

## C0. Introduction

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### C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Sirius Real Estate Limited is a leading owner and operator of branded business parks, industrial complexes, and out of town offices, providing flexible workspace in Germany and the UK.

Our purpose is to create and manage optimal workspaces that empower small and medium-sized businesses to grow, evolve and thrive. We seek to unlock the potential of our people, our properties and the communities in which we operate so that, together, we can create sustainable impact and long-term financial and social value.

Sirius applies a high-return, value-add business model to investments in industrial, warehouse and out of town office properties in Germany and the UK. The Company derives value through the execution of a stringent acquisitions process followed by selective capital investment and the roll-out of an intensive asset management plan which focuses on transforming vacant and sub-optimal space into high-quality conventional and flexible workspace. When assets have been fully transformed, they are either held for their stable income or sold, with the proceeds recycled into opportunistic assets with value-add potential.

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.**

**Reporting year**

**Start date**

April 1 2022

**End date**

March 31 2023

**Indicate if you are providing emissions data for past reporting years**

No

**Select the number of past reporting years you will be providing Scope 1 emissions data for**

<Not Applicable>

**Select the number of past reporting years you will be providing Scope 2 emissions data for**

<Not Applicable>

**Select the number of past reporting years you will be providing Scope 3 emissions data for**

<Not Applicable>

### C0.3

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**(C0.3) Select the countries/areas in which you operate.**

Germany

United Kingdom of Great Britain and Northern Ireland

### C0.4

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

EUR

### C0.5

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

C-CN0.7/C-RE0.7

**(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?**

New construction or major renovation of buildings

Buildings management

Other real estate or construction activities, please specify (Owner and operator of branded business parks, industrial complexes, and out of town offices, providing flexible workspace.)

C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	GG00B1W3VF54

C1. Governance

C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	The Chief Executive Officer provides regular updates to the Board on ESG and sustainability-related issues, through his role as Chair of the Sustainability and Ethics Committee.
Board-level committee	The Sustainability and Ethics Committee has governance responsibility for identifying and mitigating climate risk, and for ESG overall.

C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<p>Reviewing and guiding annual budgets</p> <p>Overseeing major capital expenditures</p> <p>Reviewing and guiding strategy</p> <p>Overseeing and guiding the development of a transition plan</p> <p>Overseeing the setting of corporate targets</p> <p>Reviewing and guiding the risk management process</p>	<Not Applicable>	<p>The Board and management have strong oversight of climate-related risks and opportunities and are supported by the use of specialists in sustainability, carbon performance, energy performance and climate-related scenario analysis.</p> <p>The Board assumes overall responsibility and accountability for the management of climate-related risks and opportunities, with the Sustainability and Ethics Committee providing advice to the Board on the economic sustainability of the business and working with the executive management to shape policy and strategy to improve the Group’s environmental performance. The Board is further supported by the Audit Committee which has responsibility for the review of the risk management methodology and the effectiveness of internal controls. The Board reviews the risk register on an annual basis.</p> <p>During the year, the Chief Executive Officer provides regular updates to the Board on ESG and sustainability-related issues, through his role as Chair of the Sustainability and Ethics Committee. The Board also receives and discusses reports from the ESG Working Committees. During the year, ESG was formally discussed by the Board on eight occasions and the Audit Committee reviewed ESG in terms of risk on two occasions.</p> <p>Sirius continues to strengthen its governance structures and policies in support of our strategy and to enable us to identify and manage ESG risks and opportunities. In line with our overall ESG roadmap we have set out five governance objectives to support us in delivering on our overall ESG ambitions and targets. We conduct our business in an honest and ethical manner, aligned with our purpose and values, and always strive to provide high levels of transparency and accountability.</p> <p>In our roadmap, we developed the following objectives to support our governance goal:</p> <ul style="list-style-type: none"> <li>» encourage and support the development and management of ESG through appropriate structures and programmes;</li> <li>» put processes in place to identify and manage ESG-related risks and opportunities;</li> <li>» effectively engage with employees, shareholders, tenants, suppliers and business partners to promote our ESG objectives and ambitions;</li> <li>» ensure all our activities and procedures are in line with best practice and account for relevant UK/German corporate regulations and codes; and</li> <li>» provide clear, consistent and transparent communications and reporting.</li> </ul> <p>This year, we have continued to ensure robust governance processes, both of the business and the ESG programme, driven and managed with clear oversight from the Board and executive level.</p> <p>During the year, the Board also approved updates to certain governance documents and processes to better align with the ESG framework. This included a Board paper and presentation on the initial plan for accomplishing net zero in Germany as well as how to achieve the required portfolio EPC ratings in the UK and to set biodiversity targets.</p>

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1 Yes	Board level experience in working on sustainability in another real estate organisation. One of the Board’s Non-Executive Directors has this experience.	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

**Position or committee**

Chief Executive Officer (CEO)

**Climate-related responsibilities of this position**

Assessing climate-related risks and opportunities  
 Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

Reports to the board directly

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

We are pleased with the progress we are making on our work to build a sustainable future, and we recognise the significant challenges that our sector and portfolio face in the coming years. These challenges remain a key focus in Board discussions and in recognition of the importance of this work, our Chief Executive Officer, continues to chair the Sirius Real Estate Sustainability and Ethics Committee, and collaborates with executive management to develop policies and strategies that enhance the Group's environmental and social performance.

During the year, the Chief Executive Officer provides regular updates to the Board on ESG and sustainability-related issues, through his role as Chair of the Sustainability and Ethics Committee. The Board also receives and discusses reports from the ESG Working Committees. During the year, ESG was formally discussed by the Board on eight occasions and the Audit Committee reviewed ESG in terms of risk on two occasions.

**Position or committee**

Other C-Suite Officer, please specify (Chief Marketing and Impact Officer )

**Climate-related responsibilities of this position**

Monitoring progress against climate-related corporate targets  
 Managing public policy engagement that may impact the climate  
 Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

Other, please specify (Sustainability and Ethics Committee)

**Frequency of reporting to the board on climate-related issues via this reporting line**

Quarterly

**Please explain**

Our Chief Marketing and Impact Officer, a long-standing member of the Sirius leadership team, has overall responsibility for leading our sustainability initiatives as well as the broader ESG agenda within the operating companies. This year we are establishing a dedicated internal ESG team, reporting into them.

The Chief Marketing and Impact Officer is responsible for the management of climate change related issues. The Chief Marketing and Impact Officer heads the ESG Working Committees in both Germany and the UK, which bring together senior management from sustainability, operations, finance and HR to oversee and implement ESG within the business, including climate-related issues. There is also a TCFD Working Group, also headed by the Chief Marketing and Impact Officer. Working with external consultants, the TCFD Working Group has the responsibility to identify the risks and opportunities related to climate change for the business in line with the recommendations of TCFD related to the Company's business plan and strategy. The TCFD Working Group reports into the ESG Working Committees which in turn report into the Sustainability and Ethics Committee.

**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Executive Directors and members of the Senior Management Team will continue to be set annual objectives on ESG matters which are supportive of the identified corporate ESG objectives. New objectives were formalised in May 2023. As we develop more detailed environmental and social targets, for example on our decarbonisation and net zero pathway, it is our intention that these will be considered as part of the management review and remuneration processes and disclosed accordingly for full transparency.

**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Entitled to incentive**

Board/Executive board

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

Progress towards a climate-related target  
Implementation of an emissions reduction initiative

**Incentive plan(s) this incentive is linked to**

Short-Term Incentive Plan

**Further details of incentive(s)**

For two of the Board executive Directors, part of bonus is allocated to ESG.

KPI: Delivery on ESG targets. Measurement scale: Each Executive Director has their own specific and shared ESG objectives, which include Climate Change. Vesting: From 0% to 100%. Weighting: 10%.

For the 2022 financial year, the objectives included the following:

1. Establish a roadmap to reduce emissions at Sirius and its assets, including conducting a tenant survey. Bonus earned: 12.5% of salary from a maximum of 12.5% of salary (CEO and CFO)
2. Make meaningful progress on the bee, tree and wildflower initiatives. 500,000 bees kept (with another 500,000 in April 2022), over 10,000 trees planted in corporate forest and over 25,000 sqm turned into wildflower meadows.
3. Deliver on the e-charging infrastructure plan for 50% of Sirius sites. 38 sites in Germany (of 67 owned) now equipped with e-chargers.
4. Install full energy smart metering on 6% of Sirius sites by 31 March 2022. Smart metering installed on 7 sites (of 67) so 10.4% achieved.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**

Incentives align individual and departmental targets to Company strategy and ensure that Executive Directors, the Senior Management Team and staff operate in the best interests of its stakeholders. Targets provide direction for management to shape policy and strategy to continue to improve the Group's economic, sustainability and ethical performance. In line with this, the targets cover areas which have a direct impact on the company's climate transition plans including defining the decarbonisation pathway and direct actions including e-charging rollout and smart metering.

For two of the Board executive Directors, part of bonus is allocated to ESG.

KPI: Delivery on ESG targets. Measurement scale: Each Executive Director has their own specific and shared ESG objectives, which include Climate Change. Vesting: From 0% to 100%. Weighting: 10%.

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4. Install full energy smart metering on 6% of Sirius sites by 31 March 2022. Smart metering installed on 7 sites (of 67) so 10.4% achieved.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	5	Our short-term business plans consider capex and operational cash flows required in the next 3 years to support our strategy. We carry out horizon scanning to assess the key areas of significance for our business, this includes regulatory review of current and future regulation which enables us to identify key capex requirements. We use scenario analysis within our viability assessments (including capex commitments to meet regulatory requirements)
Medium-term	5	10	We carry out horizon scanning to assess the key areas of significance for our business, this includes regulatory review of current and future regulation which enables us to identify key capex requirements. We consider a range of future scenarios to assess impacts on our business, strategy and financial planning in the medium-long term.
Long-term	10	40	We consider a range of future scenarios to assess impacts on our business, strategy and financial planning in the medium-long term

**C2.1b**

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

Sirius takes into account a range of considerations in determining whether a risk or opportunity is significant to the business. This includes financial and reputational considerations, amongst others.

**C2.2**

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**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

The Audit Committee identifies ESG within its principal risks, within which climate-related risks and opportunities are captured. A risk management framework is in place to ensure that relevant risks are identified and mitigated in order to significantly increase the chances of being able to achieve the Group's objectives of creating and sustaining shareholder value.

ESG is identified as a principal risk and is therefore governed and managed in line with our risk management and control framework. This framework enables us to effectively identify, assess and manage corporate risks, set out risk mitigations and increase our ability to create and sustain shareholder value.

During the year, we reviewed our approach to climate-related risk management, holding a series of workshops with senior management and an advisory panel to progress our understanding of climate-related risks and opportunities across both the German and UK portfolios. The workshops resulted in a deeper understanding of how different climate-related scenarios will impact upon the business, and how the risks and opportunities interact and interplay with each other, and with our wider corporate risk management system. We have also assessed our principal risks to assess how the risks identified could be impacted by climate-related drivers. As a result of this work, we have adjusted our going concern assessment to incorporate the near-term impacts of investment required to meet the low-carbon transition, and this will be reviewed annually. All imminent capex requirements will be financed from operating cash flows.

The climate-related risks and opportunities identified as part of our climate-related risk and opportunity workshops were assessed using an impact/likelihood assessment. A significant risk is one that could have a significant impact (financial, operational, reputational) and which is likely to occur. A significant opportunity is one that is feasible, or likely to occur, and which could have very long-term benefits for the Company and a positive impact with a range of stakeholders. Risks identified as significant were further assessed using scenario analysis to determine how these risks may shift over time. In addition to the top-down approach to risk identification, assessment and management, our bottom-up approach ensures that asset level risk (such as flood risk and energy performance) is effectively monitored at asset level.

Our short-term business plans consider capex and operational cash flows required in the next three years to support our strategy.

We carry out horizon scanning to assess the key areas of significance for our business; this includes regulatory review of current and future regulation which enables us to identify key capex requirements in the longer term.

We use scenario analysis within our viability assessments (including capex commitments to meet regulatory requirements)

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**C2.2a**

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We are subject to regulatory requirements relating to climate change in Germany and the UK, including the Energy Savings Opportunity Scheme (ESOS) in the UK, and an adjacent system to the EU Emissions Trading System in Germany to cover buildings and, in particular, the energy used in the heating of buildings. Due to the significance of such regulations to our business, we closely monitor and assess risks associated with any changes.
Emerging regulation	Relevant, always included	We continually monitor, review, and assess proposed and incoming regulatory change to mitigate and manage potential impacts on our business. For example, The EU and the UK have both announced net zero pledges to 2050 (with Germany by 2045); however, it is currently unclear what measures will be put in place to drive decarbonisation in the built environment sector. We carry out horizon scanning to assess the key areas of significance for our business; this includes regulatory review of current and future regulation which enables us to identify key capex requirements in the longer term.
Technology	Relevant, always included	Decarbonisation is a significant driver of technology development within the building sector. We have carried out an assessment of the most significant opportunities, and technology investments to reduce energy consumption and carbon emissions across our portfolio in Germany.
Legal	Relevant, always included	Failure to comply with our legal obligations in relation to climate change is a key risk to our business. For example, failure to deliver our obligations on Energy Performance Certificate (EPC) ratings in the UK could lead to enforcement action, including fines.
Market	Relevant, always included	Customer behavior is changing due to factors such as energy efficiency and climate change. For example, the cost of debt for properties with low building standard ratings (EPC, BREEAM) may increase, increasing costs to profit and loss. The availability of finance may decrease for certain sectors, reducing lender potential. The cost of debt may be linked to carbon emissions or building standards. Lenders seek to reduce financed emissions by linking the cost of debt to carbon emissions.
Reputation	Relevant, always included	Stakeholders are increasingly focused on sustainability and decarbonisation agenda and want to invest in climate- resilient companies. An example of this risk type is damage to our brand, trust and reputation due to failure to meet net zero targets or upgrade buildings in line with stakeholder expectations.
Acute physical	Relevant, always included	Whilst not assessed as significant, there is the potential for climate-related physical risk to significantly increase over time, as warming trajectories impact upon weather systems and weather events. We recognise that the future is uncertain, and as such have incorporated physical risk assessment into our climate-related risk assessment to ensure that we are aware of how the future may impact upon our portfolio.
Chronic physical	Relevant, always included	Whilst not assessed as significant, there is the potential for climate-related physical risk to significantly increase over time, as warming trajectories impact upon weather systems and weather events. We recognise that the future is uncertain, and as such have incorporated physical risk assessment into our climate-related risk assessment to ensure that we are aware of how the future may impact upon our portfolio.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

In order to drive down carbon emissions and meet jurisdictional decarbonisation targets it is possible that governments will introduce a carbon tax or similar to drive down corporate emissions. The EU and the UK, where Sirius holds assets, already have Emissions Trading Schemes for high emission sectors such as steel and concrete, and it is possible that this scheme or similar will be extended to impact upon the real estate sector. This would increase operating costs by creating a "tax" on real estate emissions. There is significant uncertainty over the cost of any tax to the business, where the onus of responsibility would sit (i.e. whether the cost would be for Sirius, or for tenants) and when any changes to current regulation will come in to play.

**CASE STUDY**

The German government has introduced an adjacent system to the EU Emissions Trading System to cover buildings, and in particular, the energy used in the heating of buildings (typically a cost borne by tenants) with the split of carbon tax for landlords and tenants currently allocated 50/50 for non-residential buildings. The scheme was introduced at 05.12.2022 and impacted cash flows from 01.01.2023. However due to the specifics of the system and the service charge allocation periods at Sirius properties it impacts the cash flows mostly from 01.04.2023.

The original price per tonne of carbon currently applied to the scheme was 35 €/tCO2e and this was planned to change to 55 €/tCO2e by 2025, after which the anticipated price becomes uncertain. In the current period, the prices were restated to 30 €/tCO2e moving to 45 €/tCO2e to take into account the pressure on the real estate industry driven largely by strong energy price movements. As such, there is uncertainty over the future cash flow implications of the scheme. In addition, there is a question over how the split for landlords and tenants will be amended after 2025.

Sirius currently take into account the current known split and anticipated forecasted price to 2025 in our cash flow forecasts and undertake financial impact analysis of how this could change our overall operating cash flows if the charging mechanisms were to change (i.e. to reflect a change in landlord/tenant split). The amounts assessed do

not result in a material financial impact.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

0

**Potential financial impact figure – maximum (currency)**

1000000

**Explanation of financial impact figure**

The financial impact is assessed by looking at the emissions of our buildings, dividing that in 2 to account for the proportion which would be the responsibility of Sirius, and multiplying that by the Buildings ETS charge, looking at sensitivity analysis to understand the range of financial impact that could arise. Based on an internal calculation model up to 2025 ~ EUR1m p.a.

**Cost of response to risk**

2000000

**Description of response and explanation of cost calculation**

During the year, Sirius worked with EVORA Global ("EVORA"), a leading real estate sustainability advisory firm, to develop our strategic decarbonisation roadmap. During the year, we finished a portfolio-wide analysis of the carbon intensity of our German assets. EVORA conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base. The CRREM analysis simulated a range of decarbonisation actions that will enable us to have the potential to achieve emissions in line with the science-based target for 2045. EVORA has modelled various building improvement measures, identified as the Initial Decarbonisation Pathway ("IDP") and the development of on-site renewable energy generation, through photovoltaic ("PV") installations, to calculate the potential impact across the portfolio. Renovation measures have to be considered at site level. As a result, the implications of the findings and the potential pathway are now in the process of being analysed by our Senior Management Team on an asset-by-asset basis, considering operational, implementation and financial management requirements. This is a considerable piece of work when considering the scale and complexity of our German portfolio and will involve coordination across multiple elements of our business. As of 1 April 2023, Sirius formed an ESG department in Germany to lead on this work. Over the year ahead they will build a plan of action and a financial model based on the IDP actions and timeline required to bring our portfolio to achievable net zero emissions. Their work will include looking at improving the data quality; rolling out LEDs; decarbonising the heat supply; the potential for on-site renewable energy generation through PV installations; and engaging with our tenants to improve operational building utilisation as well as the potential for the decarbonisation of on-site production processes. All their considerations will be based against providing a long-term sustainable return to shareholders.

**Case Study:**

Whilst Sirius are in the process of developing a medium to long-term transition plan with capex needs identified to achieve net zero, in the short-term, we have set aside a budget of EUR2,000,000 for capital investment into decarbonisation across the Group.

**Comment**

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Other, please specify (Flood, Wildfire, Cyclone )
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**Primary potential financial impact**

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

In a warming scenario where global temperature exceeds 2 degrees centigrade by the end of the century, it is likely that the changing climate will result in increased severity and frequency of acute physical weather events such as fire, flood and cyclones. These events could cause physical damage to our buildings and assets, increased cost of repair, and could result in business disruption or increased insurance costs. This could result in a reduction in asset value.

**CASE STUDY**

In order to assess acute risks of flood, wildfire, and cyclone, we partnered with our insurance providers to identify assets with the highest levels of physical risk, and carried out in-depth climate scenario analysis on a representative sample of our at risk assets to consider the long term (2050) view of future climate risk looking at the most extreme risks. The analysis predominantly focused on an RCP8.5/SSP5 scenario, and an RCP4.5/SSP2 scenario. Our modelling uses General Circulation Models (GCM) from the latest international modelling efforts "The Coupled Model Intercomparison Project6" and high-resolution historical observations from satellites and sensors to provide detailed information about physical risks, and machine-learning and artificial intelligence methods to deliver spatial resolution that is finer than GCMs alone.

The findings indicate that the assets sampled (which are more than 25% of our German and UK portfolio) are at low risk of overall significant climate stress in 2050. We also considered the Value at Risk of our sampled assets arising as a result of high impact events such as wildfire, cyclone and intense river flooding. The process simulated many thousands of events, at multiple hazard intensities with varying probabilities of occurrence and differing levels of vulnerability. The outputs from our Value at Risk assessment did not identify significant Value at Risk for our sampled assets.



However, we know that climate risk assessment and climate models are inherently uncertain, and that climate events happening today are exceeding predicted outcomes. As such, we will continue to monitor our asset locations and associated insurance policies over time, as climate data and modelling uncertainty improves

**Time horizon**

Long-term

**Likelihood**

More likely than not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The financial impact is inherently uncertain as the impacts could cause physical damage to our buildings and assets, increased cost of repair, and could result in business disruption or increased insurance costs. This could result in a reduction in asset value. The financial impacts are therefore difficult to model with accuracy, but could also have a significant impact across the group.

**Cost of response to risk**

5700000

**Description of response and explanation of cost calculation**

Due to the long-term nature of physical climate risk, and the current risk exposure across the portfolio, the current risk management approach relates to regular assessment of the adequacy of insurance, undertaking regular assessment of climate risk using the latest climate models, and ensuring that the insurance policies in place protect against climate risk.

**CASE STUDY:**

In order to assess acute risks of flood, wildfire, and cyclone, we partnered with our insurance providers to identify assets with the highest levels of physical risk. We use these insurance models to identify which assets our insurance providers consider to have the highest exposure to risk and the highest value at risk to deepen our understanding of current day portfolio exposure to risk.

Our insurance premiums are found within other administrative expenses of EUR5.7m

**Comment**

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Mandates on and regulation of existing products and services
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**Primary potential financial impact**

Increased capital expenditures

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Governments across the globe have set decarbonisation targets to achieve a reduction in emissions and to reduce the worst impacts of climate change. Regulation and policy are likely to be one of the key levers used to drive change within the corporate landscape. The EU and the UK, where Sirius operates, have both announced Net Zero pledges to 2050 (with Germany by 2045), however it is currently unclear the measures that will be put in place to drive decarbonisation in the built sector.

**CASE STUDY**

In the UK, the Minimum Energy Efficiency Standard Regulations require all commercial lettings to be in possession of a valid EPC band B by April 2030 and band C by April 2027. The Energy Performance of Buildings Directive in Europe is also expected to affect our business. BizSpace has undertaken an exercise to identify all assets which may fall within the requirements and the potential capex investment required to upgrade commercial properties to EPC C by April 2027 and EPC B by 2030

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

In the short term, we have set-aside €2 million to fund ESG specific activities such as more efficient lighting, window and roof optimisation, smart metering of water and electricity, electric charging stations, etc which will contribute to enhanced energy performance of assets

**Cost of response to risk**

50000

**Description of response and explanation of cost calculation**

In Germany, we have undertaken an initial assessment of a decarbonisation pathway to net-zero emissions for our portfolio using the CRREM methodology and in line with the Science Based Target initiative. In the UK BizSpace has undertaken an exercise to identify all assets which may fall within the requirements and the potential capex investment required to upgrade commercial properties to EPC C by April 2027 and EPC B by 2030. In both Germany and the UK, further work is being undertaken by the senior management to develop a roadmap for implementation and a detailed financial assessment, which will be an area of focus for 2023/2024. Our key strategic aims will be to invest in upgrades which are fit for purpose in a low carbon future in the most cost-effective manner.

**CASE STUDY:**

In the short term, we have set-aside €2 million to fund ESG specific activities such as more efficient lighting, window and roof optimisation, smart metering of water and electricity, electric charging stations, etc (please see our Going Concern statement for more information).

We have included 50,000 as the expected cost of response in the short-term, as this represents the expected spend required to enhance our decarbonisation plan over 2023/24

**Comment****C2.4****(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a****(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Reduced direct costs

**Company-specific description**

As Sirius decarbonises its portfolio assets in order to meet regulatory requirements, there will be a corresponding cost saving, as decarbonisation will reduce exposure to potential future carbon taxes arising on emissions. It is also likely that there will be increased demand for low-carbon properties, resulting in increased revenues and an increase in asset values on the balance sheet. In the shorter-term, investing in energy efficiency will reduce exposure to carbon taxes implemented in the UK and German on emissions from real estate.

**CASE STUDY**

The German government has introduced an adjacent system to the EU Emissions Trading System to cover buildings, and in particular, the energy used in the heating of buildings (typically a cost borne by tenants) with the split of carbon tax for landlords and tenants currently allocated 50/50 for non-residential buildings. The scheme was introduced at 05.12.2022 and impacted cash flows from 01.01.2023. However due to the specifics of the system and the service charge allocation periods at Sirius properties it impacts the cash flows mostly from 01.04.2023.

The original price per tonne of carbon currently applied to the scheme was 35 €/tCO2e and this was planned to change to 55 €/tCO2e by 2025, after which the anticipated price becomes uncertain. In the current period, the prices were restated to 30 €/tCO2e moving to 45 €/tCO2e to take into account the pressure on the real estate industry driven largely by strong energy price movements. As such, there is uncertainty over the future cash flow implications of the scheme. In addition, there is a question over how the split for landlords and tenants will be amended after 2025.

Sirius currently take into account the current known split and anticipated forecasted price to 2025 in our cash flow forecasts and undertake financial impact analysis of how this could change our overall operating cash flows if the charging mechanisms were to change (i.e. to reflect a change in landlord/tenant split). The amounts assessed do not result in a material financial impact.

**Time horizon**

Short-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

0

**Potential financial impact figure – maximum (currency)**

1000000

**Explanation of financial impact figure**

The financial impact is assessed by looking at the emissions of our buildings, dividing that in 2 to account for the proportion which would be the responsibility of Sirius, and multiplying that by the Buildings ETS charge, looking at sensitivity analysis to understand the range of financial impact that could arise. This represents the amount that could be saved by investing into energy efficiency measures (and is presented as a range due to the uncertainty over when such efficient measures will be put into place)

**Cost to realize opportunity**

2000000

**Strategy to realize opportunity and explanation of cost calculation**

During the year, Sirius worked with EVORA Global ("EVORA"), a leading real estate sustainability advisory firm, to develop our strategic decarbonisation roadmap. During the year, we finished a portfolio-wide analysis of the carbon intensity of our German assets. EVORA conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base. The CRREM analysis simulated a range of decarbonisation actions that will enable us to have the potential to achieve emissions in line with the science-based target for 2045. EVORA has modelled various building improvement measures, identified as the Initial Decarbonisation Pathway ("IDP") and the development of on-site renewable energy generation, through photovoltaic ("PV") installations, to calculate the potential impact across the portfolio. Renovation measures have to be considered at site level. As a result, the implications of the findings and the potential pathway are now in the process of being analysed by our Senior Management Team on an asset-by-asset basis, considering operational, implementation and financial management requirements. This is a considerable piece of work when considering the scale and complexity of our German portfolio and will involve coordination across multiple elements of our business. As of 1 April 2023, Sirius formed an ESG department in Germany to lead on this work. Over the year ahead they will build a plan of action and a financial model based on the IDP actions and timeline required to bring our portfolio to achievable net zero emissions. Their work will include looking at improving the data quality; rolling out LEDs; decarbonising the heat supply; the potential for on-site renewable energy generation through PV installations; and engaging with our tenants to improve operational building utilisation as well as the potential for the decarbonisation of on-site production processes. All their considerations will be based against providing a long-term sustainable return to shareholders.

**Case Study:**

Whilst Sirius are in the process of developing a medium to long-term transition plan with capex needs identified to achieve net zero, in the short-term, we have set aside a budget of EUR2,000,000 for capital investment into decarbonisation across the Group.

**Comment****Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Other, please specify (Lenders seek to reduce financed emissions by linking the cost of debt to carbon emissions. )

**Primary potential financial impact**

Increased access to capital

**Company-specific description**

Lenders across the globe are becoming increasingly aware of their role in decarbonising the financed emissions within their portfolios. In addition, lenders are increasingly aware of their role in financing a transition to net zero emissions, and financing the necessary adaptation measures to protect against the worst impacts of climate change. As a result of this, there is increased opportunity from obtaining "green" and "sustainable" finance which may offer preferential lending terms to real estate companies to invest in green projects, or which are linked to sustainability performance. The loan interest rates could be linked to sustainability performance of the company as a whole, or to the assets that they finance (ie the EPC or BREEAM rating of a building).

**CASE STUDY**

CBRE Group, a commercial real estate services and investment firm, state that green loans are currently between 5 and 20 basis points lower cost than regular loans, however this may shift more in future periods as banks and lenders drive down their financed emissions (<https://www.cbre.co.uk/insights/articles/what-affects-the-price-of-a-green-real-estate-loan>). The group currently has interest bearing loans and borrowings of EUR 281.5m and EUR 700m on the balance sheet (see note 24 of the Annual Report). It is possible that in the medium-long term that Sirius will consider introducing green finance and sustainability loans as part of its lending strategy.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

#### Explanation of financial impact figure

##### Cost to realize opportunity

2000000

##### Strategy to realize opportunity and explanation of cost calculation

Sirius regularly discuss financing options with lenders as and when refinancing opportunities arise.

During the year, Sirius also worked with EVORA Global ("EVORA") who conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base.

The CRREM analysis simulated a range of decarbonisation actions that will enable us to have the potential to achieve emissions in line with the science-based target for 2045. EVORA has modelled various building improvement measures, identified as the Initial Decarbonisation Pathway ("IDP") and the development of on-site renewable energy generation, through photovoltaic ("PV") installations, to calculate the potential impact across the portfolio. Renovation measures have to be considered at site level. As a result, the implications of the findings and the potential pathway are now in the process of being analysed by our Senior Management Team on an asset-by-asset basis, considering operational, implementation and financial management requirements. This is a considerable piece of work when considering the scale and complexity of our German portfolio and will involve coordination across multiple elements of our business. As of 1 April 2023, Sirius formed an ESG department in Germany to lead on this work. Over the year ahead they will build a plan of action and a financial model based on the IDP actions and timeline required to bring our portfolio to achievable net zero emissions. Their work will include looking at improving the data quality; rolling out LEDs; decarbonising the heat supply; the potential for on-site renewable energy generation through PV installations; and engaging with our tenants to improve operational building utilisation as well as the potential for the decarbonisation of on-site production processes. All their considerations will be based against providing a long-term sustainable return to shareholders.

Case Study:

Whilst Sirius are in the process of developing a medium to long-term transition plan with capex needs identified to achieve net zero, in the short-term, we have set aside a budget of EUR2,000,000 for capital investment into decarbonisation across the Group.

#### Comment

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##### Identifier

Opp3

##### Where in the value chain does the opportunity occur?

Downstream

##### Opportunity type

Markets

##### Primary climate-related opportunity driver

Access to new markets

##### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

##### Company-specific description

As corporate tenants become increasingly regulated, and seem to decarbonise their own corporate emissions, there may be an increase in demand for low carbon buildings and services, and a price premium payable for rental of low carbon buildings and services. This would increase rental yields for Sirius on properties with high energy performance ratings, and could increase asset values.

Going forward, when undertaking new builds as part of our asset improvement programme, we will target BREEAM "Excellent" certification or equivalent, where relevant and appropriate. During the year we commenced planning for our new development in Tempelhof, and with construction commencing May 2023, we expect to achieve a BREEAM "Excellent" certification upon completion (see page 46 of the Annual Report)

##### Time horizon

Medium-term

##### Likelihood

More likely than not

##### Magnitude of impact

Medium

##### Are you able to provide a potential financial impact figure?

No, we do not have this figure

##### Potential financial impact figure (currency)

<Not Applicable>

##### Potential financial impact figure – minimum (currency)

<Not Applicable>

##### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact figure

##### Cost to realize opportunity

2000000

##### Strategy to realize opportunity and explanation of cost calculation

The strategy to improve energy performance of buildings is weaved into our transition planning:

During the year, Sirius worked with EVORA Global ("EVORA") to develop our strategic decarbonisation roadmap. During the year, we finished a portfolio-wide analysis of the carbon intensity of our German assets. EVORA conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base.

The CRREM analysis simulated a range of decarbonisation actions that will enable us to have the potential to achieve emissions in line with the science-based target for 2045. EVORA has modelled various building improvement measures, identified as the Initial Decarbonisation Pathway ("IDP") and the development of on-site renewable energy generation, through photovoltaic ("PV") installations, to calculate the potential impact across the portfolio. Renovation measures have to be considered at site level. As a result, the implications of the findings and the potential pathway are now in the process of being analysed by our Senior Management Team on an asset-by-asset basis, considering operational, implementation and financial management requirements. This is a considerable piece of work when considering the scale and complexity of our German portfolio and will involve coordination across multiple elements of our business. As of 1 April 2023, Sirius formed an ESG department in Germany to lead on

this work. Over the year ahead they will build a plan of action and a financial model based on the IDP actions and timeline required to bring our portfolio to achievable net zero emissions. Their work will include looking at improving the data quality; rolling out LEDs; decarbonising the heat supply; the potential for on-site renewable energy generation through PV installations; and engaging with our tenants to improve operational building utilisation as well as the potential for the decarbonisation of on-site production processes. All their considerations will be based against providing a long-term sustainable return to shareholders.

Case Study:

Whilst Sirius are in the process of developing a medium to long-term transition plan with capex needs identified to achieve net zero, in the short-term, we have set aside a budget of EUR2,000,000 for capital investment into decarbonisation across the Group.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

Annual Report P40-45  
annual-report-and-accounts-2023.pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 2.6	Country/area	<Not Applicable>	<p>IPCC Relative Concentration Pathway RCP2.6  Shared socioeconomic pathway model SSP1  Approximate 2100 warming trajectory 1.8°C  Atmospheric CO2 430–480ppm</p> <p>Quantitative scenario analysis undertaken for physical risk to assets over a long-term time horizon to assess resilience to physical risk implications of climate change.</p> <p>Changes to temperatures leading to increase cooling and heating loads, changes in precipitation leading to flash flooding and physical damage to buildings from extreme weather events.</p> <p>In order to assess acute risks of flood, wildfire and cyclone, and chronic risks such as water stress, heatwaves and sea level rise, we partnered with our insurance providers to identify assets with the highest levels of physical risk, and carried out in-depth climate scenario analysis on a representative sample of our at risk assets to consider the long term (2050) view of future climate risk looking at the most extreme risks. The analysis predominantly focused on an RCP8.5/SSP5 scenario, and an RCP4.5/SSP2 scenario. Our modelling uses General Circulation Models ("GCM") from the latest international modelling efforts, the Coupled Model Intercomparison Project 6 and high-resolution historical observations from satellites and sensors to provide detailed information about physical risks, and machine learning and artificial intelligence methods to deliver spatial resolution that is finer than GCMs alone.</p>
Physical climate scenarios	RCP 4.5	Country/area	<Not Applicable>	<p>IPCC Relative Concentration Pathway RCP4.5  Shared socioeconomic pathway model SSP2  Approximate 2100 warming trajectory 2.4°C  Atmospheric CO2 580–720ppm</p> <p>Quantitative scenario analysis undertaken for physical risk to assets over a long-term time horizon to assess resilience to physical risk implications of climate change.</p> <p>Changes to temperatures leading to increase cooling and heating loads, changes in precipitation leading to flash flooding and physical damage to buildings from extreme weather events.</p>
Physical climate scenarios	RCP 8.5	Country/area	<Not Applicable>	<p>IPCC Relative Concentration Pathway RCP8.5  Shared socioeconomic pathway model SSP5/SSP3  Approximate 2100 warming trajectory 4.3°C  Atmospheric CO2 &gt;1,000ppm</p> <p>Quantitative scenario analysis undertaken for physical risk to assets over a long-term time horizon to assess resilience to physical risk implications of climate change.</p> <p>Changes to temperatures leading to increase cooling and heating loads, changes in precipitation leading to flash flooding and physical damage to buildings from extreme weather events.</p>
Transition scenarios	Customized publicly available transition scenario	Country/area	1.6°C – 2°C	<p>Qualitative scenario analysis undertaken for transition risks, to assess resilience to transition risks in a low-carbon future. Initial assessment of transition plans for UK and German portfolio.</p> <p><b>Regulatory change</b>  Low emissions: More stringent environmental regulation  Medium emissions: Moderate awareness of environmental consequences of choices made and environmental systems experience degradation  High emissions: Environmental policies have little importance and environmental systems are seriously degraded</p> <p><b>Technological change</b>  Low emissions: Rapid technological shifts  Medium emissions: Technological progress but no breakthrough  High emissions: Low investment in technology</p> <p><b>Resource use</b>  Low emissions: Improved resource use  Medium emissions: Modest decline in resource use intensity  High emissions: Emphasis on national issues due to regional conflicts and nationalism</p> <p><b>Wellbeing</b>  Low emissions: Emphasis on human nature and wellbeing  Medium emissions: Current social and economic trends continue  High emissions: Increase in resource use intensity</p> <p><b>Cooperation</b>  Low emissions: Global cooperation  Medium emissions: Weak cooperation  High emissions: Scepticism around globalisation</p> <p>We have reviewed our strategy against an "early policy" scenario aligned to 1.5-2.0 degrees of climate change, to meet the Government emissions targets in Germany, and have identified a number of climate-related risks and opportunities. The result of this review is being factored into both our ESG strategy and operational plans.</p>

C3.2b

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

How climate-related risks and opportunities will impact upon our business in a range of climate futures? How the risks and opportunities identified may impact upon our business, strategy and financial planning in a range of climate scenarios, including a below 2°C scenario?

**Results of the climate-related scenario analysis with respect to the focal questions**

Our analysis shows that there are very different anticipated risk and opportunity impacts at different ends of the temperature spectrum, and we have therefore disclosed the findings from the high and low emissions scenarios below where the central (and most likely) scenario would result in a combination of issues arising at either end of the spectrum (with modified impacts) and we therefore need to ensure that our organisation considers the most extreme but plausible scenarios to ensure strategic resilience. The anticipated impacts on our customers, regulatory requirements and portfolio are set out below, and the findings and key risk mitigations are built into our climate-related risk and opportunity registers.

**Customers**

Low emissions: The future conscious customer will demand low resource intensive buildings, energy-efficient appliances, electric vehicle charging points and environmentally friendly developments that are beneficial for health and wellbeing. The carbon impact of buildings and services will be considered as part of rental decisions.

High emissions: Customers will increasingly observe flood/fire/ cyclone risks when selecting properties for rental and may pay more for properties with increased resilience against these risks. Water availability to service properties may become an issue and this will also be included in due diligence on property decisions. The availability of effective heating and cooling will be considered in rental decisions.

**Regulation**

Low emissions: Regulation on the built environment will significantly decrease emissions from the sector by enforcing upgrades to buildings. There may also be a legislative requirement to transition to net zero and an increase in the need for carbon offsets to achieve this. There may be a carbon tax on GHG emissions and an increase in the cost of carbon offsets. Lenders may increasingly hike interest rates for high-emitting sectors, or exclude lending altogether from sectors which prevent them from realising their own net zero targets.

High emissions: There will be limited environmental regulations, but there may be an uptick in the requirement to undertake flood/fire/cyclone risk assessments of properties. Insurance costs are likely to increase for at-risk properties. Lending costs may increase for at-risk properties.

**Portfolio**

Low emissions: Investment will be required to upgrade buildings to meet energy requirements, to meet the demands of consumers, and there may be changes to valuation where upgrades are not possible. Increasing costs of carbon could impact upon materials and building costs, and there may be supply chain issues for in-demand materials and solutions.

High emissions: Investment will be required to enhance resilience of properties, and properties at risk may reduce in value. There may be increased supply chain issues due to physical risk disruption, and increased costs of materials as a result of damage to supplier operations and assets.

**C3.3**

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**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>The work undertaken during the year relating to our transition plan and climate-related risk assessments is being fed into our ongoing corporate strategy, which remains agile and resilient.</p> <p>There is a large ongoing programme looking at onsite renewable energy generation, which will be sold to tenants.</p> <p>In the UK, during this year we completed an EPC review of the portfolio to understand the actions required to meet the UK Government requirements for commercial properties to have a minimum EPC rating of "C" by 2027 and "B" by 2030. Based on this initial assessment, we are confident we can achieve the EPC rating required for our UK portfolio. As we have done in Germany, we are now forming a specialist team in the UK to build a detailed plan, on an asset-by-asset basis, on how to implement the actions required. During the current year, we also plan to integrate the EPC programme with a net zero emissions transition pathway for the UK portfolio in line with the UK Government target of 2050. Further details of this possible transition pathway will be provided during FY2023/24.</p>
Supply chain and/or value chain	Yes	<p>Tenants buy energy through Sirius – ensuring that is renewable energy for many years.</p> <p>A number of sites are trialing this approach.</p> <p>For our Scope 3 emissions, we completed a detailed assessment of the possible actions and investments required on a sample of our assets to understand their transition pathway to net zero. Working on the findings from this assessment, these were then extrapolated across our German portfolio to provide us with a theoretical transition pathway to net zero.</p> <p>The plan includes our award-winning work to understand and start to reduce our embodied carbon and is also examining the potential to roll-out of on-site renewable energy generation through photovoltaic systems at locations which have the structural integrity and demand for such energy.</p>
Investment in R&D	Yes	<p>Ongoing detailed capex assessment of physical assessments to assess viability is being carried out. Our strategy remains to invest in our assets to improve their utilisation and life span and we see our work to reduce our emissions as an integral part of this strategy.</p> <p>We have formed a specialist team in Germany to use our net zero transition pathway to build a detailed plan, on an asset-by-asset basis, on how we can implement the actions required, working with our stakeholders, to achieve net zero emissions. This plan will also commence a detailed financial model of the investment required and other possible financial implications taking into account our different assets and how they are utilised. The plan includes our award-winning work to understand and start to reduce our embodied carbon and is also examining the potential to roll-out of on-site renewable energy generation through photovoltaic systems at locations which have the structural integrity and demand for such energy. Further details of this transition pathway, including targets, will be provided during FY2023/24.</p>
Operations	Yes	<p><b>Physical risks</b></p> <p>The findings indicate that the assets sampled (which are more than 25% of our German and UK portfolio) are at low risk of overall significant climate stress in 2050, but medium risk for water stress and wildfire; however, further consideration shows that the relative change expected is not significantly different to today and as such any localised issues experienced today are unlikely to significantly worsen.</p> <p>We also considered the Value at Risk of our sampled assets arising as a result of high-impact events such as wildfire, cyclone and intense river flooding. The process simulated many thousands of events, at multiple hazard intensities with varying probabilities of occurrence and differing levels of vulnerability. The outputs from our Value at Risk assessment did not identify significant Value at Risk for our sampled assets.</p> <p>However, we know that climate risk assessment and climate models are inherently uncertain, and that climate events happening today are exceeding predicted outcomes. As such, we will continue to monitor our asset locations and associated insurance policies over time, as climate data and modelling improve.</p> <p><b>Transition risks</b></p> <p>Our key findings show that there is close interdependency between climate-related transition risks, which are centred around our ability to operate in a low-carbon future. Whilst we are currently developing our transition plan to set out our strategy for successful operation in a low-carbon future, in the short term, we are already seeing the impact of certain areas take effect, such as increases in the cost of carbon, and changes to policy and regulation which will require investment in the longer term.</p> <p>We measure a wide range of consumption data relating to energy, water, waste and embodied carbon. Carbon emissions is one of our main areas of focus. We also currently measure the proportion of renewable energy we provide; the roll-out of smart meters across our portfolio; the number of EV charging stations installed; and the levels of embodied carbon associated with the refurbishment and modernisation of our portfolio in Germany.</p>

**C3.4**



**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Assets Liabilities	<p>The German Government has introduced an adjacent system to the EU Emissions Trading System to cover buildings and, in particular, the energy used in the heating of buildings (typically a cost borne by tenants) with the split of carbon tax for landlords and tenants currently allocated 50/50 for non-residential buildings. The scheme was introduced on 5 December 2022 and impacted cash flows from 1 January 2023. However, due to the specifics of the system and the service charge allocation periods at Sirius properties it impacts, the cash flows are mostly impacted from 1 April 2023.</p> <p>The original price per tonne of carbon currently applied to the scheme was 35 €/tCO2e and this was planned to change to 55 €/tCO2e by 2025, after which the anticipated price becomes uncertain. In the current period, the prices were restated to 30 €/tCO2e moving to 45 €/tCO2e to take into account the pressure on the real estate industry driven largely by strong energy price movements. As such, there is uncertainty over the future cash flow implications of the scheme. In addition, there is a question over how the split for landlords and tenants will be amended after 2025.</p> <p>We currently take into account the current known split and anticipated forecasted price to 2025 in our cash flow forecasts and undertake financial impact analysis of how this could change our overall operating cash flows if the charging mechanisms were to change (i.e. to reflect a change in landlord/ tenant split). The amounts assessed do not result in a material financial impact.</p> <p>The EU and the UK have both announced net zero pledges to 2050 (with Germany by 2045); however, it is currently unclear what measures will be put in place to drive decarbonisation in the built environment sector.</p> <p>In Germany, we have undertaken an initial assessment of a decarbonisation pathway to net zero emissions for our portfolio using the CRREM methodology and in line with the Science Based Targets initiative. In the UK, the Minimum Energy Efficiency Standard Regulations require all commercial lettings to be in possession of a valid EPC band "B" by April 2030 and band "C" by April 2027. The Energy Performance of Buildings Directive in Europe is also expected to affect our business. BizSpace has undertaken an exercise to identify all assets which may fall within the requirements and the potential capex investment required to upgrade commercial properties to meet the EPC requirements. In both Germany and the UK, further work is being undertaken by the senior management to develop a roadmap for implementation and a detailed financial assessment, which will be an area of focus for FY2023/24. Our key strategic aims will be to invest in upgrades which are fit for purpose in a low-carbon future in the most cost-effective manner.</p> <p>In the short term, we have set aside €2 million to fund ESG- specific activities such as more efficient lighting, window and roof optimisation, smart metering of water and electricity, electric charging stations, etc. (please see our going concern statement for more information).</p> <p>In the UK, it is our intention, in the second year of ownership, to achieve at least carbon neutrality for our Scope 1 and 2 emissions during FY2023/24. During this year we completed an EPC review of the portfolio to understand the actions required to meet the UK Government requirements for commercial properties to have a minimum EPC rating of "C" by 2027 and "B" by 2030. Based on this initial assessment, we are confident we can achieve the EPC rating required for our UK portfolio. As we have done in Germany, we are now forming a specialist team in the UK to build a detailed plan, on an asset-by-asset basis, on how to implement the actions required. During the current year, we also plan to integrate the EPC programme with a net zero emissions transition pathway for the UK portfolio in line with the UK Government target of 2050. Further details of this possible transition pathway will be provided during FY2023/24.</p> <p>In both Germany and the UK, our acquisition framework has been updated to include environmental considerations as part of the pre-acquisition due diligence.</p> <p>Our strategy remains to invest in our assets to improve their utilisation and life span and we see our work to reduce our emissions as an integral part of this strategy.</p>

**C3.5**

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

**C4. Targets and performance**

**C4.1**

**(C4.1) Did you have an emissions target that was active in the reporting year?**

No target

**C4.1c**

**(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.**

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	<p>We are pleased to report that our German platform has achieved net zero emissions for Scope 1 and Scope 2 emissions this year and that our emissions, including the offsets that we have acquired, are certified by Achilles, the global validation company. As a next step, we are now looking at the feasibility, both in practical and financial terms, of achieving net zero emissions in Germany by 2045 for our Scope 3 emissions. Initial results of our in-depth assessments of the Sirius portfolio show that net zero emissions, in line with the German national target, can be achieved across the Sirius German portfolio based on the Carbon Risk Real Estate Monitor ("CRREM") methodology, the leading global standard for operational decarbonisation of real estate assets, and in line with the Science Based Targets initiative ("SBTi").</p> <p>At this stage, the results do not include the Titanium joint venture as we are developing a separate decarbonisation programme for these assets with our partner AXA Investment Managers – Real Assets.</p> <p>We worked with EVORA Global ("EVORA"), a leading real estate sustainability advisory firm, to develop our strategic decarbonisation roadmap. During the year, we finished a portfolio-wide analysis of the carbon intensity of our German assets. EVORA conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base.</p> <p>In the UK, where we operate through the BizSpace brand acquired in 2021, we aim to achieve carbon neutrality, and potentially net zero, for Scope 1 and Scope 2 emissions in FY2023/24.</p>	<p>Our overarching environmental strategic goal is to reduce our carbon footprint, achieve net zero carbon emissions by 2045.</p> <p>We are committed to managing and reducing our emissions in Germany and are developing our GHG emissions reduction targets and plans, which have been reviewed and are in line with Toitū Carbon Reduce programme requirements. We are in the process of identifying our Scope 1, 2 and 3 reduction targets and aim to add these into the next year's report.</p> <p>As of 1 April 2023, we formed an ESG department in Germany to lead on this work, reporting to the Chief Marketing and Impact Officer, and Chief Operating Officer. Over the year ahead they will build a plan of action and a financial model based on the IDP actions and timeline required to bring our portfolio to achievable net zero emissions. Their work will include looking at improving the data quality; rolling out LEDs; decarbonising the heat supply; the potential for on-site renewable energy generation through PV installations; and engaging with our tenants to improve operational building utilisation as well as the potential for the decarbonisation of on-site production processes. All their considerations will be based against providing a long-term sustainable return to shareholders. We intend to be in a position to define and communicate a more detailed net zero pathway for our German portfolio at the end of the current financial year.</p> <p>This year, to align with the analyses and management processes used for the German portfolio, we will commence a process to assess the potential pathway to net zero emissions for Scope 3 for the UK portfolio by 2045 or 2050 in line with CRREM and SBTi. We intend to be in a position to communicate the results of this initial assessment during FY2024/25.</p> <p>As a first step on defining the long-term pathway to net zero for the UK portfolio, we completed an EPC review of all our UK properties. The assessment was designed to understand the actions needed to invest in the portfolio to align with UK Government requirements for commercial rental properties to have an EPC "C" rating by 2027, and EPC "B" rating by 2030. As at the time of reporting, all BizSpace properties carried the necessary EPC rating to meet UK regulatory requirements.</p>

**C4.2**

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	5	
To be implemented*	5	
Implementation commenced*	5	
Implemented*	4	
Not to be implemented	0	

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in buildings	Other, please specify (Reduced electricity and gas emissions in UK through ongoing upgrade of all buildings to improve EPC ratings to C and B.)
--------------------------------	---

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

- Scope 1
- Scope 2 (location-based)
- Scope 2 (market-based)

**Voluntary/Mandatory**

Mandatory

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

**Payback period**

Please select

**Estimated lifetime of the initiative**

Please select

**Comment**

We are committed to managing and reducing our emissions in the UK. These plans are at an earlier stage than in Germany due to the recent acquisition of the assets. We are already upgrade all buildings to achieve at least an EPC "C" rating. We have also undertaken an analysis of the possible actions to achieve the UK Government EPC target of "B" by 2030. This work continues and, in the future, will be linked to a decarbonisation plan to achieve net zero emissions.

**Initiative category & Initiative type**

Energy efficiency in buildings	Building Energy Management Systems (BEMS)
--------------------------------	---

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

**Payback period**

Please select

**Estimated lifetime of the initiative**

Please select

**Comment**

Our roll-out of smart energy meters across our German sites is on track to be completed by 2027, with six additional sites equipped in this period. In the UK, we are near completion for the roll-out of smart meters across the portfolio, with eight sites remaining to be reviewed over the next six months.

**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
--------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (location-based)

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

**Payback period**

Please select

**Estimated lifetime of the initiative**

Please select

**Comment**

We continue to convert old inefficient lighting to LED as part of a continual roll-out and maintenance programme across all our properties, with a total of 52 lighting optimisation projects across 33 sites being identified. Ten have been completed since FY2021/22 with 14 currently in progress, and an additional 28 identified and budgeted for completion throughout FY2023/24. We will continue to assess our properties for further lighting optimisation opportunities.

On the back of developing the EPC conversion programme, the UK has also started on a programme of converting old lighting systems to LED. During the year, our sites in Hooton and Cheadle have had LED installations completed. We are currently identifying those sites that will receive LED upgrades in the current year. Similarly, we are examining those sites that will have the heating systems replaced or upgraded as part of our intention to meet EPC requirements over the next four years.

**Initiative category & Initiative type**

Transportation	Other, please specify (EV charging installation and converting company cars to electrified ones)
----------------	--

**Estimated annual CO2e savings (metric tonnes CO2e)**

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

Scope 3 category 6: Business travel

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

**Investment required (unit currency – as specified in C0.4)**

**Payback period**

Please select

**Estimated lifetime of the initiative**

Please select

**Comment**

We continue to make progress on our EV charging point installations, with 20 added in the period in Germany and a further 2 already scheduled for completion by September 2023. We are also engaging with our tenants to identify and review other sites.

During the year we also signed a national contract with an EV charging point supplier and are starting with a pilot project. Once this has been completed and reviewed, we will consider the implications for what a further roll-out across remaining applicable sites would look like.

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	<p>We have formed a specialist team in Germany to use our net zero transition pathway to build a detailed plan, on an asset-by-asset basis, on how we can implement the actions required, working with our stakeholders, to achieve net zero emissions. This plan will also commence a detailed financial model of the investment required and other possible financial implications taking into account our different assets and how they are utilised. The plan includes our award-winning work to understand and start to reduce our embodied carbon and is also examining the potential to roll-out of on-site renewable energy generation through photovoltaic systems at locations which have the structural integrity and demand for such energy. Further details of this transition pathway, including targets, will be provided during FY2023/24.</p> <p>In Germany, we have undertaken an initial assessment of a decarbonisation pathway to net zero emissions for our portfolio using the CRREM methodology and in line with the Science Based Targets initiative. In the UK, the Minimum Energy Efficiency Standard Regulations require all commercial lettings to be in possession of a valid EPC band "B" by April 2030 and band "C" by April 2027. The Energy Performance of Buildings Directive in Europe is also expected to affect our business. BizSpace has undertaken an exercise to identify all assets which may fall within the requirements and the potential capex investment required to upgrade commercial properties to meet the EPC requirements. In both Germany and the UK, further work is being undertaken by the senior management to develop a roadmap for implementation and a detailed financial assessment, which will be an area of focus for FY2023/24. Our key strategic aims will be to invest in upgrades which are fit for purpose in a low-carbon future in the most cost-effective manner.</p>
Dedicated budget for energy efficiency	In the short term, we have set aside €2 million to fund ESG- specific activities such as more efficient lighting, window and roof optimisation, smart metering of water and electricity, electric charging stations, etc. (please see our going concern statement for more information).
Dedicated budget for other emissions reduction activities	In the short term, we have set aside €2 million to fund ESG- specific activities such as more efficient lighting, window and roof optimisation, smart metering of water and electricity, electric charging stations, etc. (please see our going concern statement for more information).

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

No

**C5. Emissions methodology**

**C5.1**

**(C5.1) Is this your first year of reporting emissions data to CDP?**

Yes

**C5.2**

**(C5.2) Provide your base year and base year emissions.**

**Scope 1**

**Base year start**

April 1 2022

**Base year end**

March 31 2023

**Base year emissions (metric tons CO2e)**

403.74

**Comment**

**Scope 2 (location-based)**

**Base year start**

April 1 2022

**Base year end**

March 31 2023

**Base year emissions (metric tons CO2e)**

325.95

**Comment**

**Scope 2 (market-based)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 1: Purchased goods and services**

**Base year start**

April 1 2022

**Base year end**

March 31 2023

**Base year emissions (metric tons CO2e)**

7056.49

**Comment**

**Scope 3 category 2: Capital goods**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 5: Waste generated in operations**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 6: Business travel**

**Base year start**

April 1 2022

**Base year end**

March 31 2023

**Base year emissions (metric tons CO2e)**

549.24

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 8: Upstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 10: Processing of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 11: Use of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 13: Downstream leased assets**

**Base year start**

April 1 2022

**Base year end**

March 31 2023

**Base year emissions (metric tons CO2e)**

84091.04

**Comment**

**Scope 3 category 14: Franchises**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3 category 15: Investments**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (upstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (downstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.3**

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**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

ISO 14064-1

**C6. Emissions data**

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**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

403.74

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

**C6.2**

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

**Comment**

**C6.3**

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

325.95

**Scope 2, market-based (if applicable)**

<Not Applicable>

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

**C6.4**

---

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

**C6.4a**

---

**(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source of excluded emissions**

HFC gases

**Scope(s) or Scope 3 category(ies)**

Scope 1

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of market-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of Scope 3 emissions from this source**

<Not Applicable>

**Date of completion of acquisition or merger**

<Not Applicable>

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

0.5

**Estimated percentage of total Scope 3 emissions this excluded source represents**

<Not Applicable>

**Explain why this source is excluded**

De minimis

**Explain how you estimated the percentage of emissions this excluded source represents**

---

**Source of excluded emissions**

Downstream transport

**Scope(s) or Scope 3 category(ies)**

Scope 3: Downstream transportation and distribution

**Relevance of Scope 1 emissions from this source**

<Not Applicable>

**Relevance of location-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of market-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of Scope 3 emissions from this source**

Emissions are not relevant

**Date of completion of acquisition or merger**

<Not Applicable>

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

<Not Applicable>



**Estimated percentage of total Scope 3 emissions this excluded source represents**

0.5

**Explain why this source is excluded**

De minimis

**Explain how you estimated the percentage of emissions this excluded source represents**

---

**Source of excluded emissions**

Taxis (business travel)

**Scope(s) or Scope 3 category(ies)**

Scope 3: Business travel

**Relevance of Scope 1 emissions from this source**

<Not Applicable>

**Relevance of location-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of market-based Scope 2 emissions from this source**

<Not Applicable>

**Relevance of Scope 3 emissions from this source**

Emissions are not relevant

**Date of completion of acquisition or merger**

<Not Applicable>

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

<Not Applicable>

**Estimated percentage of total Scope 3 emissions this excluded source represents**

0.5

**Explain why this source is excluded**

De minimis

**Explain how you estimated the percentage of emissions this excluded source represents**

---

C6.5

---

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

7056.49

**Emissions calculation methodology**

Spend-based method  
Average spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Pre-calculated (tCO2-e) - Purchased goods and services, Water supply. Calculated with a model which was developed with an external consultant.

**Capital goods**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Audit deemed this category as not significant to the business overall

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

6610.11

**Emissions calculation methodology**

Supplier-specific method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

**Upstream transportation and distribution**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not currently calculated separately. Some emissions may be accounted for in Category 1.

**Waste generated in operations**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

390.2

**Emissions calculation methodology**

Hybrid method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Please explain**

**Business travel**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

549.24

**Emissions calculation methodology**

Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Please explain**

**Employee commuting**

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not yet calculated but not expected to be significant to the business overall

### Upstream leased assets

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Audit deemed this category as not significant to the business overall

### Downstream transportation and distribution

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Audit deemed this category as not significant to the business overall

### Processing of sold products

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Audit deemed this category as not significant to the business overall

### Use of sold products

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

See Downstream leased assets.

### End of life treatment of sold products

**Evaluation status**

Relevant, not yet calculated

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not currently evaluated

## Downstream leased assets

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

84091.04

### Emissions calculation methodology

Average data method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

#### Please explain

International Electricity Germany, International Electricity Germany T&D losses, Burning Oil/Kerosene/Parafin, Natural Gas, Natural Gas distributed T&D losses, Purchased heat and steam (district), Purchased heat and steam (district) (T&D losses), Organic: mixed food and garden waste Composting, Waste disposal Mixed commercial and industrial Closed-loop, Waste disposal Mixed commercial and industrial Combustion, Water supply, Water treatment. Data are based on prior year information due to a limitation of available information for the current year.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

#### Please explain

Not relevant to the business

## Investments

### Evaluation status

Not evaluated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

#### Please explain

Not currently evaluated. At this stage, we do not include our Titanium joint venture as we are developing a separate decarbonisation programme for these assets with our partner AXA Investment Managers – Real Assets.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

#### Please explain

No other relevant upstream emissions

## Other (downstream)

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

#### Please explain

No other relevant downstream emissions

(C-CN6.6/C-RE6.6) Does your organization assess the life cycle emissions of new construction or major renovation projects?

	Assessment of life cycle emissions	Comment
Row 1	Yes, both qualitative and quantitative assessment	

C-CN6.6a/C-RE6.6a

(C-CN6.6a/C-RE6.6a) Provide details of how your organization assesses the life cycle emissions of new construction or major renovation projects.

	Projects assessed	Earliest project phase that most commonly includes an assessment	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	All new construction and major renovation projects	Pre-design phase	Whole life	Whole life carbon assessment for the built environment (RICS)	

C-CN6.6b/C-RE6.6b

(C-CN6.6b/C-RE6.6b) Can you provide embodied carbon emissions data for any of your organization's new construction or major renovation projects completed in the last three years?

	Ability to disclose embodied carbon emissions	Comment
Row 1	No	Embodied carbon emissions are assessed on projects, but the data is not published.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

**Intensity figure**

0.00000409

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

729.69

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

178300000

**Scope 2 figure used**

Location-based

**% change from previous year**

0

**Direction of change**

No change

**Reason(s) for change**

Other, please specify (First year of reporting this KPI, so No change selected)

**Please explain**

Unit total revenue here is total annualised rent roll\*. See p28 Sirius Real Estate Limited Annual Report and Accounts 2023. The Company has chosen to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1374, being the closing exchange rate as at 31 March 2023. Scope 1 and 2 is location based total.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

## C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Germany	239.34
United Kingdom of Great Britain and Northern Ireland	164.4

## C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

### C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Sirius Facilities GmbH	239.34
BizSpace Ltd	164.4

## C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Germany	292.28	
United Kingdom of Great Britain and Northern Ireland	33.67	

## C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

### C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Sirius Facilities GmbH	292.28	
BizSpace Ltd	33.67	

## C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

## C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

This is our first year of reporting, so we cannot compare to last year

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 40% but less than or equal to 45%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	1117	1117
Consumption of purchased or acquired electricity	<Not Applicable>			677
Consumption of purchased or acquired heat	<Not Applicable>	0	0	0
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>			1794

### C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

### C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**



**Coal**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Oil**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

1049

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Gas**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

67.76

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**Total fuel**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

1117

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

0

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity				
Heat				
Steam				
Cooling				

**C8.2g**

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

**Country/area**

Germany

**Consumption of purchased electricity (MWh)**

502.74

**Consumption of self-generated electricity (MWh)**

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

**Consumption of self-generated heat, steam, and cooling (MWh)**

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

<Calculated field>

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of purchased electricity (MWh)**

174.1

**Consumption of self-generated electricity (MWh)**

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

**Consumption of self-generated heat, steam, and cooling (MWh)**

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

<Calculated field>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?

No, but we plan to in the future

C-CN9.10/C-RE9.10

(C-CN9.10/C-RE9.10) Did your organization complete new construction or major renovations projects designed as net zero carbon in the last three years?

No, but we plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

We are assessing future developments

## C10. Verification

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### C10.1

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

### C10.1a

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**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Certificate\_2023157J\_Sirius Facilities GmbH\_CR\_Org.pdf  
Verification Report\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Assurance Statement\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Certification Summary\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
IMR\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certificate\_2023158J\_Bizspace Limited\_CR\_Org.pdf  
Assurance Statement\_2223\_Bizspace Limited\_CR\_Org.pdf  
Verification Report\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certification Summary\_2223\_Bizspace Limited\_CR\_Org.pdf  
IMR\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf

**Page/ section reference**

Whole documents

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

### C10.1b

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**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Certificate\_2023157J\_Sirius Facilities GmbH\_CR\_Org.pdf  
Verification Report\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Assurance Statement\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Certification Summary\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
IMR\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certificate\_2023158J\_Bizspace Limited\_CR\_Org.pdf  
Assurance Statement\_2223\_Bizspace Limited\_CR\_Org.pdf  
Verification Report\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certification Summary\_2223\_Bizspace Limited\_CR\_Org.pdf  
IMR\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf

**Page/ section reference**

Whole documents

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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## C10.1c

---

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope 3 category**

Scope 3: Purchased goods and services  
Scope 3: Business travel  
Scope 3: Downstream leased assets

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Certificate\_2023157J\_Sirius Facilities GmbH\_CR\_Org.pdf  
Verification Report\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Assurance Statement\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
Certification Summary\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf  
IMR\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certificate\_2023158J\_Bizspace Limited\_CR\_Org.pdf  
Assurance Statement\_2223\_Bizspace Limited\_CR\_Org.pdf  
Verification Report\_2223\_Bizspace Limited\_CR\_Org.pdf  
Certification Summary\_2223\_Bizspace Limited\_CR\_Org.pdf  
IMR\_2223\_Sirius Facilities GmbH\_CR\_Org.pdf

**Page/section reference**

Whole documents

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

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## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

In progress

## C11. Carbon pricing

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### C11.1

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

Yes

#### C11.1a

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**(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.**

Germany ETS

#### C11.1b

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**(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.**

**Germany ETS**

**% of Scope 1 emissions covered by the ETS**

**% of Scope 2 emissions covered by the ETS**

**Period start date**

January 1 2023

**Period end date**

December 31 2023

**Allowances allocated**

**Allowances purchased**

**Verified Scope 1 emissions in metric tons CO<sub>2</sub>e**

**Verified Scope 2 emissions in metric tons CO<sub>2</sub>e**

**Details of ownership**

Facilities we own and operate

**Comment**

The German Government has introduced an adjacent system to the EU Emissions Trading System to cover buildings and, in particular, the energy used in the heating of buildings (typically a cost borne by tenants) with the split of carbon tax for landlords and tenants currently allocated 50/50 for non-residential buildings. The scheme was introduced on 5 December 2022 and impacted cash flows from 1 January 2023. However, due to the specifics of the system and the service charge allocation periods at Sirius properties it impacts, the cash flows are mostly impacted from 1 April 2023.

The original price per tonne of carbon currently applied to the scheme was 35 €/tCO<sub>2</sub>e and this was planned to change to 55 €/tCO<sub>2</sub>e by 2025, after which the anticipated price becomes uncertain. In the current period, the prices were restated to 30 €/tCO<sub>2</sub>e moving to 45 €/tCO<sub>2</sub>e to take into account the pressure on the real estate industry driven largely by strong energy price movements. As such, there is uncertainty over the future cash flow implications of the scheme. In addition, there is a question over how the split for landlords and tenants will be amended after 2025.

#### C11.1d

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**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

We currently take into account the current known split and anticipated forecasted price to 2025 in our cash flow forecasts and undertake financial impact analysis of how this could change our overall operating cash flows if the charging mechanisms were to change (i.e. to reflect a change in landlord/ tenant split). The amounts assessed do not result in a material financial impact.

### C11.2

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**(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?**

Yes

#### C11.2a

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**(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.**

**Project type**

Clean cookstove distribution

**Type of mitigation activity**

Emissions reduction

**Project description**

The projects chosen provide fuel-efficient cooking stoves to rural households in Kenya. The stoves reduce the amount of wood needed to cook, thereby reducing carbon emissions and deforestation. There is also the added benefit of reduced indoor air pollution which has other health benefits for the households as well as creating local employment.

**Credits canceled by your organization from this project in the reporting year (metric tons CO2e)**

532

**Purpose of cancellation**

Voluntary offsetting

**Are you able to report the vintage of the credits at cancellation?**

Yes

**Vintage of credits at cancellation**

2019

**Were these credits issued to or purchased by your organization?**

Purchased

**Credits issued by which carbon-crediting program**

Gold Standard

**Method(s) the program uses to assess additionality for this project**

Other, please specify (We have used offsets that have been verified and recommended to us by Achilles.)

**Approach(es) by which the selected program requires this project to address reversal risk**

Please select

**Potential sources of leakage the selected program requires this project to have assessed**

Please select

**Provide details of other issues the selected program requires projects to address**

More efficient stoves save households money through lower fuel costs  
The Jikokoa stove offers increased durability, efficiency and safety compared to traditional stoves  
Reduced deforestation pressures through decreased charcoal demand  
Lower smoke production improves air quality  
Project activity has created local employment in Kenya across the stove supply chain

**Comment**

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**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, but we anticipate doing so in the next two years

**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers  
Yes, our customers/clients  
Yes, other partners in the value chain

**C12.1a**

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Other, please specify (We engage with energy suppliers and facility management providers to reduce emissions )

**% of suppliers by number**

**% total procurement spend (direct and indirect)**

74

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

Energy contracts contribute to a significant proportion of our emissions so we have so far worked to get renewable energy and low carbon contracts in place with around half of our spend.

Facility management providers are important influencers of carbon emissions.

Supplier of construction materials - we have been analysing embodied emissions, which impact our Scope 3 emissions.

**Impact of engagement, including measures of success**

We have so far worked to get certified renewable energy and low carbon contracts in place with around half of our spend, significantly reducing Scope 2 and Scope 3 emissions.

**Comment**

Suppliers of construction materials. Supplier contracts – general requirements.

Utility (e.g. certified green energy) and waste management company providing data and KPIs.

The % of total procurement spend noted as 74% refers specifically to opex procurement and does not account for capex estimates.

**C12.1b**

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement & Details of engagement**

Collaboration & innovation	Collaborate with customers in creation and review of your climate transition plan
----------------------------	---

**% of customers by number**

1

**% of customer - related Scope 3 emissions as reported in C6.5**

**Please explain the rationale for selecting this group of customers and scope of engagement**

Data centre - looking at collaboration to use heat from centre on site

One customer has been selected to understand the feasibility of a potential 1.5MWh pilot project based on their significant energy consumption and site space area. We are also working to assess the needs of our top 100 clients.

**Impact of engagement, including measures of success**

Too early to assess impact with this pilot project, but success can be measured based on overall reduced energy consumption and emissions reduction.

**Type of engagement & Details of engagement**

Other, please specify	Other, please specify (Procurement of renewable energy)
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**% of customers by number**

90

**% of customer - related Scope 3 emissions as reported in C6.5**

**Please explain the rationale for selecting this group of customers and scope of engagement**

In line with our ongoing commitments to understanding and defining our net zero pathway, we recognise that there are multiple opportunities across our business to reduce emissions. Due to the nature of our business model, our Scope 3 emissions account for over 99.7% of our total emissions in Germany, with a similar representation in the UK, so engagement with our tenants is crucial. Sirius has committed to sourcing our electricity from renewable sources and actively engage with our customers to, where possible, transfer them onto our renewable energy platform.

**Impact of engagement, including measures of success**

Across our portfolio in Germany, the proportion of renewable electricity against total electricity provision is forecasted to be 97.6% for the reporting year 2022/23. We estimate it to be similar in the UK.

**C12.1d**



**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

Embodied carbon work and assessment. We worked with EVORA Global ("EVORA"), a leading real estate sustainability advisory firm, to develop our strategic decarbonisation roadmap. During the year, we finished a portfolio-wide analysis of the carbon intensity of our German assets. EVORA conducted a net zero carbon assessment for 14 individual buildings in Germany. Based on the results of those assessments, EVORA then extrapolated the results in order to estimate carbon emissions and savings potentials for our entire German asset base.

**C12.2**

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**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

Yes, climate-related requirements are included in our supplier contracts

**C12.2a**

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**(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.**

**Climate-related requirement**

Waste reduction and material circularity

**Description of this climate related requirement**

Environment related - use of materials for instance in cleaning contracts we require that suppliers only use climate-friendly materials and also have the obligation to ask for evidence. Also all of our facility management supplier contracts includes clauses regarding compliance and GDPR. Estimates of procurement spend relate to opex costs as capex data is not currently available.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

10

**% suppliers by procurement spend in compliance with this climate-related requirement**

5

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier self-assessment

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

---

**Climate-related requirement**

Purchasing renewable energy

**Description of this climate related requirement**

**% suppliers by procurement spend that have to comply with this climate-related requirement**

**% suppliers by procurement spend in compliance with this climate-related requirement**

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier self-assessment

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

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**C12.3**

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**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, but we plan to have one in the next two years

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan**

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3b**

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**(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Other, please specify (Energie Effizienz und Klima Schutz Network)

**Is your organization's position on climate change policy consistent with theirs?**

Consistent

**Has your organization attempted to influence their position in the reporting year?**

No, we did not attempt to influence their position

**Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position**

We are a member of an Energy and Climate Protection network which has a public target of reducing emissions. This network is part of a national initiative from the German government to reduce carbon emissions by 6m tonnes, reduce energy demand by 11TWh and found 300-350 new networks by 2025. Those networks are an instrument of the National Action Plan on Energy Efficiency (NAPE 2.0). NAPE represents the energy efficiency strategy of the Federal Government of Germany.

We recognise the significant representation of real estate in global emissions and take seriously our responsibility to drive down our platform and portfolio emissions as much as possible, through considered and in-depth management assessment, implementation and stakeholder engagement. We are actively working on our strategic decarbonisation roadmap to reduce emissions and energy demand.

**Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)**

**Describe the aim of your organization's funding**

<Not Applicable>

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

**C12.4**

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports, incorporating the TCFD recommendations

**Status**

Complete

**Attach the document**

annual-report-and-accounts-2023.pdf

**Page/Section reference**

p15, p22; p40-47; p54; p63-65

**Content elements**

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Other metrics

**Comment**

**C12.5**

**(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.**

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	We are not a signatory/member of any collaborative framework, initiative and/or commitment related to environmental issues	<Not Applicable>

**C15. Biodiversity**

**C15.1**

**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Sirius owns more than 625,000 sqm of green space in Germany and the UK. We take seriously our role in protecting, supporting, and expanding biodiversity across our portfolio. Our biodiversity strategy is focused on three pillars: meadows, trees and bees.</p> <p>Our biodiversity programme in Germany is well established and we are proud of the progress we continue to make. 37,200 sqm of green space has been converted into natural wildflower meadows across the portfolio since the biodiversity programme was implemented during FY2021/22, of which 13,377 sqm were converted in FY2022/23. In Germany we have 9,629 trees across our portfolio which are looked after as part of our site-specific garden maintenance programmes. In addition to this, we continue to add to our corporate forest and plant one tree for every employee anniversary, conclusion of a rental agreement, completion of a tenant questionnaire and participation in a Sirius conference. Our partnership with Tree Nation funds tree planting in the Amazon, Kenya, Madagascar, Tanzania, Nepal and Spain. In line with our targets, in FY2022/23, we added 31,333 trees to our corporate forest from both German and UK activities, which accounted for 2,490 tons of carbon dioxide being absorbed from the atmosphere. These measures are in addition to our ongoing work to consider and improve our environmental impact, and do not constitute part of our carbon reduction or offsetting programme.</p> <p>The third pillar of our biodiversity efforts relates to supporting and protecting bees, which we manage through our partnership with Hektor Nektar, which has, in line with our targets, enabled us to sponsor a total of 30 hives across Germany since FY2021/22, which is thought to have directly increased the bee population by almost 1.5 million bees.</p> <p>In the UK, we have successfully mapped the BizSpace portfolio to identify opportunities for biodiversity improvements, which we will commence in the current year. We have over 200,000 sqm of green space, which includes approximately 86,000 sqm of grassed area, 49,000 sqm of planted area and 65,000 sqm of woodland. We are targeting the conversion of nearly 30% of the grassed area to wildflower meadows, equalling 25,000 sqm, by May 2023. We will undertake a tree count during the current year to understand our woodlands better and we are also starting to identify opportunities to support and protect bees in the UK and are working on suitable locations.</p>	<Not Applicable>

**C15.2**

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

**C15.3**

**(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?**

**Impacts on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**Dependencies on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**C15.4**

**(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?**

No

## C15.5

**(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management

## C15.6

**(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

## C15.7

**(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Biodiversity strategy	p46-47 annual-report-and-accounts-2023.pdf

## C16. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

### C16.1

**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Chief Marketing and Impact Officer	Other C-Suite Officer

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

**Please confirm below**

I have read and accept the applicable Terms