



EPRA Sustainability



Phoenix Spree
Best Practice Recommendations 2023

QSIX

Introduction

Founded in 2007, **Phoenix Spree Deutschland Ltd (PSD)** is an investment company listed on the London Stock Exchange. We are a long-term investor in Berlin rental property, focused on providing rental homes that are both comfortable and affordable to our customers.

As a member of the European Public Real Estate Association, we want to contribute to greater transparency in sustainability reporting. We recognise that the nature of our business has environmental and social impacts and that we have a responsibility and need to consider and minimise these impacts where possible.





EPRA Sustainability Best Practice Recommendations

We recognise that the nature of our business has environmental and social impacts, and that we have a responsibility and need to consider and minimise these impacts where possible. The refurbishment and modernisation of existing buildings, which is a central pillar of Phoenix Spree Deutschland's strategy, is widely regarded as more sustainable than the alternative of new build, given the inherent improvement of existing buildings. Additionally, our Environment Policy sets guidance as to how PSD, our Property Advisor (QSiX), and other key suppliers should operate to help to reduce our environmental impact.

To secure our long-term success, we are committed to balancing the different interests of our key stakeholders and addressing our environmental and social impacts. This commitment is captured within our Company Values, business model and 'Better Futures' Corporate Responsibility (CR) Plan. For more information on how we approach CR and our activities, see our CR section within our 2023 Annual Report.

As a member of EPRA (European Public Real Estate Association), we want to contribute to greater transparency in reporting. We introduced EPRA's Sustainability Best Practice Recommendations in our 2020 Annual Report, capturing Environmental, Social and Governance (ESG) data, in line with its Sustainability Best Practice Recommendations (sBPR). This commitment was recognised at the EPRA Sustainability Awards, with PSD receiving both a 'Silver' and 'Most Improved' award in 2021 and a 'Gold' award in both 2022 and 2023. This recognition has encouraged us to continue to approach the future in an ethical, meaningful, and environmentally friendly way, and we are committed to producing this annual publication based on EPRA's sBPR guidelines.

The following report consists of two parts: the Overarching Recommendations and the Sustainability Performance Measures.

Overarching Recommendations Organisational boundaries

This report focuses on PSD's property portfolio, consisting of 95 properties, all of which are located in and around Berlin, Germany. The key sustainability data in this EPRA Report focuses on 94 of these properties as explained below under Coverage section.

We use an operational-control approach for our organisational boundary, in accordance with the principles of the Greenhouse Gas

Protocol, which covers 100% of our assets. Unless otherwise indicated, the key figures relate to the financial year 2023 (January through December 2023).

Coverage

PSD's asset portfolio covers 95 properties (188k square meters), located entirely in Germany, 93 of which are within the city of Berlin and 2 in neighbouring state of Brandenburg. PSD does not have offices on which to report, see 'Disclosure on own offices.'

PSD started providing Environmental, Social and Governance (ESG) data in line with EPRA guidelines in 2020, focusing on properties using oil and district heating. This data collection began with 27 properties or 25% of the portfolio in 2020.

Since then, the data gathering and analysis have been expanded to cover the whole portfolio, including any property connected to the gas grid. For 2023, the data collection covers 94 out of 95 properties, excluding one used commercially. The number of residential units remains unchanged, therefore, as the difference between the 95 and 94 buildings is only the exclusion of a commercial property.

The 2023 sustainability figures relate to 94 properties, consisting of 2,489 apartments and 139 commercial units. These cover a total area of 186,047 square meters, which equates to 99.8% of the total portfolio's floor area. EPRA reporting for 2023 includes a like-for-like (LFL) comparison for 84 properties. The LFL analysis excludes any sold or bought properties, as well as any being prepared for sale or without invoices across all the utilities. There were also individual sales and purchases within eight properties, resulting in an overall decrease of apartments (70) and of commercial units (7). These sales, therefore, result in some minor discrepancies within the LFL comparison. However, given that they constitute significantly less than three per cent of the total portfolio, the impact on the LFL comparisons is not material.

We continue to work with our utility suppliers to access the detailed actual consumption billing data (versus estimates) across all our portfolio in a timely manner that works with our reporting period. We have been piloting carbon mapping on a small number of buildings, in combination with meter readings by the property management company. Please see our EPRA performance tables for individual coverage of each performance measure.

Estimation of landlord-obtained utility consumption

The environmental data provided in this report is based on the actual consumption values reported in landlord-obtained bills for 2023, and in 2024 from the respective utility companies for electricity, oil, district heating, gas, water, and waste. The electricity, gas and district-heating bills are also supported by meter readings, taken at set intervals throughout the year. The actual oil consumption is calculated using stock readings at the start and end of each year and adding the deliveries throughout the year. The waste data is based on information shown on the invoices, including the size of the containers emptied, and frequency of collection throughout the year. See Tables 6 to 10 for an overview of data collected.

Utility invoices for the reporting period are collated and analysed once the final invoices and meter readings have been processed by the utility companies. As an additional verification mechanism, we have introduced a formal process whereby the property-management company takes utility meter readings at the year end. These readings are reconciled with the information in the relevant utility invoices. This was possible for an average of 98.7% of utility data excluding waste data, which is not metered. The proportion of actual versus estimated consumption data is shown in the like-for-like comparison, see Tables 6 to 10 for an overview of data collected.

Invoice delays for gas and district heating billing can result in some data being unavailable until early May, and hence too late to be included in our analysis for the year ended 31 December 2023. There are also some instances in which invoices require additional internal audit checks, making them unavailable for data analysis. In these instances, invoice data is supplemented by meter readings taken at the end of the year by the property management company. Where meter readings and invoices are not available, the previous year's consumption is used as estimate.

Third-party assurance

The EPRA sBPR is not audited by third parties. However, all the residential properties are certified by mandatory energy certificates based on heating and hot water use or demand. The carbon emissions are calculated by an external service provider.

EPRA Sustainability Best Practice Recommendations continued

Boundaries – reporting on landlord and tenant consumption

We only report on landlord-obtained utility data, although the invoices we receive include consumption for communal, private, and commercial areas. Utility data for tenant consumption (private and commercial) within their apartments, or business areas, where they have a contract direct with the supplier and receive their own bills, is excluded from the EPRA reporting, as we, as with other landlords, have no oversight or control over this information. It also excludes household waste recycled via schemes, such as the 'Gelber Sack' and communal glass collection points, as well as any commercial waste.

The reported values reflect real consumption, based on the buildings' energy requirements and the tenants' individual consumption, which are outside our direct control. The portfolio data therefore covers the following areas:

- Heating oil and district heating: residential, commercial and communal areas;
- Gas: residential, commercial and communal areas;
- Electricity: communal areas;
- Water: residential, commercial, and communal areas; and
- Waste: residential, excluding waste recycled by the tenant via relevant council schemes.

Analysis-normalisation

Intensity indicators for energy, GHG emissions and water, are calculated, where possible, using the floor area (square meters) for the whole building, as denominator. Electricity-consumption figures relate to the communal area only, whereas the heating (oil, gas, and district) and water bills cover the entire building. The size of the communal area is based on the property's energy certificate, which applies a factor of 1.2 to calculate the total residential space including the communal areas, such as staircases and cellars. This is in line with the relevant Energy Efficiency regulations (EnEV 2014 and GEG 2023).

Segmental analysis (by property type, geography)

A segmental analysis by geography is not applicable, as PSD's whole asset portfolio, covering 95 properties (188k square meters), is in Germany. Out of the 95 properties, 93 are located within the city of Berlin and two are in the neighbouring state of Brandenburg. The asset portfolio consists mainly of classic 'Altbau' properties which were built before 1914 and are typically five-storey buildings containing between 20-40 units of one-to-three-bedroom apartments, often with shops on the ground floor.

Residential accounts for 92% of the portfolio by lettable area with 2,489 apartments and commercial 8% with 129 units. Commercial tenants manage their own utility suppliers and bills; hence it is not possible to segment the utility usage between residential and commercial tenants.

Disclosure on own offices

PSD does not operate from any offices given it does not have any employees, only an independent Non-executive Board. The day-to-day running of the business is managed by QSIX and the Property Manager, which are separate legal entities.

Narrative on performance

A summary of the portfolio age and energy-certificate grades is given in Tables 1 and 2, showing that 42 buildings (36%) meet a performance level of B to D and 74 buildings (64%) meet E to H. This spread is to be expected, as the portfolio mainly consists of 'Altbau' buildings, with 91 buildings (78%) constructed before 1940 (see Table 1). The energy certificates cover individual residential and commercial locations/buildings; hence the total number of energy certificates (116) is higher than the number of total PSD portfolio properties (95). It is also worthwhile noting that two of the three buildings with an 'H' energy certificate are commercial buildings, hence are outside of PSDs direct control, other than being able to offer suggestions on how to reduce consumption as part of the facility-management support. In addition to the performance level, the energy certificates also provide the average heating demand or heating consumption figures. The actual average heating consumption available for 50 buildings was 136 kWh/square meters, which is 5% above the 2022 average for residential properties in Germany (129 kWh/square meters per annum (Reference Umweltbundesamt).

Reference – Umweltbundesamt). The average heating demand available for 65 buildings was 156 kWh/square meters, which is within the average for the buildings constructed between 1970 and 1980 (125-200 kWh/square meters). This reflects well on the portfolio, given the age of the buildings. The change in the differential between the heating consumption and demand of the buildings and the average for residential properties in Germany is the result of asset acquisition and sale and the two energy certificate updates.

According to the German Environment Agency (Umweltbundesamt) the CO₂e emissions for buildings showed a decrease of 8.3 million tonnes to 102 million tonnes CO₂e. That is a reduction of 7.5% from 2022 to 2023. Most of these energy savings are attributed to the mild weather combined with high energy costs. This is reflected in the performance review for EPRA, under the like-for-like comparison. See relevant EPRA Tables 6 to 10.

In line with our business strategy, the whole building stock has undergone some form of refurbishment over the years. PSD's refurbishment programme in 2023 prioritised existing housing stock to improve sustainability. Included within this was a heating system upgrade, the addition of some new units and a ceiling replacement. In 2023, PSD invested around €700,000 in capex, including approximately 120 units that benefited from single gas-heating upgrades, and one building's central heating-system upgrade. Those 120 apartment units covered equated to nearly five percent of the total residential apartments.

Our Environmental Policy guides us and our key suppliers on how to operate and reduce our environmental impact. Measuring this impact and reporting on it transparently are important elements of our environmental-footprint-reduction journey. We commission tailored reports from third-party experts to ensure PSD is in the best position to understand and anticipate ESG regulatory developments and opportunities. As a landlord, we do not have direct control over tenants' utility consumption, but we provide them with tips to encourage consumption reduction, and we endeavour to ensure that all of the building electricity is supplied from renewable sources.

EPRA Sustainability Best Practice Recommendations continued

Table 1: Age of building stock – number of buildings pre 1899 up to now

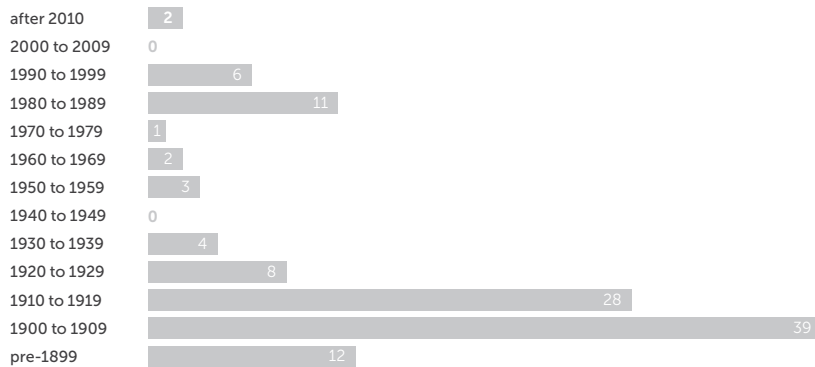


Table 2: Breakdown of energy efficiency certificate levels for the 2023 PSD portfolio

Energy efficiency grade	kWh/m²/a	Description – level of energy efficiency	Communal supply		Individual boilers		Subtotal
			District heating	Gas central heating	Oil	Gas	
A+	<30	Energy efficiency improvements meet KfW 40+ or Passivhaus levels					0
A	<50	Energy efficiency improvements meet 2016 building regulations					0
B	<75	Energy efficiency improvements meet 2014 building regulations	4	0	0	0	4
C	<100	Energy efficiency improvements exceed 1995 building regulations	7	7	0	2	16
D	<130	New build residential property or building stock pre-1949 – energy efficiency improvements meet current building regulations	9	5	3	5	22
E	<160	Residential property – energy efficiency improvements meet 1982 building regulations or building stock pre-1949 – high level of energy efficiency improvements	10	11	5	16	42
F	<200	Building stock pre-1949 – medium level of energy efficiency improvements	1	8	1	13	23
G	<250	Building stock pre-1949 – energy efficiency improvements meet 1977 building regulations	1	1	1	3	6
H	>250	Building stock pre-1949 – no energy efficiency improvements	0	1	0	2	3
Total			32	33	10	41	116

The energy data covers electricity and heating consumption, whereby the heating is provided by either oil, gas or district heating, see Tables 3 and 4. The majority of the PSD portfolio uses gas, which, in 2023, represented 63% of the total portfolio floor area, followed by district heating, with 30% coverage and oil with 7%, see Table 3. Supplier information confirms that only low-sulphur oil in accordance with DIN 51603-1 is used across the properties.

The EPRA reporting for gas excludes any properties with individual gas boilers (35 properties), as the tenants deal directly with the gas supplier, hence PSD has no overview of the consumption. There are occasions where PSD pays invoices for vacant apartments, and these are included in the EPRA data analysis. This relates to six properties in 2023, see Table 4. The data analysis for 2023 therefore covers 98% of the floor area for gas properties (excluding the single gas boilers) and 100% for oil and district heating. When including the single gas properties, the data collection represents 77% of both the total square meters and units (apartments and commercial shops/offices).

EPRA Sustainability Best Practice Recommendations continued

Table 3: Type of heating and hot water system across the whole 2023 PSD portfolio

Heating system	Residential				Commercial				Total				
	Number of apartments	Square meters (m ²)	% units	% m ²	Number of units	Square meters (m ²)	% units	% m ²	Number of properties	Number of apartments and units	Square meters (m ²)	% units	% m ²
District heating	714	52,669	96%	93%	31	4,234	4.2%	7.4%	20	745	56,903	28.5%	30.3%
Gas central heating	936	62,583	95%	93%	50	4,966	5.1%	7.4%	31	986	67,548	37.7%	36.0%
Oil heating	128	9,916	96%	82%	6	2,241	4.5%	18.4%	9	134	12,157	5.1%	6.5%
Subtotal	1,778	125,168	95.3%	91.6%	87	11,441	4.7%	8.4%	60	1,865	136,609	71.2%	72.8%
Gas heating (individual boilers)	711	47,441	94%	93%	42	3,726	5.6%	7.3%	35	753	51,168	28.8%	27.2%
Total	2,489	172,609	95%	92%	129	15,167	4.9%	8.1%	95	2,618	187,776	100%	100%

Table 4: Type of heating and hot water systems across the 2023 PSD portfolio with available data

Heating system	Residential				Commercial				Total				Compared to total portfolio (excluding gas heating individual boiler)			
	Number of apartments	Square meters (m ²)	% units	% m ²	Number of units	Square meters (m ²)	% units	% m ²	Number of properties	Number of apartments and units	Square meters (m ²)	% units	% m ²	% portfolio	% units	% m ²
District heating	714	52,669	95.8%	92.6%	31	4,234	4.2%	7.4%	20	745	56,903	39.9%	30.3%	100%	100%	100.0%
Gas central heating	924	61,452	95.0%	93.1%	49	4,566	5.0%	6.9%	29	973	66,018	37.2%	35.2%	94%	99%	98%
Oil heating	128	9,916	95.5%	80.6%	6	2,389	4.5%	19.4%	9	134	12,305	5.1%	6.6%	100%	100%	101%
Subtotal	1,766	124,037	95.4%	91.7%	86	11,189	4.6%	8.3%	58	1,852	135,226	82.2%	72.0%	97%	99%	99%
Gas heating (individual boilers)	132	9,570	95.0%	96.2%	7	381	5.0%	3.8%	6	139	9,951	5.4%	5.5%	N/A	N/A	N/A
Total	1,898	133,608	95.3%	92.0%	93	11,570	4.7%	8.0%	64	1,991	145,178	87.6%	77.5%	N/A	N/A	N/A

We report our greenhouse gas (GHG) emissions in accordance with the 3rd edition of the EPRA Sustainability Best Practice Recommendations (EPRA sBPR 2017). Emissions are reported as tonnes of carbon dioxide equivalent (tCO₂e) and use national and local information where available, see Table 5. As the Waste category for Scope 3 emissions relates to operational waste, the associated responses to Waste in Table 5 are N/A. Further data and explanation is provided in Table 7.

Table 5: Overview of associated GHG emissions data and references

Consumption data for	GHG emissions		References
Oil systems	Scope 1		Emissions factors according to German Environment Department (Umweltbundesamt – UBA – 2023)
Gas systems			
Electricity	Scope 2	Market-based	Emissions factors according to German Environment Department (Umweltbundesamt – UBA – 2023) Utility-specific emission factors (Vattenfall (electricity and district heating))
District heating supply	Scope 3	Location-based	Annual emissions factor for electricity mix and local district heating according to UBA 2023 Energy-related emissions (generation, transmission and distribution losses) for district heating and electricity according to UBA 2023
Waste	N/A	N/A	Conversion factors for volume to weight, according to regional and local statistics

EPRA Sustainability Best Practice Recommendations continued

There are additional explanatory notes at relevant points of the EPRA reporting tables to substantiate the key figures provided, see Environmental Performance Measures.

The company's responsible corporate governance, social and environmental matters are covered within the Corporate Responsibility section of the 2023 Annual Report.

Location of EPRA Best Practice Performance measures in companies' reports

EPRA Best Practice performance measures for social and governance indicators can be found in the Corporate Responsibility section of the 2023 Annual Report.

Our environmental performance measures are set out in this EPRA sBPR Report in Tables 1 to 10.

Reporting period

The reporting period is the 2023 calendar year (i.e. 1 January to 31 December, in line with the Financial and Annual Reports).

Materiality

The PSD Board's ESG Committee and the Property Advisor's ESG Task Force have identified the key issues that the company should be focusing on as part of its ESG strategies. Based on their respective materiality these are prioritised and included in the 'Better Futures' Corporate Responsibility Plan.

Own Offices

Not applicable since PSD does not operate from any offices given it does not have any employees, only an independent Non-executive Board. The day-to-day running of the business is managed by the Property Advisor QSix and the Property Manager Core, which are separate legal entities.

Sustainability Best Practice Performance Measures (EPRA Tables)

Table 6: Environmental Performance Measures

Impact category	EPRA Sustainability Best Practice Performance Measures			PORTFOLIO PERFORMANCE						
				Total portfolio						
				Absolute measures (Abs)		Like-for-like (LfL)				
Environmental impacts	EPRA code	Measurement unit	Indicator	2022	2023	2022	2023	% Change		
ENERGY (302-1)	Elec-Abs, Elec-LfL	MWh	Electricity	Landlord shared services	335	338	326	326	0.0%	
				(Sub)metered exclusively to tenants	N/A	N/A	N/A	N/A	N/A	
				Total landlord-obtained electricity	335	338	326	326	0.0%	
				Total tenant-obtained electricity	N/A	N/A	N/A	N/A	N/A	
				Total electricity	335	338	326	326	0.0%	
				% from renewable sources	100%	100%	100%	100%	0.0%	
	No. of applicable properties				Electricity disclosure coverage	92	93	84	84	N/A
	No. of applicable units					92	93	84	84	N/A
	Sqm of applicable properties					31,057	31,365	28,881	29,006	N/A
	%				Proportion of electricity estimated	0.9%	11.6%	0.0%	11.4%	11.4%
	Fuel-Abs, Fuel-LfL	MWh	Fuel	Landlord shared services	10,223	9,939	10,194	9,609	-5.7%	
				(Sub)metered exclusively to tenants	N/A	N/A	N/A	N/A	N/A	
				Total landlord-obtained fuel	10,223	9,939	10,194	9,609	-5.7%	
				Total tenant-obtained fuel	N/A	N/A	N/A	N/A	N/A	
				Total fuel	10,223	9,939	10,194	9,609	-5.7%	
				% from renewable sources	0	0	0	0	0.0%	
	No. of applicable properties				Fuel disclosure coverage	43	44	40	40	N/A
	No. of applicable units					1,227	1,246	1,184	1,183	N/A
	Sqm of applicable properties					86,395	88,288	82,898	82,758	N/A
	%				Proportion of fuel estimated	0.0%	6.1%	0.0%	6.9%	6.9%
	DH&C-Abs, DH&C-LfL	MWh	District heating and cooling	Landlord shared services	7,109	7,302	4,907	4,689	-4.4%	
				(Sub)metered exclusively to tenants	N/A	N/A	N/A	N/A	N/A	
				Total landlord-obtained heating and cooling	7,109	7,302	4,907	4,689	-4.4%	
				Total tenant-obtained heating and cooling	N/A	N/A	N/A	N/A	N/A	
				Total heating and cooling	7,109	7,302	4,907	4,689	-4.4%	
				% from renewable sources	27%	32%	0%	0%	0.0%	
	No. of applicable properties				Heating and cooling disclosure coverage	20	20	18	18	N/A
	No. of applicable units					812	745	525	524	N/A
	Sqm of applicable properties					57,135	56,903	38,829	38,937	N/A
	%				Proportion of heating and cooling estimated	2.5%	33.2%	0.0%	51.6%	51.6%
	Energy-Int (CRE3)	MWh/m ² /year	Energy intensity		0.085	0.084	0.087	0.083	-4.9%	

Electricity data provided cover the landlord areas only, as each tenant (private and commercial) is responsible for their own electricity supply. The size of the communal area is based on the property's energy certificate, which applies a factor of 1.2 to calculate the total residential space including the communal areas, such as staircases and cellar. This is in line with the relevant Energy Efficiency regulations (EnEV 2014 and GEG 2023). The electricity required to power shared services, i.e. lifts or heating systems is currently excluded, but data is expected to become available for future reports, due to the improved meter reading process by the property-management company. PSD's largest property is contracted to a district heating supplier using biogas, making up around a third of the district heating supply across PSD's portfolio, for both 2022 and 2023.

The CO₂ emission factors have been amended to reflect 2022 provided by the German Environmental Department (UBA 2024). The 2023 emission factors were not available at the time of writing this report. These will be updated accordingly for next year's reporting period.

Sustainability Best Practice Performance Measures (EPRA Tables) continued

Elec-Abs and LfL: The absolute figures for 2022 and 2023 cover 92 and 93 properties respectively or 91% of the total communal floor area for both years. The LfL comparison shows no changes in consumption. This is in line with general electricity consumption per household in Germany, showing limited changes since 1990. Any savings due to more efficient use have been off set against increased use due to economic growth and high energy prices.

Heating data provided covers gas, oil and district heating and represents 94% of the gas portfolio and 100% of the oil and district heating portfolio, see Table 4. As mentioned previously the majority of properties with single gas boilers are excluded from the data analysis due to the bills being covered by the tenant. This relates to 29% of the portfolio and apartments. It does cover six properties where PSD covered some of the heating bills due to short-term vacancy created by tenants moving out.

Fuel-Abs: The absolute figures cover 42 and 44 properties or 47% of the total portfolio floor area for both 2022 and 2023.

DH&C-Abs: The figures for district heating cover 20 properties or 30% of the total portfolio floor area for both 2022 and 2023.

Fuel and DH&C-LfL: The LfL comparison shows a 5.7% and 4.4% decrease in fuel and district-heating use in 2023. These decreases are in line with last year's mild winter resulting in less demand for heating. The high energy prices, also mean tenants are more likely to apply energy saving measures. The energy-certificate analysis given under 'Narrative of Performance' shows that 42 buildings (36%) meet a performance level of B to D and 74 buildings (64%) meet E to H. The energy consumption and demand analysis also indicates that portfolio performs well, given that it mainly consists of 'Altbau' buildings, with 91 buildings (78%) constructed before 1940 (see Table 1). The actual average heating consumption available for 50 buildings was 136 kWh/square meters, which is 5% above the 2022 average for residential properties in Germany (129 kWh/square meters per annum; Reference – Umweltbundesamt). The average heating demand available for 65 buildings was 156 kWh/square meters, which is within the average for buildings constructed between 1970 and 1980 (125-200 kWh/square meters; Reference – Heizung.de). This reflects well on the portfolio, given the age of the buildings.

Energy-Int: The energy intensity per square meter of floor area is based on the buildings' fuel and district heating consumption, which covers residential, commercial, and communal areas.

Energy-Int-LfL: The absolute figures for 2022 and 2023 heating show a decrease of 4.9%, which matches the overall decreases of fuel and district heating consumption and no changes in electricity use.

The LfL data within the energy section show slight discrepancies between units and square meters covered due to individual apartment and office/shop units sales in 2023.

Table 7: GHG emissions

Impact category	EPRA Sustainability Best Practice Performance Measures			PORTFOLIO PERFORMANCE						
				Total portfolio						
				Absolute measures (Abs)		Like-for-like(LfL)				
Environmental impacts	EPRA code	Measurement unit	Indicator	2022	2023	2022	2023	% Change		
GHG	GHG-Dir-Abs, GHG-Dir-LfL	tCO ₂	Heating	Total Direct Scope 1:	2,159	2,096	2,153	2,030	-5.7%	
				Oil	489	465	431	407	-5.4%	
				Gas	1,670	1,632	1,723	1,623	-5.8%	
				Market-based	Total Indirect Scope 2:	1,432	912	856	834	-2.5%
					Electricity	0	0	0	0	0.0%
					Local district heating	1,432	912	856	834	-2.5%
					Total Indirect Scope 2:	1,982	2,033	1,409	1,353	-4.0%
					Electricity	145	147	141	141	0.0%
					Local district heating	1,837	1,887	1,268	1,212	-4.4%
					Total Scope 3: Energy supply – transportation and distribution	514	502	470	443	-5.6%
					Total	4,141	4,130	3,563	3,383	-5.0%
					Total	4,655	4,632	4,032	3,826	-5.1%
					No. of applicable properties	92	94	84	84	N/A
					No. of applicable units	2,384	2,654	2,094	2,100	N/A
					m ² of applicable properties	171,599	187,376	154,805	155,078	N/A
				%	1.2%	16.3%	0.0%	19.8%	19.8%	
				GHG-Int	0.024	0.022	0.023	0.022	-5.2%	
					0.027	0.025	0.026	0.025	-5.3%	

Sustainability Best Practice Performance Measures (EPRA Tables) continued

GHG: We report our greenhouse gas (GHG) emissions in accordance with the 3rd edition of the EPRA Sustainability Best Practice Recommendations (EPRA sBPR 2017). Emissions are reported as tonnes of carbon dioxide equivalent (tCO₂ e) and use national and local information where available, see Table 5. The Scope 1 emissions cover the natural gas and oil heating systems and were calculated using the specific annual emission factor for heating gas and oil provided by the German Environmental Department (Umweltbundesamt (UBA)). Scope 2 emissions are reported using both the 'location-based' and 'market-based' accounting methods and cover electricity and district heating. Our market-based Scope 2 emissions are based on utility-specific conversion factors for certified green electricity and local district heating supply in Berlin. Where no utility-specific data was available the UBA data was used. According to the supplier, all the electricity sourced has been certified as 100% from renewables and all the district heating is supplied by local small-scale combined heat and power stations. For the properties covered here, the green electricity tariff therefore saved between 43 to 147 tonnes of CO₂, compared to the supplier's alternative standard electricity tariff and Germany's average electricity mix. Scope 3 emissions cover the supply and transportation losses associated with electricity and heating consumed. There are no Scope 3 emissions associated with the operation of company offices.

GHG-Dir and GHG-Indir-Abs: The absolute figures cover 92 and 94 properties or 91% and 98.8% of the total portfolio floor area for 2022 and 2023 respectively.

GHG-Dir and GHG-Indir-LfL: The decrease of emissions across oil, gas and district heating matches the reductions seen in the Energy impacts for DH&C-LfL and Fuel-LfL. There were no changes in the electricity emissions, as per the findings under the Energy Elec-LfL.

GHG-Int: The climate emissions intensity per square meter of floor area is based on the buildings' fuel, district heating and electricity consumption, which covers residential, commercial, and communal areas.

The climate emissions intensity per square meter of floor area is based on the sum of Scope 1 and Scope 2 (location based) emissions. Reporting on Scope 3 emissions currently relates to the emissions generated during the production and transportation of fuel and electricity. There are no office-related emissions, as PSD does not have employees or offices.

The values for the absolute data are consistent across 2022 and 2023. The LfL comparison shows a decrease of 5%.

Table 8: Water supply and usage

Impact category	EPRA Sustainability Best Practice Performance Measures			PORTFOLIO PERFORMANCE					
				Total portfolio					
				Absolute measures (Abs)		Like-for-like (LfL)			
Environmental impacts	EPRA code	Measurement unit	Indicator	2022	2023	2022	2023	% Change	
WATER	Water-Abs, Water-LfL	m ³	Water	Landlord shared services	204,903	200,045	185,972	183,329	-1.4%
				(Sub)metered exclusively to tenants	N/A	N/A	N/A	N/A	N/A
				Total landlord-obtained water	204,903	200,045	185,972	183,329	-1.4%
				Total tenant-obtained water	N/A	N/A	N/A	N/A	N/A
				Total water consumption	204,903	200,045	185,972	183,329	-1.4%
		m ³		Water withdrawn by source type	N/A	N/A	N/A	N/A	N/A
	No. of applicable properties		Water disclosure coverage	93	94	84	84	N/A	
	No. of applicable units			2,668	2,616	2,263	2,258	N/A	
	m ² of applicable properties			186,047	186,976	158,699	158,455	N/A	
	%		Proportion of water estimated	2.5%	1.0%	0.7%	0.0%	-0.7%	
Water-Int	m ³ /m ² /year	Water intensity		1.101	1.070	1.172	1.157	-1.3%	

The majority of the water consumption is not sub-metered; hence it is not possible to separate the consumption for tenants.

Water: The water consumption figures cover residential, commercial, and communal areas. There are sub-meters for some of the individual tenanted properties, which are billed according to actual consumption. The water required for shared services, i.e. gardens or heating systems are currently excluded, but data is expected to become available for future reports, due to the improved meter-reading process by the property-management company.

Water-Abs and Water-LfL: The absolute data is based on actual consumption from 2022 and 2023. They cover 93 and 94 properties or 98% and 100% of the portfolio covered in the 2023 data collection. The LfL comparison shows a reduction in consumption 1.4%.

Water-Int: The LfL comparison shows a decrease of water intensity of 1.3%. This is in line with the consumption figures shown under Water-LfL.

The Water-LfL data shows a slight discrepancy of units and square meters covered as individual apartments and commercial units were sold in 2023.

Sustainability Best Practice Performance Measures (EPRA Tables) continued

Table 9: Waste indicators

Impact category	EPRA Sustainability Best Practice Performance Measures			PORTFOLIO PERFORMANCE					
				Total portfolio					
				Absolute measures (Abs)		Like-for-like (Lfl)			
Environmental impacts	EPRA code	Measurement unit	Indicator	2022	2023	2022	2023	% Change	
WASTE	Waste-Abs, Waste-Lfl	m ³	Waste	Total landlord-obtained waste	16,115	16,995	15,411	16,283	5.7%
				Total tenant-obtained waste	N/A	N/A	N/A	N/A	N/A
				Total waste by disposal route	N/A	N/A	N/A	N/A	N/A
				Total hazardous	N/A	N/A	N/A	N/A	N/A
				Total non-hazardous	N/A	N/A	N/A	N/A	N/A
				Recycled	4,497	4,601	4,258	4,348	2.1%
				Incineration	11,617	12,394	11,153	11,935	7.0%
				Landfill	0	0	0	0	0.0%
				Other	0	0	0	0	0.0%
				Recycled	27.9%	27.1%	27.6%	26.7%	-0.9%
				Incineration	72.1%	72.9%	72.4%	73.3%	0.9%
				Landfill	0%	0%	0%	0%	0.0%
				Other	0%	0%	0%	0%	0.0%
				No. of applicable properties		90	91	84	84
	No. of applicable units	Waste disclosure coverage	2,375	2,390	2,263	2,258	N/A		
	m ² of applicable properties		167,321	168,742	158,699	158,455	N/A		
	%	Proportion of waste estimated	5.9%	4.8%	7.1%	3.4%	-3.6%		
	Waste-Abs, Waste-Lfl	Tonne	Waste	Total landlord-obtained waste	1,918	2,015	1,835	1,931	5.2%
				Total tenant-obtained waste	N/A	N/A	N/A	N/A	N/A
				Total waste by disposal route	N/A	N/A	N/A	N/A	N/A
				Total hazardous	N/A	N/A	N/A	N/A	N/A
				Total non-hazardous	N/A	N/A	N/A	N/A	N/A
				Recycled	704	721	669	685	2.4%
				Incineration	1,215	1,294	1,166	1,246	6.9%
				Landfill	0	0	0	0	0.0%
				Other	0	0	0	0	0.0%
				Recycled	36.7%	35.8%	36.5%	35.5%	-1.0%
				Incineration	63.3%	64.2%	63.5%	64.5%	1.0%
				Landfill	0%	0%	0%	0%	0.0%
				Other	0%	0%	0%	0%	0.0%
No. of applicable properties					90	91	84	84	N/A
No. of applicable units				Waste disclosure coverage	2,375	2,390	2,263	2,258	N/A
m ² of applicable properties					167,321	168,742	158,699	158,455	N/A
%	Proportion of waste estimated	5.9%	4.8%	7.1%	3.3%	-3.7%			

Waste indicators (Waste-Abs, Waste-LFL) are provided for general household waste, paper recycling and compostable waste, where available. Figures for recyclable household waste and glass are excluded as tenants are responsible for disposing of those via a national scheme based on a packaging license scheme called 'Grüner Punkt'. According to the waste contractor, which covers 99% of data available for analysis, all the collected household waste is taken to the local waste-to-energy plant for incineration. This represents 64% of the total weight of waste collected for the properties covered in this report. The energy generated is used to produce biogas to power the contractor's collection trucks. The remainder of the collections is either paper (19%) or green waste (17%), which are both recycled or composted locally. Therefore, none of the waste collected is landfilled. The waste invoices show the size of the containers (in litres) and number of collections per week. This data is converted to tonnes, using standard weight values per container, available for local waste companies and local authorities, see Table 5. The data includes an element of estimation, as it assumes that all waste containers are full at the time of collection, throughout the year, hence giving the worst-case scenario. This also means there is a slight discrepancy for the percentage increases for waste volume and weight, as the volume to weight ratio depends on the type of waste and container size.

Sustainability Best Practice Performance Measures (EPRA Tables) continued

Waste-Abs, Waste-LfL: The absolute data is based on actual consumption using 2022 and 2023 invoices for 84 properties, covering 88% and 89% of the total portfolio respectively. The LfL comparison shows an increase in waste generated of just over 5.7% and 5.2% for volume and tonnage respectively. This increase is in line with, on average 2%, fewer apartments being vacant in 2023 and higher levels of occupancy mean more waste being generated. These increases are based on residential patterns, as the commercial units use their own waste contractors.

The Waste-LfL data shows a slight discrepancy of units and square meters covered as individual apartments within the existing portfolio were sold in 2023.

Table 10: Energy certification

Impact category	EPRA Sustainability Best Practice Performance Measures			PORTFOLIO PERFORMANCE					
				Total portfolio					
				Absolute measures (Abs)		Like-for-like (LfL)			
Environmental impacts	EPRA code	Measurement unit	Indicator	2022	2023	2022	2023	% Change	
CERTIFIED ASSETS	Cert-Tot	%	Mandatory (Energy Performance Certificates)	% of portfolio certified by floor area	100%	100%	100%	100%	0%
				Level of energy performance (A,B,C etc)	See Table 2		See Table 2		N/A
				% of portfolio certified by number of properties	100%	100%	100%	100%	0%
				Level of energy performance (A,B,C etc)	See Table 2		See Table 2		N/A
				% of portfolio certified by value	N/A	N/A	N/A	N/A	N/A
				Level of energy performance (A,B,C etc)	N/A	N/A	N/A	N/A	N/A
	Cert-Tot	%	Voluntary (e.g. BREEAM, LEED)	% of portfolio certified by floor area	N/A	N/A	N/A	N/A	N/A
				Type and level of certification attained (i.e. LEED Platinum)	N/A	N/A	N/A	N/A	N/A
				% of portfolio certified by number of properties	N/A	N/A	N/A	N/A	N/A
				Type and level of certification attained (i.e. LEED Platinum)	N/A	N/A	N/A	N/A	N/A
				% of portfolio certified by value	N/A	N/A	N/A	N/A	N/A
				Type and level of certification attained (i.e. LEED Platinum)	N/A	N/A	N/A	N/A	N/A

Mandatory energy certification was completed in accordance with the German Energy Saving Law (EnEV) and covers 100% of our residential portfolio. This represents 92% of the total portfolio's floor area and 95% of apartments, with the remainder consisting of commercial tenants. Please see Tables 1 and 2 in the 'Narrative on Performance' section for a breakdown of the energy performance certificates per property. To date, PSD has not applied for any voluntary additional asset certifications.

Table 11: Health and Safety

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	2022	2023	% Change
HEALTH AND SAFETY	H&S-Asset	% of assets	Asset health and safety assessments	Portfolio	100	100	0%
	H&S-Comp	Total number of incidents	Asset health and safety compliance	Portfolio	0	0	0%

We seek to provide a healthy, safe, and secure environment for our tenants and improve the standard of accommodation through renovation and regular inspections to ensure that we identify and eliminate any hazards. H&S checks are conducted across all our buildings every year by the Property Manager (Core). If defects are found, these are recorded. We have established a standard process for handling defects discovered during inspections and service providers responsible for remedying the defects are informed and commissioned to remedy them.

The H&S processes in place operated well. During the 2023 reporting period the inspections did not reveal any violations of regulations and/or voluntary codes concerning H&S aspects that were not immediately remedied.

Social and Governance Performance Measures

Table 12: Employee Health and Safety

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	Year			
					2022	2023	% Change	
HEALTH AND SAFETY	H&S-Emp	Per 100,000 hours worked	Injury rate	Direct employees	Corporate operations	N/A	N/A	N/A
		Per 100,000 hours worked	Lost day rate	Direct employees	Corporate operations	N/A	N/A	N/A
		Days per employee	Absentee rate	Direct employees	Corporate operations	N/A	N/A	N/A
		Total number	Fatalities	Direct employees	Corporate operations	N/A	N/A	N/A

PSD does not have any direct employees, (hence the Employee Health & Safety responses are all N/A), only an independent Non-executive Board with the day-to-day operations of the company being carried out by the Property Advisor (QSIX) and the Property Manager (Core). Although PSD does not have direct control over QSIX or Core employees, there have been no reported health and safety incidents by any of these employees whilst performing their duties on PSD's property portfolio.

Table 13: Diversity

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	Year			
					2022	2023	% Change	
DIVERSITY	Diversity-Emp	% of employees	Diversity employees	Board of Directors members	Corporate operations	M 60%/ F 40%	M 60%/ F 40%	0%
				Executive management	Corporate operations	N/A	N/A	N/A
				Managers	Corporate operations	N/A	N/A	N/A
				All employees	Corporate operations	N/A	N/A	N/A
	Diversity-Pay	Ratio (Women/ Men)	Gender pay ratio	Board of Directors members	Corporate operations	M:F 1:1	M:F 1:1	0%
				Executive management	Corporate operations	N/A	N/A	N/A
				Managers	Corporate operations	N/A	N/A	N/A
				All employees	Corporate operations	N/A	N/A	N/A

Diversity

The Board of Directors of PSD are all Non-executives. Therefore, the responses to all Executive Management, Managers and Employees questions are all N/A. PSD has adopted a Diversity Policy which sets out the Board's approach to diversity in Board composition. Appointments to the Board are made based on merit, regardless of gender, ethnicity or disability and take account of the specific skills, experience, independence and knowledge of each candidate needed to ensure a balanced Board and the requirements of the business. Refer to the Corporate Governance Statement of the 2023 Annual Report. At the end of 2023, there were five Directors, three male and two female, giving a 60% male/40% female split. The female percentage in 2023 remains the same as in 2022 and in 2021 and is up +33% on 2020. The male/female split for senior positions on the board is 60% male/40% female.

The Board takes seriously its responsibility of encouraging QSIX and other key business partners to operate responsibly toward their employees, through its People Policy. QSIX has adopted its own People Policy to drive a culture of fair and equal opportunities throughout its businesses.

Diversity-pay

PSD is committed to ensuring fairness and transparency in all matters relating to non-executive Board director pay. Although it is not a requirement under Companies (Jersey) Law 1991 to have the Directors' Remuneration Report or the Directors' Remuneration Policy approved by shareholders, the Board believes that, as a company whose shares are listed on the London Stock Exchange, it is good practice for it to do so. There are three levels of fees based on the Directors' roles, one for the Chair (£50k), one for the Directors (£40k plus an additional Jersey resident director's fee of £5k, from 1 January 2022), an additional fee for the Director who chairs the Audit Committee (+£5k), and a Subsidiary Company Directors fee (+£5k) for each of the three Jersey-based Directors who are on the boards of the SPV's subsidiaries. Refer to Remuneration Policy within the Directors' Remuneration Report section of the 2023 Annual Report for more details. The male/female pay ratio in 2023 remained consistent with the male 50%/female 50% parity ratio achieved in 2022. PSD does not have any direct employees.

Social and Governance Performance Measures continued

Table 14: Employee training and development

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	Year		% Change	
					2022	2023		
EMPLOYEES	Emp-Training	Average hours	Employee training and development	Women	Corporate operations	N/A	N/A	N/A
				Men	Corporate operations	N/A	N/A	N/A
				All employees	Corporate operations	N/A	N/A	N/A
	Emp-Dev	% of employees	Employee performance appraisals	Women	Corporate operations	N/A	N/A	N/A
				Men	Corporate operations	N/A	N/A	N/A
				All employees	Corporate operations	N/A	N/A	N/A
	Emp-Turnover	Total number and rate	New hires	Total number new employees	Corporate operations	N/A	N/A	N/A
				Proportion	Corporate operations	N/A	N/A	N/A
			Departures – turnover	New employees	Corporate operations	N/A	N/A	N/A
				Total number of departed employees	Corporate operations	N/A	N/A	N/A
				Proportion of departed employees	Corporate operations	N/A	N/A	N/A
			Total employees number	Corporate operations	N/A	N/A	N/A	

Training

PSD does not have any direct employees, (hence, all responses to Employee questions are all N/A), however, it takes its responsibility for developing its Non-Executive Board Directors seriously, ensuring they receive the necessary training and evaluations to develop their skills and professional development. All (100%) Board members received professional training in 2023 which was in line with that received in 2022. All the Directors comply with the continued professional-development requirements set by the Jersey Financial Services Commission. The Directors receive presentations on key topics relating to good practice on board governance, risk, and relevant legislation. Refer to the Respecting People and Corporate Governance sections of the 2023 Annual Report for more details.

Development

The Board has implemented a process of formal evaluation for individual Directors, the Committees and the processes utilised by the board itself. An external Board evaluation is conducted every three years. In the intervening years, internal performance evaluations are undertaken by the Chair and the Audit Committee. At the end of 2021, the Directors participated in an external Board evaluation process, conducted by independent, external consultant, Value Alpha. The evaluation focused on Board composition, including Directors' skills, experience and behaviours, Board processes and decision-making mechanisms. The evaluation concluded that the Board is performing strongly. More details on this are provided in the Board evaluation section of the Corporate Governance Statement of the 2023 Annual Report. The next external evaluation is due later in 2024. Although PSD does not have any employees, it takes due interest in how its Property Advisor, QSix, engages with its employees, and has adopted a People Policy that is aligned with that of QSix.

Table 15: Community engagement

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	Year		% Change
					2022	2023	
COMMUNITIES	Comty-Eng	% of assets	Community engagement, impact assessments and development programs	Corporate operations	100	100	0%

As the owner of the buildings, PSD is responsible for the functionality and maintenance of all the building assets so that they comply with public safety obligations.

PSD is involved in activities affecting our tenants within all our buildings and as part of our customer service, it is essential that we make it convenient for our tenants to contact us. Our tenants can contact us via Core's offices and a tenant hotline.

Social and Governance Performance Measures continued

We have a Vulnerable Tenant Policy and process in place which covers all our portfolio and provides support to tenants facing difficult situations. The Company has engaged and engages with tenants on a case-by-case basis, deferring rental payments if it would cause unnecessary hardship. PSD partners with, and monitors the activities of, Core Immobilien ('Core'), which has the responsibility of interacting with and managing the tenants. By interacting in the day-to-day business with tenants, Core builds up a picture of relevant issues and concerns that tenants wish us to consider. These are reported to the PSD board via the Property Tenant Survey issued by Core to invite constructive feedback.

PSD does not conduct social and charitable activities on a building-by-building basis. Instead, we take a strategic approach to supporting local Berlin charities through our Community Investment Policy. Since 2020 we have supported a women's refuge (Interkulturelle Initiative e.V) which helps women and their children affected by domestic abuse, by providing emergency shelter and advice. In 2023, PSD's support to the Intercultural Initiative was used almost exclusively for personnel costs. The charity cites some of the reasons for this as the continued after-effects of the Covid crisis, and the overall impacts on society, which have exacerbated pressures on mental health. The need for additional support has increased across the charity's projects in 2023.

In 2021, we began supporting The Laughing Hearts charity, which supports children in social care and living in one of their 22 care homes. The charity provides support around learning, sports, health and social activities, to which the children would otherwise not have had access. PSD's donation to Laughing Hearts in 2023 facilitated a variety of events, such as a winter-sports holiday to relax and recharge in nature. Other events provided were an Easter hunt and an introduction to boxing, to boost the children's self-confidence and awareness of dangerous situations. For more information on our approach, see the Investing in our communities section of the 2023 Annual Report.

Table 16: Corporate Governance

Social and Corporate Governance impacts	EPRA code	Measurement unit	Indicator	Scope	Year		% Change
					2022	2023	
CORPORATE GOVERNANCE	Gov-Board	Total number	Composition of the highest governance body (members)	Corporate operations	5	5	0%
			Executive	Corporate operations	0	0	0%
			Non-Executive (members)	Corporate operations	5	5	0%
			Average Tenure of governing body (# years)	Corporate operations	3.38 years	4.1 years	8%
			Total # with competencies relating to environmental and social topics	Corporate operations	2 members	2 members	0%
	Gov-Selec	Narrative on process	Process for nominating and selecting the highest governance body	Corporate operations	AR 2022 Nomination Committee Report	AR 2023 Nomination Committee Report	N/A
	Gov-Col	Narrative on process	Process for managing conflicts of interest	Corporate operations	AR 2022 Directors' Report	AR 2023 Directors' Report	N/A

The Board's Nomination Committee is responsible for the structure, size, composition, and succession planning of the Board. To assist with Board selection, the Board engages with an independent external recruitment company. The Board has agreed a policy whereby all Directors will seek annual re-election at the Company's AGM, in accordance with the AIC Code. See more details within Composition, succession, and evaluation section in the Corporate Governance Statement of the 2023 Annual Report.

At the end of 2023, there were 5 Non-Executive Directors, 3 male and 2 females, equating to a 60%/40% male/female Board split, equal to that at the end of 2021. All board members are Non-Executives therefore the number of Executives is stated as zero. One of the female Directors left the Board, the end of March 2022 and was replaced by another female Director, thus the 60%/40% male/female split has been retained across 2023.

The Board's average tenure for 2023 increased +7.9% over 2022 to an average of 4.1 years in 2023.

In 2023, two of the Board members had competencies relating to environmental and social topics from their experiences in working on other Boards. Isabel Robins is Chair of the Board's ESG Committee and Jonathan Thompson is Chair of the Audit Committee. More information on composition and experience of the Board is detailed within the Our Board section of the 2023 Annual Report.

The Board has a process in place for dealing with conflicts of interest. The Board, through the Company Secretary, maintains a register of conflicts which is reviewed quarterly at Board meetings, to ensure that any conflicts remain appropriate and to confirm whether there have been any changes. The Board has also adopted the policy of maintaining a gifts and hospitality register. Details in the Directors' Report section of the 2023 Annual Report.

There is no percentage-change comparison for the different years Narrative on process, as these year-on-year comparisons are absolute.

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