SUSTAINABILITY COMMITMENT STATEMENT
With more than 50 years’ experience, BNP Paribas Real Estate Investment Management (REIM) teams offer long-term European investments that generate income and create value through a diverse range of investment vehicles, including funds and solutions managed on behalf of third parties.

The expertise of the REIM business line covers the entire life cycle of a European real estate investment: strategy and solutions, investments, structuring, asset management and the production of dedicated research. BNP Paribas REIM offers a range of real estate products through instructions and vehicles managed in Europe with a local presence in Belgium, France, Italy, Luxembourg, Spain, the Netherlands and the United Kingdom. Our local teams work on various different asset types: offices, retail, logistics, hotels, leisure, health, residential, etc.

The Investment Management business line is fully owned by the BNP Paribas Real Estate group which is itself fully owned by the BNP Paribas banking group. As such, BNP Paribas Real Estate applies a number of the same principals, including in particular financing and investment policies in the 9 sensitive sectors identified by the bank: defence, palm oil, pulp and paper, nuclear energy, coal-fired power generation, agriculture, mining, the tobacco industry and non-conventional oil and gas.

BNP Paribas REIM’s CSR commitment is based on ESG topics relating to real estate:

"The expertise of the REIM business line covers the entire life cycle of a European real estate investment"
Corporate Social Responsibility is an increasingly important challenge in our profession: infrastructure is the backbone of our society. The real estate sector has a major impact on environmental, social and governance (ESG) issues and thereby contributes to the quality of life in our cities. As a player in the European real estate market, we have integrated CSR directives into our daily activities. Our organisation reflects our commitment to sustainable action, and allows for the local differences of each of the countries and professions that make up our company.

We are committed to BNP Paribas Real Estate’s sustainable approach by 2020 and have integrated CSR as a strategic cornerstone of our organisation and business activities for our clients. We ensure the transparency of our practices for all our partners, and are delighted to present BNP Paribas REIM’s Sustainability Commitment Statement as an important step in our CSR strategy.

BNP Paribas REIM teams
BNP Paribas REIM France, a management company authorised by the French Financial Markets Authority (AMF), manages a diversified portfolio of real estate assets on behalf of third parties. From the conception of investment vehicles to their day-to-day management, BNP Paribas REIM France aims to best meet the expectations of their clients, according to their specific investment objectives: wealth management, portfolio diversification, tax optimisation, institutional funds, wealth management outsourcing.

- A public limited company with a Management Board and Supervisory Board
- Share capital of €4 309 200
- Registered in the Nanterre Trade and Company Register under number 300 794 278
- Head office: 167 quai de la Bataille de Stalingrad, 92867 Issy-les-Moulineaux

BNP Paribas REIM France is a portfolio management company authorised by the French Financial Markets Authority (AMF) under number GP-0700000031 as from 1 July 2007 and 15 April 2014 pursuant to the AIFM Directive.

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**BNP PARIBAS REIM FRANCE AS AT 31.12.2018**

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<thead>
<tr>
<th>€13.4 B</th>
<th>165</th>
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<tbody>
<tr>
<td>of assets under management</td>
<td>employees</td>
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<table>
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<tr>
<th>€255 M</th>
<th>761</th>
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<tbody>
<tr>
<td>of sales</td>
<td>assets</td>
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<table>
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<tr>
<th>€953 M</th>
<th>93,000</th>
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<tbody>
<tr>
<td>of acquisitions</td>
<td>clients</td>
</tr>
</tbody>
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**1. BNP PARIBAS REIM FRANCE’S DECISION MAKING BODIES**

Corporate governance is at the heart of BNP Paribas REIM France’s corporate social responsibility and performance. Guided by laws for greater transparency, our corporate governance maintains the interests of key stakeholders including managers, employees, shareholders, investors and tenants, as well as suppliers and other partners.

BNP Paribas REIM France is committed to responsible corporate governance that respects the compliance framework.
2. BNP PARIBAS REIM FRANCE’S INDEPENDENT MANAGEMENT

The BNP Paribas REIM France management company is independent and has its own management and decision-making bodies.

The Supervisory Board is chaired by Mr Frédéric Janbon, CEO of BNP Paribas Asset Management. It is comprised of 6 members and exercises permanent control over the management of the company through the Management Board. No commitments in the form of a warranties, endorsements or guarantees, no sale of real estate of any kind, no total or partial sale of shares and no creation of a security interest may be made by the Management Board without the prior authorisation of the Supervisory Board. The validity of the Board’s decisions is subject to the presence of at least half of its members.

The Management Board is chaired by Mrs Sigrid Duhamel and is comprised of 4 members. The Company’s legal representation is assumed by the Chairman of the Management Board. It is responsible for defining the 3-year strategic plan. It reports on the Company’s activity to the Supervisory Board and shareholders. The Management Board is responsible for the administration and general management of the company, as well as for the duties assigned to it specifically by law and regulations. It meets as often as necessary in the best interests of the Company, and at least once every quarter. The validity of the decisions of the Management Board is subject to the presence of at least half of its members.

As an independent company, BNP Paribas REIM France can also rely on the expertise of BNP Paribas Real Estate and BNP Paribas before the most important decisions are taken and as part of its control processes.

3. BNP PARIBAS REIM FRANCE’S SUSTAINABLE BUSINESS

SUSTAINABLE ASSET MANAGEMENT POLICY

BNP Paribas REIM France systematically tries to improve its portfolio of assets by measuring the socio-environmental impact of its activities through a set of performance indicators that are defined by its CSR Charter and implemented on a significant selection of assets which includes all funds.

As at 31.12.2018, these 225 assets represented 69% of the total market value of BNP Paribas REIM France’s assets, i.e. 1.8 million sq m. Environmental and social issues are customised and addressed on an asset-by-asset basis.

BNP Paribas REIM France has implemented a systematic sustainable investment approach in the management of its investments. Having been one of the first management companies to take environmental factors into account in the renovation of its buildings, they thus achieved the first certifications for this type of operation. BNP Paribas REIM France has set up an action plan for 2020, based on 15 control points, in order to pursue this strategy over the long term.

As at 31.12.2018, the CSR assets accounted for 69% of the total value of the assets.

“As at 31.12.2018, the CSR assets accounted for 69% of the total value of the assets.”
Encourage suppliers to adopt an environmental approach
BNP PARIBAS REIM is aware of the importance of its position as a project manager and has decided to involve its suppliers in its global approach to sustainable development. The management company asks its partners for commitments that are grouped together in a specific charter for works contracts: the Responsible Construction Charter, now appended to all contracts.

Provide accessibility for people with disabilities
Because disability can lead to exclusion, BNP PARIBAS REIM has made accessibility for people with disabilities a recurrent focus of its buildings since 2008. Renovation projects are designed to improve the integration of people with reduced mobility in all buildings and sanitary facilities, above and beyond the obligations imposed by the Labour Code.

Commit to technological innovation and clean energy
As part of works carried out, BNP PARIBAS REIM is committed to innovation and the environment and implements new technical solutions using clean energy such as geothermal energy, heat pumps and urban heating and cooling networks.

Ensure peoples’ safety
BNP PARIBAS REIM feels responsible for the safety of people working and occupying its sites. The management company therefore created the position of Real Estate Risk Manager in 2011. As part of its mission, the role oversees the completion of security audits on issues that are the responsibility of the landlord or tenant. The results of these audits enable BNP PARIBAS REIM to undertake any necessary work to ensure the safety of the premises, and to inform its tenants of their duties regarding the safety works. The company is committed to continuing this safety initiative.

Involve our property managers
To communicate its actions, BNP PARIBAS decided to involve its Property Managers by entrusting them with management assignments that integrate a global and permanent approach and include the monitoring provided for in the environmental appendices (e.g. Eco property management).

Modernise our real estate stock
Since 2010, BNP PARIBAS REIM has been calculating the energy age of its assets. This index is defined according to several criteria (year of construction, work carried out, type of installations). The energy age allows teams to focus their real estate management strategy. The rejuvenation of assets is one of the management company and Asset Managers’ objectives, and aims to improve the energy consumption of buildings.
Apply the “no asbestos” principle
BNP PARIBAS REIM systematically fully removes asbestos from renovated buildings. The company has chosen not to store asbestos in landfill but to proceed with its complete disposal by vitrification.

Avoid fuel oil
The company is committed to phasing out all oil-fired boilers by 2020.

Promote clean transport
To support their building users in their use of clean modes of transport, BNP PARIBAS REIM has installed bicycle parking areas in their assets and has committed to install electric vehicle terminals on all sites where tenants ask them to do so.

Monitor and sort waste
BNP PARIBAS REIM encourages its tenants to sort waste and recycle more waste, in particular through contracts providing for the treatment of selective sorting. When renovation work is carried out, the buildings are adapted to selective sorting by the installation of larger waste disposal areas. An action plan for 2020 has been put in place to introduce selective sorting in all real estate assets.

Reduce water consumption
As part of its renovation and refurbishment programmes, BNP PARIBAS REIM is committed to implementing the necessary measures to achieve a 30% reduction in water consumption in buildings. For operational assets, the management company will raise tenants’ awareness, in particular by analysing their consumption and by encouraging them to set up leak detection checks and to install equipment to reduce consumption.

Manage soil pollution
BNP PARIBAS REIM has undertaken a survey of all underground tanks (fuel and drainage products) on its properties. BNP PARIBAS REIM identifies and records the condition of these tanks and the pollution risk they present. As part of asset refurbishment, the management company systematically removes underground tanks.

Obtain environmental certifications
BNP PARIBAS REIM is committed to implementing environmental certification initiatives every year on several building renovation projects, because the intervention of third party professionals guarantees to clients the effectiveness of the improvement and enables employees to challenge each other in terms of results on performance improvement.

Reduce buildings’ energy consumption
With each renovation, BNP PARIBAS REIM seeks to reduce building consumption by using more efficient materials for insulation, lighting and HVAC installations (Heating, Ventilation, Air Conditioning). The management company’s objective is to anticipate and exceed the obligations set by the “Grenelle de l’Environnement”.

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Know the energy efficiency rating
BNP PARIBAS REIM is committed to monitoring the energy efficiency of buildings. The management company will gradually support tenants and rental managers in monitoring and analysing consumption in real time, in particular through the installation of smart meters.

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SOCIALLY RESPONSIBLE INVESTMENT POLICY

Our investment policy meets both market requirements for all our funds and a more specific SRI approach for certain funds.

Corporate governance
When implementing our investment policy, we ensure that we assess the risk of money laundering and terrorist financing and set up procedures to control the investment choices made by those responsible. We have defined and updated a mapping of money laundering and terrorist financing risks. Furthermore, in line with its ethical commitment to its stakeholders, BNP Paribas REIM France undertakes not to establish a partnership with a supplier or service provider if the latter does not agree to sign its Suppliers and Service Providers Charter.

BNP Paribas REIM France aims to develop an appealing real estate portfolio by carefully selecting assets in order to optimise occupancy rates. As a result, BNP Paribas REIM France anticipates the needs of tenants who prefer either recent buildings with the required new services, located in the city centres of large urban areas or near public transport, and recognised for their environmental qualities, or assets with technical characteristics that allow them to be upgraded.

Non-specialised funds
The BNP Paribas Diversipierre OPCI has adopted a twofold approach: Firstly, investments in financial securities managed by BNP Paribas Asset Management comply with ESG criteria. SRI analysis therefore allows selectivity that contributes to improving the quality of the portfolio held in this respect. Secondly, in order to provide the most attractive premises for tenants, BNP Paribas Diversipierre favours the acquisition of recent buildings that comply with environmental standards or have medium-term potential for value creation.

Thematic funds
Within our product range, we offer a number of thematic investments for institutional investors and individual clients wishing to invest their savings in so-called sustainable products that have a lower environmental impact and a higher social value. These specific financial investments seek to reconcile economic performance and socio-environmental impact:
• Senior residences: OPPCI RPF1
• Healthcare facilities: OPPCI HPF1, HPF2, C Santé, MF Santé
• Vacant residential units: SCPI Pierre Avenir, Pierre Avenir 2, Pierre Avenir 3, Capital Habitat, AV Habitat, AV Habitat 2

1. The term «thematic fund» is used here to describe a fund that is mainly invested in a defined activity sector.
BNP Paribas REIM France participates in several market initiatives to ensure the transparency of its activities.

**Principles of Sustainable Investment**
Since September 2012, BNP Paribas REIM France has given tangible meaning to its commitment to SRI by signing the Principles for Sustainable Investment\(^2\). This United Nations initiative encourages investment professionals to respect 6 main principles centred around the consideration of ESG issues. These concern both the investment analysis and decision-making processes, and the policies and practices of shareholders. All the reports on their good practices as a responsible investor are available on the following website: [https://www.unpri.org/signatories](https://www.unpri.org/signatories).

**The 6 Principles for Sustainable Investment:**
1. Take ESG issues into account in their investment decision-making processes
2. Take ESG issues into account in their shareholder policies and practices
3. Ask the companies in which they invest to publish reports on their ESG practices
4. Promote the acceptance and application of PRI among asset managers
5. Work in partnership with financial sector players who are committed to respecting the PRI to improve their effectiveness
6. Report on their activities and progress in implementing the PRI

**GRESB Reporting**
Since 2016, two of BNP Paribas REIM France’s funds have been compliant with the GRESB benchmark, an evaluation questionnaire for assessing the ESG performance of real estate portfolios. GRESB’s Real Estate assessment evaluates the sustainability performance of real estate portfolios and assets around the world. Assessments are guided by what investors consider fundamental to the performance and sustainability of their real estate investments, and are aligned with international reporting frameworks such as GRI and PRI.

Following the annual evaluation of its investment portfolios, BNP Paribas REIM France uses ESG data and analytical tools made available by GRESB to improve their performance and sustainability, and to prepare for increasingly rigorous ESG obligations.

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2. A programme initiated by the United Nations, UNEP Finance, and in collaboration with the signatories, to help investors integrate environmental, social, and governance (ESG) considerations into practical decision-making and investment ownership, thereby improving the long-term performance of beneficiaries.
Although BNP Paribas REIM France has its own corporate responsibility, our CSR approach reflects the values and strategy of the BNP Paribas Real Estate Group in this field, and also reflects its rationale as a real estate investor in modern society.

Client satisfaction is at the heart of our strategy and our duty is to meet their expectations. These are numerous and ever-changing. However, we are convinced of the need to quickly set up a range of responsible investment funds for the real estate sector. By involving our employees, suppliers and other partners, we strive to offer our clients solutions that are respectful of the environment and society. We know that the approach that BNP Paribas REIM France is currently taking enables us to reduce the environmental impact of our buildings, reduce the obsolescence of our stock and increase its value over the long term.

The direction we give to our approach is therefore twofold: by improving our impact on the environment, we offer our clients an additional opportunity for quality and sustainable investment.