



Rapport au titre de l'article 29 de la Loi Energie Climat

LaSalle Investment Management SAS

au 30 Juin 2024



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Introduction

French version

LaSalle Investment Management SAS ("LaSalle France" ou la « Société ») est une Société de Gestion de Portefeuille (« SGP ») de droit français agréée pour la gestion de Fonds d'Investissements Alternatifs ("FIAs") et de mandats à prépondérance immobilière. La Société fait partie du Groupe LaSalle Investment Management (Le "Groupe LaSalle" ou "LaSalle") qui constitue, avec ses 23 bureaux (dans 13 pays, dont 6 bureaux pour LaSalle Europe ("LaSalle Europe")), l'un des leaders mondiaux en matière de gestion d'actifs immobiliers. Le Groupe LaSalle fait lui-même partie intégrante du groupe Jones Lang LaSalle Inc. qui, avec ses 315 bureaux à travers le monde et ses 106,000 employés, est reconnu comme l'un des acteurs majeurs en matière de services immobiliers.

Le Groupe LaSalle considère que le développement durable est un moteur à long terme des marchés immobiliers, au même titre que la démographie, la technologie et les changements urbains et régionaux. Les événements climatiques physiques, les évolutions de marché et de réglementation liés à la durabilité peuvent avoir un impact sur les performances ; et lorsque ces facteurs sont correctement pris en compte, ils peuvent contribuer à préserver et à générer de la valeur ou à gérer le risque dans les performances financières de l'immobilier. L'impact de ces facteurs (c'est-à-dire le type et l'ampleur) dépendra de l'actif spécifique, du fonds et du contexte du marché. Comme pour d'autres facteurs influençant les performances des investissements, il nous appartient de nous positionner au mieux selon les différentes évolutions et échéances potentielles du marché et de la réglementation liés au changement climatique, et de faire preuve de discernement pour prendre les meilleures décisions au nom de nos investisseurs.

Au sein du groupe LaSalle, nous considérons que la performance d'investissement d'aujourd'hui est essentielle pour assurer un meilleur avenir à nos parties prenantes. Nous assumons notre responsabilité envers la planète, nos clients et nos collaborateurs avec le plus grand degré de sincérité et d'intégrité. L'axe thématique adopté par notre Comité de Direction mondial pour y parvenir repose sur la phrase "Personnes, Planète, Performance". Nous jugeons que la réalisation de performances d'investissement et d'un avenir durable pour nos parties prenantes ne sont pas mutuellement exclusifs lorsque nous agissons en tant que société de gestion. En nous efforçant de répondre aux attentes liées aux performances, nous pensons qu'il est de plus en plus important de prendre en compte à la fois :

(a) la durabilité telle qu'elle se rapporte au cycle de vie des actifs immobiliers (ce qui inclut la prise en compte des exigences spécifiques des juridictions et des objectifs d'investissement de nos clients) ; et

(b) les questions liées à la durabilité et à la viabilité de LaSalle en tant qu'entreprise en cours d'exploitation.

Dans chaque cas, la gestion des risques et des opportunités à court, moyen et long terme, tels que les facteurs de durabilité incorporant (entre autres) les questions environnementales, sociales et de gouvernance (ESG), doit être prise en compte dans la mesure où elle est pertinente pour les intérêts de nos parties prenantes et/ou où nous avons l'obligation réglementaire de le faire.

Au 31 décembre 2023, la Société gérait 3 véhicules réglementés (les "Fonds") représentant €1,203M de valeur d'actifs et répartis comme suit :

- 1 FIA classé Art 6. SFDR, représentant 32% des actifs sous gestion réglementée
- 2 FIAs classés Art 8. SFDR, représentant 68% des actifs sous gestion réglementée, et



- Aucun FIA classé Art 9. SFDR

Parmi les 2 FIAs classés Art 8. SFDR et gérés par la Société, un FIA atteint le seuil de €500M de valeurs d'actifs. Il s'agit d'Encore + OPCI France, un fonds dédié gérant 9 actifs immobiliers (sur le total des 10 actifs immobiliers couverts par le présent rapport).

Ce rapport s'attache ainsi à couvrir la Société en tant que société de gestion, ainsi qu'Encore + OPCI¹.

¹ Partant du constat que l'approche ESG de la Société s'inscrit dans une politique globale du Groupe, et que par conséquent, la majeure partie des documents ayant servi de base à ce rapport étaient rédigés en anglais, nous avons pris le parti de rédiger ce rapport en langue anglaise. Il nous paraissait toutefois pertinent et important de rédiger cette introduction en langue française.



English version

LaSalle Investment Management SAS (“LaSalle France”, the “Firm” or “we”) is a French Portfolio Management Company approved for the management of real estate Alternative Investment Funds (“AIFs”). The Company is part of the LaSalle Investment Management Group (“LaSalle Group” or “LaSalle”) which has 23 offices around the world (in 13 countries including 6 countries for LaSalle Europe (“LaSalle Europe”). LaSalle Group is part of the Jones Lang LaSalle Inc. Group which, with 315 offices around the world and 106,000 employees, is recognized as one of the major players in the field of real estate services.

LaSalle Group recognizes that sustainability is a long-term secular driver of real estate markets, along with demographics, technology, and urban and regional change. Physical climate events, market and regulatory changes related to sustainability can impact performance; and when these factors are properly considered, they can help preserve and drive value or manage risk in the financial performance of real estate. The impact of these factors (i.e. the type and magnitude) – will depend on the specific asset, fund, and market context. As with other factors in investment performance, it is our job to be well positioned for a range of possible outcomes and timelines in terms of market and regulatory changes related to climate change, and to use our professional judgment to make the appropriate decisions on behalf of our investors.

At LaSalle, delivering investment performance today is all about ensuring a better tomorrow for our stakeholders. We undertake our responsibility to the planet, our clients and our people with sincerity and integrity. The thematic lens adopted by our Global Management Committee to drive this is centred around the phrase “People, Planet, Performance”. Our view is that delivery of investment performance and a sustainable future for our stakeholders are not mutually exclusive when acting as a steward of investment capital. In striving to meet performance related expectations we believe it is becoming increasingly important to have regard to both:

- (a) sustainability as it relates to the investment lifecycle of real estate assets (which includes considering specific jurisdictional requirements and our client’s investment objectives); and
- (b) matters which concern the sustainability and viability of LaSalle as an ongoing business.

In each case, the management of short, medium and longer-term risks and opportunities such as sustainability factors incorporating (amongst others) those generically referred to as “environmental, social, and governance” (“ESG”) related matters need to be taken into account to the extent these are relevant to the interests of our stakeholders and/or we have a regulatory obligation to do so.

As of December 31, 2023, the Firm managed 3 regulated vehicles (each a “Fund” and together the “Funds”) representing €1,203M of asset value and distributed as follows:

- 1 AIF classified under Art 6. SFDR, representing 32% of assets under management
- 2 AIFs classified under Art 8. SFDR, representing 68% of assets under management, and
- No AIF classified in Art 9. SFDR

Among the 2 AIFs classified as Art 8. SFDR and managed by the Company, one AIF reaches the €500 million asset value threshold. This AIF is “Encore + OPCI France”, a dedicated fund managing 9 property assets (out of a total of 10 property assets covered by this report).

This report therefore covers the Firms as management company, as well as Encore + OPCI.



1 General ESG approach

1a. Overview of the Firm's general approach to the integration of environmental, social and governance criteria

LaSalle Group strives to ensure that the management of sustainability aspects is fully integrated into our governance structure, performance management and remuneration, as well as our communications to stakeholders. Our fiduciary obligations are paramount when undertaking investment activities pursuant to our client mandates. It follows that we strive to maximize the investment returns to our clients having regard to the strategic objectives, risk tolerance, investment constraints, applicable laws and other matters which have been agreed with our clients. When sustainability related risks and opportunities (including relevant ESG related factors) are considered in connection with material investment decisions (whether as a function of a specific strategy, as a matter of prudent asset management, or as may be required pursuant to applicable laws), the relevant fund or portfolio manager which is the sponsor of such transaction is required to demonstrate (with the support of our internal teams, including transactions, asset management, sustainability and research and strategy teams) how such matters are expected to contribute positively to short, medium and/or long-term investment performance.

LaSalle Europe has developed a framework for integrating sustainability matters into our business. LaSalle Europe's framework involves a long-term approach to business and investment management and focuses on three key areas:

- Sustainable Investment Culture – Ensuring that sustainability is integrated into our governance structure, employee performance management and remuneration, and incorporated into LaSalle communications
- Future Focused Investment Strategies – Aligning our fund strategies with Demographic, Technology, Urbanization and Environmental (DTU+E) investment themes and clients' sustainability objectives whilst demonstrating clear and measurable improvements in performance across all funds
- Resilient Investment Management – Integrating sustainability into all stages of the asset lifecycle to ensure we identify, develop, and manage the type of assets that aim to deliver resilient investment performance

LaSalle Europe also developed a three-pillar sustainability strategy comprising the following:

- Climate
- Nature and Resources, and
- Communities

The strategies defined at European level are implemented by the various entities being part of the group, including LaSalle France, in particular via its investment process described under section 1c, depending on the investment strategy of the AIFs under management.

In addition, and as part of our environmental commitment, LaSalle Europe runs a Sustainability Management Program ("SMP") for our direct investments which sets our initiatives and approach for efforts to monitor and manage energy consumption, carbon emissions, water consumption and waste disposal across our portfolio (excluding development assets). For our European portfolio, bespoke reduction targets are set, and progress against these targets is monitored on a quarterly basis and reported to our clients.



1b. Extra-financial reporting

LaSalle France communicates with its stakeholders with respect to the environmental initiatives, strategies, and/or performance via:

- Regulatory disclosures where required (for example, pursuant to the disclosure obligations under SFDR) notably on the environmental characteristics such as minimizing energy consumption, carbon emissions, carbon footprint, water use and waste generation; improving the resilience of investments to climate change; increasing the use of reusable, recyclable, sustainably certified and locally sourced materials (where these are not able to be measured accurately, reasonable estimates are made)
- Relevant legal documentation (including prospectus, PPM)
- Relevant marketing materials (including press releases)
- Fund-level investor reports: In these reports, funds disclose their sustainability activities and inform on environmental indicators such as climate risk, carbon emissions, energy reduction, green building certifications and on-site renewable energy installations
- Website disclosures

1c. Integration of environmental, social and governance quality criteria in the decision-making

As a fiduciary to our clients, LaSalle group's primary responsibility in all of its activities is to meet our clients' investment objectives. We believe that ESG best practices are critical in supporting long-term resilient real estate investment decision making. LaSalle's operating philosophy with respect to ESG is to set policy and strategy at the global level and empower the regional and local teams to develop initiatives and priorities appropriate for each country, client, and asset.

At LaSalle France level, although leadership relating to investment decisions is overseen by the relevant investment committees, the day-to-day responsibility for each client mandate and long-term performance rests with the relevant fund or portfolio manager. Each fund and portfolio manager is supported by a team of experts dedicated to the provision of associated services that LaSalle France provides. In this context, LaSalle France requires that its relevant employees (whether they are fund or portfolio managers, transaction officers, asset managers, development managers, with the support of members of our European Sustainability Teams) identify, cost and plan for the management of reasonably foreseeable sustainability related risks and opportunities at all stages of the investment lifecycle with a view to building longer term "asset resilience" into investment related decisions.

In particular, as part of the acquisition due diligence process, the transaction team identifies potential investment opportunities and risks, including sustainability risks (as defined in the SFDR), by completing a sustainability checklist for all potential investments across the acquisitions process.

In this context, the transaction team completes a pre-screening exercise for all new deals to identify any sustainability-related red flags. Once a deal passes the pre-screening exercise, these deals are then presented at the weekly LaSalle Introduction meetings for allocation to fund/account. Once allocated, the deal is then subject to the LaSalle Due Diligence Sustainability Checklist, the output of which used to populate a section within the LaSalle Investment Committee template. If a Fund is subject to reporting under SFDR, the deal will be considered with respect to that respective fund's disclosures. At the Investment Committee, the sustainability performance of the deal is considered alongside the prospective financial returns of the deal. Post Investment



Committee, the deal will be subject to Technical Due Diligence, which will involve a site inspection and a sustainability-related audit to ratify the information received from seller and refine LaSalle's underwriting.

Additionally, LaSalle's Sustainable Investment Principles serve as guidance in assisting the transaction teams in evaluation of sustainability risks. These principles mainly address:

- 1) Minimizing energy consumption, carbon emissions, carbon footprint, water use and waste generation
- 2) Improving resilience of investments to climate change, and
- 3) Increasing use of reusable, recyclable, sustainably certified and locally sourced materials

Investments with an average or poor sustainability performance may also be acquired where a possibility for improvement of sustainability characteristics has been identified. After acquisition, the asset management team is responsible for managing sustainability related risks throughout the rest of the hold period for each asset. Costs relating to sustainability initiatives (including carbon audits and capital expenditure aimed at improving energy efficiency of the asset) must be included in the annual asset level business plans implemented by the asset management team. LaSalle Europe's dedicated sustainability team provides technical support to the asset management team in the form of high-level sustainable development standards, broad sector-level advice, as well as asset specific sustainability enhancement opportunities.

1d. Adherence of the Firm to a charter, code, initiative, or obtaining certification for taking account of environmental, social and governance quality criteria

As of 31 December 2023, LaSalle Group is a member or participant of the following environmental or social initiatives (no exhaustive list):

- UN Principles for Responsible Investment ("UNPRI »)
- Net Zero Asset Managers Initiative
- ULI Greenprint, UN Global Compact
- GRESB (Global Real Estate Sustainability Benchmark)
- UK Green Building Council
- Better Buildings Partnership (BPP)
- TCFD supporter

The UN Principles for Responsible Investment ("UNPRI"):

In 2009, LaSalle Group became a signatory to the United Nations Principles for Responsible Investment ("UNPRI"), which are a series of investment-related statements designed for institutional investment managers. The UNPRI are designed to encompass all investment strategies and asset classes; as LaSalle Group invests solely in real estate, it works to adapt these principles to our investment strategies.



Signatories to the UNPRI are committed to integrating sustainability criteria into their investment analysis and ownership practices. The UNPRI require the signatories to:

- Incorporate ESG issues into investment analyses and decision-making processes
- Be active owners and incorporate ESG into ownership policies and practices
- Seek appropriate disclosures on ESG issues by the entities in which the firm invests
- Promote acceptance and implementation of the UNPRI within the investment industry
- Work together to enhance the effectiveness in implementing the UNPRI
- Report on the activities and progress toward implementing the UNPRI

Net Zero Asset Managers Initiative ("NZAM"):

The Net Zero Asset Managers initiative ("NZAM") was launched in December 2020. The NZAM is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner (in line with global efforts to limit warming to 1.5 degrees Celsius). LaSalle is a signatory to NZAM. An important feature of the NZAM is that the commitment requires LaSalle to publicly disclose the proportion of assets to be managed in line with net zero and the interim targets set. Further, LaSalle will report progress towards the target we have committed to as a signatory to NZAM. We also acknowledge that the scope for asset managers to invest for net zero and to meet the commitments set forth above depends on the mandates agreed with clients and applicable laws.

ULI Greenprint Center for Building Performance:

The ULI Greenprint Center for Building Performance is a research organization focused on climate mitigation and makes the business case for green buildings by tying carbon reductions to increased asset value. Through measurement, benchmarking, knowledge sharing, and implementation of best practices, ULI Greenprint and its members strive to:

- (a) reduce greenhouse gas emissions by 50 percent by 2030; and
- (b) reduce the carbon emissions of its members' collective buildings under operational control to net zero by the year 2050.

The goals of the ULI Greenprint are in line with the Paris Agreement and findings from the Intergovernmental Panel on Climate Change report to limit global warming to 1.5° C. LaSalle has committed to the ULI Greenprint goal to reduce landlord-controlled operational carbon emissions of LaSalle's global portfolio of managed assets to net zero by 2050. It follows that only those assets within LaSalle's global portfolio of Direct Investments and Indirect Investments which can be categorised by LaSalle as "landlord controlled" will be in scope for assessment against the ULI Greenprint Center for Building Performance goal.

Other initiatives: Diversity, Equity and Inclusion ("DEI")

LaSalle France Social DEI initiatives are led and coordinated via our European DEI Operating committee ("DEI OpCo"). The DEI OpCo focuses on three pillars: community, wellbeing and DEI.

The DEI OpCo is chaired by Beverley Kilbride, European COO and President of LaSalle France, and each pillar comprises of colleagues from the wider pan-European business. Together, they lead a



diverse programme of activities to raise awareness in that area, drive employee engagement and help attract a more diverse workforce. LaSalle Europe also has specific DEI goals to drive more diversity balance, namely making positive progress toward a 50/50 gender split within LaSalle. In France, LaSalle SAS is signatory of the “Charte de parité” in favor of equality of male and female in the professional environment. With European partnerships such as Diversity Talk Real Estate, The Real Academy and Real Estate Balance, LaSalle Europe offers opportunities to employees to join industry-leading conversations and network. In addition, senior business leaders at LaSalle participate in the Mentoring Circle initiative, established to address the gender diversity gap at senior leadership level within the property industry. While there is still much more to be done, we are proud to have achieved a key milestone in our DEI journey.

Key French initiatives promoting DEI in 2023 included a charity race event to support the association Les Emplaqués, who raise awareness of blood and platelet donations through the sport, and participation in the Paris Marathon, raising money to fight environmental change with the Climate Coalition. Colleagues also voluntarily attended a Climate Change – carbon workshop to explore the future and act together for the climate. The Company is also a member of Beetogreen, an initiative to encourage ecological transport via a mobility package to facilitate access to bicycles and ensure safety of bicycle usage.

After a successful first year in 2022, LaSalle France again partnered with Big City Bright Future (BCBF) and Voxpopuli in France as part of a pan-European internship programme, offering paid work experience, training, and development for young talent from diverse backgrounds supporting social mobility and better awareness of opportunities in the financial services industry. Continued support of BCBF participants continues beyond the internship and includes ongoing mentorship together with invitations for Higher Education establishments to come and hear about the industry.

LaSalle France continues to provide a comprehensive wellness offering which includes virtual and in-person sports activities, talks and raising awareness of physical and mental health. Community initiatives are encouraged and include an annual ‘Christmas box’ initiative whereby employees contribute to, compile and distribute useful gifts to underprivileged towns in the Paris region during the winter holiday. Other recent charity activities have included matched giving blood donations, and sponsorship during sports events. LaSalle France also participated in Global Communities week which encouraged educational and volunteering opportunities for all to get involved as well as marking Holocaust Memorial Day by welcoming a volunteer speaker from Generation 2 Generation to share her family survivor story via a global webinar talk.

2 Internal resources deployed by the Firm

2a. Financial, human and technical resources and initiatives of the Firm to strengthen in-house capabilities with a view to implementing its ESG strategy

In Europe, sustainability is embedded in all relevant business areas and forms part of the responsibilities of all LaSalle Europe employees. To manage implementation of sustainability topics across the business areas and support operational teams, LaSalle Europe has a dedicated sustainability team (referred to as the “European Sustainability Team”) that consists of 6.85 full-time equivalents (“FTEs”), led by the European Head of Sustainability, who reports directly to the European COO and President of LaSalle France.

The European Head of Sustainability brings over 15 years’ experience in the real estate market of advice on sustainability, innovation strategies and implementation.

To increase sustainability knowledge across its organization, training is provided to investment teams throughout the business by the European Sustainability Team. Firm-wide training on net zero carbon and climate risk was delivered in 2023. In addition, LaSalle worked with a specialist training provider to develop a bespoke real estate sustainability training course to be delivered to select employees across Europe. The goal of the training programme was to promote sustainability within our investment processes, and to educate our asset and fund teams with respect to the sustainability programmes within their respective funds and client portfolios. In 2023, one member of the Management Committee of LaSalle France also attended this training.

LaSalle’s SMP includes all our direct equity European assets (except assets still in development) and is operated by an external sustainability consultant in collaboration with our property and asset managers. The SMP sets out our initiatives to monitor energy, carbon, water and waste at the asset level (either through the use of metering systems, or where these are not available then on a reasonable estimate basis). In order to assess the sustainability quality of our Funds, our external sustainability consultant presents the results of the SMP on a quarterly basis, including performance data for energy and carbon, as well as identifying top and bottom performing assets and also highlighting key initiatives that have driven performance in order to share best practice across our portfolio.

LaSalle Europe has engaged external consultants to assist the group in implementing the European Net Zero Carbon (“NZC”) Pathways. Together with the consultants, LaSalle Europe rolled out NZC audits across our European portfolio. The NZC audits provide the fund and asset management teams with information about the measures and capital expenditure required to enhance the energy efficiency of the asset.

Where available, environmental performance data is collected, stored and reported via a dedicated sustainability technology and consulting platform. The platform allows the fund and asset management teams to quickly access relevant sustainability data, monitor progress on the performance towards the targets, identify potential areas of improvements, and support client reporting.

To better integrate our considerations for climate risk, LaSalle Group undertook a substantial review of climate risk data providers and selected MSCI as our preferred provider (whilst continuing to monitor progress of others). This process enabled LaSalle Group to report climate risk at asset/fund level, in accordance with the recommendations of the TCFD.



Each year, each Fund allocates a budget dedicated to sustainability activities such as data collection, benchmarking, certifications, and implementation of energy conservation measures. Any sustainability related costs are approved on an ad-hoc basis, with the majority of asset initiatives incorporated in the business plans of managed vehicles.

In 2023, our estimated costs are as follows:

Estimated costs	Uses
€25k	The representation of the French assets held by the Funds out of the total cost of the European SMP, which amounts to €550k per year.
€6.5k	The share of assets managed by the Funds in LaSalle's European GRESB Fund benchmarking programme.
€50k	The audit fees for the Funds managed by LaSalle France, out of LaSalle Europe's total budget of €2 million for European NZC audits.
€12.6k	The estimated budget of the Funds for audit/legal fees to meet SFDR regulations/legislations (mainly advisory fees for SFDR advice, Décret Tertiaire, general legal review).
€49k	The estimated annual budget spent by the Firm on behalf of its Funds for asset-level sustainability certifications on all its French assets.

€93.1k



3 Approach to integrate environmental, social and governance criteria at the level of the Firm's governance

3a. Governance structures in place to oversee ESG matters

Description of Jones Lang LaSalle (JLL)'s supervisory system in place to implement its ESG global strategy:

The Board of the JLL Group adopted in early 2022 an amended Charter of the Nominating and Governance Committee which added Sustainability as part of the Committee's purpose.

The Committee is assigned the following responsibilities:

- Review, discuss and bring to the attention of the Board current and emerging ESG and sustainability policy trends that could impact JLL's business operations, performance, and reputation
- Review and discuss JLL's implementation of procedures for identifying, assessing, monitoring and managing ESG and sustainability risks related to JLL's business
- Review and discuss JLL's integration of ESG and sustainability policies, practices and goals into its business strategy and decision-making
- Review JLL's sustainability program & goals and JLL's progress toward achieving those goals, and
- Review in advance and discuss JLL's volunteering programs

The charts on next page present how sustainability committees are integrated in the overall governance structure of the JLL Group as well as in the LaSalle Group.



JLL Sustainability Governance Structure:



(Source: JLL 2022 Global Sustainability Report)

Description of the LaSalle Group’s supervisory system in place to implement its ESG global strategy:



(Internal source)

To maintain consistency with respect to our culture, policies and high standards, LaSalle operates globally as “One LaSalle” and we structure our governance programs to take into account both corporate and client perspectives, overlaying sustainability on both. LaSalle’s Global CEO bears ultimate responsibility and is supported by the Global Management Committee (the “GMC”), consisting of senior leaders from around the globe representing the business lines and functional



teams that oversee implementation of our global strategy and corporate and client governance framework, including those related to material sustainability related risks and opportunities. As described below, the GMC is supported by LaSalle's Global Sustainability Committee (the "GSC") and our Global Climate Risk Committee (the "GCRC").

Global Management Committee ("GMC"):

LaSalle's GMC oversees all aspects of LaSalle's global businesses in accordance with the terms of its charter. The responsibilities of the GMC and its members are to determine and direct LaSalle's mission and execution of its overall business strategy. This includes responsibility for overseeing:

(a) (Sustainability and investment decisions): the framework adopted by LaSalle (i.e. the requirement that each business line put in place investment committees and charters providing frameworks for the operation of such committees) for ensuring that material investment related decisions give due regard to sustainability related risks and opportunities; and

(b) (Sustainability and LaSalle's business): the business functions responsible for implementation of LaSalle's:

(i) governance framework that we believe are prudent to manage and safeguard our business (including oversight of both the Global Sustainability Committee ("GSC") and the Global Climate Risk Committee ("GCRC")); and

(ii) programmatic "Culture of Care" and associated policies and values we promote.

Global Sustainability Committee ("GSC"):

Established in 2008, the GSC is responsible for sustainability related risks and opportunities as they relate directly to LaSalle's investment management business. Against this background, the GSC is mandated to develop global sustainability policies, procedures and strategies, and set overall sustainability goals. The GSC also provides recommendations to the GMC with respect to third party commitments relating to sustainability that it recommends LaSalle as a business should undertake (whether on a global, regional or country basis). The GSC reports to the GMC. The GSC is co-chaired by the Global Head of Climate and Carbon and the Global Chief Operating Officer and includes a further four GMC members, as well as LaSalle's regional and business line sustainability officers and other senior executives from our investor relations, legal and compliance, research and strategy, accounting and finance, and risk management teams.

Global Climate Risk Committee ("GCRC"):

LaSalle's GCRC was established in 2019 and reports to the GMC. At the date of this report, the GCRC is comprised of leaders from LaSalle's sustainability, risk management, research and strategy, legal and compliance teams, together with certain senior members of LaSalle's fund and portfolio management teams. The GCRC is responsible for guiding our investment teams in evaluating climate risk in their investment decisions across the investment lifecycle.

In order to ensure good internal governance around climate risk, LaSalle Group established a Global Climate Risk Committee (GCC). The GCC comprises of members from sustainability, risk management, research & strategy and fund management and its main aim is to incorporate climate risk in all investment activities to enhance and protect the value of our clients' investments. To meet this objective LaSalle Group created the Climate Risk Task Force (CRTF), comprised of more than two dozen members including the Global Head of Research and Strategy, Global Legal Counsel, Regional Heads of Sustainability and representatives from portfolio management, asset management, risk management, due diligence and other functional areas. The CRTF vetted climate risk data providers and initially selected a primary and secondary climate risk data provider,



ultimately settling on a single provider. The CRTF's current objectives are to provide guidance to internal teams and more deeply and more broadly integrate climate risk into our investment decision making and other processes. To build the capacity to address climate risk across the organization, training materials were developed and shared with all LaSalle Group employees.

LaSalle Europe also established a European Sustainability Task Force with representatives from the various parts of the business including asset management, fund management, acquisitions and legal & compliance. This task force is supported by working groups focusing on specific sustainability initiatives in the different parts of our business and meets periodically throughout the year with the specific intention of implementing our European sustainability strategy to establish a consistent sustainability platform across the European business.

3b. Inclusion in remuneration policies of information on how those policies are consistent with the integration of sustainability risks ESG matters

LaSalle France is subject to the European Remuneration Policy which notably promotes sound and effective risk management (both at investment and corporate level) including sustainability risks and having regard to sustainability matters promoted by LaSalle Group. The Policy is administered by the European Remuneration Committee which has been entrusted with ensuring that LaSalle Europe's remuneration structure is consistent with the strategies, risk profiles, rules and objectives of LaSalle's mandates, including sustainability linked undertakings and commitments. The compliance function of LaSalle France receives annual confirmations from the European Remuneration Committee in respect of compliance of the remuneration awarded in the previous performance year with the European Remuneration Policy.

Furthermore, LaSalle Europe set out ESG objectives which form part of the performance goals of each employee. Consequently, contribution to these objectives forms an integral part of the year end performance assessment process which is linked to annual remuneration awards.

3c. Integration of environmental, social and governance quality criteria into the internal policies and procedures of the Firm's board of directors or supervisory board

LaSalle France has set up a Management Committee which is composed of the Senior Management of the Firm and meets on an ad hoc basis. This committee is responsible for the conduct of business and daily management of the Firm, in accordance with applicable policies issued by the Firm and as set out in the Management Committee charter.

As such, and in the context of the present report, the Management Committee is notably responsible for ensuring and verifying on a regular basis that the general investment policy, the investment strategies, including the ESG strategy and the risk limits of each managed Fund are properly and effectively implemented and complied with.

The Management Committee may also take decisions to mitigate its corporate environmental impact, including measures to improve energy efficiency in the buildings the Firm occupies, renting office space that meets high energy-efficiency standards and procuring energy from certified renewable sources where possible.



4 The Firm's engagement strategy and its implementation

LaSalle Group's approach to sustainability encompasses a wide variety of initiatives. In particular, the LaSalle Group Global ESG policy recognizes the pressing requirement for action on mitigating the effects of climate change and the transition to a low-carbon economy.

By signing up to the Better Building Partnership ("BBP") Climate Change Commitment in 2019, LaSalle Europe committed to deliver NZC buildings for our direct real estate investments, both for operational and embodied carbon, by 2050. In December 2020, we published our first pathway to net zero carbon. Based on this commitment, LaSalle Europe developed whole-building Energy Use Intensity ("EUI") and carbon reduction targets for each asset tailored to location, asset class and other contextual factors, which allow LaSalle to monitor the progress. These are aligned with CRREM's ("Carbon Risk Real Estate Monitor") 1.5-degree pathway for 2030 and 2050, as well as any country-specific regulation if local regulations impose higher requirements.

Progress against these targets is monitored within our SMP, which programme is implemented with assistance from an external provider to LaSalle Group. In addition to energy and carbon reduction targets, the SMP sets our initiatives to monitor and manage water consumption and waste disposal across our European portfolio with the aim to reduce operational expenditure and help meet environmental targets (we note that our SMP is underpinned by the use of metering systems, or where these are not available then data is estimated on a reasonable estimate basis by reference to data which is available and from which estimates can be plausibly made). Further, the SMP supports property and facilities managers in the daily management of the asset. For all assets within the SMP, quarterly assets level reports are provided to the fund management and asset management teams which include information such as progress against targets. Additionally, the teams are provided with information on climate risk and certification / Energy Performance Certificate ("EPC") levels both on fund and asset level through our LaSalle Group internal data platform.

To support LaSalle Group's NZC commitment, the group launched a programme of NZC audits of the most of our assets (assets identified for disposal or for which clients may have instructed LaSalle to not carry out such an audit are excluded from this programme). The audit data facilitates identification of assets which might be at risk of not aligning with the 2030 CRREM pathway and provides LaSalle Group with parameters to assist determining whether external costs, such as off-setting need to be factored into the asset business plans. This approach aims also assisting LaSalle Group in making informed allocation and disposal decisions. To date, LaSalle Group has completed over 208 audits across our European direct equity portfolio, started to integrate the results into the asset business plans, and roll out interventions across the first selection of assets. No additional NZC audits were completed in France in 2023 in respect of the managed Funds, as this exercise was concluded in 2022.

In respect of SFDR Article 8 Funds, the outcome of a NZC audit can also assist the fund manager in identifying any steps to progress alignment of the relevant Fund's assets with the environmental characteristics promoted by the Fund.

Completed audits are reviewed by the asset management and LaSalle's European Sustainability Team. Initiatives aligning with the Fund's sustainability strategy and Net Zero Carbon targets are recommended by asset managers to the relevant fund manager during the annual budget setting process. Initial recommendations have been included in the 2023 budgets and longer-term five-year capex plans. The NZC team has created a reporting toolkit that allows to track the process of



implementation and aggregate data at portfolio level to allow for up-to-date reporting. This toolkit has been rolled out in 2023 and is being used consistently across Europe.

Annual green committee (“Comité Vert”):

Amidst increasing regulatory focus on environmental sustainability, LaSalle France has placed significant emphasis on incorporating environmental considerations into its commercial leases. In compliance with Decree No. 2011-2058, all existing commercial leases for lots exceeding 2,000 m² have included an environmental appendix since July 14, 2013.

The environmental appendix encompasses several vital components for monitoring and improving the site's environmental performance. It includes an inventory of equipment installed on the premises, tracking of energy consumption, water consumption, and waste production. The efficient communication and collaboration between tenants and landlords play a crucial role in providing the necessary information for the appendix content.

Recognizing the importance of regular assessment of energy and environmental performance, LaSalle France, as the owner, has established an annual green committee. This committee, represented by LaSalle France and facilitated by the property manager, seeks to optimize information exchange, gather expectations and opinions from various stakeholders, monitor progress, and ensure compliance with environmental regulations.

The roles and responsibilities of each stakeholder within the green committee are clearly defined. LaSalle France delegates the responsibility for green addendums in commercial leases to the property manager, while also entrusting the property manager with the responsibility for overseeing green committees and monitoring environmental actions. Moreover, LaSalle France takes proactive steps within its scope to initiate actions for future years, ensuring a continued focus on environmental sustainability.

The property manager plays a critical role in the implementation of sustainable practices. They create an inventory of shared equipment, merging it with individual inventories, and develop green addendums for each tenant subject to regulations. Additionally, the property manager provides metered or reasonable estimated energy/water consumption data for common areas and waste reporting with a view to fostering transparency and accountability. Their active participation every year in the green committees allows them to contribute expectations and feedback on the action plan.

Tenants are integral stakeholders in LaSalle France's environmental sustainability efforts. They actively support the initiative by providing the manager with lists of individual equipment and promptly informing them of any updates. Tenants also supply the property manager with metered or reasonable estimated energy/water consumption data for their respective private areas, such as offices or retail spaces. Their participation in the green committees enables them to voice expectations and provide valuable feedback on the action plan. Furthermore, tenants may initiate actions within their respective scopes to contribute to future sustainability objectives.

The collaboration and commitment of all stakeholders within the green committee demonstrates LaSalle France's dedication to environmental sustainability. Through the implementation of green addendums, environmental tracking, and the establishment of annual green committees, LaSalle France ensures compliance with regulations and fosters a culture of continuous improvement towards a more sustainable future.



Decret Tertiaire:

The Decret Tertiaire, aimed at reducing the energy consumption of tertiary buildings, sets ambitious reduction targets of 40% by 2030, 50% by 2040, and 60% by 2050 for buildings over 1,000 square meters.

In this context, LaSalle France, supported by JLL since 2021, has implemented a proactive approach to comply with the Decret Tertiaire. LaSalle declares on behalf of the relevant tenants their annual declaration of consumptions on the OPERAT platform for common and private areas since 2021.

This solution is managed by consultants who are experts in the Decret Tertiaire, ensuring rigorous centralized monitoring. These experts coordinate interactions between all stakeholders: landlords, property managers, and tenants, guaranteeing the necessary authorizations and compliance with deadlines. This centralized management allows the Firm to verify that all steps are followed effectively, ensuring conformity to the Decret Tertiaire requirements.

In 2023, 109 tenants were subject to the Decret Tertiaire requirements, and an equal number of authorization mandates for declaration were sent out. The response rate from tenants was 60% in total in 2023.

The Firm ensures that declarations are correctly made, selecting reference years in accordance with ADEME rules to guarantee transparency and avoid greenwashing.

To ensure compliance, specific Decret Tertiaire audits were conducted or planned for LaSalle's assets in scope of this report. These audits aim to collect precise data and estimate the necessary investments (CAPEX) to develop an appropriate action plan. In 2023, 3 audits were conducted and 6 are scheduled for 2024.

In terms of performance and goal achievement, approximately 8 EFA (Entities subject to the decree) have already achieved a reduction between 25% and 50% of their energy consumption compared to the reference year defined between 2010 and 2019, as of 2023.

5 European taxonomy and fossil fuels

As of December 31, 2023, the portion of AUMs of financial products that invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy, as a percentage of the outstanding amounts managed, was nil.

6 Information on the strategy for alignment with the international objectives of Articles 2 and 4 of the Paris agreement

As mentioned above, LaSalle Europe has signed the Better Buildings Partnership Climate Change Commitment in 2019, which commits us to deliver net zero carbon buildings by 2050. Our corresponding published NZC pathway lays out how NZC should be integrated in all stages of the asset lifecycle to achieve this commitment:



- Acquisition:
 - Integrate NZC principles into our investment strategy and due diligence
 - Undertake NZC reviews and seek operational energy data pre-acquisition
- Development:
 - All new development projects are designed to our Sustainable Development Standards, underpinned by high level building certification
 - We will undertake Whole Life Carbon Assessments of developments projects Target an embodied carbon (A1 – A5) intensity that aligns with Low Energy Transformation Initiative (LETI) 2030 Design Target
- Operation:
 - Expand our SMP across Europe and "whole-building" analytics
 - Align Energy Use Intensity of our assets with leading net zero carbon benchmarks to target an energy consumption reduction of one third by 2030
 - Support suppliers to decarbonize asset management services in line with science-based targets
- Refurbishments:
 - Undertake Whole Life Carbon Assessments of materials and equipment procured for major refurbishment and maintenance, we undertake directly
 - Minimize carbon through low carbon material and equipment choices
- Disposal:
 - Include carbon stranding risks part of our investment decision-making process
 - Share operational energy data and NZC Pathway information with buyers

Energy and carbon indicators are further included in the sustainability strategy of LaSalle France Article 8 SFDR products. The environmental characteristics promoted for those products are:

(1) Energy & Carbon: Funds promote the reduction of greenhouse gas ("GHG") emissions and the efficient use of energy (with respect to both operational GHG emissions and, in the case of developments and re-developments, the embodied carbon of such works).

(2) Climate Risk: Funds aim to measure, monitor and when necessary, reduce its exposure to risks which might arise due to the impact of adverse physical climate events (such as floods and hurricanes) through both portfolio composition and asset-level mitigation measures.

For Article 8 managed Funds, LaSalle France has adopted an internal scoring tool to measure on a regular basis alignment with these environmental characteristics.

LaSalle France Article 8 managed Funds may also acquire assets with low environmental characteristics and then improve their environmental performance through active asset management initiatives.



7 Strategy for alignment with long-term biodiversity objectives

The European sustainability strategy is framed around four pillars: Climate, Resources, Nature and Communities. Each pillar highlights an area of material importance for our business and whilst we already have many examples of biodiversity gain across our portfolio, we are currently working on a formal and measurable European biodiversity strategy to support our Nature pillar.

Biodiversity has been declining globally, reducing nature's ability to function as a productive, adaptable and resilient force. LaSalle is working on the integration biodiversity metrics into its investment and asset management strategies, that are appropriate and measurable, and align with recognised frameworks – i.e. TNFD.

8 Approach for integration of environmental, social and governance criteria in risk management

LaSalle France implemented risk management policies and processes covering operation of the Firm as well as the managed Funds, which are reviewed on annual basis. LaSalle France risk management policy includes the measures defined to identify, assess, prioritize and manage sustainability risks (under the name of "ESG risks").

ESG risks are considered by the risk function in the risk mapping (both at Funds and Firm levels) and are being monitored. As such, ESG risks are:

- Included in the pre-deal risk analysis reports provided to the relevant Investment Committee(s)
- Monitored on an ongoing basis. The outcome of the analysis is presented to the Risk Committee of the Firm which takes place bi-annually

LaSalle France aims to identify significant sustainability risks at the acquisition stage, especially if the asset requires expensive sustainability initiatives. Thus, all assets held by the Funds are analyzed for climate risks before investment and during the holding period.



9 List of financial products mentioned under Article 8 and 9 of the Sustainable Finance Disclosure Regulation (SFDR)

Financial products mentioned in respect of Articles 8 and 9 of Regulation (EU) 2019/2088:

Regulation (EU) 2019/2088 on Sustainable Finance Disclosure Regulation (SFDR) introduces a distinction between two categories of products that integrate extra-financial criteria into their management strategy:

- Products that promote environmental and/or social characteristics, named art. 8 products
- And products that have a sustainable investment objective, named art. 9 products

Article 8 products integrate extra-financial criteria into their management strategy and promote such characteristics or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

Article 9 products have sustainable investment as its objective, and sustainable investment is defined as follow: an investment in an economic activity that contributes to an environmental objective, or an investment in an economic activity that contributes to a social objective, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

Article 6 products may take into account sustainability risk, but do not promote any environmental or social characteristics, nor have a sustainable investment objective.

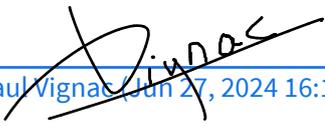
As of 31 December 2023, LaSalle France was managing 3 regulated Funds, holding in total 10 real estate assets and representing €1,203M of asset value.

Two of the regulated funds are classified as Article 8 according to the SFDR, representing 68% as a percentage of the outstanding amount managed. These funds are dedicated to professional investors. Among the 2 AIFs classified as Art 8. SFDR and managed by the Company, one AIF reaches the €500 million asset value threshold.

The remaining regulated fund is classified as Article 6 according to the SFDR. Those represent €438,4M of AUM and 32% as a percentage of the outstanding amount managed.



Signature:


Jean-Paul Vignac (Jun 27, 2024 16:14 GMT+2)

Jean-Paul Vignac

Directeur Général de LaSalle Investment Management SAS



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