

# 2024 Sustainability Report

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Sunrise Real Estate  
2024 Sustainability Report

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# Introduction

## About Sunrise

Founded in 2020, Sunrise Real Estate Limited (“Sunrise”) is a pan-European investor, developer, and asset manager of logistics real estate with ~€3 billion of assets under management across nine countries. Sunrise is made up of four key teams.

- **Acquisitions** – Our team is highly selective in sourcing the appropriate sites that align with Sunrise’s and our capital partners’ goals. We prioritise delivering financially prudent new developments and building upgrades, in order to create a portfolio of sustainable and future-proof assets.
- **Development** – With development at the core of our business, we recognise the impact that new developments can have on their surrounding area and community. Therefore, we believe that Sunrise has a responsibility to deliver projects that provide tangible benefits to our tenants, neighbouring communities, and the planet.
- **Asset Management** – The asset management team oversees the tenancies under management and work with occupiers on various sustainability initiatives. Additional collaboration initiatives include green lease clauses, tenant surveys and other monitoring reports.
- **Finance** – Our finance team manage emerging risks, including environmental, social, and ethical, to ensure the portfolios under management are kept in line with our lenders’ and capital partners’ expectations and requirements.

## About this Report

This report summarises Sunrise’s sustainability progress highlighting key achievements and challenges encountered in 2024. The report covers Sunrise’s corporate achievements and progress across our first and second portfolios, representing 100% of the assets developed and acquired between 2020 and 2024.

The reporting has a dual focus. The first section focuses on how we have developed our policy on the corporate level through various governance guidelines such as setting up committees and policies. The second section focuses on how we have overseen the assets under management in accordance with our Sustainability Policy.

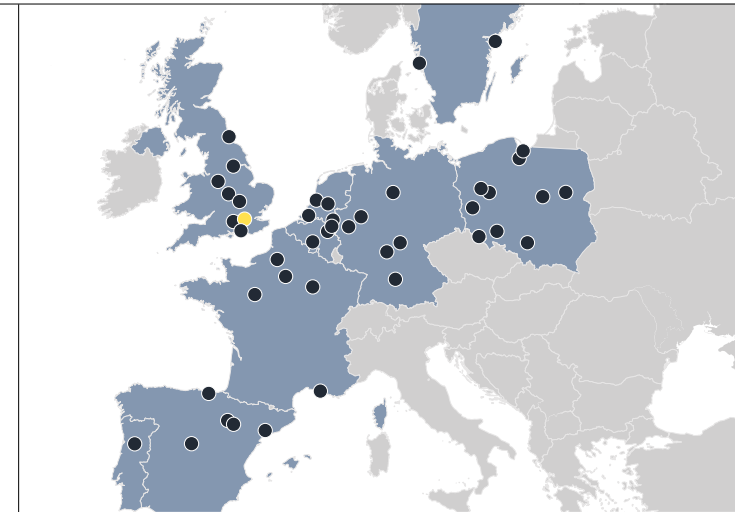
## Three Core Themes

These core themes were decided through a materiality assessment and naturally encompass a range of Environmental, Social, and Governance (ESG) factors.

- 1 **Carbon, Energy and Resources**
- 2 **Social and Economic Impact**
- 3 **Biodiversity and Nature**

Throughout the report, references are made to particular benchmarks and standards. These are described in more detail in the glossary appended to this report.

Sunrise recognises the evolving nature of our work and sustainability requirements, and, as such, we have included some forward-looking sub-sections that outline our objectives and planned initiatives for 2025.



## Portfolio Overview

78 buildings	56 developments
9 countries	2.0m sqm area
c. €3.0bn Gross Asset Value	

# Letter from the CEO



***‘At Sunrise, our priority is to navigate this increasingly complex environment without compromising on our responsibilities to people and planet.’***

As we reflect on a landmark year for the team, with market-leading leasing achievements, refinancings, and acquisitions, I am proud to say that sustainability has become more integrated than ever into our day-to-day processes.

Since founding Sunrise at the end of 2020, we have focused on setting the foundations, and invested considerable time, into developing policies and practices that reflect our values. Looking back, it is clear that 2024 brought an increased pace of change in the market and this was apparent in the evolution of the sustainability landscape. At Sunrise, our priority is to navigate this increasingly complex environment without compromising on our responsibilities to people and planet.

To that end, we started 2024 by redesigning our policy with a double-materiality approach in mind, concentrating on areas where our business has the greatest impact on the environment and where environmental factors most affect our operations. This analysis resulted in a shift from the previous ‘ESG’ focus to our three core themes of ‘Biodiversity and Nature’, ‘Carbon, Energy, and Resources’ and ‘Social and Economic Impact’. These three themes allow us to create tailored goals and actions to make a meaningful impact.

Our sustainability team works across the business to make sure that we are weaving these three core themes into our day-to-day business operations. Whether we are underwriting, developing, or leasing a building, we recognise that sustainability must be at the centre of our considerations to avoid a bolt-on approach which can too easily be sidelined when operational, regulatory, or market challenges arise. Our approach to sustainability helps us to preserve long-term value for our investors, operate with our business ethics, and stay well positioned to respond to new and upcoming regulation. As our business grows across every team and we begin to work with multiple capital partners, it is vital that sustainability remains central within our practice.

Sunrise’s new Design Guide has been developed with the perspective that sustainability initiatives should be seen as a solution for value gain rather than a hurdle to overcome. With the market strengthening, we are looking forward to incorporating this sustainability focus into our new developments. By getting it right at the initial stage of the project, we aim to preserve the value of the building over its entire lifetime, benefitting all stakeholders involved. As we look ahead, the challenge is how we can keep sustainability at the heart of what we do while navigating the increasing complexity and pace of change seen across the sustainability landscape. We are committed to staying ahead of the curve, even as our industry faces an increasing urgency and regulatory pressure to act. I look forward to facing these challenges alongside our sustainability team and I am enthusiastic to discover the opportunities which will arise as a result.

A handwritten signature in black ink, appearing to read 'Boris Michev'. The signature is stylized and fluid.

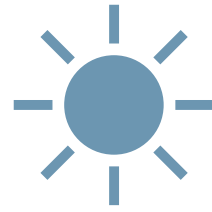
**Boris Michev**  
CEO of Sunrise Real Estate Ltd

# 2024 Highlights



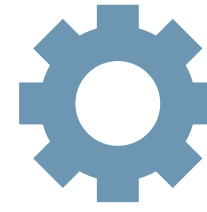
**458 electric vehicle (EV) charging spaces have been installed.<sup>1</sup>**

By installing EV spaces across our portfolio, we aim to meet the rising demand as electric vehicles become commonplace for the tenants.



**Committed to generate 30,000MWh of rooftop solar by 2026.**

Through continued collaboration with our solar providers, we are providing green energy.



**55% of sites have Building Management Systems (BMS) installed.**

Through these installations and in close collaboration with occupiers, we aim to monitor and optimise the energy consumption of the assets under management.



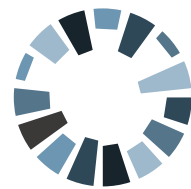
**46% of leases include green lease clauses.**

These clauses promote tenant collaboration on sustainability and are negotiated on a tenant-by-tenant basis to achieve the highest standards possible whilst remaining practical.



**100% of new builds have achieved BREEAM ‘Very Good’ or higher.**

We are undergoing refurbishments on our older stock to certify the buildings to BREEAM In-Use ‘Very Good’.



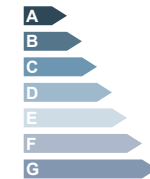
**Portfolio I achieved 5 stars in the 2024 reporting year for GRESB.**

This rating placed Sunrise's flagship portfolio 2nd in its peer group for European Industrial Distribution Warehouses (Non-Refrigerated) and reflects our commitment to sustainable asset management.



**74% of assets, by area, have undergone a carbon pathway assessment.**

Utilising the SIERA platform, we have been able to benchmark an asset's performance against the CRREM pathway and to the overall portfolio.<sup>2</sup>



**85% of assets by area have achieved EPC ‘A’.**

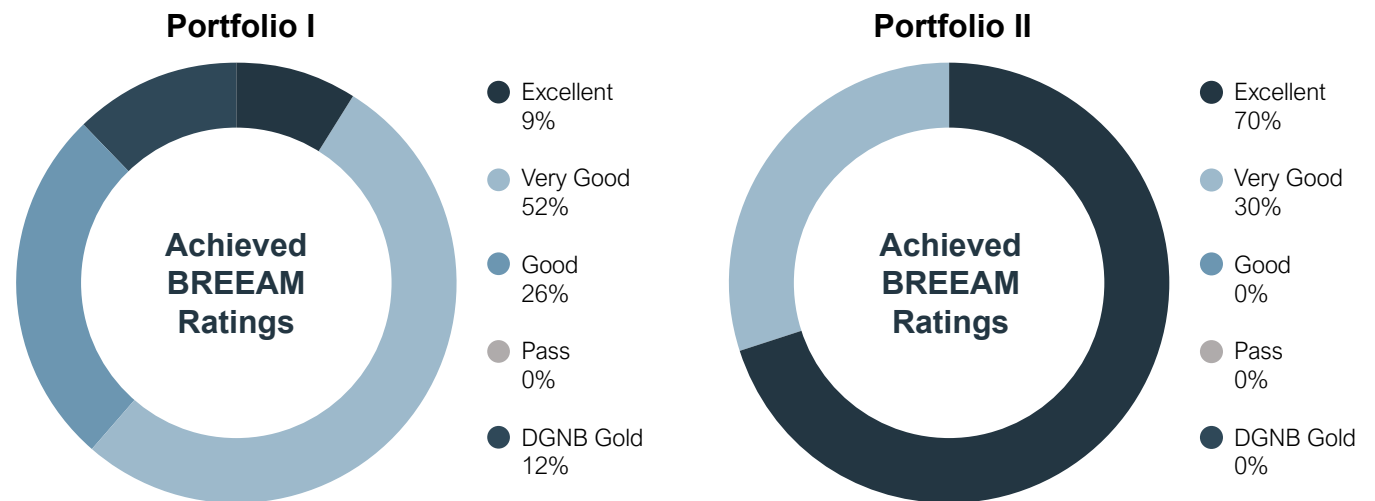
All new developments are designed and built with the aim of achieving EPC ‘A’ as a minimum.

1. Unless otherwise stated, statistics represent completions and activities carried out since inception.  
2. <https://evoraglobal.com/siera/>

BREEAM is a widely recognised certification used to benchmark how sustainability practices have been incorporated into an asset. BREEAM covers a broad range of categories such as energy, land use and ecology, health and wellbeing and overall management. While BREEAM New Construction focuses on the design and construction management of the asset, BREEAM In-Use assesses how the building is operated by analysing consumption data, management processes and tenant wellbeing.

In 2024, we expanded our scope to include both existing sites and new developments in relation to BREEAM targets. We are now upgrading the older stock in our portfolio to improve efficiency and user experience on site. The upgrades include installing water efficient features, improving the ecology on site, and providing rest areas for the employees of our occupiers, service providers and visitors. In 2024, our focus was on upgrading assets in France, Spain, and the UK. Towards the end of the year, we began assessing the feasibility of upgrading our assets in Poland and the Netherlands.

- In 2024, Sunrise implemented a portfolio-wide strategy to enhance BREEAM ratings, targeting a minimum of 'Very Good' across all assets.
- 83% of Sunrise assets by area have achieved a BREEAM certification. By the end of 2025, Sunrise expects all standing assets to have achieved or be in the process of achieving a BREEAM-certification.
- Out of the certified assets, 81% have met or exceeded a BREEAM 'Very Good' or DGNB 'Gold' rating.<sup>1 2</sup> 100% of new builds have been designed with the aim of achieving a BREEAM rating over 'Very Good' or higher.



1. Calculated based on the percentage of total square metres covered by a BREEAM rating.  
 2. DGNB is the German market's preferred sustainability certification, aligned with local standards and therefore more relevant for German assets than BREEAM.

## Upgraded a 40,415 sqm asset from ungraded to BREEAM In-Use Excellent

In 2023, works completed on two buildings in Barcelona which were developed with sustainability as a key focus. The third building on site was built in 2016 and did not have a BREEAM certification. Therefore, in 2024, Sunrise took dedicated action, for the asset to achieve a BREEAM In-Use Excellent certification.

As a result, the facility now integrates a range of sustainability initiatives designed to optimise efficiency and minimise waste, including:

- Energy-efficient LED lighting installed across the whole warehouse.
- Leak detection systems and water-efficient fittings installed to minimise water consumption.
- Rainwater harvesting and reuse systems to reduce reliance on external water sources.
- Recycling facilities to support waste reduction.
- Carbon dioxide and carbon monoxide sensors to enhance indoor air quality.

Beyond environmental performance, we prioritised occupier wellbeing by incorporating breakout areas with drinkable water supply, bike storage, car charging stations, and an external rest area, promoting a healthier and more sustainable working environment. Additionally, the habitat installation supports local biodiversity, reinforcing our comprehensive approach to sustainable development.

**This project underscores Sunrise's commitment to delivering market-leading, environmentally responsible logistics assets while ensuring long-term value for our stakeholders.**



### Looking Forward:

#### Poland

- Sunrise has initiated upgrades at four Polish sites with the aim of achieving a minimum BREEAM 'Very Good' rating.<sup>1</sup>
- This would represent a +54% increase in the proportion of Polish assets meeting this standard.
- Upon completion, 100% of Polish assets under management will meet our minimum BREEAM 'Very Good' target.

#### Netherlands

- We are in the process of tendering works for BREEAM certification at three Dutch assets.
- Once completed, 100% of our Dutch portfolio will be BREEAM certified.

1. All statistics shown were calculated based on the percentage of total square metres covered by a BREEAM rating.

# Sustainability At Sunrise

**We have identified three key themes, relevant to our business which have a material impact on people, the planet and asset value. Maintaining three themes allows us to keep a focus on our efforts and work at a greater depth on key areas.**

**Our approach to sustainability is to minimise the environmental and social harm caused by the actions we take, and seek opportunities to create value for our clients, the built environment, and our shareholders.**



**Social and Economic Impact:** We aim to improve the physical and mental wellbeing of those with whom our business and properties interact and provide economic opportunities.

Sunrise's actions have the potential to impact thousands of employees hired across the value chain, from tenants to contractors. Our long-term presence in these communities allows Sunrise to deliver social value through the creation of safe and sustainable jobs. By investing in tenant relations, we drive tenant retention.

The opportunities and needs of the communities surrounding each asset will vary by the areas' socioeconomic status, stakeholder and community engagement, as well as other factors.



**Biodiversity and Nature:** We aim to increase green cover, protect wildlife and create net gains in biodiversity.

Sunrise recognises the vital importance to safeguard the natural environment wherever possible. Regulations in the UK, such as the Biodiversity Net Gain (BNG) requirements, and the EU, demonstrate that biodiversity is quickly becoming a focus amongst governments and regulators. As a result, Sunrise believes it is important to prioritise biodiversity in our developments to futureproof our assets and preserve their long-term value. The objectives for each asset will vary based on site-specific needs and available opportunities.



**Carbon, Energy and Resources:** We aim to reduce our carbon emissions and use energy and natural resources proportionally and efficiently.

Given the dominance of ground-up developments within our portfolio, Sunrise has an obligation and opportunity to reduce our carbon impact by focussing on more sustainable resource consumption and material selection. Each asset's needs and opportunities may be driven by timing and position in the investment lifecycle, tenant engagement, the electrification of the local grid, regulation, and other factors.

# Our Team



**Isabelle Mitchell**  
Head of Sustainability



**Richard Hollingsworth**  
Chief Financial Officer



**Matthew Stevens**  
Head of Development



**Jenny Wang**  
COO and Head of  
Asset Management



**Grace Porter**  
Development Associate



**Lydia Jahn**  
Asset Management  
Associate



**Kelsey Wilson**  
Analyst



**Zakariya Yiadom-Boakye**  
Analyst

**Sunrise has a dedicated, multi-disciplinary in-house sustainability team comprised of members from every part of our business, including three managing partners.**

We believe sustainability should not be an isolated effort but should be integrated into every part of the business. As a result, 38% of Sunrise employees are directly involved in the sustainability committee. As our company evolves, we aim to keep sustainability deeply rooted in every team across the business.

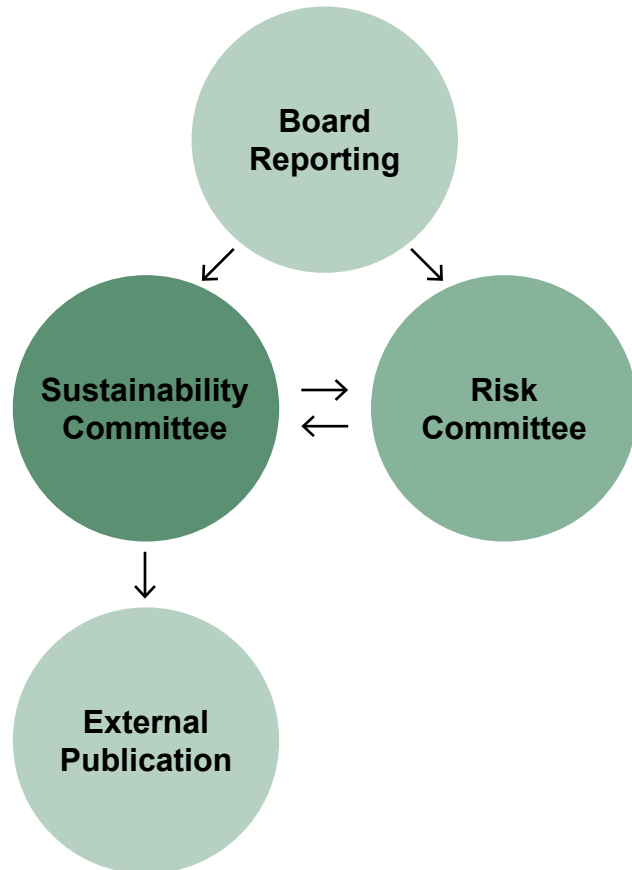
The committee is led by our Head of Sustainability and further supported by three independent industry leading external advisors.

The committee holds internal meetings on a monthly basis to report, discuss, and update our Implementation Plan.

We meet with our capital partners every quarter to report on progress made, receive feedback on the work done, and ensure our sustainability goals are in alignment. Our committed collaboration with our partners allows us to strive for achievements that are mutually beneficial for all parties.

The organisational framework allows us to promote best practices across all our activities in line with the stakeholder expectations through regular feedback internally and externally.

## Responsibility Framework



## Holding Accountability

### Board Reporting

The **management team** will report to the **Board of Directors** every quarter to discuss progress made to date and confirm we are in alignment with their sustainability goals. The Sustainability Committee will respond to any ad hoc requests made by the Board.

### Risk Committee

The **Risk Committee** acts to advise the Sustainability Committee on any key sustainability risks which are emerging. Similarly, the Sustainability Committee will inform the Risk Committee if they become aware of any risks which could impact the operations of the business.

### Sustainability Committee

The **Sustainability Committee** convenes every quarter for members to update the Committee on performance made against the sustainability strategy and present our next steps. The Committee includes **external consultants and our capital partner** to help advise the team and set the direction of travel.

### External Publication

The **Sustainability Committee** will share an annual sustainability report demonstrating the work done by Sunrise in the previous year, as well as, plans and goals for the future. This report will be published for external viewing.

## Setting Goals

### Policy Direction

**External Sustainability Consultants** help Sunrise to proactively prepare for any upcoming regulations and market standards by providing advice to align our current practice with these standards. Their advice can help provide nuance to these larger policy goals and help guide us when we are planning for future implementations.

### Stakeholder Values

There is a symbiotic relationship between the Board of Directors, their funding partners and the Sustainability Committee. While the board sets **investment criteria** for the Committee to action and monitor, the Committee will look for opportunities to implement sustainable measures which provide value improvement to the portfolio.

### Asset Specific Needs

The **Sustainability Committee** will undertake an Asset Desktop Analysis for each site to map out the specific needs of the asset and surrounding area. The analysis uses the **Sunrise Sustainability Policy** to define the scope and set our benchmarks. The key risks and opportunities are taken into consideration when tailoring the goals for each site.

### Defining and Actioning the Goals

Considering the above, the **Sustainability Committee** creates the **Implementation Plan** to define asset level goals, timelines to complete, and allocate responsibility among the internal Sunrise teams. The Implementation Plan allows us to monitor which goals are on track and where follow up actions are required.

In addition to annual training programmes, every employee at Sunrise is provided with the following policies to understand their obligations and when concerns should be raised. This is consolidated with in person training sessions with an external advisor to explain the policies and discuss any uncertainties.

## ● Anti-Bribery and Corruption Policy

Sunrise understands the importance of maintaining a high level of trust with all parties we interact with, but especially our clients, stakeholders and the public. As such, Sunrise is committed to conducting its business activities with honesty, integrity, and transparency.

Sunrise takes a zero-tolerance approach to bribery and corruption and expects all employees to adhere to the policy.

This policy outlines the standards for all employees, agents and representatives of Sunrise to adhere to. This includes complying with applicable laws such as the UK Bribery Act.

Key items outlined within the policy include restrictions on receiving gifts, offered entertainment, or charitable donations.

## ● Conflicts of Interest Policy

Sunrise works with multiple capital partners, shareholders, and other parties. Therefore, it is integral that Sunrise monitor any potential conflicts that arise or may arise, so we are able to treat clients in a fair manner.

Sunrise holds itself and its employees to the highest standards. As such, the Conflicts of Interest policy has been written to align with the Financial Conduct Authority (“FCA”) requirements.

This policy outlines what is considered a conflict of interest, and how to disclose any potential conflicts or external business interests. The policy is used in conjunction with Sunrise’s internal control systems to prevent any material risk of damage to the interests of its clients.

## ● Anti-Money Laundering Policy

Sunrise understands the importance of reputation and integrity when working with any party and is committed to complying with all relevant laws and regulations such as the UK Money Laundering Regulations.

The Anti-Money Laundering Policy outlines the procedures and controls put in place to prevent or detect any money laundering or terrorist financing activities within the supply chain.

The policy outlines the various risk assessments to be undertaken, such as customer due diligence, as well as the requirements for reporting, record keeping, and cooperating with authorities.

This policy is shared with all employees, contractors, agents of Sunrise or third parties acting on behalf of Sunrise.

Beyond asset-level ESG initiatives, Sunrise’s volunteering efforts aim to address local needs by leveraging our team’s skills to deliver tangible benefits for our own communities.



## Fulham Boys’ School

Sunrise has launched an ongoing partnership with Fulham Boys’ School (FBS), a non-selective state school admitting a socio-economically diverse group of students from the local area. As a new school, founded by local parents in 2014, we were able to collaborate with FBS to implement a formal careers programme which caters for the diverse range of needs represented by its student body.

The aim of our partnership is to provide genuine, long-term support for students to aid in their transition out of the school environment into further education, apprenticeship roles or the workplace. We have committed to the following programme which aims to equip students with confidence and practical skills.

- **Winter term session:** Guidance on CV building, work experience and how to stand out in hiring processes.
- **Spring term session:** Interactive CV and cover letter writing session. Sunrise will then review all CVs and cover letters and provide feedback ahead of the third session.
- **Summer term session:** One-on-one mock interviews with each student, using the CVs and cover letters to provide immediate feedback post interview.

Given the programme’s success, we are looking to expand to other schools. However, this will require cooperation with the school and their counsellors for the programme to excel.

## Evergreen Play Association

In 2023, Sunrise began working with Evergreen, who offer inclusive child-led play to those aged 5-15 as well as one-to-one supported play for children with special educational needs. Evergreen’s work aims to reduce violence in the borough by providing safe play for the children living in the neighbourhood.

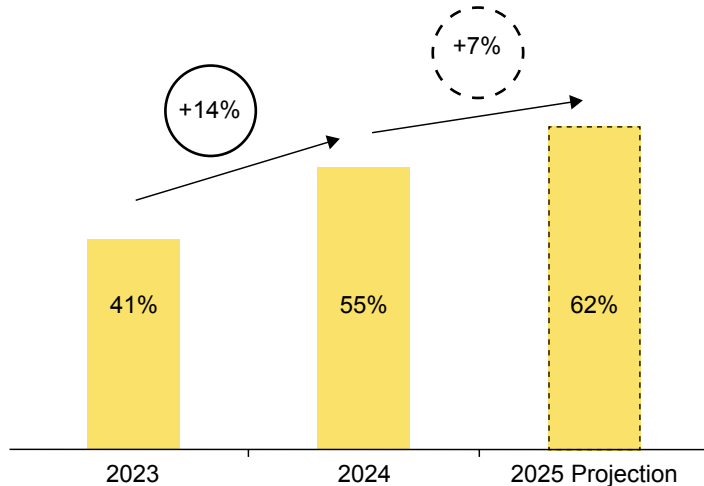
To support Evergreen’s critical work, each summer, Sunrise carries out a one-day garden renovation programme to help repair and improve the play area for local children.



# Carbon, Energy and Resources

Our efforts in 2024 to roll out data collection systems have allowed Sunrise to understand our assets' energy and carbon impact and make informed decisions on efficiency improvements moving forward.

## Monitoring Energy Consumption



### Proportion of the Portfolio Utilising BMSs<sup>1</sup>

Through the installation of building management systems (BMSs), we can understand the consumption patterns of our tenants for various utilities such as electricity, water, and gas. By collecting this data, we can map out the areas of overconsumption caused by inefficiencies in the system and tailor upgrades accordingly. Since inception, we have successfully installed BMSs across 23 assets in multiple countries. These installations have significantly improved automation, monitoring, and informed our approach to sustainability for those assets.

1. Percentages in the graphs reflect the share of the total area represented by each category.

## Tracking Our Operational Carbon



### Proportion of the Portfolio with Tracked Carbon Data

The assets under management are located in nine different countries, each with their own carbon projections. Utilising our BMS data to bolster our data collection, we aim to analyse the carbon intensity of every occupied asset we manage. As at the end of 2024, 74% percent of the portfolio has complete operational carbon data coverage. A further 8% of the portfolio has partial data coverage. In 2025, we plan for all new developments to be 100% data tracked and meet the CRREM pathway by at least 15 years post completion.

- Complete Data 74%
- Partial Data 8%
- 2025 Target 18%

# Solar and Renewables

**165,000 sqm**  
Committed

**5**  
Projects Completed

**6**  
Projects Under Construction

**3**  
Projects Under Negotiation



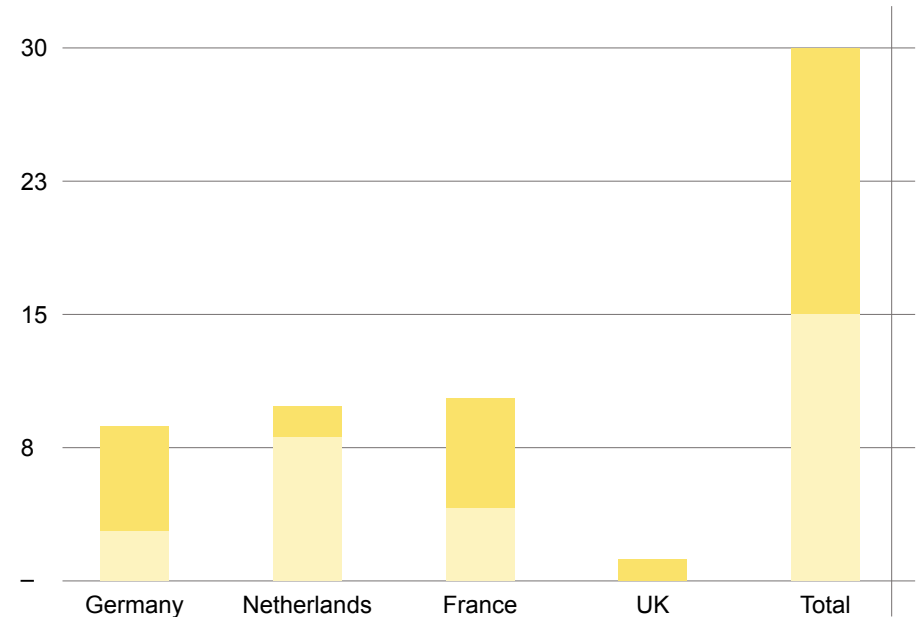
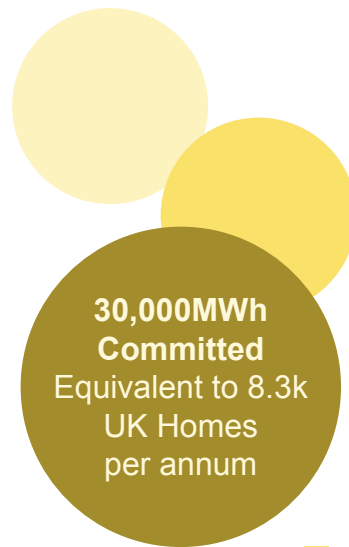
Stuttgart, Germany – 11,000 sqm solar installed in addition to green roofing.

At Sunrise, we work with leading solar developers to implement high-quality PV systems, providing tenants and local users with green energy while improving asset returns. As a logistics developer, we have the opportunity to install largescale PV systems due to the roof area available.

In 2024, we have made significant strides in expanding our solar initiatives. The share of feasible project area we have committed to develop increased from 30% in 2023 to 60% in 2024. While solar landscapes are becoming increasingly complex overcoming grid congestion, insurance complications and ever evolving technology, Sunrise are equipped and committed to finding opportunities to continue our implementation of widespread solar. In addition to solar, Sunrise are trialling alternative green energy solutions such as our flagship asset in Sweden where geothermal energy is integrated.



Heerlen, Netherlands – 46,000 sqm solar installed.



Sunrise completed our first in-house development in Q4 2024. An innovative PV system was installed to provide 49% of renewable energy from onsite solar.

## Background

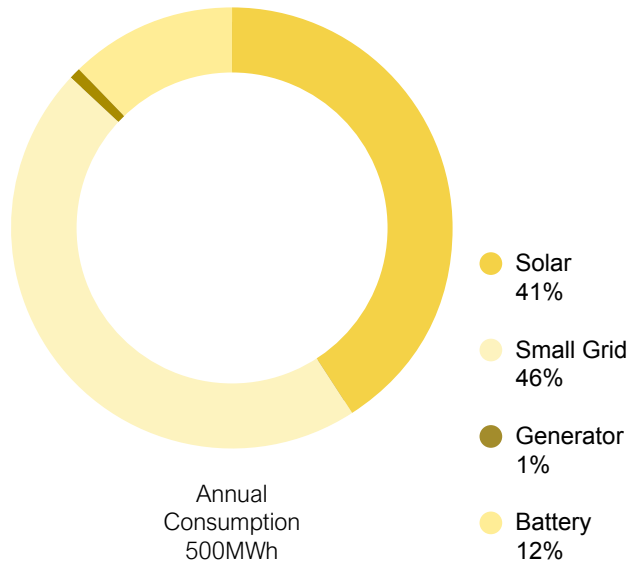
The Netherlands has seen a rapid growth in demand for renewable electricity as the country moves away from fossil fuel installations and diesel cars. The rising demand has outpaced the supply causing grid restrictions to be commonplace across the country. On our site, construction completed in Q4 2024, however a permanent electricity connection was not available until March 2025.

## The Solution

Sunrise worked with our solar provider to develop a sustainable solution split into two phases. The consumption profiles of each stage are shown on the right.

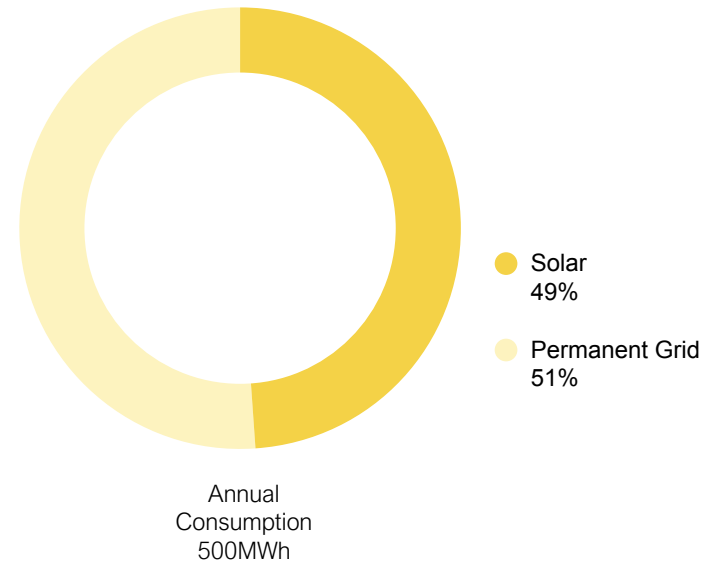
- **Phase I:** Until the permanent grid connection is established, the system will rely on a combination of solar panels, a small grid connection, a battery, and backup diesel generator.
- **Phase II:** Once the permanent connection is in place, the diesel generator and battery are removed, and the power will be supplied through a 500kW grid connection and a PV system scaled to the tenants' demand.

### Phase 1



122 t  
Annual GHG emissions

### Phase 2



95 t  
Annual GHG savings  
(60 roundtrip flights from London to NYC)

Going into 2025, we will continue to build upon expanding solar across the portfolio while also exploring how we can manage the consumption of other forms of resources.

## Solar Pipeline

Next year we plan on expanding our solar portfolio by expanding into new markets.

- Spain is a key target for us due to the high potential for solar energy production available and our opportunity for solar roll out due to the roof availability under management across the country. Currently, we are in the process of signing our first Spanish solar project for a c.100,000 sqm PV installation with a new developer.
- In Germany, Sunrise is assessing the feasibility of four potential solar installations totalling c.30,000 sqm across two assets.
- Within Sweden, on our recently completed project, Sunrise are in negotiations regarding a 14,000 sqm proposal to implement in this region.

In addition to assessing the feasibility of solar on all new developments, we are working with our solar partners to manage upcoming regulations in the countries in which we operate. In France, we are working with our solar providers to meet the Renewable Energy Acceleration Law in France which has set a benchmark for installing solar car ports as well as roof top solar.

## Water and Waste Management Improvements

Beyond reducing the carbon intensity of our tenants' electricity consumption, we recognise that there is an opportunity across our current and new assets to streamline the way water and waste are managed on site.

The data collected for GRESB 2024 reporting will provide more visibility on our standing assets to help us understand the waste management processes already undertaken and where we have opportunity to improve current systems.

New developments will be designed in line with WAT 01 BREEAM requirements to set a benchmark for installing water efficient features. The assets undergoing BREEAM upgrades in the future will focus on improving water installations to reduce the water usage.

Focusing on the standing assets, we have requested all property managers to report on the water efficiency measures installed at each asset to understand where key improvements can be made. This includes leak detection, meter readers and wastewater treatment.



# **Social and Economic Impact**

**At Sunrise, we strive to deliver positive social value. By addressing tenant needs and fostering community ties, we enhance stakeholder wellbeing, drive tenant retention, and increase portfolio value.**

## Tenant Engagement

At Sunrise, we are consistently working to enhance our tenants' experience and maximise tenant wellbeing. To better understand their needs and meet their expectations, we conducted a comprehensive survey, asking tenants to rank various aspects of their work environment, including quality of the facilities, communication with property managers, and overall satisfaction.

The feedback we received directly informed our strategies to improve service quality. In 2024, we addressed the identified issues and tailored our efforts to meet the needs of our tenants. We are currently preparing to launch a follow-up survey to capture evolving tenant needs and ensure our continued responsiveness. We have expanded the survey to capture the perceived management of noise levels, air quality and lighting quality of each site.

## Wellbeing Initiatives

Sunrise takes stakeholder and employee wellbeing into consideration throughout business operations. This year, we invested in mental health first aid training for select employees, equipping them to readily administer support if necessary.

At Sunrise, we are committed to supporting the physical health of our employees by promoting active lifestyles. In 2024, we facilitated employee participation in the JP Morgan Corporate Challenge, the largest corporate running event globally. Additionally, we offer employees the opportunity to benefit from the UK's Cycle-to-Work scheme, promoting a healthier and more sustainable commuting option.

For all new developments and renovation projects, we mandate strict adherence to health and safety guidelines to safeguard all personnel on site. We closely monitor compliance through regular inspections and audits, ensuring that the highest standards are maintained.

## Community Engagement

At Sunrise, we recognise the importance of fostering strong relationships with the local communities where we operate. We are committed to making a positive contribution to the surrounding environment and society across our asset portfolio where feasible. A key example of this is our active collaboration with the Burgess Hill Business Parks Association (BHBPA), which represents the interests of local businesses. We have previously hosted events in partnership with BHBPA aimed at engaging with local enterprises and promoting economic collaboration.

Many members of the association are local residents, and working with BHBPA enables us to gain valuable insights into areas where we can create meaningful contributions to the community. We remain committed to maintaining a long-term relationship with the BHBPA and to leveraging our sites as accessible, practical community hubs wherever possible. Looking forward, we hope to engage with tenants and local bodies to find meaningful collaborations which will produce tangible benefits to our tenants and the local area.

**By integrating social and economic considerations into our building practices, we create environments with enduring impact, that extends beyond short-term business needs.**

## Local Employment

As the asset manager for 78 properties across nine countries, the majority of which were developed with Sunrise, our operations have a significant impact on employment throughout the asset lifecycle, extending beyond the jobs created by our occupiers. We are committed to fostering meaningful employment opportunities by engaging with local contractors and service providers during the development phase to provide on-site work experience such as apprenticeships, work placements or site visits from local schools. This approach supports regional economies while also strengthening community ties.

## Designing User Experience

At Sunrise, we recognise the impact of thoughtful building design on occupier wellbeing and satisfaction. In 2024, we developed our Sunrise Design Guide to reflect these key values.

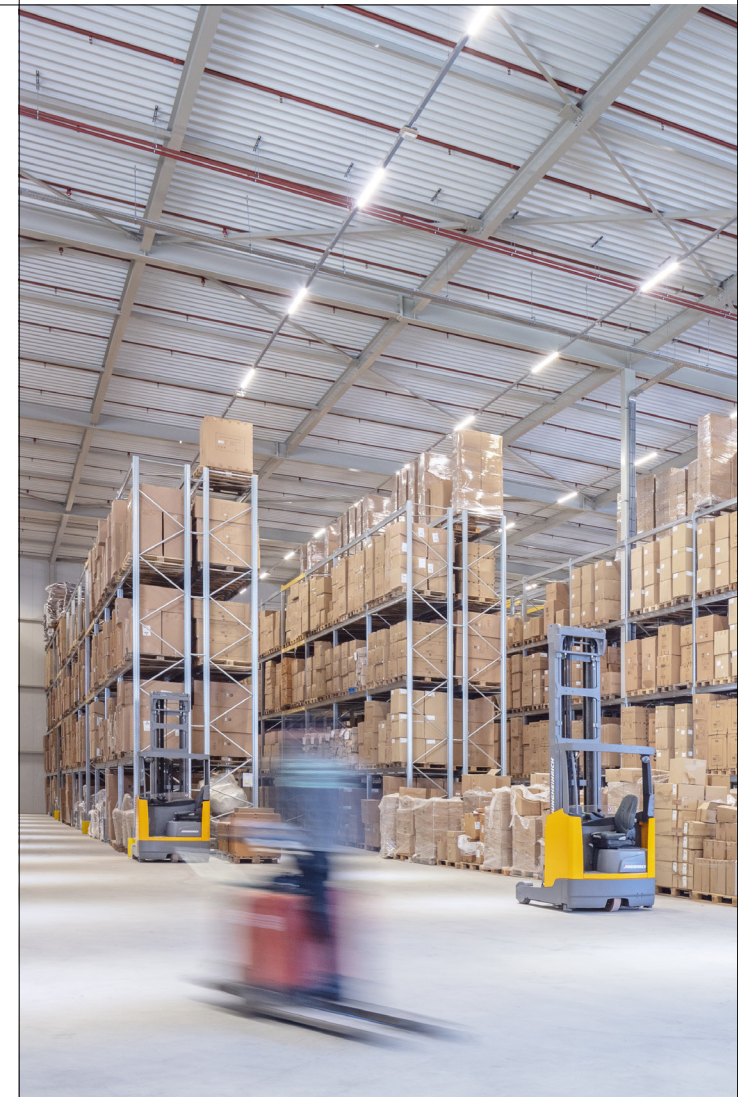
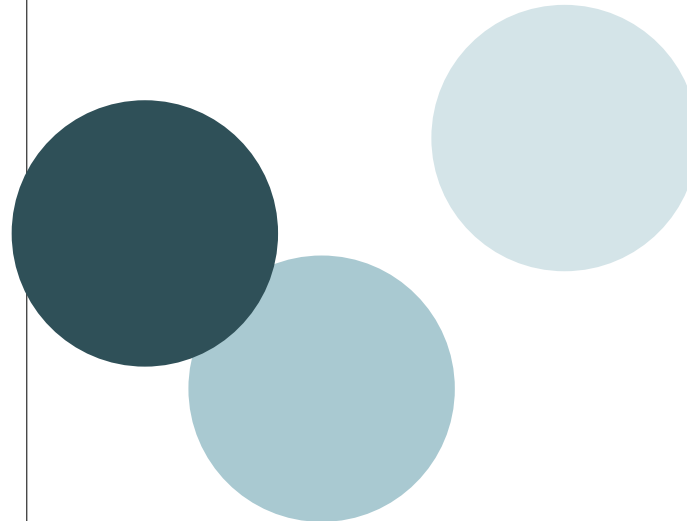
Our design prioritises natural light, biophilic elements, and greenery to foster physical and mental health. In line with our biodiversity and nature action plan, we will look to improve outdoor areas to provide safe and welcoming rest areas for occupiers. We also support active lifestyles by providing bicycle storage at several properties, promoting cycling as a sustainable and healthy commuting option.

By embedding these design principles across our portfolio, we create work environments that support the wellbeing and safety of those who use them daily.

## Inclusive Design

As we begin to roll out our new developments, the Sunrise Design Guide will be used as a basis for our design. At Sunrise, we recognise that tenants will require the flexibility to adjust the building design to suit their operations. Therefore, our Design Guide has been tailored to consider a flexible office design where we can work directly with the tenants to include their specific alterations with minimal material waste.

We aim for every user of our sites to feel welcome and comfortable. The Sunrise Design Guide has considered this through accessible parking, bathrooms and lifts.



**Our Supplier Code of Conduct outlines our expectations for all suppliers providing products or services to Sunrise and its subsidiaries. Each supplier will provide a signed agreement to confirm their commitment to uphold these values.**

## Protecting Human Rights

Sunrise maintains a zero-tolerance policy towards modern slavery, human trafficking, and child labour. All suppliers and related parties must comply with applicable human rights and employment laws in their operating jurisdictions.

## Fair Wages

Suppliers should pay their employees a reasonable living wage. At a minimum, employees must be paid in line with the applicable wage laws. These terms must be clearly communicated to employees, with payments made promptly and in accordance with agreed wages.

## Respectful Treatment

We require suppliers to comply with all relevant anti-discrimination laws, promoting fair and respectful treatment of all employees, regardless of race, gender, sexual orientation, disability, religion, or age. Discrimination, harassment, and victimisation in any form are not tolerated.

## Health & Safety

Suppliers are required to comply with Sunrise's Health and Safety Policy, relevant legislation, and associated guidelines. Suppliers' employees must receive the necessary training to perform their roles competently. A system must be in place allowing employees to report incidents or risks confidentially and without fear of retaliation.

## Data Transparency, Quality & Compliance

Suppliers are expected to provide accurate, error-free information before entering into any agreement. Transparency is essential, including clarity on the sources of information used in the project scope and tendering process.

## Bribery, Fraud & Corruption

Sunrise strictly prohibits bribery, fraud, and corruption, both internally and in our dealings with any external parties. All parties must comply with anti-corruption laws and anti-money laundering regulations. Purchasing decisions must be based on objective criteria such as price, quality, and suitability.

# Biodiversity and Nature

Across the countries in which we operate, Sunrise works alongside consultants and ecologists to manage its developments in line with regional and country-level regulations to protect biodiversity.

However, while formal regulations are yet to be brought forward in certain countries, the principle of Biodiversity Net Gain (BNG) is gaining prominence as countries begin to set formal biodiversity targets. In light of this, Sunrise undertook a portfolio-wide baseline survey to understand each asset's current and potential biodiversity value and identify potential improvements.

The table to the right highlights the current and incoming regulations and how Sunrise is responding.

## ● Biodiversity Net Gain

- Since 1976 Germany has implemented a policy of no net biodiversity loss on a development site, with similar regulations in France since 2016 based on the Avoid, Reduce, Compensate (ARC) principle.
- In February 2024, the UK passed a law requiring all new development schemes to achieve a 10% net gain in biodiversity, either on site or through offsite biodiversity projects, with requirements set by DEFRA.
- **Sunrise Response:** The baseline biodiversity level is considered within the initial design of a project, to comply with regulations and deliver a positive impact where feasible. This includes retaining mature trees and biodiversity rich areas.

## ● Ground Contamination

- Each country sets thresholds for different types of pollutants found within the ground and groundwater.
- The responsibility to remediate the site can depend on the countries' regulations. For example, in France, the responsibility is on the polluter. If a site is expected to pose a potential environmental or health risk, an ICPE permit is required which places restrictions and requirements on installing, operating, and decommissioning.
- **Sunrise Response:** Environmental due diligence is conducted for each acquisition to understand if there is a risk of existing contamination on the site. If a risk is identified, this will be followed up with additional testing, factored into the underwriting, and appropriate mitigation measures priced within the business plan.

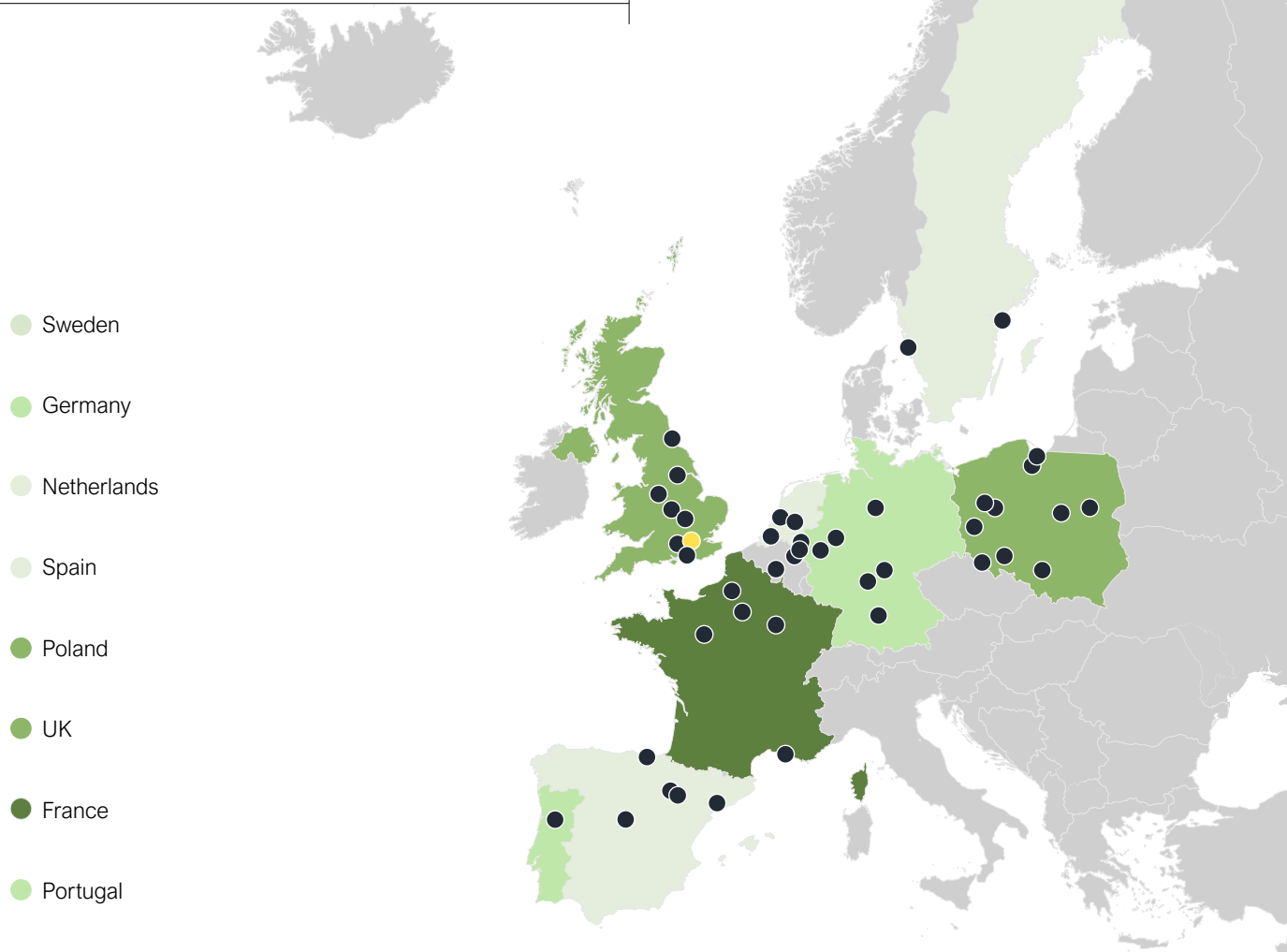
## ● Wildlife and Habitat Protection

- The UK Wildlife and Countryside Act of 1981 was enacted to protect endangered species on development sites, mandating ecological studies, disturbance avoidance and mitigation plans prior to construction.
- In the Netherlands, bat conservation falls under the EU Habitats Directive, requiring surveys during planning stages. If bats are present, relocation will occur before construction begins.
- **Sunrise Response:** During the due diligence stage, an ecology assessment is undertaken to confirm what species are on site and to confirm if any precautionary or protection measures are required.

## ● Nesting Season

- UK, Belgium, Netherlands, Germany and France enforce regulations restricting site clearance during bird nesting periods, typically restricting activity for 3-6 months.
- **Sunrise Response:** The construction programme is prepared such that any tree removal or demolition avoids the region's nesting period.

The map below outlines the results of the biodiversity analysis, ranking each country based on the average biodiversity score of its assets, with the French assets scoring the highest.



## Methodology

- A biodiversity baseline survey was conducted across all assets to produce a biodiversity score.
- The Biodiversity Net Gain (BNG) Metric System is adopted in the report to attribute a biodiversity score to each asset. Factors including condition and connectivity are considered for each habitat type to produce a score which are summed to produce an overall score for the site. This was pro-rated by area, allowing for portfolio wide comparisons.
- The results helped to illustrate the biodiverse locations in which we operate.

## Next Steps

- Following site visits from Be-Design, recommendations to efficiently and effectively enhance the biodiversity of each asset will be provided and analysed internally to determine the optimal course of action.
- Enhancing biodiversity in areas with strong ecological connectivity should be prioritised to help integrate new habitats into existing ones.
- Occupier wellbeing spaces will be assessed to identify opportunities for enhancement.
- Other considerations include soil nutrient analysis to understand the potential erosion of nutrient rich soil when implementing the above goals.

The Allonne project in France is Sunrise’s first project to achieve a BiodiverCity® Certification, following Sunrise’s commitment to protect biodiversity through careful design.



## BiodiverCity® Certification

The **BiodiverCity®** certification, established by the **International Biodiversity & Property Council (CIBI)**, promotes biodiversity integration in urban and real estate projects to promote and encourage ecological preservation and sustainability.

It evaluates projects on four main criteria: a commitment to biodiversity strategies, incorporation of natural resources in development (such as green roofs and freshwater features), ecological preservation and habitat enrichment, and user wellbeing uplift through improved human and nature interaction. Developers collaborate with accredited ecologists to ensure projects contribute to local ecosystems and improve the quality of urban living whilst maintaining rigid standards and specifications.

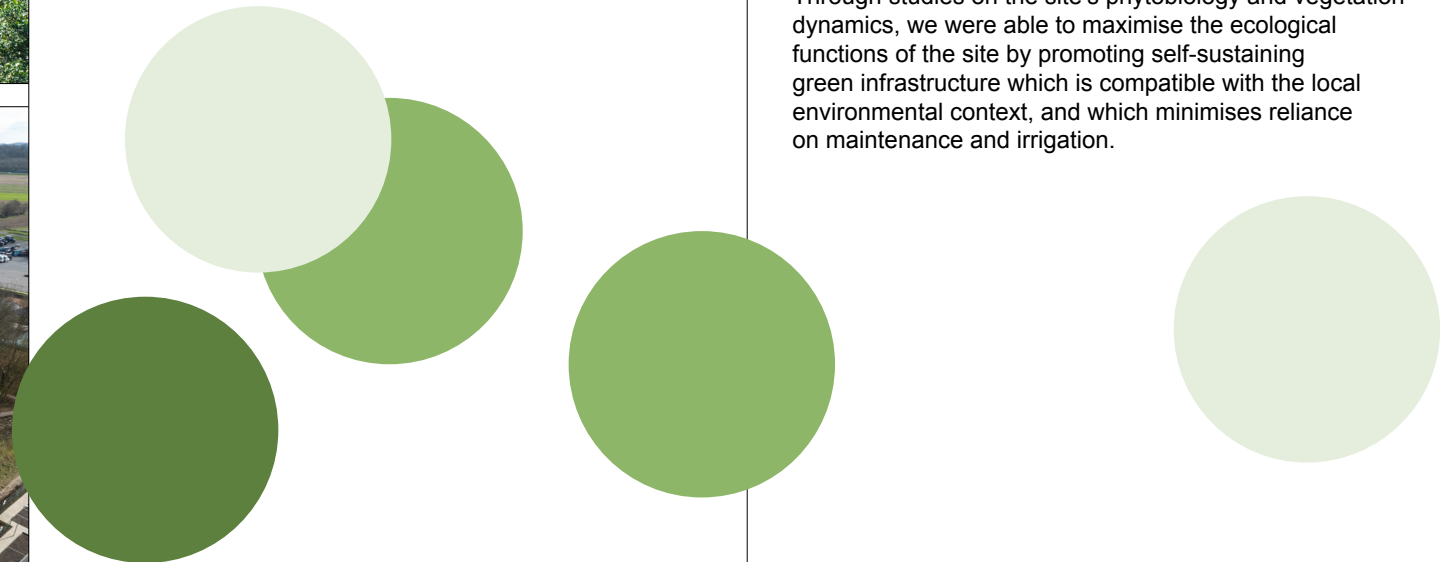
## Asset

The project’s effects on biodiversity, both within the site boundaries and surrounding areas, were considered throughout the pre-construction, construction and post-construction phases of this project.

During planning and permitting stages, a thorough investigation was undertaken to understand and aim to maintain the site’s biodiversity where feasible while ensuring existing ecology would be supported within the building design.

The development focused on optimising green spaces to produce functional, accessible and resilient landscapes to aid the end user as well as the existing ecology. For example, rest areas were strategically placed within proximity to green spaces to promote the positive aspects of the landscape while creating amenable spaces for the tenant.

Through studies on the site’s phytobiology and vegetation dynamics, we were able to maximise the ecological functions of the site by promoting self-sustaining green infrastructure which is compatible with the local environmental context, and which minimises reliance on maintenance and irrigation.



## Habitat Installations

Including habitat installations into our building design contributes to local biodiversity and helps maintain a balanced ecosystem within our landscaped outdoor spaces. Insect hotels have been installed across our portfolio to provide vital habitats for insects and pollinators. The installations can be created from spare materials on site, as shown on site in the right picture. We have previously worked with local municipalities to install habitats on site which help contribute to their sustainability goals.



## Green Roofing

Green roofs, as shown on our Dutch site, enhances biodiversity by supporting local plant and insect life whilst also improving building energy efficiency and rainwater management.



## Looking Forward

While we plan to improve the biodiversity on site, it is equally important to preserve the biodiversity in place. Therefore, we will consider biodiversity retention and protection on site for all new developments and existing assets. This includes biodiversity corridors, green areas for employee use, and considering green roofs in our initial design where feasible. Our aim is to realise a biodiversity net gain for our new developments.

We will work with our property managers to understand if any habitat installations require additional management or repair.

Next year, the Sunrise team is planning to expand its volunteering with the London Wildlife Trust. This will provide the team with practical understanding of good practices in biodiversity management and help improve the local community.

# Appendices

# Detailed Reporting Metrics<sup>1</sup>

	Belgium	France	Germany	Netherlands	Poland	Portugal	Spain	Sweden	UK	Total
<b>Carbon, Energy and Resources</b>										
<b>EV Charging</b>										
No. EV Spaces	20	40	44	42	24	-	33	12	243	458
Percentage of Total Parking Spaces	8%	4%	6%	4%	1%	0%	3%	10%	10%	5%
<b>BMS Installations</b>										
Number installed	0	5	1	3	3	1	5	1	4	23
Percentage by Area	0%	100%	10%	40%	28%	100%	100%	83%	67%	55%
<b>Solar</b>										
Installed (MWh)	-	-	2,812	9,832	-	-	-	-	-	12,644
Committed (MWh)	-	10,248	5,828	-	-	-	-	-	1,238	17,314
Under Analysis (MWh)	-	-	5,355	-	-	-	5,496	-	-	10,851
<b>Operational Carbon Tracked</b>										
Number of Sites	1	5	4	5	9	-	5	-	4	33
Percentage by Area	100%	100%	65%	89%	83%	0%	100%	0%	54%	74%
<b>Green Lease Clauses</b>										
Number of Leases	-	-	5	7	1	4	7	1	6	31
Percentage by Leased Area	0%	0%	55%	100%	1%	100%	100%	100%	71%	46%
<b>Biodiversity and Nature</b>										
<b>Baseline Surveys</b>										
Number of Sites Surveyed	1	5	7	6	12	1	5	2	7	46
Percentage by Area	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Habitat Installations</b>										
Number of Sites with Habitats	0	3	2	3	2	0	4	0	3	17
Percentage by Area	0%	68%	18%	30%	6%	0%	96%	0%	54%	34%
<b>Social and Economic Impact</b>										
<b>Bicycle Storage</b>										
Number of Sites	1	4	6	6	10	1	3	1	7	39
Percentage by Area	100%	84%	83%	100%	71%	100%	81%	83%	100%	85%
<b>Break Out Areas</b>										
Number of Sites	0	2	6	2	7	0	1	1	3	22
Percentage by Area	0%	45%	83%	17%	46%	0%	72%	83%	51%	49%
<b>Tenant Surveys</b>										
Number of Sites	1	5	7	6	12	1	5	2	7	46
Percentage by Area	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<p>1. All statistics reflect the cumulative number of installations and initiatives completed since Sunrise's inception, not limited to those carried out in 2024.</p>										

## CERTIFICATIONS AND BENCHMARKS

- **Building Research Establishment Environmental Assessment Method (BREEAM)** – BREEAM is a certification applied to new developments (New Construction) or standing assets (In-Use). Scoring is based on a selection of metrics such as water/energy/waste, health and wellbeing, management, pollution etc.
- **Carbon Risk Real Estate Monitor (CRREM)** – CRREM is used across different real estate sectors to manage transition risks. The CRREM Pathway plots the emissions and energy intensities of an asset's current performance and benchmarks it against the required performance to meet the 1.5°C Paris Climate Agreement Goals.
- **Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB)** – DGNB is a German certification used to benchmark the energy performance of an asset against the typical asset performance in their sector.
- **Energy Performance Certificate (EPC)** – EPC provides information on the energy efficiency of a building. Typically, the certificate provides an energy rating from A to G and the estimated carbon intensity.
- **Global Real Estate Sustainability Benchmark (GRESB)** – Used on a fund level to benchmark the sustainability performance across real estate and infrastructure sectors. Considerations include utility consumption data, stakeholder engagement, risk management, and policies in place.

## ACTS AND DIRECTIVES

- **EU Habitats Directive** – EU conservation policy which outlines how endangered species and their natural habitat should be protected. (Source: [Habitats Directive](#))
- **Financial Conduct Authority (FCA)** – Independent financial regulatory body in the UK responsible for regulating the conduct of financial service firms and financial markets in the UK.
- **UK Biodiversity Net Gain (BNG)** – Under the Environment Act 2021, grants of planning permission in England are subject to the condition that the biodiversity value attributable to the development exceeds the pre-development biodiversity value of the onsite habitat by at least 10%. (Source: [Environment Act 2021](#))
- **UK Bribery Act** – This is an anti-corruption law which covers how bribery is defined as an offence and how the penalties should be measured. (Source: [Bribery Act 2010](#))
- **UK Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017** – Legal framework which sets out how the use of financial systems can be managed to prevent money laundering. This includes conducting a risk assessment, performing customer due diligence and establishing controls. (Source: [Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017](#))
- **UK Wildlife and Countryside Act of 1981** – The Act defines the protections in place for different native species including specific guidance on protecting birds and their nests. (Source: [Wildlife and Countryside Act 1981](#))



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