



Assurance Statement: AA1000

EVORA Global Limited (“EVORA”) was engaged by Schroder Real Estate Investment Management Limited (“SREIM”) to provide Type 2 Moderate Assurance of the sustainability content to Schroder European Real Estate Investment Trust plc (“SEREIT” or “the Company”) Annual report (the “Report”) The Report is prepared for the year ending 30 September 2022, however the environmental data which forms part of this assurance pertains to the period 1 April 2021 to 31 March 2022. The assurance was provided in accordance with AccountAbility’s AA1000 Assurance Standard V3 (AA1000AS) Type 2 moderate level and EPRA Best Practice Recommendations for Sustainability Reporting (sBPR) 2017 3rd Edition. The assurance was conducted via independent third party Markit Group Limited (“IHS Markit”), engaged by EVORA.

Responsibilities

SREIM has responsibility for ensuring the preparation of the sustainability content of the annual report is complete. The EVORA Consultancy Team has been appointed by SREIM to prepare the sustainability content of the Report.

The EVORA Assurance Team (‘We’ / ‘Our’) engaged IHS Markit to conduct independent assurance on their behalf and provide an opinion on the Report’s alignment with the Criteria for the reporting period of 1st April 2021 to 31st March 2022, in all material respects. The procedures selected depend on our judgment, including an assessment of the risks of material misstatement or material non-compliance of the matter being audited. We conducted our engagement in accordance with the AA1000AS.

Intended users

The intended users of this assurance statement are the Management of SREIM, the Company and its stakeholders.

Assurance standard and criteria

The assurance was conducted in accordance with AccountAbility’s AA1000 Assurance Standard 2020 v3 (AA1000AS), Type 2 at a moderate level of assurance.

The Report has been prepared by SREIM in accordance with the EPRA sBPR 2017 guidelines (the “Criteria”).

Assurance scope

The scope of assurance covered the indicators and assertions outlined below for the reporting period of 1st April 2021 to 31st March 2022 (collectively the ‘Subject Matter’):

- Absolute and Like-For-Like:
 - Electricity Consumption (kWh)
 - District Heating/cooling (kWh)
 - Fuels Consumption (kWh)
 - Water Consumption (m³)
 - Greenhouse Gas (GHG) Emissions (tCO_{2e})
 - Waste (tonnes)
- Intensity Calculations:
 - Energy (kWh / m²)
 - GHG (kgCO_{2e}/m²)
 - Water (m³/m²)
- Energy rating coverage (%)
- Green Building Certification coverage (%)
- Alignment check of the Company’s reporting against EPRA sBPR 2017 guidelines.

Disclosures covered

This assurance report covers the Subject Matter as defined above for the period 1 Apr 2021 to 31 Mar 2022, which forms part of the Company’s annual report for the year ending 30 Sep 2022.

Methodology

The procedures conducted in performing our moderate assurance included:



- Performing a risk assessment, including considering internal controls relevant to the preparation of the Report and associated data to inform further procedures
- Making enquiries, primarily of persons responsible for the preparation of the Report
- Understanding the activities covered within the scope of the Report
- Applying analytical and other review procedures including assessing relationships between energy and emissions data and other information under our scope
- Examination of source evidence including invoices, meter records, third party reports for a select sample of data
- Analysing and inspecting on a sample basis, the key systems, processes and procedures and controls relating to the collation, validation, presentation and approval process of the information included in the Report.

Use of our assurance statement

This report has been prepared for SEREIT, SREIM and their stakeholders for the sole purpose for reporting on the matters being assured under our scope. We understand that this report will be included in the Report. We agree that copy of this report may be provided to SREIM's stakeholders.

We and IHS Markit disclaim any assumption of responsibility for any reliance on this report to any person or users other than the Company or Fund or SREIM, or for any purpose other than that for which it has agreed in writing and for which it was prepared. Any reliance any third party may place on the report is entirely at its own risk.

Limitations

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - it

Findings conclusions and recommendations

Comments on AA1000 Accountability Principles:

is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance with the established Criteria, as an assurance engagement is not performed continuously throughout the year and the procedures performed are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

A moderate or limited level assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than undertaken for a high level or reasonable assurance engagement. As such the level of assurance is lower than would be the case for a reasonable assurance engagement.

Independence and Competence

The assurance was conducted via IHS Markit independently. IHS Markit (now part of S&P Global) is a global diversified provider of critical information, analytics, and solutions and has been working in the ESG space since many years.

IHS Markit's ESG team has relevant assurance competencies and is highly experienced on sustainability matters covering environmental, social and economic aspects and is led by Certified Sustainability Assurance Practitioner (CSAP) as certified by AccountAbility. IHS Markit has conducted this assurance independently and impartially and in compliance with IHS Markit's policies and procedures, including its Code of Business Ethics that provide a framework relating to ethical conduct, conflict of interest and compliance with law.



Principle	Observations, Findings & Recommendations
<p>Inclusivity: actively identifying stakeholders and enabling their participation in establishing an organisation’s material sustainability topics and developing a strategic response to them.</p> <p>An inclusive organisation accepts its accountability to those on whom it has an impact and to those who have an impact on it.</p>	<p>Similar to last year, SREIM continues to work with their <i>Real Estate with IMPACT</i> approach and have identified several core stakeholders with respect to ESG including investors, suppliers, employees, tenants, local communities and industry associations. SREIM refreshes their Sustainability and EMS frameworks annually and thus the approach towards stakeholder engagement and inclusivity as well.</p> <p>Some of the stakeholder engagement activities in 2021 are listed below.</p> <ul style="list-style-type: none"> • Investor engagement - Mechanisms in place to engage with investors on ESG include formal reports (e.g. annual financial reports), webpages, presentations, meetings, responses to requests for proposals (RFPs), industry benchmarking initiatives (e.g. GRESB), where possible and appropriate. There were 9 investor meetings conducted in 2021 and the aim is to have more than 1 meeting per quarter. • Supplier engagement – Property managers are key suppliers to real estate investment entities and the engagement is ongoing and regular basis. SREIM have incorporated ESG requirements into Property Management Agreements, where possible. This includes ESG related performance KPIs. For its wider supplier-base, SREIM has a Supplier Code of Conduct, which also includes ESG requirements. • Tenant engagement – Investment and Property Managers are required to regularly engage with tenants on ESG. For all buildings, (actively managed as well as single-let buildings), engagement includes provision of guidance such as sustainable fit-out guides and occupier handbooks. For actively managed buildings, where possible and appropriate, engagement also includes: tenant meetings, events, satisfaction surveys and ‘building community’ web-sites. SREIM is looking at going a step ahead and exploring innovative solutions like mobile apps to further increase tenant engagement. • Local community engagement – Investment and Property Managers determine the level of community engagement appropriate to individual assets. In 2021, some of the community engagement initiatives included Charity donations, Community health and wellbeing initiatives, Enhancement programs for public spaces. • Employee engagement – SREIM employees are active participants in the SREIM ESG program and are required to feedback on what they believe to be key risks and opportunities. Internal training to the real estate team is ongoing through regular discussion on asset opportunities as well as regulatory requirements together with external consultants, the property managers and other advisers. There are regular real estate sustainability specific formal sessions each year run by Head of Sustainability and Impact Investment supported by Schroders Capital Real Estate Research and third party consultants. • Industry associations – SREIM is an active participant in many sustainability and real estate related industry associations. Schroders



	<p>Capital Real Estate is a member of several industry bodies including the Better Buildings Partnership (BBP). At present Schrodgers Capital Real Estate is engaging on a number of ESG projects including: Design for Performance, BBP Climate Commitment, Real Estate Environmental Benchmark and the Owner & Occupier Forum.</p>
<p>Materiality: identifying and prioritising the most relevant sustainability topics, taking into account the effect each topic has on an organisation and its stakeholders.</p> <p>A material topic is a topic that will substantively influence and impact the assessments, decisions, actions and performance of an organisation and/or its stakeholders in the short, medium and/or long term</p>	<p>SREIM conducts a materiality refresh on an annual basis, and conducted one in 2021 as well with the help of external consultants.</p> <p>This materiality analysis includes various elements:</p> <ul style="list-style-type: none"> • Legislation review – Understanding current and emerging regulations. • Peer review – Analysis of peer sustainability programs. • Technical competency – Both within leadership (SREIMs Head of Real Estate Sustainability and Impact Investment), through training across all levels of the employee-base, and through use of external sustainability consultants. • Review and application of best practice industry guidance and reporting frameworks including GRESB, INREV and UNPRI, • Stakeholder engagement (e.g. investors, investment managers, local communities, suppliers) • Participation in industry associations (e.g. Better Buildings Partnership BBP, UK Green Building Council) <p>This process captures the long list of sustainability risks, opportunities, and stakeholders. Risks and opportunities are prioritized into a short list, through application of several quantitative scoring criteria, including:</p> <ul style="list-style-type: none"> • impact (economic, reputation, regulation and environmental) • likelihood • influence • stakeholder interest
<p>Responsiveness: an organisation's timely and relevant reaction to material sustainability topics and their related impacts.</p> <p>Responsiveness is realised through decisions, actions and performance, as well as communication with stakeholders</p>	<p>SREIM remains responsive to all its stakeholders as well as any emerging ESG related topics and impacts. In 2021, SREIM continued their work on addressing climate related risks with their TCFD assessments and reporting, taking up thorough legislation compliance mapping across all the funds, preparatory work for upcoming regulations like SFDR etc., participating in voluntary initiatives like UN PRI Survey, GRESB, EPRA, INREV etc.</p> <p>SREIM has been actively working towards its Pathway to Net Zero and is committed to monitor, report and improve on its progress. The annual refresh of materiality and participation in various industry forums, ensures timely and relevant consideration of upcoming sustainability topics in the ESG strategy.</p> <p>As explained above, the communication with stakeholders is achieved through various modes and the ESG topics are an important part of these considerations. Other than the wider quarterly and annual reports, there are regular newsletters which are sent out to the tenants with ESG related issues.</p>



<p>Impact: the effect of behaviour, performance and/or outcomes, on the part of individuals or an organisation, on the economy, the environment, society, stakeholders or the organisation itself.</p> <p>Material topics have potential direct and indirect impacts — which may be positive or negative, intended or unintended, expected or realised, and short, medium or long term</p>	<p>SREIM measures, monitors and discloses their impacts through reporting within funds and companies' financial reports (aligned with INREV/EPRA requirements), which includes both quantitative and qualitative disclosures covering a range of ESG disclosures including legal compliance. Additionally, various other reporting and communication mechanisms, supporting integration into 'business as usual'. These include:</p> <ul style="list-style-type: none">• Fund Strategy Statements dictate the fund ESG strategy for the year and include sustainability objectives. Issued internally on an annual basis, this acts as a statement of intent for the fund, confirms priorities and ensures buy-in from fund managers and requires Investment Committee approval.• Portfolio Sustainability Progress Reviews (completed in Spring and Autumn) are formal review meetings, including investment managers, fund managers, property managers, the Head of Real Estate Sustainability and Impact Investment and external sustainability consultants. Held internally on a six-monthly basis, these sessions review progress and performance against recent objectives and agree forward-looking priorities.• Sustainability Action Plans (SAPs) are asset level action plans setting out agreed improvement initiatives, timescales, costs, and responsibilities. These are in place for managed assets. <p>Annual reporting also includes industry benchmarking initiatives such as GRESB, UNPRI and the BBP's Real Estate Environmental Benchmark (REEB). All of these reports have been or are being submitted for 2021 reporting year.</p> <p>Further, SREIM also established an IMPACT Statement dashboard, which is used to internally measure and track their progress on Social impacts and initiatives and also compare various assets performance on these.</p>
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Our unqualified opinion

Nothing has come to our attention that causes us to believe that:

- SEREIT does not adhere to the principles of inclusivity, materiality, responsiveness, and impact as per the AA1000 Accountability Principles (2018).
- the Subject matter is not prepared in accordance with the EPRA sBPR 2017 Guidelines by SEREIT in all material respects, for the period 1st April 2021 to 31st March 2022 in the Report.

Paul Sutcliffe, Executive Director
EVORA Global Limited, London, UK
Date: 18 November 2022



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