

# 2025 ESG REPORT

**REDTREE**  
CAPITAL



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01

# Introduction

# REPORTING OVERVIEW



*This document is RedTree Capital’s second corporate-level Environmental, Social, and Governance (ESG) report, covering the period from 1<sup>st</sup> January to 31<sup>st</sup> December 2025.*

*Building on the foundations established in our inaugural 2023 report, this edition demonstrates the materialization of our commitments and the acceleration of our ESG roadmap. While our first report detailed the creation of our strategic framework, this one focuses on its implementation, including our concrete actions and ESG performance so far.*

*The non-financial reporting for the 2025 calendar year aligns with the scope of our financial reporting, encompassing RedTree Capital’s entire portfolio of both operational assets and projects under redevelopment. The report articulates RedTree Capital’s ESG vision by first detailing the governance structure that ensures accountability and execution of the strategy. It then outlines the strategic framework and targets, and finally substantiates this strategy with tangible results, showcasing performance achievements and asset-specific case studies.*

# MESSAGE FROM THE BOARD



**ERIC SASSON**  
CEO



**FRANK VITAGLIONE**  
Managing Director



**AGNÈS DEFIX**  
Asset Management  
Director

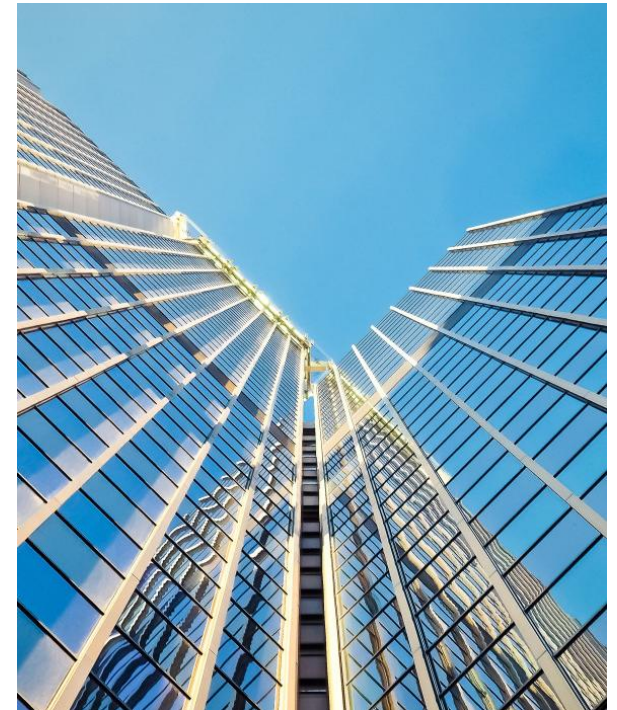
“ At RedTree Capital, we firmly believe that sustainable value creation depends on integrating Environmental, Social, and Governance (ESG) considerations throughout every stage of the investment lifecycle. In a context shaped by the climate transition, evolving occupier expectations, and increasingly stringent regulatory requirements, ESG factors represent a key driver of performance, innovation, and resilience. ”

Our strategy focuses on **transforming high-potential assets**, primarily located within the Paris Central Business District (CBD), to address sustainability challenges while generating long-term value creation. We believe that financial and non-financial performance are intrinsically linked and must be fully embedded into our decision-making processes, both at the investment and asset management levels.

Following the launch of our Fund II in 2024, classified as an Article 8 fund under the SFDR regulation, and the first acquisitions completed at the end of 2024 and throughout 2025, we further strengthened our ESG framework and enhanced our monitoring tools to support the growth of the portfolio. We implemented a consolidated ESG dashboard designed to centralize the monitoring of energy consumption and key environmental indicators across our assets. This initiative aims to improve data collection reliability, enhance the quality of our reporting, and strengthen the management of our ESG performance.

In parallel, we introduced a systematic ESG checklist into all pre-acquisition processes. This tool enables us to identify key ESG risks and opportunities associated with targeted assets at an early stage and to incorporate sustainability considerations from the very first phases of the investment analysis.

These initiatives demonstrate our commitment to translating our ESG ambitions into concrete, measurable, and value-creating actions. They contribute to strengthening the resilience of our portfolio, improving its environmental performance, and supporting sustainable value creation for the benefit of all our stakeholders.



# COMPANY OVERVIEW

Founded in 2014, RedTree Capital is an independent, owner-operated real estate investment manager distinguished by our dynamic and entrepreneurial spirit. Our core mission is to deliver superior returns for our investors by strategically acquiring properties with significant growth potential. Through intensive refurbishment and redevelopment, we transform these assets into highly efficient, premium spaces designed to enhance and sustain their long-term value and market appeal.

## 961.23 M

of total assets under management \*\*

## 10

Assets under management

Asset holders	Assets	Asset Locations	Asset classes
<b>Fund I</b>	<ul style="list-style-type: none"> <li>• Bravetta</li> <li>• Just B,</li> <li>• Greensquare</li> <li>• Alba</li> <li>• Level</li> <li>• Stellar</li> </ul>	Paris, Rome	<ul style="list-style-type: none"> <li>• Office</li> <li>• Mixed-use (office/commercial)</li> <li>• Residential</li> </ul>
<b>Fund II</b>	<ul style="list-style-type: none"> <li>• Scipion</li> <li>• 15 Grande Armée</li> </ul>	Paris	<ul style="list-style-type: none"> <li>• Office</li> <li>• Mixed-used (residential/campus /commercial)</li> </ul>
<b>Pre-fund</b>	<ul style="list-style-type: none"> <li>• Emblem</li> </ul>	Paris	<ul style="list-style-type: none"> <li>• Office</li> </ul>
<b>Forlog portfolio*</b>	Carpiquet	Caen	Logistics (key freight corridors)

A central pillar of this value-creation strategy is our focus on delivering spaces characterized by energy and resource efficiency, a low-carbon footprint, climate resilience, and a strong emphasis on occupier health and wellbeing. This approach not only enhances the investment performance and liquidity of our clients' assets but also directly supports our tenants in achieving their own ESG goals.

Recognizing the urgent need to retrofit most existing building stock, we are committed to a clear decarbonization pathway for our portfolio. This strategy involves targeted retrofits to drive substantial energy efficiency gains, reduce greenhouse gas (GHG) emissions, and align our French assets with the Décret Tertiaire's 2030 target of a 40% reduction in final energy consumption, against a reference year chosen per asset between 2010 and 2020.

Our strategic focus on retrofitting existing buildings allows us to generate a triple impact: we protect the financial value of our assets, enhance their operational performance, and create a positive environmental and social footprint by achieving our sustainability targets. Our goal is to systematically measure and maximize the positive effects of our projects on the environment and society, while diligently identifying and mitigating any potential or actual negative impacts. Ultimately, we are committed to managing our business with the highest standards of transparency and ethical responsibility.

\* 1 asset remaining (out of the initial 14 assets) \*\* As of December 31st, 2025

# Our ESG Journey since 2023

2020-2021

- Launched RedTree French Real Estate Fund I
- Integrated ESG considerations into investment strategy and investment committee memos
- Became a UN PRI Signatory

2022-2023

- Established an ESG Framework and Action Plan
- Updated ESG policies and procedures
- Conducted net-zero carbon audits on assets
- Completed 2022 GRESB Reporting

2024-2025

- Launched RedTree French Real Estate Fund II
- Published first annual ESG Report at corporate-level
- Issued 2024 UN PRI Report
- Secured our first green loan for our Stellar asset

2025-2026

- Developed an ESG pre-acquisition checklist
- Launched ESG data dashboard
- Published 2025 Article 29 (French Energy & Climate Law) report
- Developed 2025 GRESB Action Plan, in preparation of 2026 GRESB submission

2026 and  
moving  
forward

- Create ESG supply chain engagement program
- Do 2026 GRESB submission
- Train RedTree Capital employees on ESG key topics for real estate



# 2025 Highlights



**Start of operations for Scipion:** Our first Fund II asset became operational in November 2025. This former hôtel particulier in Paris's 5th arrondissement has been redeveloped into a dynamic, multi-purpose 7,500 m<sup>2</sup> campus dedicated to higher education and includes a student residence.



**ESG Pre-acquisition Checklist:** This tool is systematically used by our investment team during the pre-acquisition stage. It analyzes up to 20 ESG criteria to provide a technical and regulatory sustainability assessment of target assets, informing investment committee decisions. This ensures potential investments create value with limited Capex, manage risk, and align with regulatory and sustainability commitments.



**Deployment of ESG Data Dashboard:** We launched a new dashboard to centralize the monitoring and reporting of our assets' sustainability performance. By tracking quarterly data on energy, water, and waste, this tool significantly improves data reliability and helps ensure robust compliance with GRESB and Décret Tertiaire reporting requirements.



**Audits of the 15 Grande Armée asset:** An acquisition-phase environmental audit and a taxonomy alignment analysis (detailing climate change adaptation and energy efficiency measures) were completed for this asset in 2025.



**Preparation of our GRESB Action Plan:** For the 2026 GRESB submission, our action plan includes improving our site data collection process, implementing energy efficiency measures, and developing a new supplier charter.

## In 2026...

In 2026, we are planning the following actions:



**ESG Supplier Charter:** To better manage risks by integrating ESG criteria into our supplier selection process. This charter will be supplemented by an assessment grid and a supplier ESG rating system.



**RedTree Employee Training (March 2026):** To strengthen our teams' skills on ESG fundamentals and their application in real estate (e.g., impact on value, regulatory compliance, CRREM methodology). We also aim to have some of our employees trained in sustainable finance (exam administered by the AMF).














# 02 Governance

# Our Team

## ESG Roles and Responsibilities by Function

At RedTree Capital, sustainability is integrated across all roles and throughout the entire asset lifecycle. Our team of 10 employees is committed to our ESG approach both in our investment and operations activities. This effort is spearheaded by Agnes Defix, Head of Asset Management, ensuring direct involvement from senior leadership.

 <b>Éric Sasson</b> Founding Partner CEO	 <b>Grégoire Malezieux</b> Senior Manager Co-head Acquisition	 <b>Benjamin Cherqui</b> Analyst	 <b>Anne Dos Santos</b> Office Manager
 <b>Frank Vitaglione</b> Managing Director	 <b>Martin Suty</b> Senior Manager Co-head Acquisition	 <b>Auréline Zylinski</b> Senior Manager CFO	 <b>Sarah Mouri</b> Financial Controller
 <b>Agnès Defix</b> Managing Director Asset Management Director	 <b>Malik Ghali</b> Analyst	 <b>Marie-Ange Yedoh</b> Financial Controller	

- Management
- Acquisition and Asset Management
- Finance and Operation

Function	ESG activities
<b>Management</b>	<ul style="list-style-type: none"> <li>Defining the vision and objectives of our ESG strategy</li> <li>Defining ESG criteria to be integrated into the acquisition and management of our assets</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>Producing non-financial reporting and ensuring ESG regulatory compliance</li> <li>Leading and collaborating with our sustainable development consulting provider</li> </ul>
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>Carrying out audits, reviewing environmental performance, and creating action plans</li> <li>Supervising the certification process</li> <li>Managing operational assets to meet client needs via Property Managers</li> </ul>
<b>Investment Management</b>	<ul style="list-style-type: none"> <li>Ensuring acquisitions are screened against ESG criteria</li> <li>Carrying out pre-works studies (e.g., dynamic thermal simulations) to ensure compliance with objectives and regulations</li> <li>Monitoring the integration of ESG criteria throughout the investment life cycle</li> </ul>
<b>Support/Coordination</b>	<ul style="list-style-type: none"> <li>Coordinating and participating in the team's ESG training</li> <li>Participating in sustainable real estate events</li> <li>Managing supplementary initiatives (e.g. supply chain engagement program)</li> </ul>

We also collaborate with external experts, such as JLL Sustainability Consulting Services, on the following activities:

- **Strategy and compliance:** implementation, and regular updating of our ESG strategy, ensuring regulatory compliance (Décret Tertiaire, Energy and Climate Law) and alignment with leading initiatives (GRESB, UN PRI).
- **Audits and certifications:** execution of audits (CRREM audit, energy audit), achievement of environmental certifications, and project management assistance for restructuring works.
- **Monitoring tools and training:** development of ESG tools (e.g. pre-acquisition ESG analysis grid, ESG data dashboard for operational monitoring, facilitation of ESG training for RedTree team).

We are committed to implementing our D&I policies within our workforce. We monitor a variety of DEI metrics relating to our staff for reporting purposes, as detailed in the table below.

### Workforce Diversity Metrics (2025)

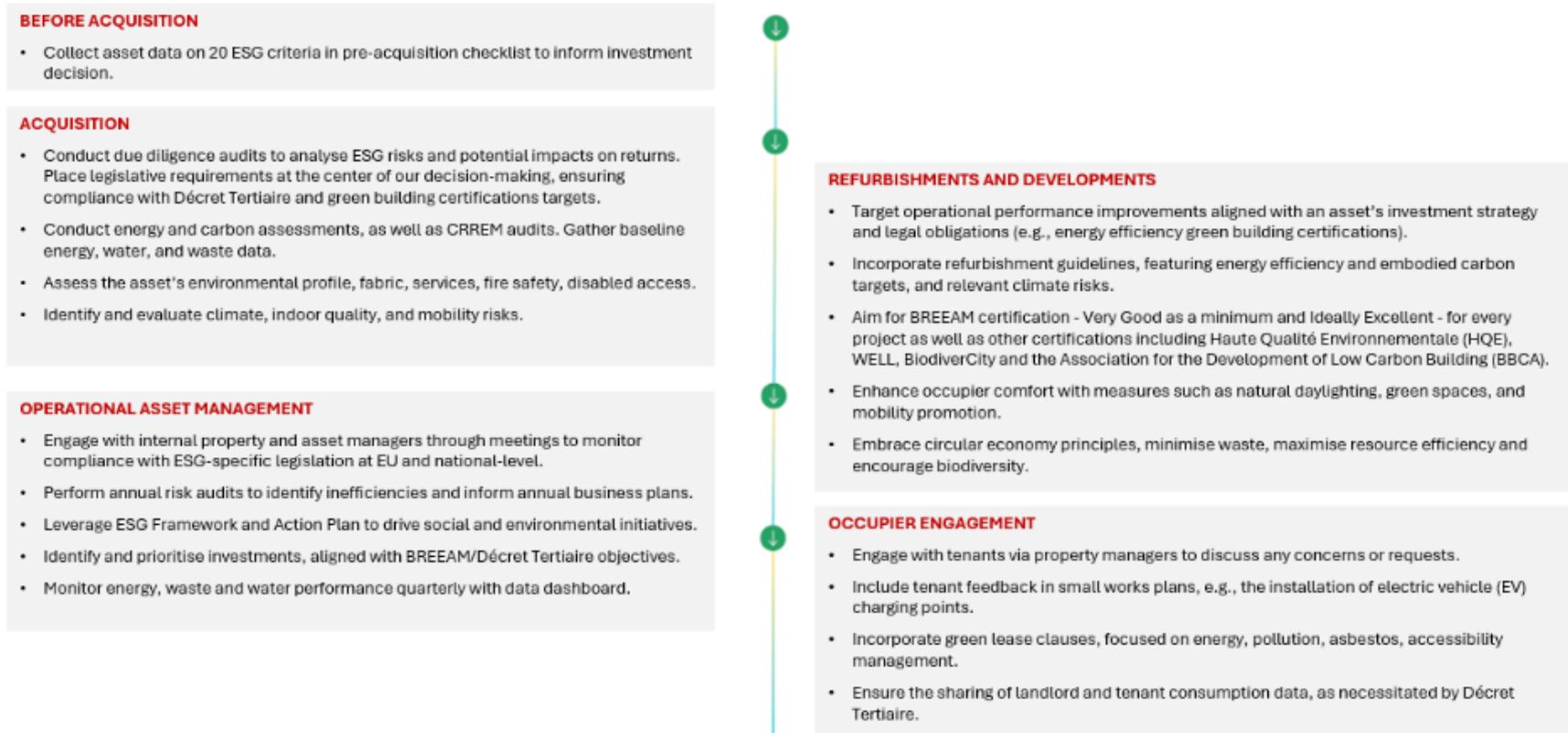
Category	Subcategory	% breakdown
<b>Age group distribution – All employees</b>	Under 30 years old	50%
	Between 30 and under 50 years old	30%
	Over 50 years old	20%
<b>Gender ratio – All employees</b>	Women	50%
	Men	50%
<b>Gender ratio – Governance body</b>	Women	25%
	Men	75%

Looking ahead to 2026, we will empower our entire team by ensuring 100% of employees receive sustainability training. A training will be delivered on March 3<sup>rd</sup> and 4<sup>th</sup>, 2026 and will cover essential ESG principles such as Net Zero Carbon and regulatory frameworks, alongside technical skills in assessing ESG value impact and driving landlord-tenant collaboration. This training initiative is a key step in strengthening our firm's collective ESG expertise.

# Ethics, policies and ESG governance

We conduct our business with the highest standards of integrity and ethics, as detailed in our [ESG Policy](#). We strictly avoid corruption, bribery, and unethical behaviour by implementing a suite of policies and procedures, which is carried through our approach to tenant selection and investment decisions. This ensures that our employees and collaborators do not engage in activities that create conflicts of interest. More detail on our investment restrictions criteria is included in Appendix 5.1.

We make sure that ESG considerations are systematically embedded at each stage of the investment lifecycle, as detailed in our ESG framework below. ESG is core to our operations, from pre-acquisition through asset management, redevelopment, and occupier engagement.



As industry standards advance and our ESG strategy evolves, we will regularly review and update our ESG policy and governance to ensure their continued alignment with market trends and our organisational goals.



03

# Our ESG Strategy

# Our ESG strategy

## ESG framework

To enhance investment value and deliver strong investor returns, our strategy focuses on creating resilient, high-demand assets. Our ESG framework is central to this effort and is built on three pillars: renovating our properties to be low-carbon, providing resilient buildings, and enhancing health and wellness. This targeted approach was developed from our analysis of market trends, material risks and the needs of both investors and occupiers, ensuring our portfolio not only meets tenants' ESG goals but also drives superior performance.

### The three pillars of our ESG Framework and Action Plan

#### Renovating to low carbon

- Energy efficiency
- GHG emissions reduction

#### Providing resilient buildings

- Climate risk and resilience
- Biodiversity
- Circular economy

#### Enhancing health and wellness

- Indoor environmental quality
- Mobility and accessibility
- Healthy and vibrant communities

The ESG framework detailed above is our strategic response for proactively managing environmental, social, and governance factors and integrating them into our investment and asset management decisions. Through a thorough analysis, we have identified and prioritized our most material ESG-related risks and the impacts of our activities, as detailed in our [ESG policy](#). These risks primarily concern health and safety, occupier wellbeing, physical climate risks and transition risks related to energy regulations, and community needs.




### ESG targets

To ensure we make measurable progress against our ESG framework, we have set clear performance targets that guide our actions and hold us accountable. In the table below, we have outlined the targets that we have set across each of our three pillars. ESG performance related to these targets is then detailed in section 4.1 [Overall ESG Performance](#).

ESG pillar	Target
Renovating to low carbon	Achieve energy use intensity (EUI) reduction targets at whole building level, in line with Décret Tertiaire: 40% energy reduction by 2030 (vs. a reference year chosen per asset between 2010 and 2020).
	Achieve net zero carbon energy use intensity (EUI) targets at whole building level, in line with 2050 CRREM (v.1) levels for Fund I, and CRREM (v.2) for Fund II.
	Carry out a Whole Life Carbon Assessment on all new builds and major renovation projects.
Providing resilient buildings	Actively consider, and where possible, complete an ecological assessment and incorporate elements that promote biodiversity.
	Divert 70% of non-hazardous demolition waste by weight from landfill and recycle or recover it for purposes other than energy generation. <sup>1</sup>
	Incorporate water efficiency measures and/or water recycling for all major refurbishment projects to meet BREEAM “Very Good” requirements.
Enhancing health and wellness	Align with BREEAM certification criteria in terms of indoor air quality, thermal comfort, acoustic performance, and visual comfort. Target Very Good as minimum on these categories.
	Where possible, actively consider the provision of bicycle maintenance tools, as well as storage and changing facilities for at least 15% of building occupants and 7.5% peak visitors.



### Entity-level ESG Targets

ESG CHARACTERISTIC	ESG OBJECTIVES	ESG CRITERIA
 <p><b>Reducing our carbon intensity</b></p>	<p>To align real estate assets with the Carbon Risk Real Estate Monitor ("CRREM") methodology, through the acquisition of:</p> <ol style="list-style-type: none"> <li>Assets with a renovation investment plan (CAPEX) aimed at reducing carbon intensity (kgCO<sub>2</sub>e/m<sup>2</sup>) to a level equal to or below the specific CRREM (v.2) benchmark for its typology and region for a 1.5°C decarbonization pathway;</li> <li>And assets that are already aligned with CRREM (v.2) methodology.</li> </ol>	<p>The indicators below are used to measure the asset's performance against the environmental characteristic. <b>RedTree's</b> preferred strategy is <b>option 1</b>:</p> <div data-bbox="872 454 990 486"> <p><b>OPTION 1</b></p> </div> <ol style="list-style-type: none"> <li>The asset has baseline data on its carbon emission intensity (kgCO<sub>2</sub>e/m<sup>2</sup>/year) and an initial assessment based on the CRREM methodology has been completed; <b>and</b></li> <li>The asset has a renovation/improvement investment plan (CAPEX) to achieve CRREM (v.2) alignment (at a minimum by 2040, or for 10 years after the renovation) for carbon emission intensity within three years following the start of the works.</li> </ol> <div data-bbox="872 686 990 719"> <p><b>OPTION 2</b></p> </div> <ol style="list-style-type: none"> <li>The asset has a carbon intensity (kgCO<sub>2</sub>e/m<sup>2</sup>) at or below the regional and asset-class-specific CRREM benchmark for a 1.5°C decarbonization pathway; <b>and</b></li> <li>The asset is subject to ongoing collection and analysis of its energy consumption data to facilitate the annual assessment of its carbon emissions.</li> </ol> <div data-bbox="872 853 934 911">  </div> <p>The Carbon Real Estate Risk Monitor ("CRREM") is used as a benchmark at the asset level to achieve the 'carbon reduction' environmental characteristic. However, no benchmark is used at the product level.</p>
 <p><b>Green building certification</b></p>	<p>To acquire real estate assets with a renovation investment plan (CAPEX) aimed at obtaining a relevant green building certification.</p> <p>The Fund will prioritize BREEAM (minimum "Very Good"), HQE (minimum "High Performance"), or any equivalent certification within three years following the start of renovation or improvement works, or by acquiring assets that already hold a valid green certification meeting identical criteria.</p>	<p>RedTree Capital's preferred strategy is <b>option 1</b> for most assets requiring major renovation:</p> <div data-bbox="872 1129 990 1162"> <p><b>OPTION 1</b></p> </div> <p>A preliminary assessment of the asset with the aim of obtaining a 'green' certification that is on track to meet or exceed the specified minimum standard; <b>or</b></p> <div data-bbox="872 1262 990 1295"> <p><b>OPTION 2</b></p> </div> <p>The asset already has a 'green' certification that meets or exceeds the specified minimum standard.</p>

# Alignment with ESG frameworks, charters and certifications

To date, we have 24 sustainability certifications obtained or in track of being obtained across both Funds I and II. As detailed in the table below, L'Alba and Stellar assets lead the portfolio in the number of certifications achieved.

## Scope : Portfolio & Fund



As a signatory to the UN Principles for Responsible Investment (PRI) since 2021, we support the development of a sustainable financial system. In line with our commitment to the six principles, we submitted our first PRI report in 2024, detailing how we integrate ESG factors into our investment decisions.



GRESB is the leading benchmark for assessing and comparing the ESG performance of real estate assets and is used by 95% of investors in their investment decisions. We completed our first GRESB submission in 2022 and are currently preparing our 2026 GRESB submission.



The RedTree Capital Real Estate Fund II is classified as Article 8 in accordance with the SFDR, thereby supporting the industry's progress toward greater transparency.



**Scope : Assets**



The Carbon Risk Real Estate Monitor (CRREM) is a leading global initiative that defines decarbonisation pathways for real estate aligned with the objectives of the Paris Agreement. By adopting this standard and its rigorous, science-based targets, we are actively steering the operational decarbonisation of our portfolio to achieve our own emissions-reduction goals and mitigate the risk of climate-related asset obsolescence.



We are committed to conserving biodiversity in our renovation and restructuring projects, notably through the implementation of measures to protect natural ecosystems, habitats, and endangered species.



For each project, we aim for a minimum BREEAM certification of "Very Good" and ideally "Excellent." This certification evaluates the environmental performance of buildings, considering criteria such as energy efficiency, waste management, and the use of sustainable materials.



We have been awarded the BBCA "Low Carbon Intensity" distinction for several of our assets. This recognition highlights our ongoing commitment to reducing our carbon footprint and promoting sustainable construction.



We are also working on WiredScore certification, which assesses the connectivity and digital infrastructure of buildings. This certification guarantees the quality and reliability of communication and internet access services to meet the connectivity needs of tenants. For example, in March 2024, we completed the renovation of our Just B asset, which was certified in September 2025 WiredScore – Gold level.



We are committed to obtaining the HQE Habitat Certification, an environmental performance label for new, renovated and operational French residential assets. We are targeting this certification for our Scipion asset.

# ESG Certification breakdown per asset

Asset Holder	Asset name	Operational building	Number of certifications	Certification details
Fund I	Level <sup>4</sup>	No	5	BREEAM Refurbishment and Fit Out – Excellent BBCA Renovation – Performant BBC Effinergie – Minus 40% Biodiversity – Performant WiredScore – Gold
	Just B	Yes	4	BREEAM Refurbishment and Fit Out – Excellent BBCA – Performant Biodiversity – Base WiredScore – Gold
	L’Alba	No	4	BREEAM New Construction– Excellent BBCA – Performant Biodiversity – Outstanding WiredScore – Silver
	Greensquare	Yes	1	BREEAM In Use – Good
	Stellar	Yes	4	BREEAM Refurbishment and Fit Out – Excellent HQE Bâtiment durable Renovation – Excellent BBCA Renovation - Standard WiredScore – Gold
Fund II	Scipion	Yes	2	HQE Bâtiment Durable Renovation – Excellent NF Habitat rénovation v4.0 – Superior
	15 Grande Armée	Yes	4	BREEAM Refurbishment and Fit Out – Excellent BBCA Renovation – Standard BBC Effinergie – Minus 40% WiredScore – Gold
Pre-Fund	Emblem	Yes	3	BREEAM Refurbishment and Fit Out – Very Good WiredScore – Gold Smartscore – Silver

To ensure transparency and benchmark our ESG strategy, we have participated in the annualGRESB Real Estate Assessment since 2022. Our 2024 submission yielded an overall score of 59/100, reflecting a solid foundation in governance (24/30 in Management) and identifying our asset-level environmental efficiency (35/70 in Performance) as a key priority. These insights are now guiding our ESG strategy as we prepare for our 2026 submission.



04

# Our ESG Performance and activities

# Overall ESG Performance

ESG pillar	Target	Scope	Status	Achievements	
				Fund I	Fund II
Renovating to low carbon	Achieve energy use intensity (EUI) reduction targets at whole building level, in line with Décret Tertiaire	All assets in France	●○	•Energy audits and retrofits are conducted on assets (e.g. building envelope upgrades, electrification and on-site renewables)	
	Achieve net zero carbon energy use intensity (EUI) targets at whole building level, in line with 2050 CRREM (v.1) levels for Fund I, and CRREM (v.2) for Fund II	Funds I and II	●○	•All fund I assets: energy audits conducted to track performance against CRREM (v.1) targets	•All fund II assets: energy audits conducted to track performance against CRREM (v.2) targets
	Carry out a Whole Life Carbon Assessment on all new builds and major renovation projects	New builds and major renovations	●●	•All new builds and major renovations have done a Whole Life Carbon Assessment (BREEAM certification requirement)	
Providing resilient buildings	Actively consider, and where possible, complete an ecological assessment and incorporate elements that promote biodiversity	All assets in portfolio	●●	•All sites have biodiversity activities implemented (e.g. greened terraces, landscaping to accommodate local wildlife)	•Just B, Alba, Level: achieved BiodiverCity label
	70% of non-hazardous demolition waste by weight to be diverted from landfill and recycled/recovered for purposes other than energy generation.	New builds and major renovations	●●	•At least 70% of non-hazardous demolition waste is recycled or recovered in construction and renovation projects	
	All major refurbishment projects shall incorporate water efficiency measures and/or water recycling to meet BREEAM requirements, or another certification equivalent.	Major refurbishment projects	●●	•All sites: equipped with water-efficient sanitary fixtures and individual water metering	•Alba: rainwater harvesting system implemented
Enhancing health and wellbeing	Align with BREEAM certification criteria in terms of indoor air quality, thermal comfort, acoustic performance, and visual comfort. Target Very Good as minimum.	All sites, apart from Bravetta	●○	•All sites: achieved or on track to achieve ESG certifications (refer to section 3.3 for details)	
	Actively consider and where possible, the provision of bicycle maintenance tools, as well as storage and changing facilities for at least 15% of building occupants and 7.5% peak visitors.	Funds I and II	●○	•Level: 400 cycle storage spaces planned for 2025 •Stellar: 100 cycle storage spaces installed •Alba: 100% EV-ready parking facility (installation of a sprinkler system)	•N/A

Status key: ●● Achieved ●○ Partially achieved ○○ Not achieved

### Renovating to low carbon

The built environment accounts for a significant share of global emissions: 28% of global energy consumption in 2024 was used by the buildings and construction sector<sup>7</sup>. With approximately 80% of the buildings that will exist in 2050 already standing today<sup>8</sup>, the transition to a low-carbon future is critically dependent on upgrading and renovating this existing infrastructure for greater energy efficiency.

At RedTree Capital, we are committed to investing in energy improvement initiatives and renovations to transition to low carbon. We believe this is imperative, not only to build resilient cities and economies but also to enhance our investors’ returns. We track portfolio-wide energy consumption and energy usage intensity to measure progress against science-based targets aligned with the Paris Agreement. For our assets located in France, we target a 40% energy reduction by 2030 (vs. reference year chosen per asset<sup>9</sup>), in line with Décret Tertiaire. Concurrently, our funds are aligned with CRREM decarbonization pathways, with Fund I targeting the 2°C scenario (CRREM (v.1)) and Fund II targeting the 1.5°C scenario (CRREM (v.2)).

Each of our renovation projects targets the CRREM alignments mentioned above and include efficiency measures aimed at developing the highest standards of energy and carbon performance.

#### 15 Grande Armée *Renovating to low carbon*

Location	Paris
Asset class	Office
Asset size <sup>10</sup>	4698 m <sup>2</sup>
Constructions/renovations completed	2028
Project details (upcoming)	<ul style="list-style-type: none"> <li>•Expected reduction by 58% of primary energy consumption after renovation</li> <li>•Installation of a Building Management System; water efficient sanitary equipment; BREEAM-compliant elevator</li> <li>•85% of construction waste recycled</li> </ul>
Certifications to be achieved	<ul style="list-style-type: none"> <li>•BREEAM Refurbishment and Fit Out – Excellent</li> <li>•WiredScore – Silver</li> <li>•BBCA – Standard</li> <li>•BBC Effinergie – Minus 40%</li> </ul>



**Providing resilient building**

***Climate Risk and Resilience***

With the increasing frequency of physical climate events in Europe, building portfolio resilience is a strategic imperative. Between 2021 and 2024, weather and climate change-related events resulted in €208 billion in economic losses for the European Union<sup>11</sup>. As defined in our ESG Framework, we analyse and manage material climate risks during the entire asset lifecycle. At the pre-acquisition stage our checklist tool integrates climate risk criteria analysis, and we conduct due diligence audits during acquisition. Where significant risks are identified, we develop targeted capital expenditure plans to implement adaptation solutions, as detailed below.

<b>STELLAR</b> <i>Climate risk and resilience</i>	
Location	Paris
Asset class	Office
Asset size <sup>12</sup>	14028 m <sup>2</sup>
Constructions/renovations completed	2025
Project details (implemented)	<ul style="list-style-type: none"> <li>• Identified high temperature variations and solar heat gain on south-facing façade as key climate risks</li> <li>• Adaptation solutions: building Management System automatically deploying external blinds if specific temperature threshold is met, greening of terrace to create shading areas.</li> </ul>
Certifications achieved	<ul style="list-style-type: none"> <li>• BREEAM Refurbishment and Fit Out – Excellent</li> <li>• HQE Bâtiment durable Renovation – Excellent</li> <li>• BBCA Rénovation - Standard</li> <li>• WiredScore – Gold</li> </ul>

Similarly, a climate study for our asset Alba identified its exposure to the urban heat island effect—a common vulnerability for our assets in the Ile-de-France region. To mitigate this, we implemented bioclimatic architectural solutions, including integrated planters and angled facades that provide natural shading and passive cooling. This is complemented by a rainwater harvesting system to improve water management on-site. These projects demonstrate our systematic approach to identifying climate risks and implementing targeted adaptation measures to strengthen asset resilience and protect long-term value.



**Biodiversity**

For the built environment, promoting biodiversity conserves natural ecosystems, improves environmental quality, and strengthens resilience. While our urban assets typically have limited green space, we integrate biodiversity considerations wherever feasible to support our ESG priorities and stay ahead of future legislation. Our approach includes specifying diverse plant species in landscaping and leveraging the BiodiverCity label, a certification that provides a robust framework for integrating habitats and native species into urban developments.

Currently, our assets have 1,000 square meters of landscaped areas and three of them, Just B, Alba and Level, have achieved the BiodiverCity label. At our Stellar property, we are greening terraces and creating ground-level gardens with water features, using self-sustaining plants selected by a landscape architect, and have also installed beehives and bird shelters on-site. Our key highlight on biodiversity showcases the efforts carried out on our Level site, as detailed below.

LEVEL <i>Biodiversity</i>	
Location	Levallois-Perret
Asset class	Office
Asset size <sup>13</sup>	27656 m <sup>2</sup>
Constructions/ renovations completed	2026
Project details (implemented)	<ul style="list-style-type: none"> <li>•3,500 m<sup>2</sup> of exterior space</li> <li>•2/3<sup>rd</sup> of this space dedicated to new plantings, designed by landscape architects</li> </ul>
Certifications achieved	<ul style="list-style-type: none"> <li>•BREEAM Refurbishment and Fit Out – Excellent</li> <li>•BBCA – Standard</li> <li>•BBC Effinergie – Minus 40%</li> <li>•Biodivercity – Performing</li> <li>•WiredScore – Gold</li> </ul>



### **Circular economy**

We integrate circular economy principles across our operations to minimize resource consumption and waste. During major renovations, this strategy is applied through two primary focus areas: resource efficiency and end-of-life management. To reduce water consumption, we incorporate greywater and rainwater harvesting systems. For waste, we prioritize "design for disassembly" to ensure future material reuse and implement robust on-site sorting and recycling programs for unavoidable waste. This comprehensive approach ensures full compliance with regulations, such as the EU Construction and Demolition Waste Protocol, while strengthening the environmental and economic resilience of our assets.

Our commitment to the circular economy is demonstrated through practical initiatives at both the development and operations stages of our assets:

- **Development:** during the development of our Just B asset, we partnered with a specialist recycling consultant to create a comprehensive construction waste management plan. Similarly, for our Level asset project, our strategy focuses on both recycling and direct reuse, which includes recovering and reinstalling sanitary fixtures. To date, at least 70% of non-hazardous demolition and construction waste from our projects is recycled or recovered.
- **Operations:** 100% of our operational offices implement selective waste sorting. Additionally, all our assets are equipped with motion-sensor taps to minimize water consumption.

## **Enhancing health and well being**

### **Indoor environmental quality**

Our commitment to tenant wellness is a core driver of our design and operational strategies. During refurbishments, our design principles prioritize wellness factors like thermal comfort, abundant natural light, acoustic control and biophilic design. This approach is validated by our alignment with leading building standards such as BREEAM and Haute Qualité Environnementale (HQE). We work hand in hand with our property managers to integrate indoor environmental quality standards into the operations of our assets and the green clauses of our lease agreements.



### Mobility and accessibility

We are committed to creating inclusive and accessible built environments. Our strategy begins with ensuring all assets strictly adhere to legal accessibility standards, creating spaces that support diverse user needs. Beyond this compliance, we focus on making sure our buildings are well-connected with diverse and sustainable transport hubs. We prioritize acquiring assets within 500 meters of public transport links and equip them with amenities that encourage low-carbon commuting, such as cycle storage and electric vehicle (EV) charging stations. For our Level asset, we have provided 400 cycle storage spaces in 2025, along with 100 spaces at Stellar. We have also implemented EV infrastructure for our asset Alba, as detailed below.

<b>L'ALBA</b> <i>Mobility and accessibility</i>	
Location	Boulogne
Asset class	Office
Asset size <sup>14</sup>	13365 m <sup>2</sup>
Constructions/ renovations completed	2025
Project details (implemented)	<ul style="list-style-type: none"> <li>•In 2025, l'Alba has 128 EV charging points and 69 bike racks. The building is 100% EV-ready, with infrastructure to support charging stations on every parking space.</li> <li>•The site also has shower facilities.</li> </ul>
Certifications achieved	<ul style="list-style-type: none"> <li>•BREEAM New Construction– Very Good</li> <li>•BREEAM Refurbishment and Fit Out – Excellent</li> <li>•BBCA – Performant</li> <li>•Biodiversity – Outstanding</li> <li>•WiredScore – Silver</li> </ul>



### Community development

Our commitment extends beyond the walls of our buildings to actively engage with and contribute to the local communities where our assets are located. We believe that creating vibrant, integrated neighbourhoods is an essential part of responsible property ownership and adds long-term social value. This commitment is demonstrated through a range of amenities designed to promote physical well-being and social connection. We have installed on-site fitness centres at Alba, Emblem and Greensquare, a boxing gym at Just B that helps animate the neighbourhood, and a 24/7 gym at Stellar. We also foster interaction through social hubs like the fifth-floor coffee shop and modular event spaces at Stellar and a revitalized cafeteria at Greensquare. We are planning to have a business centre and auditorium at 15 Grande Armée.

Our dedication to the wider community is best exemplified by our Bravetta development in Italy. In addition to providing on-site wellness services, we are addressing local needs by building an elementary school and a daycare centre, creating lasting value for the neighbourhood.

<b>ASSET BRAVETTA</b> <i>Community development</i>	
Location	Rome
Asset class	Residential (multi-family)
Asset size	36310 m <sup>2</sup>
Constructions/ renovations completed	2026
Project details	<ul style="list-style-type: none"> <li>•Elementary school</li> <li>•Daycare centre</li> <li>•Co-working spaces</li> <li>•Fitness centre</li> <li>•Swimming pool</li> </ul>
Certifications achieved	•N/A





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# Appendices

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## Investment restrictions and Sustainability Risk Policy

We maintain a stringent approach to tenant selection and investment decisions. We refuse to engage with tenants deemed unethical or associated with negative impacts. We do not invest in real estate properties or sign lease agreements with tenants that contribute to or are responsible for material and/or systematic violations of human rights or labour rights, as outlined by the UN Universal Declaration of Human Rights and International Labour Organisation's core conventions. We also reject partnerships with tenants involved in corruption, prostitution, the sex industry, adult entertainment, or coal mining. Furthermore, we avoid tenants whose majority sales revenue derives from the manufacturing and/or distribution of alcohol, gambling, or war materials.

For details on our risk management approach, please refer to [RedTree Capital Sustainability Risk Policy and ESG document](#).

## SFDR reporting – Article 8

### Eligibility

Article 8 of the SFDR is a regulation that promotes disclosure and transparency in sustainable finance, ensuring that financial market participants provide clear information about how environmental or social characteristics are considered in investment decisions and financial product offerings.

### Alignment

RedTree Capital's Fund II, disclosed as an Article 8 fund under SFDR, promotes two environmental goals: the reduction of carbon emissions across the fund and the certification of its buildings. RedTree Capital targets that 70% of this fund's assets under management meet these goals.

To achieve these targets, RedTree Capital has set the goal to align its assets with the Carbon Risk Real Estate Monitor CRREM (v.2) pathway through the acquisition of buildings that either already meet this requirement or have an investment plan for renovation works in place to achieve a carbon intensity level that is equal or lower than the CRREM (v.2) trajectory for each specific region and asset typology.

Similarly, RedTree Capital is looking to acquire buildings with investment plans for renovation works to achieve a BREEAM rating of 'Very Good', HQE rating of 'Very High Performance', or equivalent certification within three years from the start of improvements or renovations, or properties that already hold a valid green certification complying with these standards.

## Article 29 reporting

Under Article 29 of the French law on Energy and Climate, all financial institutions are required to disclose biodiversity-related risks and climate-related risks, as well as their strategy for reducing principal adverse impacts, including specific targets.

RedTree Capital has identified three main areas of intervention:

- Renovating for carbon emissions reduction, with the aim to achieve a 40% reduction in energy consumption by 2030 (vs. a reference year chosen per asset between 2010 and 2020) and aligning with the Paris Agreement.
- Providing resilient buildings by counteracting climate risks, protecting stakeholders, promoting biodiversity, and reducing water consumption and waste.
- Improving health and well-being by creating healthy work environments, improving mobility and accessibility, and creating vibrant spaces for tenants.

Performance indicators for each of the three areas are taken from recognised frameworks, such as SFDR, GRESB or CRREM.

RedTree Capital has published Article 29 report for 2025, which can be found [here](#).