



Investment
Asset Management

SOCIALLY RESPONSIBLE INVESTMENT POLICY (SRI)

1. BELIEFS

Buildings consume about 40% of the world's energy and contribute up to 30% of its annual GHG emissions. Real estate asset managers have an important role to play in controlling these issues because they are at the forefront with the relevant stakeholders (owners, property managers, tenants, administrative authorities, residents ...).

Regulations such as Grenelle 1 and 2 have made the real estate sector face its social responsibility and encourage it to meet the expectations around the reduction of its ecological footprint. Real estate investors and management companies must consider these issues, both environmentally and socially, in their strategy to maintain the attractiveness of their long-term investment products.

Colliers International Investment & Asset Management seeks **to integrate the energy, environmental and social dimensions into the heart of its investment and management policy** to preserve the planet's interests, the assets it manages, and indirectly those of its customers. This approach is born of a real belief which is reflected in the asset performance audit, risk management and the desire for transparency and quality information available to investors who trust us.

1.1 Our goals



1.2 Sustainable development goals

Launched in 2015 by the UN, the 17 Sustainable Development Goals (SDGs) are targets to be reached by 2030 to "eradicate poverty, preserve the planet and ensure prosperity for all". They were adopted by the 193 member states.

CIAM wishes to contribute to the achievement of some of these objectives, to reflect upon and go beyond the analysis of extra-financial risks that may affect the portfolios.

2. MANAGEMENT AND INVESTMENT STRATEGY

2.1 Long and short term vision

By definition the real estate remains an investment which is being increases in value over time. CIAM intends to manage a building over time, which involves an economic model where the reduction of rental expenses in the short, medium and long term as well as the maintenance, or even the increase of performances is a positive factor of the valuation. This means not giving up a medium and long-term management vision for short-term profitability goals, even if the ambition can be devised in several stages over time.

2.2 Socially Responsible Investment

SRI is the variation of sustainable development principles on the scale of an investment. It's an investment strategy based on the systematic consideration of environmental, social and governmental criteria (ESG) called extra-financial criteria's. These complete a traditional financial analysis.

The **Environmental, Social and Governance (ESG) criterias** represent the three pillars of extra-financial analysis in the investment process.

Concerning the continuous improvement of assets, CIIAM wants to go beyond a simple financial analysis of assets and know their environmental and social performance. This allows on the one hand better knowledge of its portfolio and the risks inherent in it, but also to know what are the areas to improve.

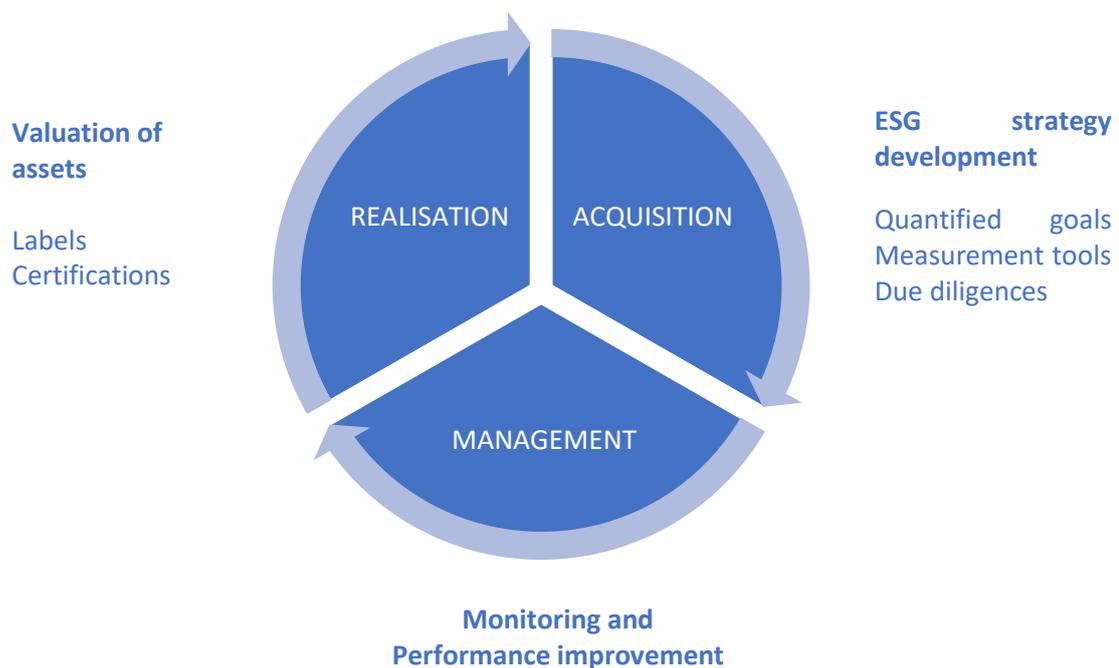
As a reminder, SRI does not seek to sacrifice performance in favor of ecological or social virtues, but to align financial interests with those of sustainable development.

2.3 Participative management with the tenant

The inherent performance of the asset only makes sense when coupled with the efficiency of its day-to-day operations. This involves a constant dialogue with the tenant on awareness-raising actions and by setting up an environmental annex with the tenant (s) in place, in particular for leases subject to (> 2,000 M2)

The implementation of good environmental practices leads for tenants and property managers in addition to the environmental annex cements the daily awareness of all stakeholders.

3. METHODOLOGY AND TOOLS



3.1 Financial Goals

The goals mentioned above are quantified in order to be measurable at the time of the asset acquisition, then during the monitoring of its performance during the management.

3.2 ESG analysis scale

When conducting due diligence to acquire an asset, CIAM's investment and management team will pay special attention to the social and environmental performance of the asset. For this, an ESG evaluation scale has been developed internally. It allows you to know at any time where an asset should be compared with the predefined objectives. This evaluation scale is based on Environmental, Social and Governance (ESG) indicators whose themes are as follows :

E	S	G
<ul style="list-style-type: none">• water• sustainable management• energy• waste• biodiversity	<ul style="list-style-type: none">• accessibiliy• mobility• health and well-being• social economic impact• social diversity	<ul style="list-style-type: none">• supply chain management• business ethic• internal control and risks management• flight againt money laundering and terrorism financing

3.3 Environmental certifications

Finally, it is important to value the assets and efforts made, through certifications and labels when they are not in place at the time of acquisition. For example, the search for "HQE Exploitation" and / or ISO 14001 certifications formalizes the performance of environmental management of high-performance assets measured by recognized third parties.

Warning

The SRI Charter is the foundation of CIAM's responsible strategy. It provides the guidelines of the commitments and objectives as well as the methods developed to achieve them. This charter confirms our efforts and our belief but does not constitute an offer, an investment advice or an investment recommendation.