confirm annually in writing that the principles are being adhered to at all times. Target: 100%
	Share of investments - Grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	100%	Policies of Asia Green provide guidance to mechanisms for reporting of violations of the principles and values pursued by the company. Reporting mechanisms are accessible to all employees and directors, who are collectively responsible for compliance with the principles of Asia Green, which are aligned with the UNGC principles.
12. Unadjusted gender pay gap	Average unadjusted gender pay gap	0%	Analysis of the salaries in the investee companies indicates that there is no gender pay gap and the target is to keep it at zero.
13. Board gender diversity	Average ratio of female to male board members	29%	The target is to increase the ratio to 35% by engaging more female directors in investee companies in China.
14. Exposure to controversial weapons (anti-	Share of investments	0%	The only investment strategy pursued by the Diversified REF is investments in sustainable real

personnel mines, cluster munitions, chemical weapons and biological weapons)			estate projects in Asia and this strategy is adhered to at all times. Thus, involvement in the manufacture or selling of controversial weapons (land mines and cluster bombs) is excluded.
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Table 1 – Indicators Applicable to Investments in Real Estate Assets

Adverse sustainability indicator	Metric	Impact 2022	Explanation
<b>Fossil fuels</b>			
17. Exposure to fossil fuels through real estate assets	Share of investments	0%	The real estate assets are not involved in the extraction, storage, transportation or manufacture of fossil fuels.
<b>Energy efficiency</b>			
18. Exposure to energy-inefficient real estate assets	Share of investments	39%	6 out of 7 of the REF's assets, in which 56% of the Diversified REF's assets are invested, are awarded EDGE certification. This represents 61% of REF's assets based on the NAV. EDGE certification implies that the assets are energy-efficient, demonstrating at least 20% reduction in energy consumption compared to the reference buildings. REF's assets demonstrate 33% energy savings on average.

Table 2 – Additional Climate and Other Environment-Related Indicators

Adverse sustainability indicator	Metric	Impact 2022	Explanation
<b>Emissions</b>			
1. Emissions of inorganic pollutants	Inorganic pollutants equivalent per Million EUR invested	n/a	The Diversified REF invests only in other real estate funds ("Target real estate funds"). In 2022, there were no construction and major renovation activities, and no such activities are foreseen in 2023. Standing assets do not cause significant emission of inorganic pollutants. Therefore, this indicator is not applicable.
2. Emissions of air pollutants	Air pollutants equivalent per Million EUR invested	n/a	The Diversified REF invests only in Target real estate funds. In 2022, there were no construction and major renovation activities, and no such activities are foreseen in 2023. Standing assets do not cause significant emission of air

			pollutants. Therefore, this indicator is not applicable.
3. Emissions of ozone depletion substances	Ozone depletion substances equivalent per Million EUR invested	n/a	The Diversified REF invests only in Target real estate funds. In 2022, there were no construction and major renovation activities, and no such activities are foreseen in 2023. Standing assets do not cause direct emission of ozone depletion substances. Therefore, this indicator is not applicable.
4. Investments in companies without carbon emissions reduction initiatives	Share of investments	0%	Asia Green is committed to contributing to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050.
<b>Energy performance</b>			
5. Breakdown of energy consumption by type of non-renewable sources of energy	Portion of renewable electricity out of the total renewable energy consumed	0%	In 2023, Asia Green plans to assess options of increasing share of renewable energy consumption by either purchasing renewable energy certificates or installing PV panels on the roofs in the residential assets. Feasibility study to assess solar potential will be conducted for Verde Two East and Samara Suites.
	Portion of renewable fuels out of the total renewable energy consumed	0%	
	Portion of renewable district heating & cooling out of the total renewable energy consumed	0%	
	Total electricity consumption	0.102 GWh	
	Total fuel(s) consumption	0.003 GWh	
	Total district heating & cooling consumption	0.002 GWh	
	Share of electricity consumption from non-renewable sources	100%	
	Share of fuels consumption from non-renewable sources	100%	
Share of district heating & cooling consumption from non-renewable sources	100%		
<b>Water, waste and material</b>			
6. Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	2191.23 m3/€M	On average, the REF's assets, in which 56% of the Diversified REF's assets are invested, demonstrate 34% less water consumption compared to the reference buildings by deploying various water saving measures. This includes such measures as rainwater harvesting, usage of low-flow and efficient water equipment, condensate water recovery, grey and black water treatment and recovery.
	Weighted average percentage of water	30.11%	Target 2023: maintain the same percentage of water recycled and reused.

	recycled and reused by investee companies		
7. Investments in companies without water management policies	Share of investments	100%	Asia Green follows sustainability strategy that considers water consumption efficiency as one of the main performance indicators. In 2022, there was no specific water management policy available. Target 2023: develop a stand-alone water management policy, which is part of the investment decision-making process and guiding principle of assets operation.
8. Exposure to areas of high water stress	Share of investments	0%	The Diversified REF's underlying assets are not located in areas of high water stress.
9. Investments in companies producing chemicals	Share of investments	0%	The Diversified REF invests only in Target real estate funds. There are no investments in companies producing chemicals.
10. Land degradation, desertification, soil sealing	Share of investments	0%	The Diversified REF's underlying assets are not involved in any activities, which cause land degradation, desertification and soil sealing.
11. Investments in companies without sustainable land/agriculture practices	Share of investments	n/a	The Diversified REF invests only in Target real estate funds. The REF's assets, in which 56% of the Diversified REF's assets are invested, are located in central business districts of major Asian metropolises. Therefore, such policies are not applicable.
12. Investments in companies without sustainable oceans/seas practices	Share of investments	n/a	The Diversified REF invests only in Target real estate funds. The Diversified REF's underlying assets are located in central business districts of major Asian metropolises. Therefore, such policies are not applicable.
13. Non-recycled waste ratio	Weight in tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	1.01 tonnes/€M	Asia Green plans to reduce the amount of non-recycled waste generated per m2 of rented area by 1.5% in 2023 through implementation of waste recycling programs at the asset level.
14. Natural species and protected areas	Share of investments – Operations that affect threatened species	0%	The Diversified REF invests only in Target real estate funds. The Diversified REF's underlying assets are not located in protected areas and do not affect threatened species.
	Share of investments - Biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to,	n/a	The Diversified REF invests only in Target real estate funds. The Diversified REF's underlying assets are located in central business districts of major Asian

	a protected area or an area of high biodiversity value outside protected areas		metropolises. Therefore, such policies are not applicable.
15. Deforestation	Share of investments	n/a	The REF's assets, in which 56% of the Diversified REF's assets are invested, are located in central business districts of major Asian metropolises. In 2022, there were no construction projects that caused deforestation and no projects, which would potentially cause deforestation, are foreseen in the future. Therefore, such policy is not applicable.
<b>Green securities</b>			
16. Share of securities not issued under Union legislation on environmentally sustainable bonds	Share of investments	0%	Asia Green doesn't own any securities that are not issued under Union legislation on environmentally sustainable bonds.

Table 2 – Indicators Applicable to Investments in Real Estate Assets

Adverse sustainability indicator	Metric	Impact 2022	Explanation
<b>Greenhouse gas emissions</b>			
18. GHG emissions	Scope 1 GHG emissions	0.95 tCO2e	Please refer to the explanation under "Total GHG emissions".
	Scope 2 GHG emissions	36.51 tCO2e	Please refer to the explanation under "Total GHG emissions".
	Scope 3 GHG emissions	16.91 tCO2e	Please refer to the explanation under "Total GHG emissions".
	Total GHG emissions	54.36 tCO2e	Asia Green is committed to achieving net zero carbon emissions by 2050. To achieve this, 3 categories of measures are planned: 1) increasing energy efficiency; 2) using renewable energy; 3) carbon offsetting. Target 2023: 2% reduction of total GHG emissions per m2 of rented area.
<b>Energy consumption</b>			
19. Energy consumption intensity	Energy consumption intensity	0.0001 GWh/m2	Asia Green has set a target to reduce energy consumption per m2 of rented area by 2% in 2023. Building operators will implement energy saving measures, which include turning off lighting and air filtration fans on unoccupied floors, and raising of tenant awareness on energy use.
<b>Waste</b>			
20. Waste production in operations	Share of investments	0%	100% of the REF's assets, in which 56% of the Diversified REF's assets are invested, are equipped with

			facilities for waste sorting and recycling. Target 2023: maintain the same share.
<b>Resource consumption</b>			
21. Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in new construction and major renovations	0%	In 2022, there were no construction and major renovation activities conducted, and no such activities are foreseen in 2023.
<b>Biodiversity</b>			
22. Land artificialisation	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets	90%	Target 2023: maintain the same share of vegetated surface area.

Table 3 – Additional Indicators for Social and Employee, Respect for Human Rights, Anti-Corruption and Anti Bribery Matters

Adverse sustainability indicator	Metric	Impact 2022	Explanation
<b>Social and employee matters</b>			
1. Investments in companies without workplace accident prevention policies	Share of investments	n/a	n/a
2. Rate of accidents	Rate of accidents	n/a	n/a
3. Number of days lost for injuries, accidents, fatalities, illness	Number of workdays lost to injuries	n/a	n/a
	Number of workdays lost to accidents	n/a	n/a
	Number of workdays lost to fatalities	n/a	n/a
	Number of workdays lost to illness	n/a	n/a
4. Lack of a supplier code of conduct	Share of investments	n/a	n/a
5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investments	n/a	n/a
6. Insufficient whistleblower protection	Share of investments	n/a	n/a
7. Incidents of discrimination	Number of incidents of discrimination reported	n/a	n/a
	Number of incidents of discrimination leading to sanctions	n/a	n/a



8. Excessive CEO pay ratio	Annual total compensation for the highest compensated individual	n/a	n/a
	Median annual total compensation for all employees (excluding the highest-compensated individual)	n/a	n/a
	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	n/a	n/a
<b>Human rights</b>			
9. Lack of human rights policy	Share of investments	0%	Asia Green, Investment Manager of the Diversified REF, maintains Human Rights Policy that is applicable to all companies within the group and to all investee companies of the REF, to which 56% of the Diversified REF's NAV is allocated.
10. Lack of due diligence	Share of investments	0%	
11. Lack of processes and measures for preventing trafficking in human beings	Share of investments	0%	Human Rights Policy of Asia Green applicable to its subsidiaries and investee companies stipulates commitment to prevention and prohibition of human trafficking. Asia Green seeks to cooperate only with highly reputable counterparties, whose principles are in line with those of Asia Green. Regular inspections are conducted within the investee companies.
12. Operations and suppliers at significant risk of incidents of child labour	Share of investments	0%	Human Rights Policy of Asia Green applicable to its subsidiaries and investee companies stipulates commitment to prevention and prohibition of child labour. Asia Green seeks to cooperate only with highly reputable counterparties, whose principles are in line with those of Asia Green. Regular inspections are conducted within the investee companies.
13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of investments	0%	Human Rights Policy of Asia Green applicable to its subsidiaries and investee companies stipulates commitment to prevention and

			prohibition of forced labour. Asia Green seeks to cooperate only with highly reputable counterparties, whose principles are in line with those of Asia Green. Regular inspections are conducted within the investee companies.
14. Number and nature of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents	0%	Asia Green had zero cases related to human rights issues and incidents in 2022. The target is to keep the number of incidents at zero.
	Nature of cases of severe human rights issues and incidents	n/a	
<b>Anti-corruption and anti-bribery</b>			
15. Lack of anti-corruption and anti-bribery policies	Share of investments	0%	Asia Green has zero tolerance policy towards involvement in bribery and corruption. This matter is regulated by the Code of Conduct, which every employee and partner within Asia Green group of companies is subject to.
16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Share of investments	0%	No cases identified in 2022.
17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Number of convictions for violations of anti-corruption and anti-bribery laws	0	No cases identified in 2022.
	Amount of fines for violations of anti-corruption and anti-bribery laws	0 €	