

Art. 10 Disclosure for Art. 8 product

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Version 2

Paris Prime Office Feeder, a sub-fund of Swiss Life Real Estate Funds (LUX) Feeder S.A., SICAV-SIF (the "Sub-Fund")

LEI: LU1973677336

Summary

The Sub-Fund qualifies within the meaning of the amended Law of 12 July 2013 on alternative investment funds as "feeder fund" of Paris Prime Office, a French professional, predominantly real estate company with variable capital (société professionnelle de placement à prépondérance immobilière à capital variable – SPPICAV) incorporated in the form of a simplified limited company (société par actions simplifiées - SAS) and having its registered office at 153, rue Saint Honoré – 75001 Paris, France (the "**Master Fund**").

The Master Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.

The Master Fund promotes environmental or social characteristics but does not aim at sustainable investment. The investment strategy aims to build up and hold a real estate portfolio on a long-term basis, consisting mainly of buildings built or under construction, in full ownership, possibly through long leases or construction leases, in which the Master Fund will be the lessee, located in France.

The objectives sought of a financial nature, i.e. to preserve as much of the capital invested as possible and to generate financial income for investors, are associated with extra-financial objectives, which are reflected in the integration of environmental, social and governance (ESG) criteria into the investment and management decisions of the Master Fund's real estate assets. Through ESG objectives and indicators assessed during the acquisition or operation phase, the Master Fund takes into account sustainability risks in its investment decision-making process, in addition to more traditional risk dimensions such as market, credit or liquidity risks.

The Master Fund promotes ESG criteria within the meaning of Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector.

The Master Fund does not currently make any commitment to align its business with the Taxonomy Regulation and is therefore not in a position to make a commitment to a minimum investment through underlyings that take into account such criteria.

Swiss Life Asset Managers France, as the management company of the Master Fund, takes into account the principal adverse sustainability impacts (the "**PAIs**").

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial

The following environmental and/or social characteristics are promoted by the Sub-Fund, through the Master-Fund:

- Environmental: Energy, greenhouse gases emissions, water, waste management, biodiversity, external labelling and/or certifications
- Social: mobility, on-site services, contributing to social inclusion, health & well being.

Investment strategy

Within the investment policy described in Section 5 of the offering memorandum of Swiss Life Real Estate Funds (LUX) Feeder S.A., SICAV-SIF, the Sub-Fund in principle aims at investing all - and will at all times at least eighty-five per cent (85%) - of its assets in the Master Fund that itself is subject to risk-spreading requirements at least comparable to those applicable to specialised investment funds and shall herewith qualify as a "Feeder AIF" within the meaning of the AIFM Directive. The remainder (i.e. up to fifteen per cent (15%) of the Sub-Fund's gross asset value may be invested in Liquid Funds).

The investment strategy aims to build up and hold, taking into account a combined analysis of financial and extra-financial criteria, a real estate portfolio on a long-term basis, consisting mainly of buildings built or under construction, in full ownership, possibly through long leases or construction leases, in which the Master Fund will be the lessee, located in France. Investments will be made in buildings in their entirety or in co-ownership lots.

Real estate and liquidity pockets will be set up:

- The real estate pocket will comprise directly and indirectly held real estate assets. At the end of the first three (3) years, this pocket will represent a maximum of 99.99% of the net value of the Master Fund's assets. Indirect ownership of real estate assets will be favored, without precluding the possibility of direct ownership;
- The liquidity pocket will be used to invest sums awaiting investment or redemption, as well as the funds required for the day-to-day operation of the SPPIICAV. At the end of the first three (3) years, this pocket will represent a minimum of 0.01% and a maximum of 40% of the net asset value of the Master Fund.

The Master Fund, throughout its statutory life, will not exceed a total direct and indirect bank and non-bank debt ratio, including property leasing transactions (as lessee), of 80%, the basis of which is the value of the Master Fund's real estate assets determined by way of look through (direct and indirect holdings). For the calculation of the debt ratio, the total bank and non-bank loans arranged in the companies held directly and indirectly are taken into account by the Master Fund, in proportion to its share of ownership, with the exception of current account advances granted directly or indirectly to the Master Fund. Within this 80% debt ratio, the amount of debt contracted with third parties (i.e. external debt as opposed to debt with Master Fund partners) may not exceed 50% of the gross value of the real estate assets held directly or indirectly through real estate companies.

The Master Fund's management company applies an ESG rating improvement approach, thus formalising an improvement plan and defining a target ESG rating for each of the assets in the portfolio whose initial ESG rating is below the minimum ESG rating. It sets a significant improvement target for the average ESG rating of this pocket over a 3-year period, consistent with the target ESG ratings of the assets in the pocket. This significant objective may be to improve the rating of the pocket by more than 20 points on a scale of 1 to 100 (or equivalent), or to achieve the minimum ESG rating of the Master Fund for the pocket.

The Master Fund takes into account principal adverse impacts ("PAIs") as part of its investment strategy. More specifically, the Master Fund focuses on the following indicators:

- Exposure to fossil fuels through real estate assets;
- Exposure to energy inefficient real estate assets;
- Energy intensity of assets;
- Total greenhouse gas (GHG) emissions in CO2eq from the real estate assets (scope 1, 2 and 3 GHG emissions).

All environmental and / or social characteristics promoted by the Master Fund are binding and are fully integrated in its investment strategy. The objectives the Master Fund targets by promoting environmental and social characteristics are the following:

Environmental

- Energy consumption monitoring
- Selection of assets with high energy performance
- Analysis of climate risk exposure for 80% of assets from 2024
- Managing and monitoring consumption
- Local biodiversity assessment
- Waste management
- Détention de minimum 60% d'immeubles de bureaux labellisés ou certifiés

Social

- Mobility and accessibility of the assets under management
- Promoting access to housing
- Promoting health and well being of the occupants
- Services to occupants
- Social inclusion

Since the Sub-fund, through the Master Fund, will invest in real estate assets, the assessment of good governance practices of the investee companies is not relevant. However, good governance practices will be integrated throughout the supply chain:

- Code of conduct signed by at least 40% of the service providers and suppliers of the Master Fund;
- ESG Clause included for all mandates with the asset managers from 31 December 2024.

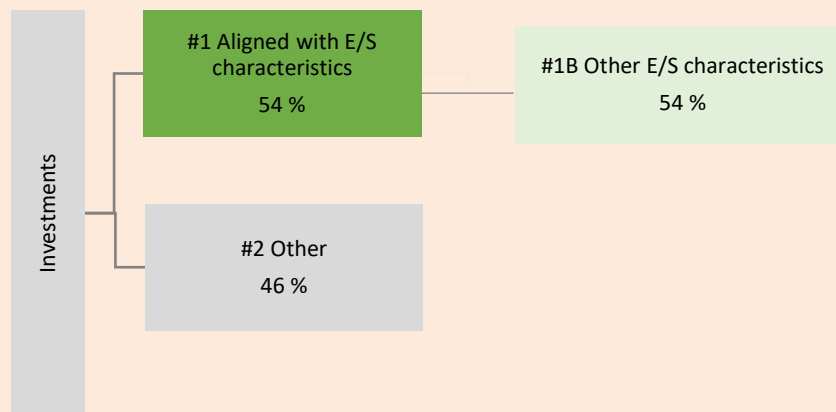
Proportion of investments

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



The Master Fund does not invest in companies and therefore, does not identify any types of exposures in investee companies.

Monitoring of environmental or social characteristics

Within Swiss Life Asset Managers France, the management company of the Master Fund, all asset management teams are involved in the implementation of extra-financial criteria. Thus, property managers and asset managers actively participate in the annual data collection campaign, which is essential for the implementation of our extra-financial analysis procedure.

Swiss Life Asset Managers France has a rating process via internally defined non-financial analysis grids. The extra-financial rating is updated each year after a data collection and processing campaign based on external tools:

- Deepki: a tool for collecting, analysing and monitoring data on fluid consumption (water and energy) and carbon emissions from our assets. Its objective is to identify levers for reducing our environmental footprint, to reduce the consumption of the asset base and to meet our regulatory and incentive constraints;
- OneTrack: a platform that brings together in a single point all the ESG data of the assets and consolidates ESG data and scores in a controlled and efficient manner. It allows tracking, minimising the risk of error and offers the possibility of visualising the progress made - at different levels (assets, funds) - in terms of extra-financial approach.

In addition, the Master Fund's management company works with several consulting and R&D firms in the context of the management of our properties.

Internal control procedures ensure the compliance by the portfolio with the ESG requirements set by the management of the Master Fund.

The internal control system is based on two levels.

First level of control

The One-Track platform is used to collect the information required to obtain the ESG score for each building. The data is collected through a specific questionnaire for each type of asset. Asset Managers and Property Managers are responsible for completing the ESG analysis grids, which are subject to an annual consistency check by the ESG analyst. The ESG analyst is responsible for checking that all properties have an ESG rating and for identifying inconsistencies or discrepancies and monitoring changes. The ESG analyst reviews, on an annual basis, whether the objectives set for the Master Fund have been achieved.

Second level of control

The compliance department carries out an annual second-level control which aims, in particular, at ensuring that the first-level controls described above have been properly carried out. To this end, the compliance department carries out tests on randomly selected samples and ensures that:

- The presence of ESG analysis grids for each fund
- ESG management constraints have been correctly followed
- The departments involved in carrying out the first-level controls have drawn up and respected the procedure for carrying out these controls.

Methodologies

The Master-Fund has defined a list of ESG-strategy key performance indicators (“KPIs”) which you can see below. The KPIs ensure that the environmental and social characteristics which are promoted shall be attained. The assessment, measurement and monitoring are enabled by the above-mentioned monitoring tool. The above-described monitoring tool enables the portfolio manager to steer its capital expenditures and future acquisitions to stay in line with the defined environmental and social KPI targets.

	Indicator	Description
Environmental	Energy consumption monitoring	Collection and monitoring of the consumption data on at least 70% of the real assets in portfolio of the Master-Fund
	Selection of assets with high energy performance	Within the Master-Fund’s portfolio, for 90% of office assets acquired as project development, the energy performance must reach the requirements of the RT2012 -20% or alternatively the requirements of RE 2020 as soon as it goes into force
	Water consumption monitoring	Collection of the consumption data on at least 50% of the real assets in portfolio of the Master-Fund
	Assessment of local biodiversity	Assessment of local biodiversity to be conducted on 50% of the real estate portfolio of the Master-Fund at the latest by December 2024
	Waste management	Monitoring of the waste generated on at least 20% of the Master-Fund’s portfolio at the latest by December 2024 Encourage recycling initiatives whilst managing the properties but also during refurbishment projects
	Resilience of assets under management	Climate risk assessment to be performed on at least 80% of the Master-Fund’s portfolio by end of year 2024. The analysis has to be conducted within 24 months from the date of the acquisition of a specific asset.
	Share of certified assets	External recognition labels / certifications will be pursued for at least 60% of the Master Fund’s portfolio by year 2024
Social	Mobility & Accessibility	For office properties held by the Master Fund, 80% of the latter will be located within less than 1 km from public transportation
	Health & Wellbeing	Annual air quality controls will be performed on at least 50% of the properties held by the Master Fund and this will be implemented at the latest by the end of year 2024.
	Services	For office properties held by the Master Fund, 60% will have to be within less than 1 km of at least 2 services features.
	Social Inclusion	For contracts with direct suppliers involved in the management and the maintenance of the properties and having contracted directly with the asset manager, at least 50% will be evaluated with regards to the inclusion of persons with handicap and/or in situations which require social insertion. This will be achieved at the latest by the end of year 2024.

Data sources and processing

The Master Fund's management company's methodology consists of integrating each sustainability indicator into the ESG assessment of the assets. Thus, the assets of the Master Fund will be subject to an annual rating based on ESG criteria.

The data sources and processing are:

Collection of energy and water consumption: the consumption data sources are collected by Deepki, our external service provider. These are collected through invoices or directly from energy suppliers. The collection requires the participation of the tenants to access the data in the private areas. In France, each tenant is obliged to inform the landlord of their energy consumption or directly on a dedicated website.

Assets under management covered by the climate risk assessment: the climate risk analysis carried out by a specialised consultancy. The external provider uses all data provided and calculates the climate risk. The minimum data are the asset value, the location via GPS coordinates and the total surface area of the building concerned. The service providers that provide us with the climate risk analyses are MSCI and Sinteo. Depending on the severity of the risk calculated by the two providers, adaptive solutions will be put in place to mitigate the climate risk exposure.

High energy performance assets: the thermal calculation is carried out by an engineering company.

Assets under management benefit from an external recognition label at Master Fund level (e.g. GRESB, SRI, Scope, etc.): the source is the confirmation of the external recognition label. No estimate possible.

Assets under management with public transport within 1 km: this information is publicly available and can be extracted via a geographical information system such as Google maps ©, etc.

Assets that have implemented a waste volume assessment: the data can come from a collection provider or from an estimate by a provider.

Biodiversity assessment: information is collected on site or in open data (map, priority protection zone).

Signatories of the code of conduct: the data come from a platform managed by an independent third party allowing the monitoring of service providers who have signed the code of conduct.

Social inclusion: contracts signed by service providers.

Measures taken to ensure data quality:

In order to guarantee the quality of the data, the Management Company has put in place the procedures and controls described in the paragraph "Monitoring of environmental and social characteristics".

Data processing methods:

The ESG data collected by the Master Fund's management company are collected within the OneTrack platform. They are then exported to MS Excel, where they are consolidated by fund to feed the periodic reporting.

Proportion of data that is estimated:

- For existing assets:

- Energy consumption and greenhouse gas emissions data may include a proportion of estimated data. This varies from asset to asset, depending on the rate of actual data collection. For a given reporting period, the proportion of estimated data is known a posteriori.
- Other ESG data used is actual data. The indicator produced at fund level is populated with available actual data. Missing data points are taken into account in the calculation of the coverage rate associated with the indicator.

- In the case of assets under construction, sold subject to construction (VEFA – *vente en l'état futur d'achèvement*): the performance levels feeding the indicators are estimated on the basis of the data available at the construction project level. The weight of assets under construction in the indicators produced at the fund level is that of capital expenditures committed at the end of the reporting period.

Limitations to methodologies and data

In managing methodological and data limitations, elements that could affect the quality of indicator assessment were identified. These limitations include:

- The need for tenants to participate to have access to data from private areas as part of the annual collection of consumption data;
- The design and construction of the buildings will have to integrate the performance objectives targeted;
- The typology and location of the buildings is a limit for the assessment of local biodiversity;
- No distinction between certifications;
- Waste monitoring is very complex due to the management organised by the municipalities;
- Market rents differ according to the location of the property and the nature of the management (direct or via an operator);

- No distinction between modes of transport (bus, train, ...);
- Analysis sensors are installed in different areas of the building, the level of coverage depends on the methodology used by the engineering company;
- The update of the service providers who have signed the code of conduct is carried out once a year via the platform;
- Carrying out the climate risk assessment on the basis of documentary information.

Furthermore, the ESG assessment may be exposed to the risk of availability and quality of the data collected. In fact, ESG analysis is based on an annual data collection campaign involving several players inside and outside Swiss Life Asset Managers France, the management company of the Master Fund. However, the Swiss Life Asset Managers France teams are aware of this issue and are careful to communicate upstream and downstream in order to limit this risk.

Due diligence

The investment process includes an extra-financial assessment carried out by the Management Company's ESG team during due diligence prior to an investment. These ESG assessments are an integral part of each acquisition and its documentation.

Prior to the completion of an investment, a technical due diligence is also carried out, which assesses the risks inherent in the property acquisition and includes data on building structure, legal compliance, soil contamination and hazardous materials, building documentation and certification, as well as an estimate of the capital expenditure required to achieve the expected extra-financial performance and target rents of the development.

Sustainability/extra financial characteristics relevant to the use and operation of the real estate asset are collected. The outcome of this due diligence may result in the exclusion of certain investments or tenants that do not comply with the Master Fund's ESG criteria or that would expose its portfolio to high levels of sustainability-related financial risk.

After an investment has been made, the assets are assessed from an extra-financial point of view at least once a year on the basis of grids defined by the management company of the Master Fund.

The extra-financial evaluation method is reviewed at least once a year and provides that these evaluations are carried out on the basis of grids defined by the management company of the Master Fund:

- Scores are obtained for each of the E, S, G indicators.
- The overall ESG rating of the assets is obtained by calculating the weighted average of the indicator ratings and applying weightings to each of the three indicators (E, S, G).
- Assets are assessed at acquisition and then annually during the operating phase.
- At least 90% of the real estate portfolio in value is ESG rated.

A transparency policy including the methodology for assessing these objectives is available on the website of the Master Fund's management company: www.fr.swisslife-am.com in the investor section.

Engagement policies

The engagement policy of the Master Fund's management company is provided in details on the internet website of the Master Fund's management company:

Documentation ESG – Swiss Life Asset Managers (swisslife-am.com) (Rubrique "Engagement et vote") (in English: ESG documentation - Swiss Life Asset Managers (swisslife-am.com) (section "Engagement and voting"))

Designated reference benchmark

For this Sub-Fund there is no designated reference benchmark.

Additional documentation and information:

The periodic reporting of Swiss Life Real Estate Funds (LUX) Feeder S.A., SICAV-SIF as well as its offering memorandum (including the SFDR precontractual annex) are available from Swiss Life Asset Managers Luxembourg, the alternative investment fund manager of Swiss Life Real Estate Funds (LUX) Feeder S.A., SICAV-SIF. This information is sent within one week on the investor's written request to Swiss Life Investor Services, Swiss Life Asset Managers Luxembourg, 4a, rue Albert Borschette, L-1246 Luxembourg; by email to investor-services@swisslife-am.com, or by telephone on +3522675850. These contact details can also be used to request further information if necessary.

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