

Statement on Principal Adverse Impact of Investment Decisions on Sustainability Factors

Financial market participant: Asia Green Real Estate AG

Summary

ASIA GREEN REAL ESTATE AG considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated principal adverse sustainability impacts statement of Fund Manager: Asia Green Real Estate AG.

This principal adverse impacts statement covers the reference period from 1 January to 31 December 2024.

Asia Green Real Estate AG considers Principal Adverse Impacts (PAI) indicators that are applicable specifically to investments in real estate assets taken from Table 1 and 2 of Annex I of the Sustainable Financial Disclosure regulation technical standards.

Zusammenfassung:

Asia Green Real Estate evaluiert die wesentlichen negativen Auswirkungen (Principal Adverse Impacts – PAI) von Anlageentscheidungen auf diverse Nachhaltigkeitsfaktoren. Dieses Dokument konsolidiert die PAI auf die Nachhaltigkeit der Vermögensverwalterin Asia Green Real Estate.

Diese Erklärung beinhaltet die Periode vom 1. bis zum 31. Dezember 2024.

Asia Green Real Estate berücksichtigt die PAI Indikatoren, welche speziell für Investitionen in Immobilienvermögen aus Tabelle 1 und 2 des Anhangs I der technischen Standards der Sustainable Financial Disclosure Regulation anwendbar sind.

At the time of publication of this present Principal Adverse Impact (PAI) statement, the Net Asset Value (NAV) data for the Asia Green S.A. SIF - SICAV remains incomplete due to the pending finalization of the NAV valuation for Asia Green S.A. SIF - SICAV Property Fund III (PF III). The data coverage of eligible assets will be updated to reflect the finalized information for PF III NAV at the earliest opportunity.

Principal Adverse Impacts on sustainability factors

Table 1 – Climate and other Environment-Related indicators¹

Adverse sustainability indicator	Metric	Impact 2022	Impact 2023	Impact 2024	Explanation	Actions taken, planned, and targets set for the next reporting period
Indicators applicable to investments in real estate assets						
Fossil fuels						
Exposure to fossil fuels through real estate assets	Share of investments	0%	0%	0%	The real estate assets are not involved in the extraction, storage, transportation, or manufacture of fossil fuels.	The same share of investments was maintained compared to 2023 and is planned to be maintained in 2025.
Energy efficiency						
Exposure to energy-inefficient real estate assets	Share of investments	39%	43%	43%	6 out of 7 assets are awarded EDGE certification, which represents 57% of REF's assets based on the NAV in 2024. 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 29% energy savings on average.	The share of energy-inefficient investments increased due to appreciation of the ABI Plaza asset, which is the only energy-inefficient asset in the REF's portfolio. The decarbonization retrofit of ABI Plaza is planned over a two-year ramp-up period and aims to achieve both Green Mark Super Low Energy and EDGE certifications upon completion.

Description of policies to identify and prioritize principal adverse impacts on sustainability factors

The policies to identify and prioritize principal adverse impacts on sustainability factors are described in the Sustainable Investment Objective and Methodologies and Disclosure-Related Policies section of Asia Green Real Estate's website: <https://www.asiagreen.com/en/esg>.

¹ The PAI indicators coverage disclosed in this report reflects the proportion of eligible assets for which data is available and provided in this report. Eligible assets refer to all real estate investments under the Fund Manager. Data provided is derived from investment projects in Asia Green Real Estate Fund (REF). Data coverage on eligible asset: 76%. Eligible assets refer to all the investments in the umbrella, excluding derivatives, cash and cash equivalent.

Engagement policies

The engagement policy can be found in the Disclosure-Related Policies section of Asia Green Real Estate's website: <https://www.asiagreen.com/en/esg>.

References to international standards

Asia Green Real Estate is committed to certifying every investment with the appropriate green building standards. In close collaboration with our local partners, we optimize the performance of our investments in terms of sustainability to assure that we create environmentally, economically, and socially sound buildings. We established a long-standing partnership with the IFC World Bank Group to accredit our investments with EDGE green building certification. Furthermore, we have achieved the following sustainability and accreditations:

- Global Real Estate Sustainability Benchmark (GRESB)
- EDGE certification by IFC, a member of World Bank Group
- LEED
- Greenship and China Green Star
- United Nation Sustainability Development Goals alignment

Historical comparison

Historical comparison of the period reported on with the previous period reported has been included in this document.

Table 2 – Additional climate and other environment-related indicators²

Adverse sustainability indicator	Metric	Impact 2022	Impact 2023	Impact 2024	Explanation	Actions taken, planned, and targets set for the next reporting period
Indicators applicable to investments in real estate assets						
Greenhouse gas emissions						
GHG emissions	Scope 1 GHG emissions	47.22 tCO ₂	30.38 tCO ₂	284.96 tCO ₂	Asia Green is committed to achieving net zero carbon emissions by 2050. To achieve this, 3 categories of measures are planned: 1) increasing	In 2024, total GHG emissions per m ² of rented area increased due to higher occupancy as two of REF's assets continued their successful ramp-up phase.
	Scope 2 GHG emissions ³	1'816.36 tCO ₂	714.48 tCO ₂	589.39 tCO ₂		
	Scope 3 GHG emissions	841.11 tCO ₂	1'991.8 tCO ₂	2'252.9 tCO ₂		

² The PAI indicators coverage disclosed in this report reflects the proportion of eligible assets for which data is available and provided in this report. Eligible assets refer to all real estate investments under the Fund Manager. Data provided is derived from investment projects in Asia Green Real Estate Fund (REF). Data coverage on eligible asset: 76%. Eligible assets refer to all the investments in the umbrella, excluding derivatives, cash and cash equivalent.

³ Scope 2 emissions from purchased grid electricity in 2024, calculated using the market-based approach. Under the location-based method, absolute GHG emissions totaled 1'354 tCO₂.

	Total GHG emissions ⁴	2'704.69 tCO ₂	2'736.66 tCO ₂	3'127.34 tCO ₂	energy efficiency; 2) using renewable energy; 3) carbon offsetting.	For the actions taken and planned, please refer to the information under "energy consumption intensity". Target 2025: achieve a 1% reduction of total GHG emissions per m ² of GFA.
Energy consumption						
Energy consumption intensity	Energy consumption intensity	0.0001 GWh/m ²	0.0001 GWh/m ²	0.0001 GWh/m ²	Building operators implement various energy saving initiatives, which include measures such as utilization of energy-efficient LED and motion sensor lights, turning off lighting and air filtration fans on unoccupied floors, and raising of tenant awareness on energy use. Building decarbonization effort is also conducted to improve energy savings.	Target 2025: achieve a 1% reduction of energy consumption per m ² of GFA through continued implementation of energy saving measures. Additional energy-saving measures, such as cooling sensors, were implemented in Newton in 2024 to further optimize the energy efficiency of the asset. Further decarbonization retrofits are planned for one of the office buildings in 2025, including upgrades such as high-efficiency cooling systems, a building management system, LED lighting, and solar panel installation.
Waste						
Waste production in operations	Share of investments	0%	0%	0%	100% of the REF's assets are equipped with facilities for waste sorting and recycling.	The same percentage was maintained compared to 2023 and is planned to be maintained in 2025.

⁴ Total GHG includes market-based approach for Scope 2 emissions in 2024. Under the location-based method, absolute GHG emissions totaled 3'892 tCO₂.

Resource consumption						
Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and bio sourced) compared to the total weight of building materials used in new construction and major renovations	0%	0%	0%	In 2024, there were no construction and major renovation activities conducted.	Target 2025: maintain the same share.
Biodiversity						
Land artificialization	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%	90%	90%	Vegetated areas are located in the common and facility areas of the buildings: outdoor parks, lobby areas, swimming pool areas, and tenant facility areas.	The same share of vegetated surface area was maintained compared to 2023 and is planned to be maintained in 2025.