




GREENMAN

Sustainability Report

Please support the environment and do not print this report.



“If we want things
to stay as they are,
things will have
to change.”

- Giuseppe Tomasi di Lampedusa, *The Leopard*

Grocery

Retail
park

SFDR

Community

Consumers
Awareness

independence

Energy

Environment

Carbon footprint

EV

Neighbourhood
centre

EDEKA

Tenant

Kaufland

Photovoltaic
Renewable energy

REWE

Education

Carport
Ambition

Impact

Rent

Regulatory Note & Period Covered

This document is a clear and reasoned explanation of how Premier Benchmark Property Limited t/a Greenman Investments (“**Greenman**”) acting in its capacity as AIFM to the alternative investment fund Greenman Investments S.C.A., SICAV-FIS and its compartments Greenman Open (“**OPEN**”) and Greenman European Supermarkets (“**GES**”), (taken together as the “**Funds**”) discloses, in accordance with Article 7 and subsequently Article 4 of the Regulation EU 2019/2088, on sustainability-related disclosures in the financial services sector (“**SFDR**”), its considerations on the principal adverse impacts on sustainability factors for the Funds and actions taken with regard to the Funds’ sustainability factors (the “**Sustainability Report**”).

The Sustainability Report covers the period from the date at which the SFDR annex was included in the Funds’ offering document (25th of March 2021) until the 31st December 2021 (the “**Period**”). However, activities initiated on behalf of the Funds, in particular OPEN, in the Period have led to materially significant results and undertakings and accordingly this Sustainability Report includes all subsequent events which have occurred for OPEN from the end of the Period to the 30th September 2022 (taken together the “**Extended Period**”).

Key Information Summary

In March 2021 Greenman in its capacity as AIFM classified both Greenman OPEN ("**OPEN**") and Greenman European Supermarkets ("**GES**") as Article 8 funds as defined by the Sustainable Financial Disclosures Regulation ("**SFDR**").

As Article 8 funds, Greenman made specific sustainability commitments for OPEN (the "**SFDR Commitments**").

100% of the SFDR Commitments with completion deadlines completed within the required deadlines.

100% of the SFDR Commitments without completion deadlines have commenced.

Of the SFDR Commitments with annual maximum and minimum capital allocation targets, 57% have met their capital allocation. For the remainder, the capital allocated was below the min. target.

There is a considerable overlap between the **EU Taxonomy's 6** environmental objectives and activities undertaken by Greenman to complete OPEN's SFDR Commitments during the period.

Since 2017 Greenman have been focused on ensuring OPEN's portfolio remains relevant to changes in the grocery retail industry and have formed a number of **Joint ventures** with OPEN to ensure the SDFR commitments meet OPEN's **financial goals**.

In 2021 Greenman launched an **ambitious plan** to reduce OPEN's carbon footprint to the extent that by 2050 the combined net carbon emissions from OPEN's portfolio shall be ZERO.

Greenman will follow a **Convert not Demolish** approach, ensuring OPEN's life-cycle embodied emissions are efficiently minimised.

In 2021 Greenman Energy ("**GME**") was formed, which will generate significant amounts of carbon emission savings and additional income from the sale to tenants and EV users of energy generated from the roofs of OPEN's properties.

In 2021 Potager Farm ("**Potager**") was formed which will meet consumer desire for sustainable and local food production by building and operating vertical farms at OPEN's properties.

The Greenman group will launch a number of educational **initiatives** to increase awareness of sustainability and climate change issues amongst the c. 280,000 daily visitors to OPEN's properties.

In 2023 the group will form a **sustainability committee** chaired by an experienced non-executive director.



Contents

01. Corporate Information	6
1.1. The Greenman Group	7
1.2. Premier Benchmark Property Limited	8
1.3. Greenman Investments S.C.A., SICAV-FIS	8
1.4. Greenman OPEN	9
1.5. Greenman European Supermarkets	10
02. Background	11
2.1. Sustainable Finance Disclosure Regulations	12
2.2. Greenman OPEN SFDR Commitments	13
2.3. EU Taxonomy	14
2.4. Greenman's Joint Ventures with the Funds, OPEN and GES	16
2.5. Sources of Income from Sustainable Activities	17
03. Mission	18
Highlights	20
3.1. Responsibility	21
3.2. Ambition	21
3.3. Impact	21
3.4. Educate	21
3.5. Industry Partnerships	22
3.6. Achieve	22
04. Net Zero Pathway	23
4.1. NET Zero Goals Background	24
4.2. Net Zero Goals	25
4.3. Result	31
4.4. Embodied Carbon and Long Term Alignment	32
05. Investments	33
5.1. Greenman Energy	34
5.2. Potager	37
06. Initiatives	39
6.1. Basalt	40
6.2. Beездorf	40
6.3. Greenkizz	42
6.4. Charitable Initiatives	42
07. Governance	43
7.1. Board led Agenda	44
7.2. Policy Alignment	44
7.3. Sustainability Committee	44
7.4. Memberships and Alliances	44

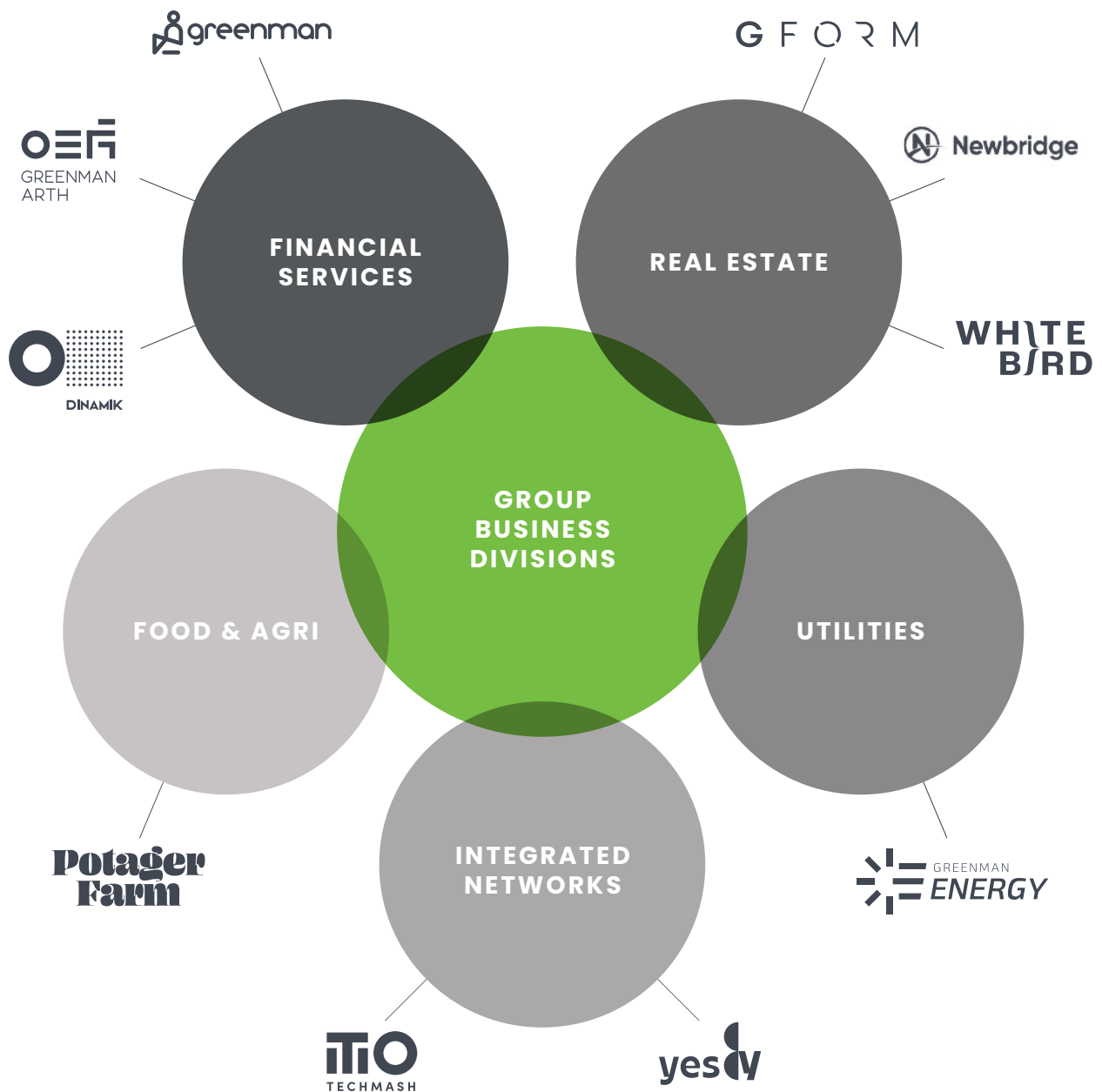


01.

Corporate Information

1.1. The Greenman Group

The Greenman Group is a collection of subsidiary corporations including entities regulated by the Central Bank of Ireland (“CBI”), the CSSF and others under the control of one single entity – Greenman Holdings Limited (the “Group”). The group was formed in 2020, is headquartered in Dublin, Ireland and its subsidiaries employ c. 130 people operating in 6 countries undertaking activities across 5 distinct business divisions.



1.2. Premier Benchmark Property Limited

Premier Benchmark Property Limited t/a Greenman Investments (“**Greenman**”) is a wholly owned subsidiary of Greenman Holdings Limited. It is an Alternative Investment Fund Manager (“**AIFM**”) under the supervision of the Central Bank of Ireland (the “**CBI**”). Greenman has been the Funds' AIFM since 2014.

1.3. Greenman Investments S.C.A., SICAV-FIS

Greenman Investments S.C.A., SICAV-FIS is a Luxembourg société d'investissement à capital variable – fonds d'investissement spécialisé (*investment company with variable capital – specialized investment fund*) formed as a société en commandite par actions (corporate partnership limited by shares) incorporated under Luxembourg law on the 4th April 2014 (the “**Fund**”). The Fund is registered with the RCSL under the number B 186533. The Fund has an umbrella structure consisting of two compartments. A separate portfolio of assets is maintained for each compartment and is invested in accordance with the investment objective and policy applicable to that compartment by Greenman.



1.4. Greenman OPEN

Greenman OPEN is the 1st compartment of the Fund (“**OPEN**”). OPEN is an open ended real estate fund which owns a portfolio of German supermarkets and grocery anchored real estate in Germany. As at 30/09/2022 it owns 77 properties with a gross asset value of c. €1.09bn. More than 60% of its c. €52.8m annual rental income is generated from four of Germany's largest supermarket chains who collectively account for c. 70% of Germany's c. €260bn grocery market.

OPEN - At a glance

77

Properties

241

Tenants

96%

Occupancy

8.4yrs

WARLT

€429m

Senior Debt

41%

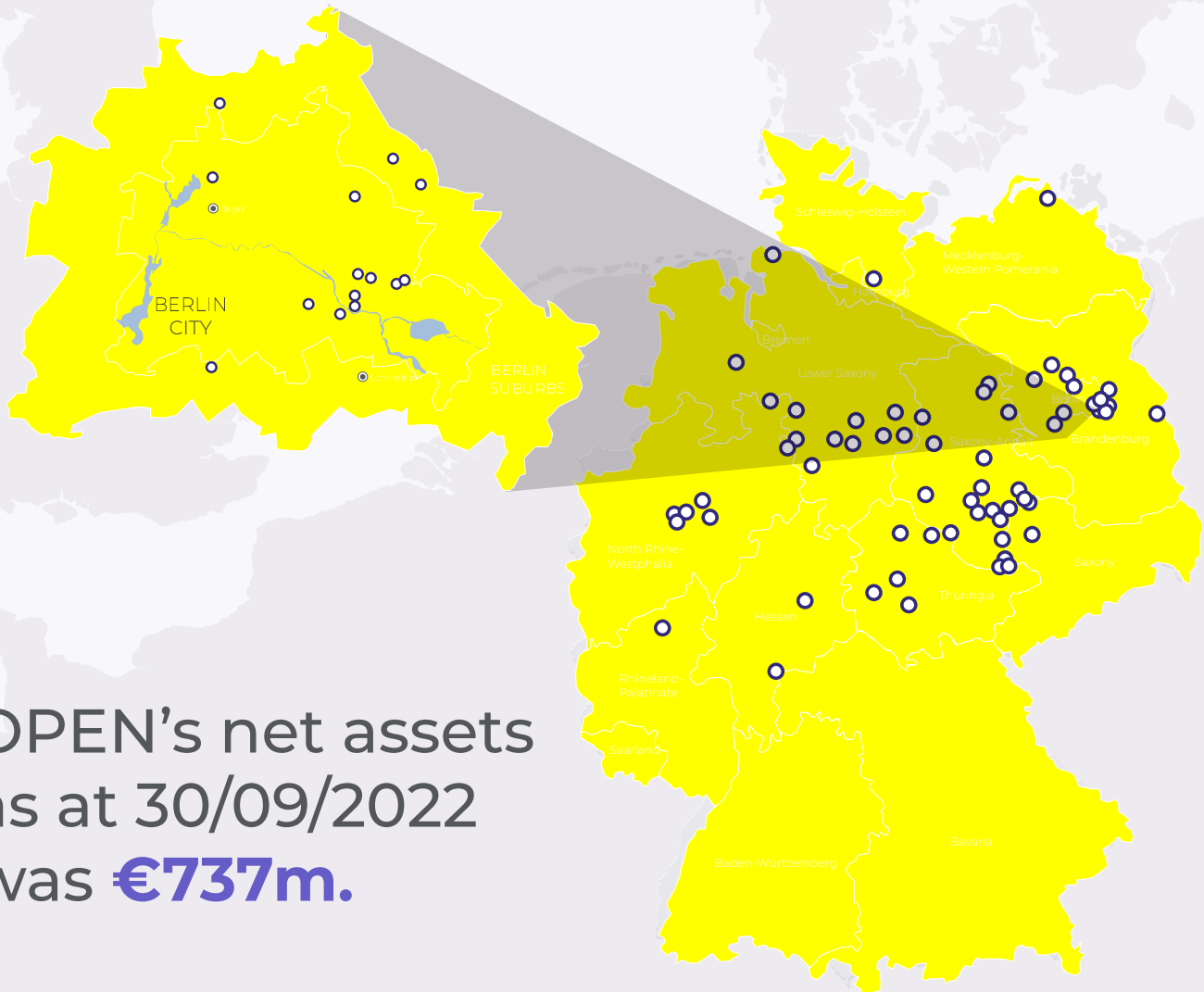
Senior Debt LTV

5.21yrs

Weighted debt maturity

€115m

Cash Assets

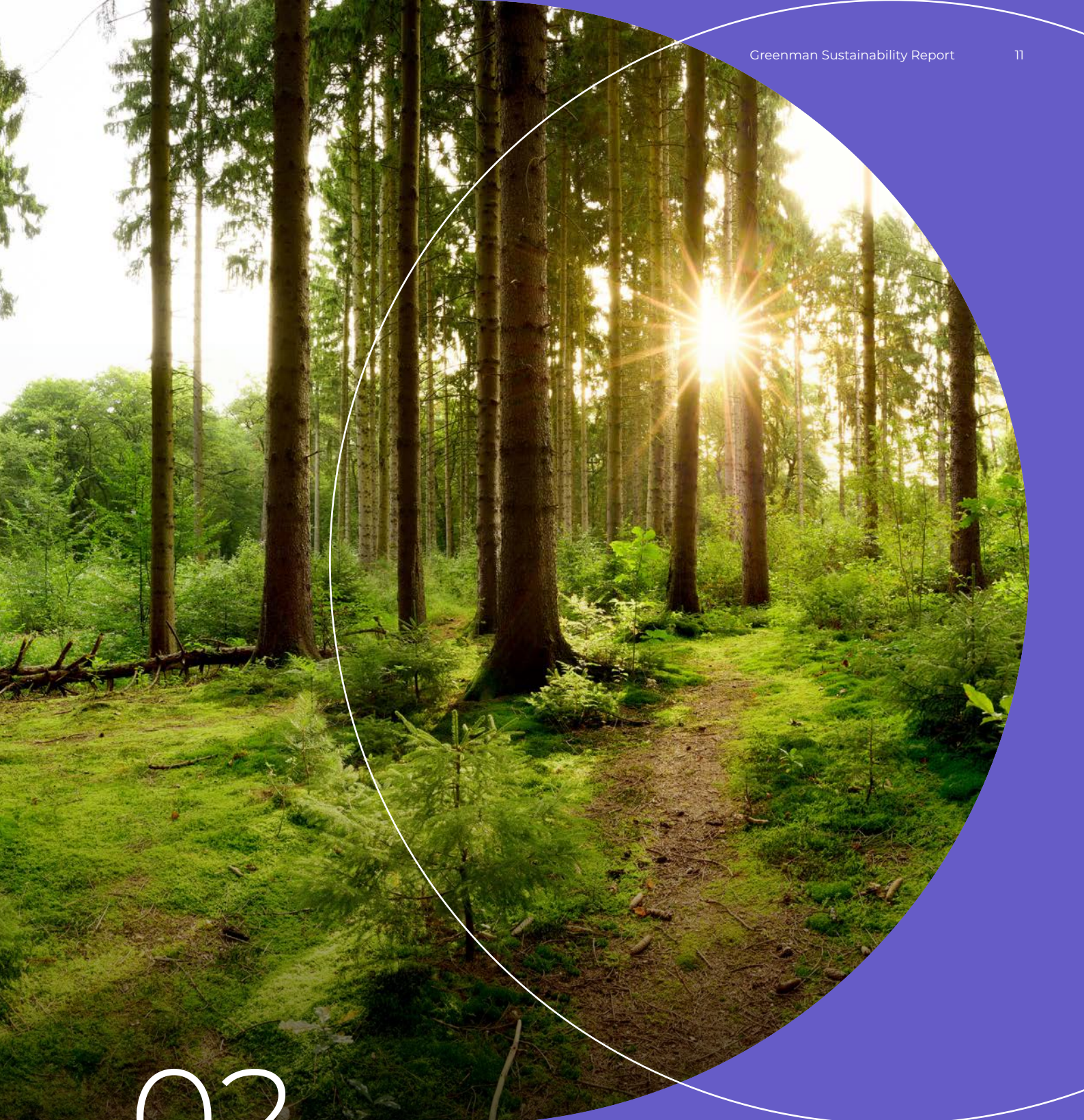


1.5. Greenman European Supermarkets

Greenman European Supermarkets, a part-open ended real estate fund formed in January 2021, is the Fund's second compartment ("**GES**"). GES can acquire grocery anchored real estate, logistics and omni-channel grocery distribution and retail platforms across the EU member states. GES has the flexibility to make equity participations in or to issue debt instruments to the entities that own the properties.

As at 31/12/2021 GES had made no investments and as a consequence has nothing to report for the Period.





02.

Background

2.1. Sustainable Finance Disclosure Regulations

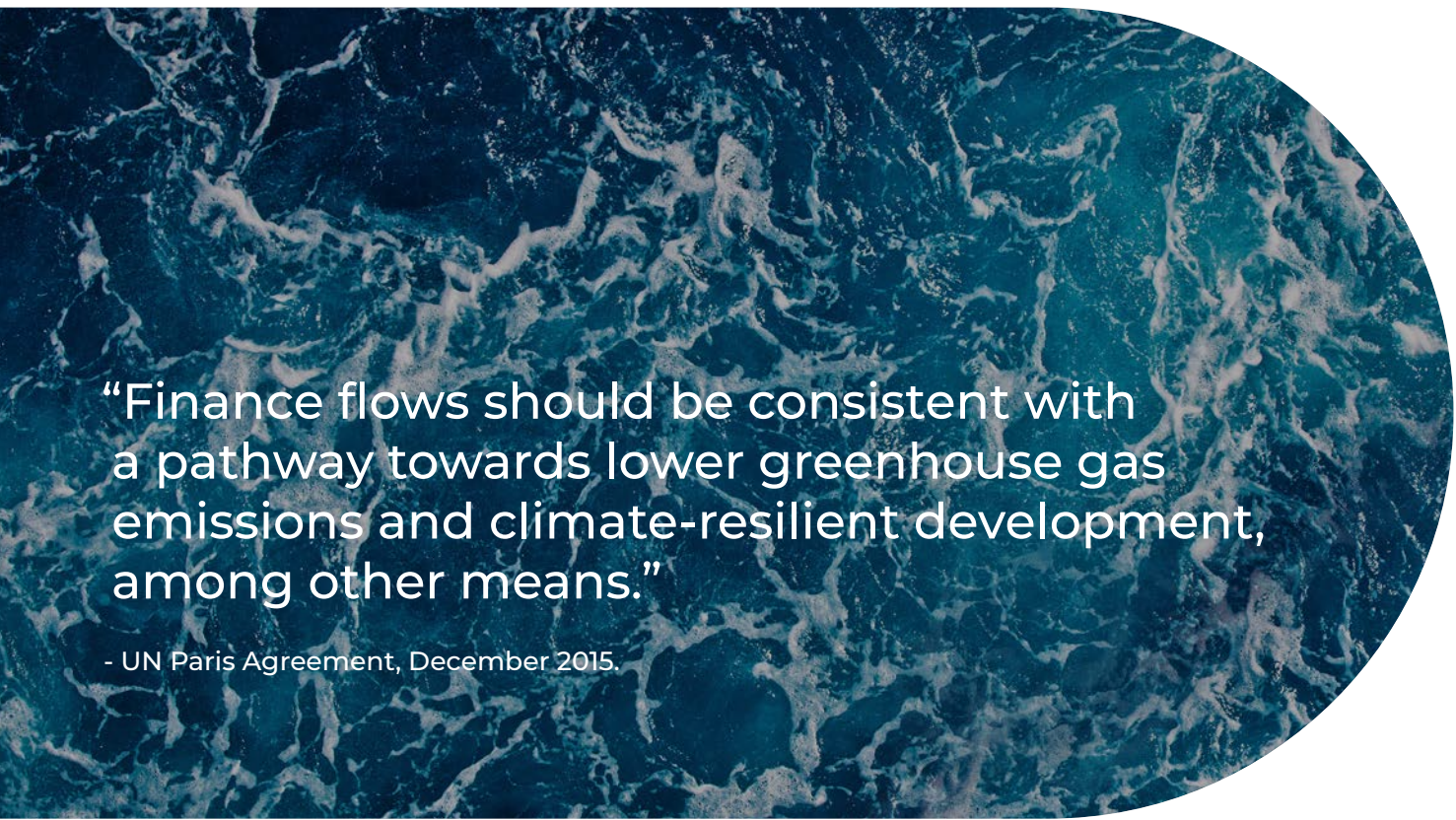
The Sustainable Finance Disclosure Regulation ("**SFDR**") is a European regulation introduced to improve transparency in the market for sustainable investment products, to prevent greenwashing and to increase transparency around sustainability claims. It imposes comprehensive sustainability disclosure requirements covering a broad range of Environmental, Social & Governance ("**ESG**") metrics.

In force since the 10th March 2021, SFDR is a fundamental pillar of the EU Sustainable Finance agenda, having been introduced by the European Commission as a core part of its 2018 Sustainable Action Plan.

SFDR categorises investment funds into three separate fund types:

Article 6 funds	Where the AIFM deems that sustainability risks are not relevant to a particular fund.
Article 8 funds	Where the AIFM promotes environmental or social characteristics or a combination of those characteristics in a particular fund.
Article 9 funds	Where the AIFM has sustainable investment as an objective in a particular fund.

Greenman has classified both Greenman OPEN and Greenman European Supermarkets under Article 8 and on that basis promotes environmental and social characteristics of their properties and other investments.



“Finance flows should be consistent with a pathway towards lower greenhouse gas emissions and climate-resilient development, among other means.”

- UN Paris Agreement, December 2015.

2.2. Greenman OPEN SFDR Commitments

As an Article 8 fund Greenman on behalf of OPEN committed to the following actions:

Type of Action	Brief Description	Completion Date (if any)	Status of Action
Environmental Impact Audit	To complete the first environmental impact audit of a property in the portfolio	31/12/2021	Complete
Impact Review	Impact Audit review and specific recommendations for improvement of sustainability factors	30/06/2022	Complete
Improvement Plan	Greenman to establish an improvement plan to implement the recommendations in the Impact Audit	(First review)	Complete
Enhanced Environmental Due Diligence	When acquiring new properties for OPEN, Greenman must (either externally or internally) complete due diligence to establish the property's principle adverse impacts and how they may be addressed.	All acquisitions after 30/09/2021	Complete
Energy Reduction	Upgrade the technical and building infrastructure of OPEN's properties to reduce energy consumption, annually committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Ongoing
Renewable Energy Generation	Plan and install the infrastructure needed to generate renewable forms of energy at OPEN's properties, committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Ongoing
Smart Buildings	Upgrade the facilities, systems, controls and measures at OPEN's properties to reduce energy consumption and increase energy recovery, annually committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Not Started
Use of AI	Plan and install equipment which can monitor, map, evaluate and distribute data to develop artificial intelligence systems in OPEN's properties to reduce energy consumption, annually committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Not Started
Sustainable food production	Plan, install and operate the infrastructure and management activity needed to develop, support and create sustainable food production enterprises, educate the tenants and their customers on sustainable farming activities, and promote the manufacturing and the sale of traceable and sustainable and local foodstuffs in OPEN's properties, annually committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Ongoing
Supply Chain Management	Plan, install and operate the infrastructure and any management activity necessary to develop, support, monitor, evaluate and invest in novel and future grocery and non-grocery retail distribution activities either located at or near OPEN's properties, annually committing at least 0.2% of OPEN's NAV to such measures.	From 01/07/2021	Not Started
Charitable & Educational Initiatives	Greenman, on behalf of the fund, shall make investments in operational entities, operational infrastructure and any management activity necessary to support charitable organisations engaged in the education about food, sustainable food production, hunger, food poverty, and the supply of food to the economically disadvantaged, elderly and marginalised in the communities where the Properties are located, annually committing a minimum of 0.01% of OPEN's NAV to such measures.	From 01/07/2021	Ongoing

2.3. EU Taxonomy

In 2022 legislation supplementing SFDR was introduced. Regulation EU 2020/852, known as EU taxonomy further defines how a fund manager should justify, record and report upon any investments made on behalf of a fund which has sustainable goals as an objective. Its aim is to create a standardised and transparent framework, giving investors confidence to shift investments to help companies to become more climate-friendly while mitigating market fragmentation and avoiding greenwashing.

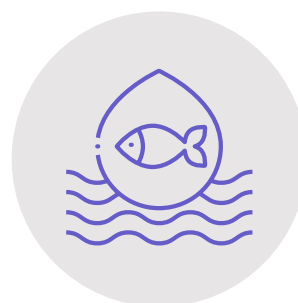
The 6 Environmental Objectives are listed in Article 9 of EU Taxonomy and further detailed in other articles are:



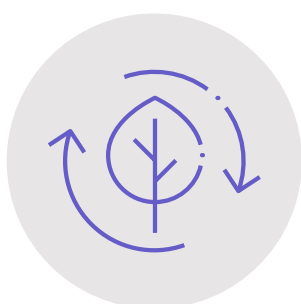
Climate Change Mitigation



Climate Change Adaptation



The Sustainable Use and Protection of Water & Marine Resources



The Transition to a Circular Economy




Pollution Prevention and Control



The Protection and Restoration of Biodiversity and Ecosystems

EU Taxonomy through supporting technical screening criteria provides companies, investors and regulators with appropriate definitions for which economic activities can be considered environmentally sustainable. There is a considerable overlap between EU Taxonomy's 6 objectives, the objectives listed in OPEN's SFDR Annex (as at 30/09/2022) and actions taken by Greenman on behalf of OPEN. The alignment of Greenman's and OPEN's regulatory obligations and its investment intentions lay the foundation for OPEN's long term capital allocation programme.



A taxonomy is a scheme of classification, especially a hierarchical classification, in which things are organised into groups or types so that users can find the information in which they are searching more easily.

2.4. Greenman's Joint Ventures with the Funds, OPEN and GES

In 2019, Greenman launched a programme to consider how best to enhance OPEN's properties to the extent that they remain viable for the existing tenant to occupy, regardless of changes to that tenant's store concepts and operational strategy during and beyond their existing lease. The focus was on innovative technologies, modern building materials and infrastructural solutions complimenting tenant innovations and embracing the arrival of disruptive technologies and practices. The aim is to be a part of the conversation about the future of grocery distribution and retail.

Improvements and innovations require considerable allocations of OPEN's capital. Conscious of our investors' returns expectations, Greenman plan that where possible, capital committed to these activities should have the ability to generate additional income for OPEN and framed this objective with a measurable goal - that by the end of 2025, at least 5% of OPEN's income would originate from non-rental income activities (the "**5 by 25**").

Operational activities are often of equal importance to sensible capital allocation. Therefore, the Greenman Group, will create a number of separate businesses (the "**Complementary Businesses**") providing strategic direction, expert know-how and management capacity to safeguard OPEN's equity and will enter into joint ventures with OPEN, GES and others to focus on achieving profit, in line with 5 by 25, while delivering OPEN's sustainability goals (the "**Fund JVs**").

Demonstrating that the interests of the Greenman Group are aligned with those of OPEN, GES and their investors, it shall commit a min. of 25% of the equity requirement to each Fund JV pari-passu to any equity committed by OPEN (the "**75/25 Principle**").

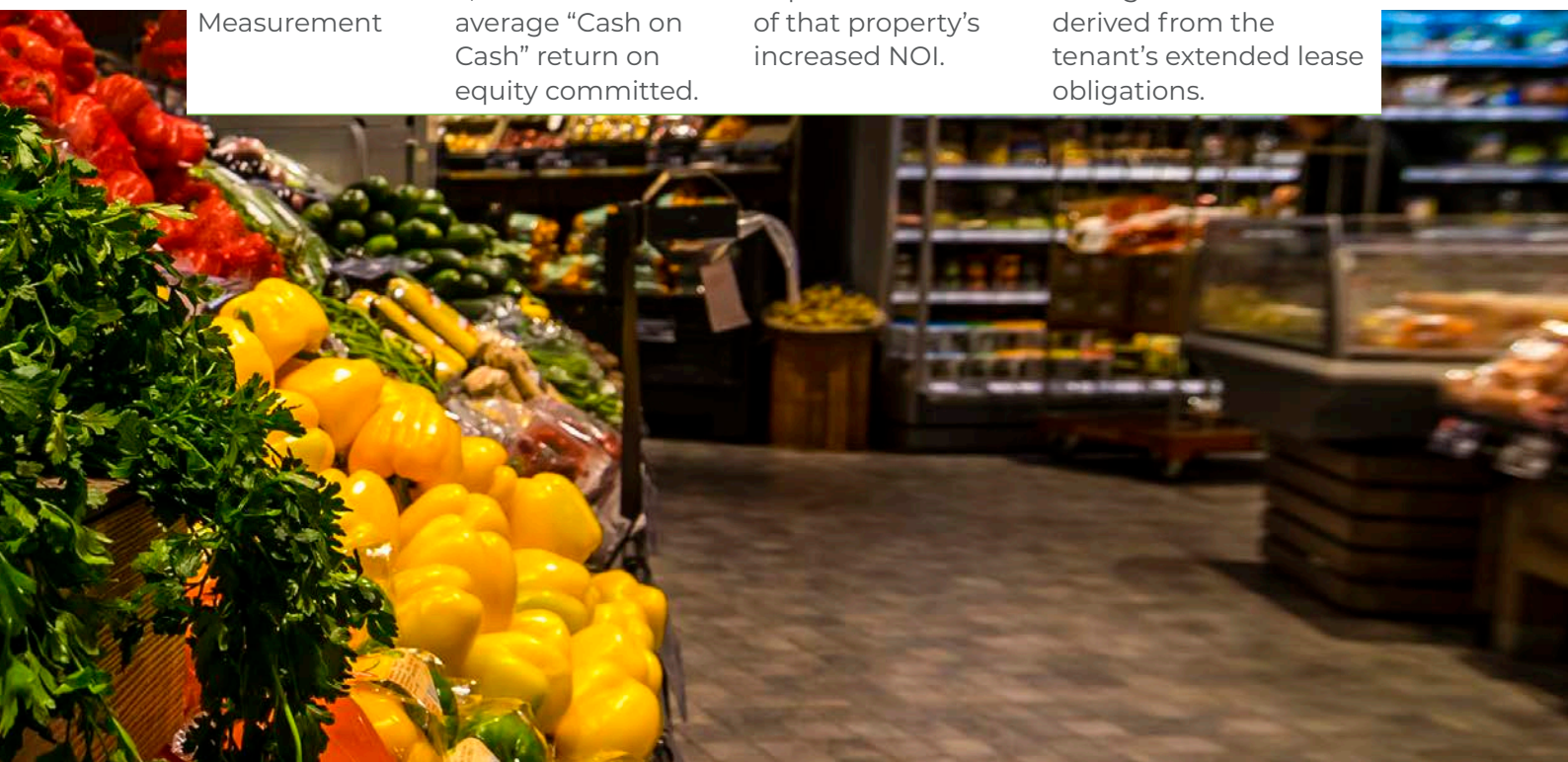


The aim is to be a part of the conversation about the future of grocery distribution and retail.

2.5. Sources of Income from Sustainable Activities

Either on a standalone basis or via a Fund JV, any fund capital that Greenman commits to achieving a fund's sustainable goals should also generate positive financial returns. These returns are categorised into 3 income sources:

Income Source	Direct Income	Indirect Income	Community Income
Definition	An investment in an economic activity which alongside achieving any sustainability goal directly generates additional non-rental income for a fund.	An investment in an economic activity which alongside achieving any sustainability goal indirectly generates additional income for a fund.	An investment in an economic activity which alongside achieving any sustainability goal results in an increase in income for a tenant or any other fund counterparty which indirectly results in additional value being generated for a fund.
Example	Additional income for OPEN achieved by GME's sale of electricity generated at an OPEN property.	Where OPEN has invested in infrastructure which reduces a property's operational expenses and therefore increases a property's net operational income ("NOI").	Where OPEN has invested in a community awareness programme which increases consumer visits to an OPEN property and this increase leads to a tenant extending their lease obligations.
Method of Measurement	5, 10 or 15 Year average "Cash on Cash" return on equity committed.	Capitalised value of that property's increased NOI.	Change in valuation derived from the tenant's extended lease obligations.





03.

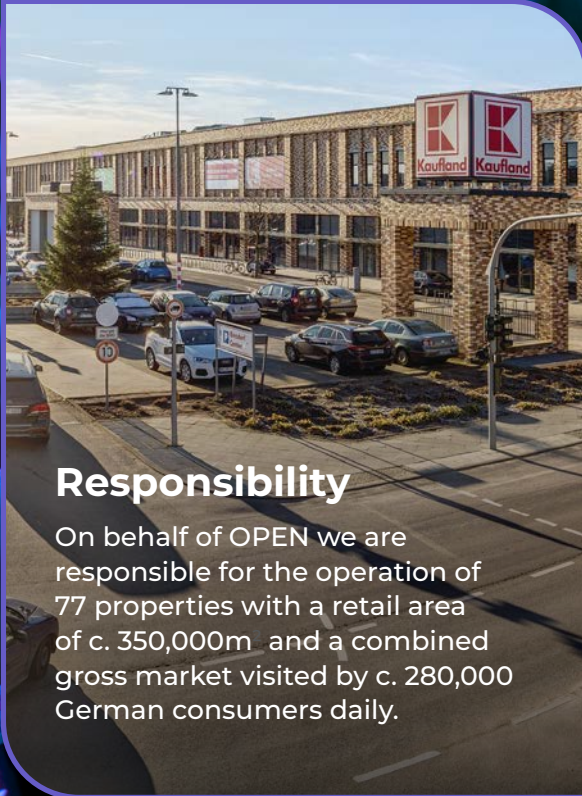
Mission

It is our intention to fully align OPEN and GES' portfolios with the EU's climate goals under the European Green Deal, where all 27 member states committed to make Europe the first climate neutral continent, ensuring that the EU meets the Paris agreement commitments to limit global warming to less than 1.5% of pre-industrial levels by 2050.

The European Green Deal also plans to "decouple economic growth from resource use" and commits that "no person and no place is left behind". The EU have highlighted certain benefits to EU citizens. Our mission is to deliver through our portfolio's the same benefits to the visitors of the Funds' properties.

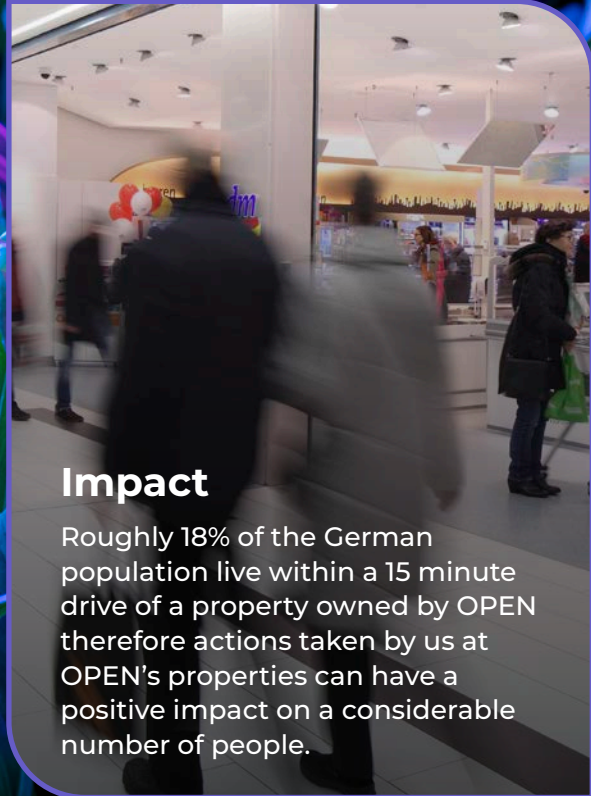
EU Green Deal outlined Benefits to EU Citizens	Alignment with our Funds' Sustainability Goals
Cleaner energy and cutting-edge clean technological innovation	Yes
Fresh air, clean water, healthy soil and biodiversity	Yes
Cleaner energy and cutting-edge clean technological innovation	Yes
Renovated, energy efficient buildings	Yes
Healthy and affordable food	Yes
Longer lasting products that can be repaired, recycled and re-used	Yes
More public transport	Yes
Future-proof jobs and skills training for the transition	Yes
Globally competitive and resilient industry	Yes

Highlights



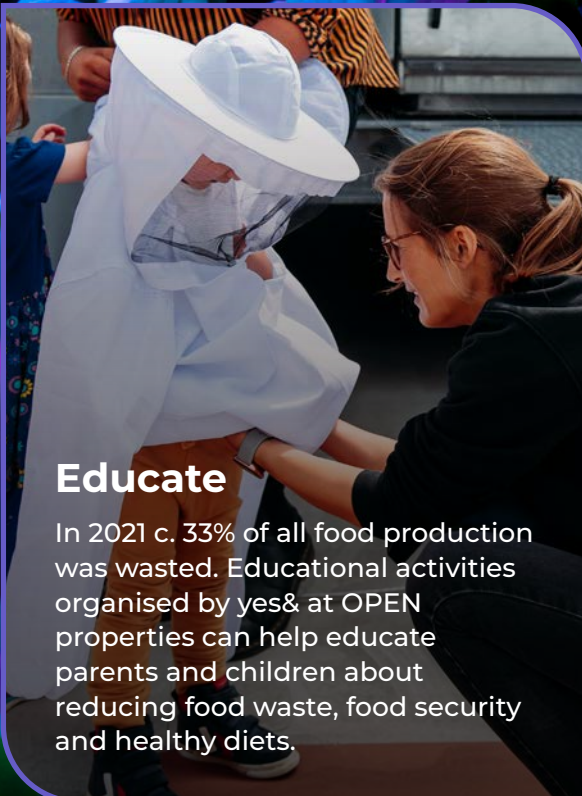
Responsibility

On behalf of OPEN we are responsible for the operation of 77 properties with a retail area of c. 350,000m² and a combined gross market visited by c. 280,000 German consumers daily.



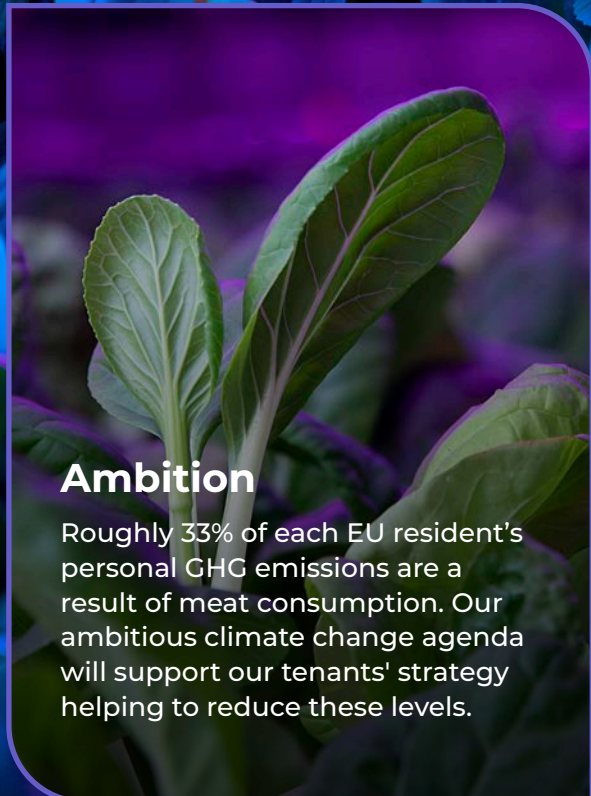
Impact

Roughly 18% of the German population live within a 15 minute drive of a property owned by OPEN therefore actions taken by us at OPEN's properties can have a positive impact on a considerable number of people.



Educate

In 2021 c. 33% of all food production was wasted. Educational activities organised by yes& at OPEN properties can help educate parents and children about reducing food waste, food security and healthy diets.



Ambition

Roughly 33% of each EU resident's personal GHG emissions are a result of meat consumption. Our ambitious climate change agenda will support our tenants' strategy helping to reduce these levels.

3.1. Responsibility

Greenman and the Greenman Group, via OPEN and GES and as individuals have the responsibility to commit significant time, thought and resources to enthusiastically fighting climate change and helping to improve the conditions, where possible, for all the occupants of our planet.

Our group companies are part of a network of businesses that are in part responsible for the financing, infrastructural planning, manufacturing, marketing, storage, delivery and sale of certain essential goods and services to the public. As custodians of significant amounts of investor capital, our obligation is to ensure it is allocated to this network to increase the depth and speed of implementation of new solutions, systems and approaches to fight climate change.

3.2. Ambition

OPEN's portfolio of properties emits c. 116,400t of CO₂ annually. Our ambition is to reduce this to zero on a net basis by 2050. However, we estimate that these emissions are only 2% of the total GHG Scope 1,2 & 3 emissions of our grocery tenants. While we can only directly address our Tenant's Scope 2 emissions, our ambitious goal is to support our grocery tenants in reducing their Scope 1 & 3 emissions.

3.3. Impact

The COVID-19 pandemic has shown that the large grocery businesses through the supermarket network are of fundamental importance to us as consumers. Without access to fresh food daily, the lives of our populations would be considerably worse off. We estimate that the total number of people located within a 15-minute drive of any property in OPEN's portfolio is c. 15.4m people (the "**Total Catchment**") roughly 18.3% of the German population. Actions taken by us on behalf of OPEN can have a small but positive impact on the lives of a tiny proportion of the Total Catchment, support the portfolio's tenants and meet our climate change goals.

3.4. Educate

Roughly 7.8m households sit within the Total Catchment and often OPEN's properties are located near town centres, community centres and schools. yes&, a group company who provides centre and event management services to OPEN, organise events and activities at the properties which have education as a central focus. These events will be an excellent avenue for educating the people in the Total Catchment about food, climate and social issues that are having a direct impact on their daily lives.

3.5. Industry Partnerships

As a recognised entity with a deep network of counterparties and industry relations, we aim to become thought leaders helping to shape the debate, demonstrating good practice and supporting smaller or less experienced partners to make better investment and operational decisions. Chief amongst these relations are our partnerships with our grocery tenants. Our grocery partners are intensely aware of the challenges climate change present. Their role in the reduction of food waste, the sale of processed food and the reduction of food supply chains will be of critical importance to human well-being and the EU's Paris goals.

3.6. Achieve

OPEN's portfolio is quite uniform and many of its tenants occupy several properties in the portfolio, normally representing a small proportion of their total store footprint. Initiatives and pilot projects launched in OPEN's portfolio can, if successful, without too many changes be rapidly rolled out across the remainder of the portfolio and more broadly across the tenant's store network. As a result, successful initiatives can quickly have a very positive effect on our and our tenants climate change goals.





04.

Net Zero Pathway

4.1. NET Zero Goals Background

To fully align the Funds' portfolio with the European Green Deal and EU Taxonomy we have set a the target to reduce OPEN's net carbon emissions to zero by 2050. To do so we have identified, established, and will initiate a number of separate actions which should, by 2050, reduce the total NET emissions from OPEN's physical properties from 208 KGs/Co2/m² let area/Year (2022 FY estimate) to zero.

These measures will dramatically reduce our tenants' GHG Scope 2 emissions have a positive impact on their scope 1 and 3 emissions. The measures can be grouped into 6 categories:

Category	Description
Reduction in Electricity Consumption	Reduce each property's Electricity consumption by introducing a number of electricity saving measures.
Reduction in Gas Consumption	Replace any gas-powered building systems with systems powered with cleaner technologies.
Building Efficiency	Increase the energy efficiency of each property to levels similar to or exceeding DGNB Building in use Criteria.
Heat Loss Recovery	Replace and upgrade building systems to reduce heat losses.
Renewable Energy Generation	Install and operate PV and other renewable energy generation systems at each suitable property.
EV Charging Infrastructure	Install and operate EV Charging stations at each suitable property.

4.2. Net Zero Goals

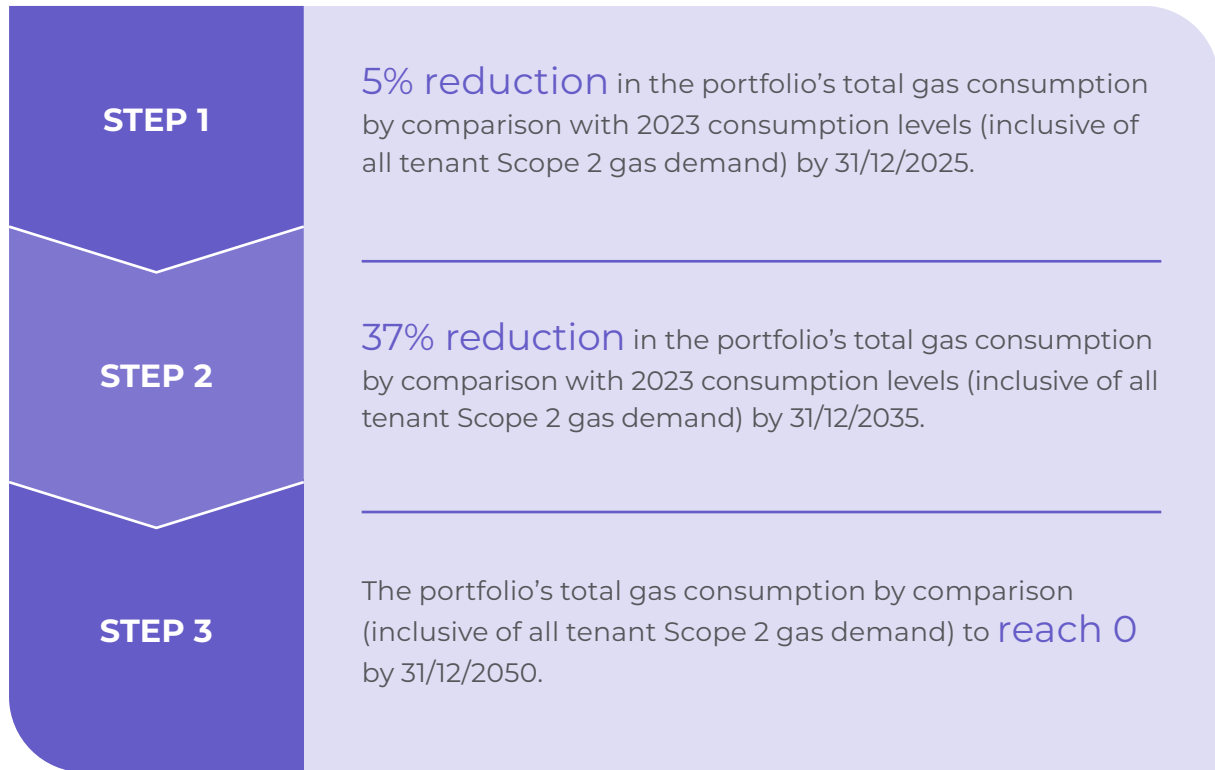
Our Net zero goals for OPEN's portfolio are:

Portfolio Electricity Consumption (MWh/Year)

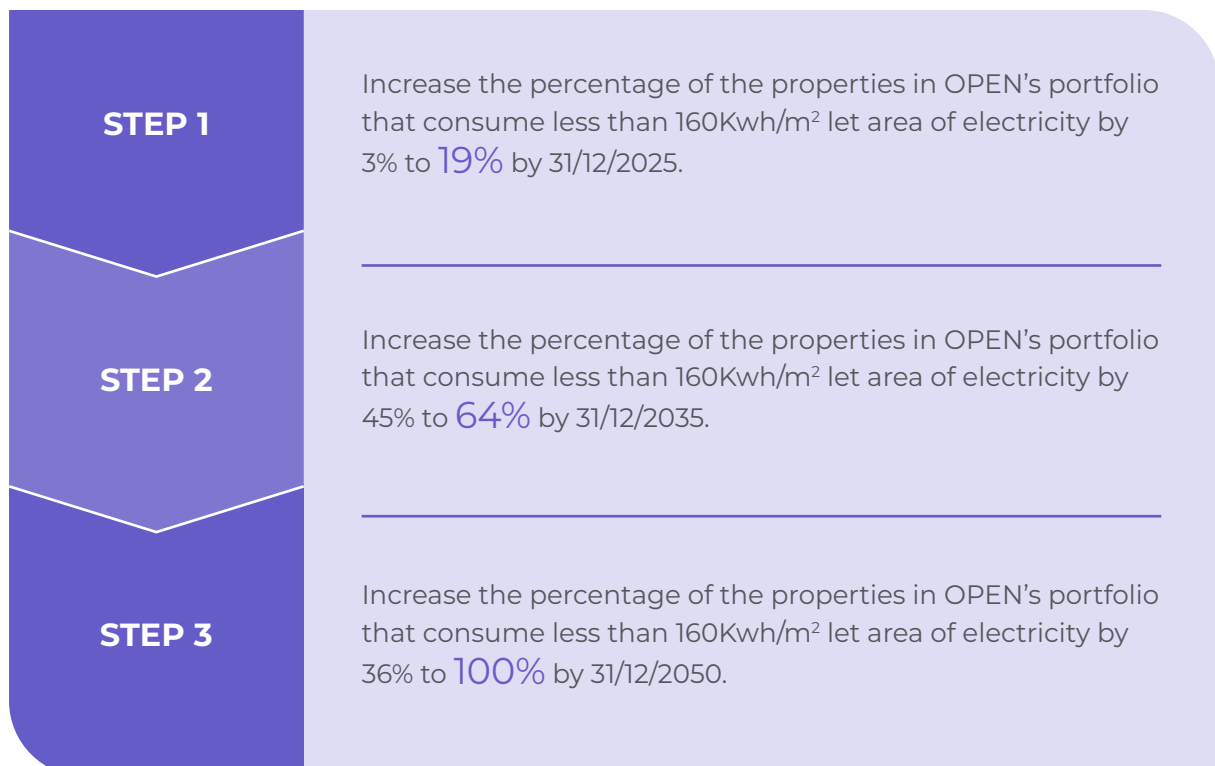
STEP 1	2% reduction in the portfolio's total electricity consumption by comparison with 2023 consumption levels (inclusive of all tenant Scope 2 electricity demand) by 31/12/2025.
STEP 2	11.5% reduction in the portfolio's total electricity consumption by comparison with 2025 consumption levels (inclusive of all tenant Scope 2 electricity demand) by 31/12/2035.
STEP 3	30% reduction in the portfolio's total electricity consumption by comparison with 2035 consumption levels (inclusive of all tenant Scope 2 electricity demand) by 31/12/2050.



Portfolio Gas Consumption (MWh/Year)



Building Efficiency (KWh energy consumed/m² let Area/Year)



Refrigerated Heat Loss Recovery (KWh/m² let Area/Year)

STEP 1

2% reduction in the portfolio's refrigerated/cooling heat losses by comparison to 2023 consumption data (inclusive of all tenant related building heat losses) by 31/12/2025.

STEP 2

30% reduction in the portfolio's refrigerated/cooling heat losses by comparison to 2023 consumption data (inclusive of all tenant related building heat losses) by 31/12/2025.

STEP 3

70% reduction in the portfolio's refrigerated/cooling heat losses by comparison to 2023 consumption data (inclusive of all tenant related building heat losses) by 31/12/2025.



Photovoltaic Renewable Energy Generation (Roofs - MWh/Year)

STEP 1

Generate a minimum of **5,000 (MWh/Year)** on the roofs of the Properties in OPEN's portfolio.

STEP 2

Increase the amount of renewable energy generated on the roofs of the Properties in OPEN's portfolio from 5,000 (MWh/Year) to a minimum of **26,000 (MWh/Year)**.

STEP 3

Increase the amount of renewable energy generated on the roofs of the Properties in OPEN's portfolio from 26,000 (MWh/Year) to a minimum of **53,000 (MWh/Year)**.



A minimum of **53,000 MWh/Year** to be generated by OPEN's rooftop PV panels.

Photovoltaic Renewable Energy Generation (Car Ports - MWh/Year)

STEP 1

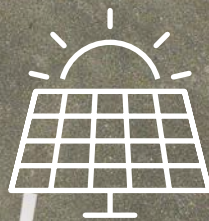
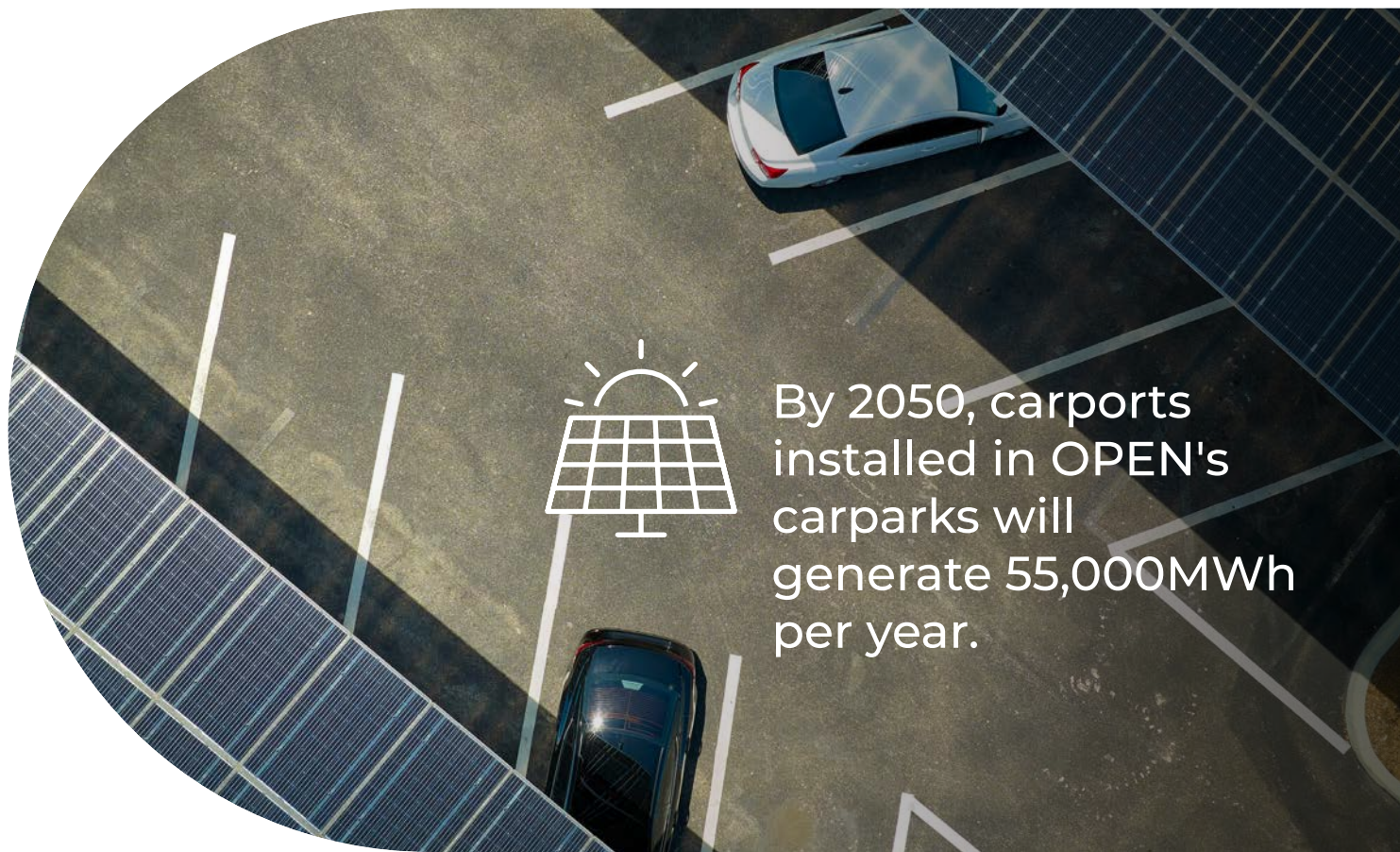
Generate a minimum of **4,000 (MWh/Year)** from carports installed in the car parks of the Properties in OPEN's portfolio.

STEP 2

Increase the amount of renewable energy generated from carports installed in the car parks of the Properties in OPEN's portfolio from 4,000 (MWh/Year) to a minimum of **22,000 (MWh/Year)**.

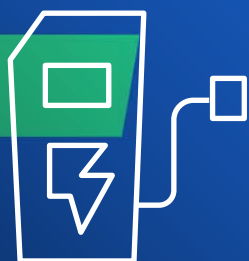
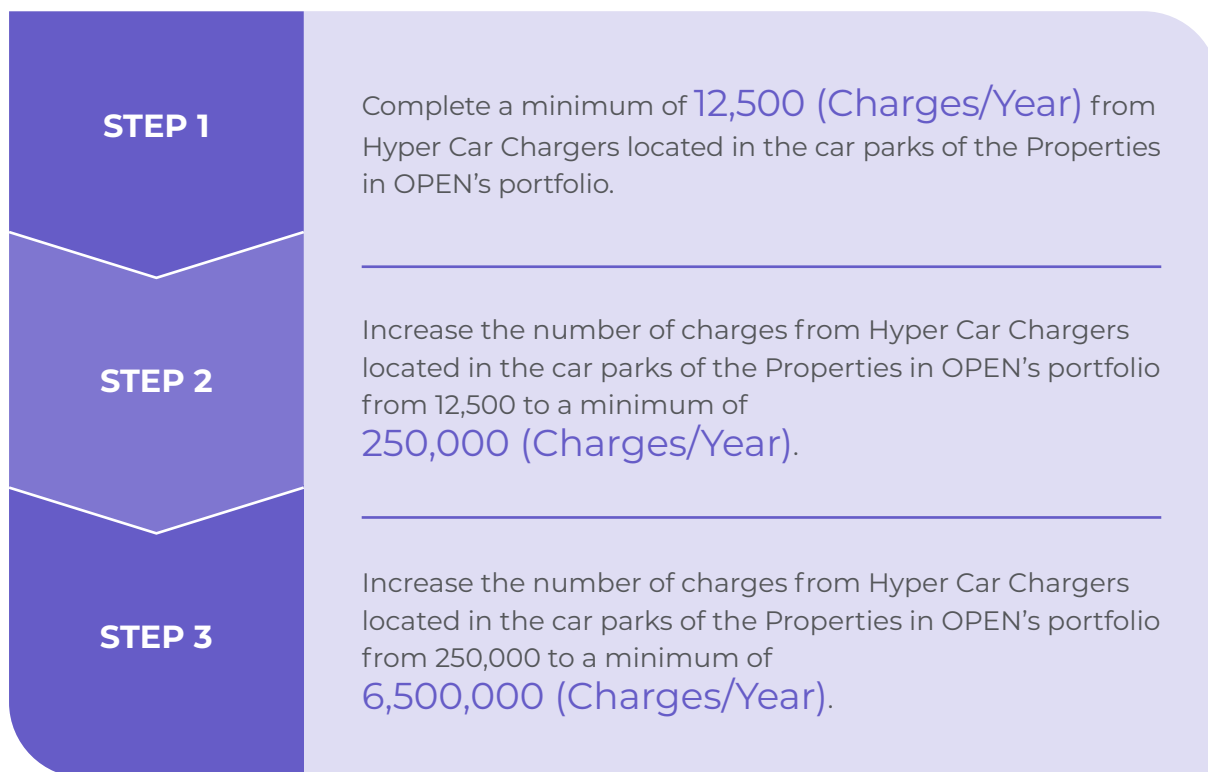
STEP 3

Increase the amount of renewable energy generated from carports installed in the car parks of the Properties in OPEN's portfolio from 22,000 (MWh/Year) to a minimum of **55,000 (MWh/Year)**.

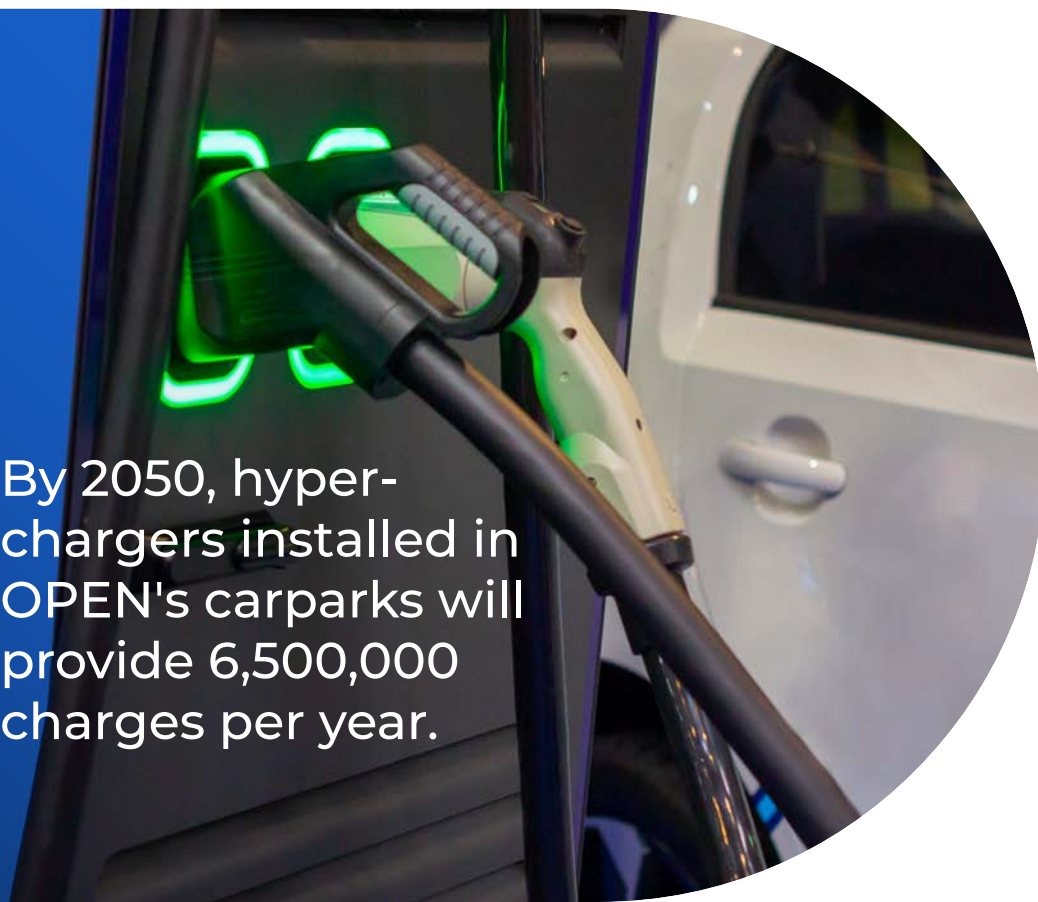


By 2050, carports installed in OPEN's car parks will generate **55,000MWh** per year.

Electric Vehicle Charging Activity (Number of EV Car Charges/Year)

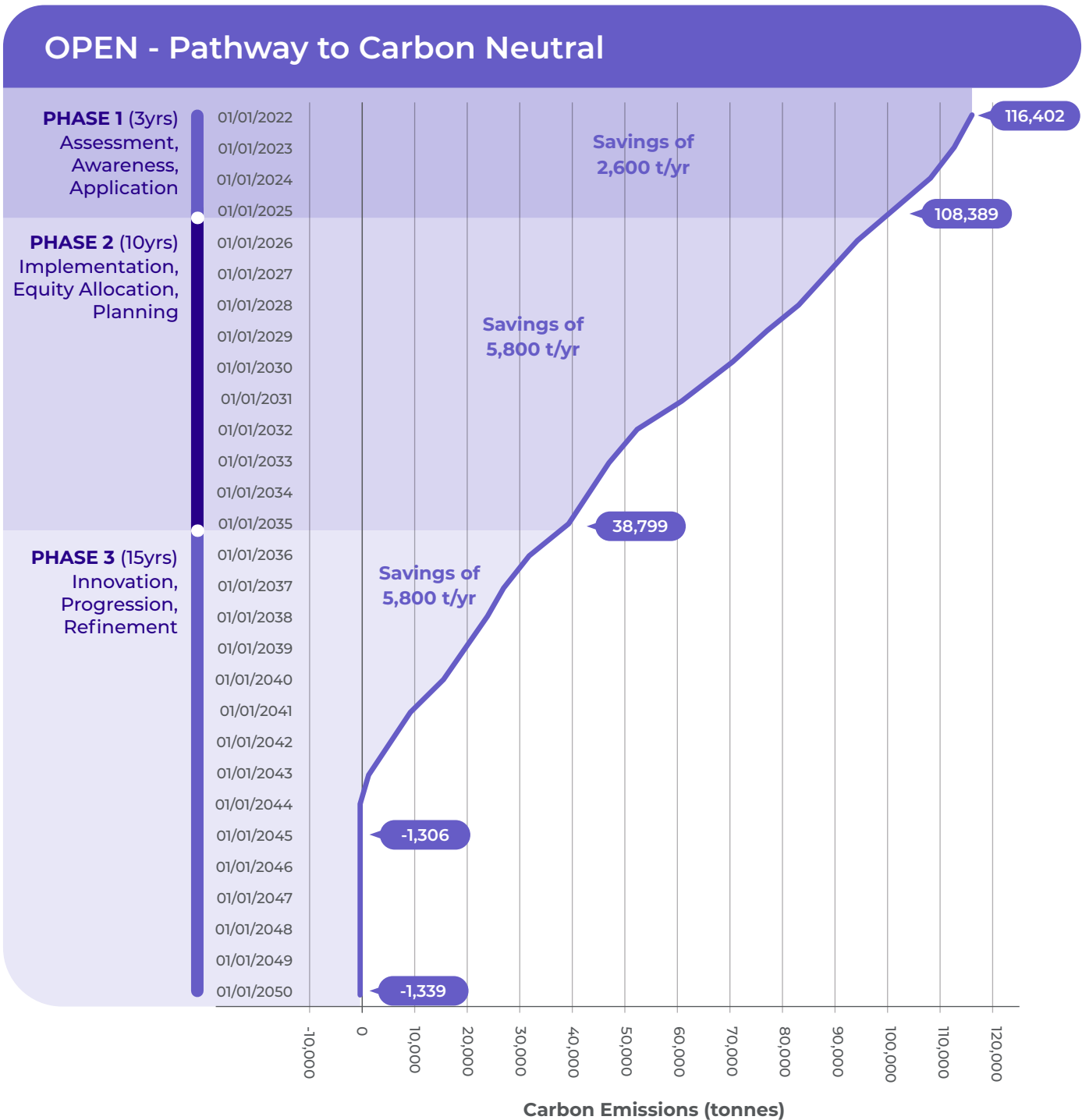


By 2050, hyper-chargers installed in OPEN's car parks will provide 6,500,000 charges per year.



4.3. Result

We forecast that by 31st December 2050 the amount of renewable energy generated by the portfolio will exceed the amount of energy consumed and as a result the portfolio's carbon footprint will be below zero on a net basis.



4.4. Embodied Carbon and Long Term Alignment

We will set annual performance targets for each property and report the actual results versus forecast performance. Monitoring performance will be of critical importance to achieving OPEN's sustainability goals.

OPEN follows a "buy and hold" strategy. We intend that every property acquired for OPEN will remain within the fund for its total life. We aim that OPEN will still be in existence in 2050 and so too will each property.

It is therefore incumbent upon us to ensure that any property which fails to consistently meet our performance expectations will be repurposed and recycled to be used in a manner in which it can more easily meet our performance expectations – the Convert not Demolish approach.

One of the main benefits of our "Convert not Demolish" approach will be the massive reduction in embodied carbon emissions which are often 20-50% of the whole life (embodied + operational) carbon emissions of a building.



Our approach will be to **convert not demolish** buildings which fail to consistently meet our sustainability targets.



05.

Investments

In 2021 we formed two Fund JVs both considered complimentary businesses to the operations of OPEN. They were formed following the 75/25 principle. A summary of the progress of these Fund JVs is as follows.

5.1. Greenman Energy

The limited partnership Greenman Energy Assets GmbH & Co.KG was formed in November 2021. Its partners are Greenman Ventures S.a.r.l, a wholly owned subsidiary of OPEN, and Greenman Energy Operations GmbH & Co.KG ("**GME**"), majority owned and controlled by the Greenman Group.





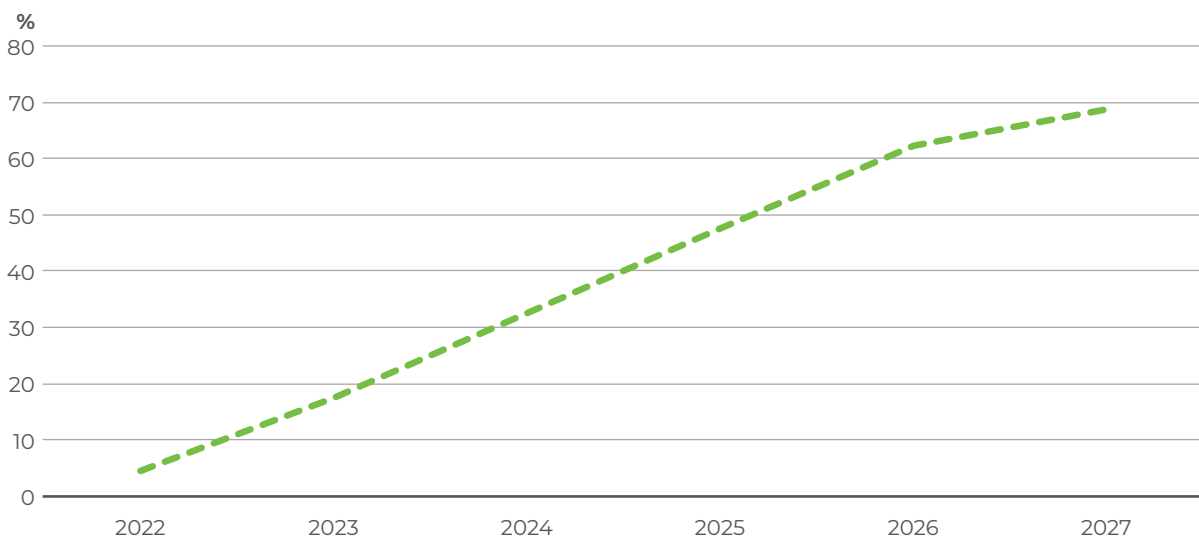
By 31/12/2023 it is expected that GME's PV portfolio will generate c. 3,000 KWh of renewable energy.

Energy Generation

GME is responsible for the concept design, planning and financing of the installation of photovoltaic solar panels ("PV") on the roofs and car park carports of the properties owned by OPEN and GES. Once installed OPEN will sell the electricity generated to the tenants located in each property.

GME estimate that 34 of the portfolio's properties are immediately suitable for PV installations which should result in c. 49% of the portfolio being equipped with PV by 2025 and up to c. 69% of the Portfolio by 2027.

% Roof Coverage





By 31/12/2023 it is expected that GME's HPC Network will be charging 310 cars/day.

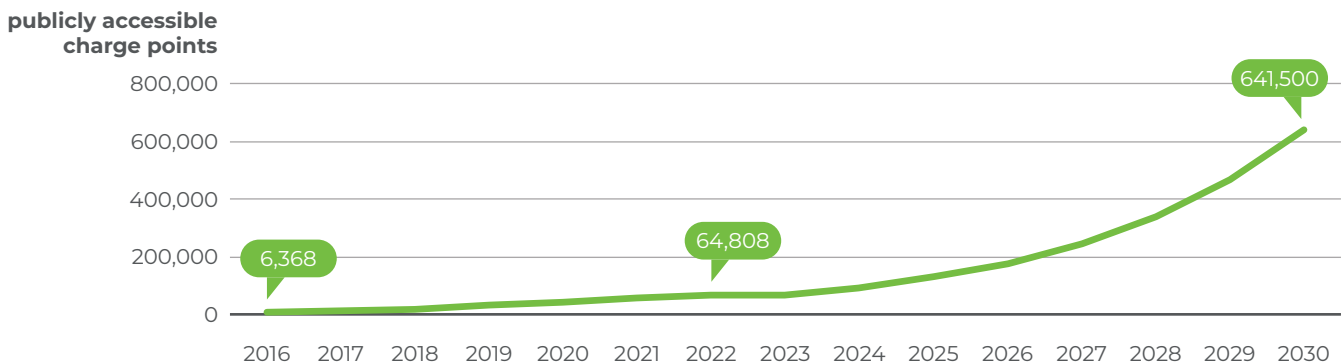
Car Charging Network

GME estimate that there are c. 190,000 visits/day by car to the properties in OPEN's portfolio. By 2030 there could be c. 40,000 visits/day by EVs to the same properties.

GME is responsible for the concept design, planning and financing of the installation of hyper charger ("HPC") at the car parks of the properties owned by OPEN and GES. Once installed, OPEN will charge customers of the properties to charge their cars while they shop.

GME estimate that the portfolio's properties are immediately suitable for the installation of 62 HPCs.

German charging point development



More information on GME is available at www.greenman.energy

5.2. Potager

The limited partnership Potager Farm GmbH & Co.KG was formed in November 2021. Its partners are Greenman Ventures S.a.r.l, a wholly owned subsidiary of OPEN, and Potager Operations GmbH & Co.KG ("**Potager**") majority owned and controlled by the Greenman Group.

Potager is responsible for the concept design, planning and financing of the installation of Vertical Urban Farms ("**VFs**") at the car parks of the properties owned by OPEN and GES.

Although urban farming and vertical farming are well known concepts, the combination of these with Controlled Environment Agriculture on a larger commercial scale is relatively new. Potager's strategy is to build a profitable business focusing on a number of key strategic features which will combine the benefits of urban vertical farming, GME's property portfolio and its tenant and industry network. These features include:

Feature	Description	Opportunity for Potager
Consumer desire for sustainable food production	Consumer demand is increasing for organic (bio), healthy and fresh produce.	Potager can place vertical farms at GM locations (car parking and other) selling direct to the business who will sell (immediately) to the consumer (" D2B2C ").
Cost of food storage and Distribution	The cost and logistical requirements of storing and delivering fresh food is a huge challenge.	Potager can place vertical farms at grocery distribution centres and C&C selling direct at the point of "last mile" delivery and (immediately) to the typical C&C customers (" D2B2B ").
Consumer demand for local/artisan production	Consumer demand is increasing for locality both in terms of origin and producer.	Potager can place vertical farms at GM locations (car parking and other) and sell directly to consumers (" D2C ").
Non-food plants	Consumer demand is increasing for use of natural ingredients in medicines, perfumes, cosmetics and other near-food consumer products.	Potager can grow specific plants with specific characteristics (the " NFP ").
Seed production & Bio-diversity	Seed production in conventional agriculture is a difficult process.	Potager can grow plants for seed or seedlings faster and "greener" (the " SP ").
R&D for Vertical farms	There is a lack of research and development being undertaken to develop plant varieties who thrive in vertical farms and the "recipes" to efficiently grow these varieties.	Potager can leverage it's growing skills to develop and sell the IP linked to efficient plant growth (the " IPP ").

What is a Vertical Farm?

Vertical farming is the practice of growing crops in vertically stacked layers inside a sealed building where all the environmental conditions light, heat, moisture and nutrients can be controlled automatically to maintain optimal growing conditions using a system known as Controlled Environment Agriculture ("CEA").

CEA optimises the use of water, energy and light and removes seasonality, weather linked crop performance limitations.

Potager's first farm will become operational and be located in OPEN's property located at Tychyer Str. 6. 12683 Berlin. The Farm consists of three 6m growth towers with a growing area of c. 650m² and all associated infrastructure including a mezzanine level for certain equipment, a temperature controlled germination room, a harvesting area, offices and various storage areas.

More information on Potager is available at www.potager.farm

Potager's first farm will be operational and growing crops in Q3 2023.



06.

Initiatives

6.1. Basalt

A brand is more than a logo, a brand can bring personality, memorability, and recognition. In 2023, **yes&** will develop a brand for the Greenman Group's ESG framework and initiatives. The brand will aim to communicate, visually and verbally, the Group's ESG mission, its ambitious net zero targets, and the steps that they will take to achieve them.

The brand name, Basalt, represents the environmental change that the Group aims to support. Basalt is rock formed from the rapid cooling of lava and Basalt stacks, typically 6-sided, represent the 6 environmental objectives in the EU taxonomy which the Group's framework will be built upon.

The brand and website will launch in Q2 2023.

6.2. Bezdorf

One of the most powerful solutions to addressing climate change lies in the food we eat. Educating young people is one of the most sustainable ways of doing that. Less than 25% of children receive "food education" at school and 83% of those that do receive food education are more likely to eat fresh unprocessed foods¹. One third of the fresh, unprocessed foods available to us in Europe are pollinated by bees, and thousands of other flying insects².

The Bezdorf initiative implements events, activities and competitions in OPEN's retail centres and the local schools within the catchment area to promote and educate local school children about healthy and sustainable food production and supply, as well as the importance of bees for biodiversity.

2022 Highlights



3

Locations



200

School children involved



1,080,000

Bees in our hives

2030 Targets



c.35

Locations



11,000,000

Bees in our hives


¹ Ending Food Ignorance: Education is too important to leave to big food. Center for Science in the public interest, US.
² Europa: European Research Executive Agency

The Beezdorf Kitchen

In Germany, the consumer sector “food” is responsible for around 15% of greenhouse gas emissions (GHG). Due to the high demand for food outside the home, changes in this area have the potential to significantly boost climate-efficient nutrition.

The Beezdorf Kitchen, launching in 2023 will strive to engage and educate local school children about the benefits of sustainable farming, growing your own food, healthy eating, and cooking. It will provide information days with local nutritionists, cooks, and farmers as well as visits to the beehives and it will co-ordinate with the retail centre tenants, local charities and Berliner Tafel e.V., a non-profit association dedicated to providing food to people in need.

The project will culminate for the year with a school competition to sell the honey produced in the Beezdorf hives with proceeds supporting local organisations and schools.



Because they feature in emojis, young people easily recognise avocados (76%) or aubergines (66%) but 33% don't know that tuna is a fish and 10% think eggs come from cows³.



6.3. Greenkizz

The Greenkizz initiative focuses on the promotion and education of sustainable environmental activities in the areas around OPEN's retail centres, working together with local authorities, communities, and regional providers.

Under the Greenkizz brand some of the activities that have been implemented include a weekly rubbish collection group which collects c. 0.5 tonnes of waste a week. Since the start of the project almost 20 tonnes of rubbish have been collected so far.

Seedbombing and rewilding days in conjunction with local schools also took place in 2022 with 240kg of native wildflower seeds sown.

Additionally, in light of the energy crisis, Greenkizz worked with OPEN's retail centres to reduce the number of Christmas lights on display as well as the length of time they are lit, saving c. 16.8 tonnes of CO₂. The financial savings related to this reduction have been donated to regional Tafel food bank associations.

Greenkizz is currently actively operational in 1 location, the Biesdorf Center. In 2023 the initiative will be rolled out to 3 additional centres and will target to operate in c. 25 communities by 2030.

6.4. Charitable Initiatives

yes&'s centre services also work to support and fundraise for various local and international charities that impact or have a close association with the local communities. In 2022 a total of €48,000 has been raised to support local clubs, regional Tafel food bank associations, and the Polish Humanitarian Action (PAH).



07.

Governance

7.1. Board led Agenda

The board of directors of both Greenman Holdings and its network of businesses have fully committed to and embraced Greenman's ambitious sustainability strategy for long term and sustainable goals for OPEN and GES.

The members of the boards are aware of the importance of setting sustainable goals and implementing frameworks for the delivery, management and monitoring of the Funds' sustainable goals. The Boards will ensure that adequate resources be allocated to the attainment of these goals.

7.2. Policy Alignment

The Group's NET Zero agenda is governed by a "top down" policy approach. The Group has implemented a Sustainability Policy (the "**GSP**") which provided each group company with the necessary strategic framework for the design and implementation of a sustainability policy for each group subsidiary.

Greenman has implemented a Sustainability Policy which:

- a. is robust and adequate;
- b. satisfies Greenman's regulatory obligations (SFDR & EU Taxonomy) towards OPEN and GES;
- c. is consistent with Greenman's corporate governance policy; and;
- d. provides a framework for the implementation of operational processes and procedures to ensure the aims of the policy are accurately delivered.

7.3. Sustainability Committee

In 2023 the Group will form a sustainability committee (the "**Sustainability Committee**"). The members of the Sustainability Committee will, at least, include one member of Greenman's board of directors, a number of senior exec employees of the Greenman group and will be chaired by an experienced independent non-executive director.

7.4. Memberships and Alliances

In September 2022 the Greenman Group became a member of the Institutional Investor Group on Climate Change (the "**IIGCC**"). The IIGCC is the European membership body for investor collaboration on climate change and the voice of investors taking action for a prosperous, low carbon future. The IIGCC's mission is to support and enable the investment community in driving significant and real progress by 2030 towards a net zero and resilient future. The Greenman Group intends to be an active participant in IIGCC's real estate "forum".

