

# ZAST Immobilien Europa Direkt

Quartalsbericht – Juni 2024



## QUARTERLY REPORT

ZAST Immobilien Europa Direkt (IED)  
An investment group of the Zurich Investment Foundation  
30 June 2024



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# Executive Summary

## Markets

Real estate markets across the world have been hit hard by the higher interest rate regime and disruption in capital markets. Despite these corrections, market fundamentals remain strong, particularly with tight supply conditions for modern spaces driving rental growth. The substantial yet uneven adjustment in values has made attractive, repriced assets available across various markets and sectors. This situation presents a compelling opportunity for investors. On this background, Immobilien Europa Direkt is in a good position to invest.

## The investment group Immobilien Europa Direct (IED) and the Portfolio

The investment group Immobilien Europa Direct (IED) was launched in 2013 and has now 37 investors. The product is exclusively for Swiss pension funds, which ensures the alignment of interests over the long term.

IED has a core/core+ strategy complemented by selective value-add projects offering a strong income profile coupled with potential for capital gains through ongoing projects. The product provides geographic and sector diversification, low correlation to the Swiss market while offering potential for higher yields.

IED's portfolio comprises 36 properties in France, Germany, the UK, Spain, Luxembourg, Denmark, the Netherlands, Sweden, Belgium, and Finland which are currently valued €1.21 billion. IED maintained its 5-stars GRESB<sup>1</sup> rating in 2023 and was able to increase the score to 92 points. The management aims to achieve a 5-star rating again in 2024.

## Performance

The corrections experienced by IED since end of 2022 was in line with the broader market. However, with its absolute performance strategy, IED has outperformed MSCI Pan European Property Fund Index (PEPFI)<sup>2</sup> over 3, 5, 7 and 10 years.

With portfolio values stabilizing in the second quarter of 2024, the fund returns were positive for the first time since Q2 2022, achieving approximately 1.5% for the three-month period, which more than offset the negative first quarter. The total net result for the first six months 2024 was 0.6%. Hereof, IED generated an income return of 2.2% and a capital return of -1.6%<sup>3</sup>.

## IED highlights in figures

Key statistics			2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q2 <sup>(6)</sup>
Balance sheet	Gross Asset Value (GAV)	€m	28	244	544	712	837	864	1,175	1,292	1,583	1,524	1,394	1,338
	Net Asset Value (NAV)	€m	26	205	459	568	631	682	898	970	1,165	1,129	1,025	983
	External Debt	€m	-	21	88	136	181	161	230	262	327	309	303	292
	Loan to Value (LTV)		0.0%	8.6%	17.5%	23.6%	23.0%	22.4%	21.1%	22.4%	24.1%	21.8%	23.9%	24.1%
Performance	Cash	€m	2	20	21	129	44	142	70	115	222	84	109	75
	Net result for the period	€m	(2)	9	45	18	39	35	111	3	147	(36)	(104)	6
	Rol (NAV) <sup>(4)</sup>		-5.7%	5.8%	19.7%	4.3%	7.0%	5.5%	15.7%	0.2%	15.2%	-3.3%	-9.34%	0.4%
	TER (avg. GAV) <sup>(4)</sup>			1.5%	1.2%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.1%
Real Estate	TER (avg. NAV) <sup>(4)</sup>			1.7%	1.5%	1.2%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
	No. AuM		1	7	23	25	29	29	39	35	37	39	39	36
	Portfolio Value	€m	25	232	506	579	787	719	1,092	1,168	1,356	1,419	1,268	1,211
	Vacancy in % of ERV		4.9%	3.5%	4.4%	4.2%	10.7%	10.9%	5.0%	4.6%	4.0%	4.5% <sup>(5)</sup>	4.2% <sup>(5)</sup>	5.6% <sup>(5)</sup>
WAULT	years	6.1	6.5	6.5	6.0	6.3	5.6	7.8	7.0	7.2	6.8	7.0	7.4	

1) Please note that the index is not a formal benchmark and IED is not managed to track or to outperform this index. 2) Source: Schroders Capital 2023, GRESB 2023, All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it. GRESB 5 Star rating achieved for the annual submissions made for 2021, 2022 and 2023. 3) Approximate split, including the performance of the Z share class. 4) for "A" unit shares. 5) Vacancy rate is only including standing investments (excludes extensive refurbishment projects as well as Seville joint venture for which the NAV exposure is written off to nil). 6) Excl. Seville JV for which the NAV was written to Nil.

# Property markets

## Economic overview and outlook

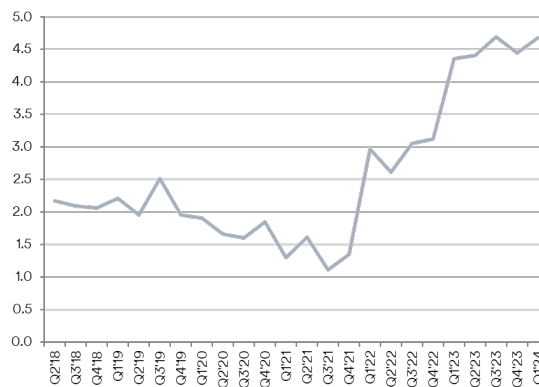
Following a period of weakness, the Eurozone economy returned to growth in Q1 2024 with GDP expanding by 0.3%. The Eurozone composite PMI modestly declined in June but remained in expansionary territory, with strength in the service sector signalling further economic growth in Q2 2024. The manufacturing sector remains weaker but the combination of resilient labour markets (unemployment fell to a record low of 6.4% in April), ongoing wage-growth and lower inflation will be supportive. The June Consensus forecast for Eurozone GDP growth for 2024 was upgraded to 0.7% compared to the March forecast of 0.5%. While markets were sanguine about the outcome of the UK election, the surprise outcome of the French elections may make the formation of a new government challenging and broader geopolitical risks remain including the US election outcome.

Whilst certain components of inflation (most notably on the consumer services side) will remain stubbornly high owing to the improving economic outlook, aggregate inflation (HICP) has been relatively stable with Eurostat estimating inflation of 2.5% for June, versus 2.6% in May and 2.4% in March and April. This led to the ECB trimming its policy rate by 25 basis points in early June. This is the first adjustment since August 2023 and the ECB continues to stress that it is watching core inflation and especially wage growth closely. Indeed, it has raised its inflation forecast for 2024 and 2025, indicating that monetary easing will be slower than previously indicated. German 10-year government bond yields saw a slight increase towards the end of June to approximately 2.5% reflecting steady inflation expectations.

**Eurozone: ILO-Unemployment rate**  
(%, monthly, seasonally adjusted)



**Eurozone: Indicator of negotiated wages, Chg Y/Y**



Source: Eurostat, LSEG, Schroders. July 2024 .

## Occupational market

Occupier markets remain on a solid footing with tight supply conditions, particularly for modern sustainable space, continuing to support rental levels. Office demand in Q2 remained muted and highly polarised, with competition for scarce high-quality stock in accessible locations remaining high. Prime rental growth was muted over the quarter but has shown annual increases in almost every city. Vacancy rates have generally increased over the last 12-18 months but remain below historic average levels. Supply pipelines are projected to drop significantly after 2024 given the lack of projects that commenced during the pandemic, and elevated finance and construction costs. PMA's April forecast shows a substantial downward revision for European net-additions in 2026 and 2027, representing 0.7% and 0.6% of existing stock respectively.

Prime industrial rents were largely unchanged over the quarter with only select markets seeing growth. We expect rental growth in the sector to be 3-4% pa through 2024 and 2025 given demand remains well supported by the structural growth in ecommerce, supply chain reorganisation and firms seeking inventory to improve supply chain resilience. At the same time, global trade is showing signs of improvements in volume terms. On the supply side, relatively high building costs, interest rates and restrictive planning environments will inhibit speculative development and maintain low vacancy levels.

A normalisation in inflation and further wage growth are pointing to retail sales recovering during H2 2024, which should start to ease retailer margin pressures. The growth of online retail continues and means that in store sales

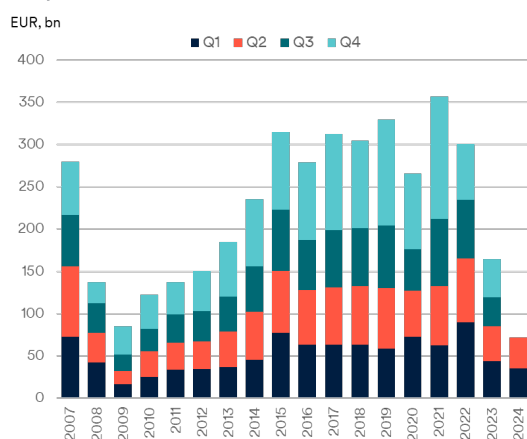
are set to decline by 1-2% p.a. in volume terms through 2024-2027, ensuring vacancy will remain elevated. Rents for prime retail are expected to remain stable this year having already experienced significant falls to date. Rents and occupancy levels in secondary locations will remain under significant pressure.

## Investment market & outlook

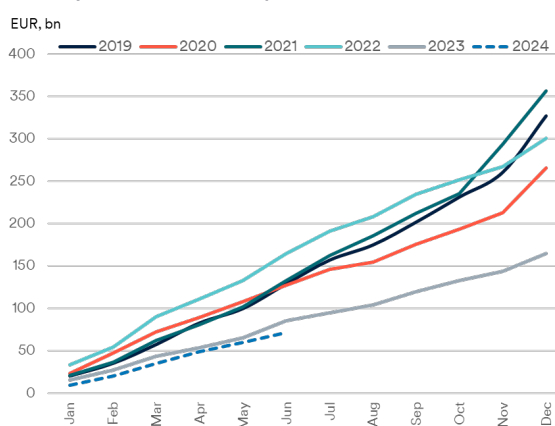
Turning to capital markets, investment activity remained subdued in Q2 2024 with ongoing high debt finance costs constraining markets. Preliminary numbers from MSCI RCA show ca. €36bn traded in Q2 2024 in Europe, representing similar volumes to those recorded in Q1 2024. Whilst uncertainty over pricing still exists the unweighted average of CBRE's Monthly Yield Monitor for the 13 largest European countries (incl. UK ex. CEE) was virtually unchanged for all major sectors over Q2 2024.

Whilst repriced opportunities have been presenting themselves, notable bid-ask spreads still prevail in many instances between buyer and seller expectations limiting transaction activity. However, with interest rates now likely past their peak (aside from the ECB, policy interest rates have also been cut in e.g. Switzerland and Sweden), we expect pricing to stabilise and the gap between buyer and seller expectations to start narrowing. It will take time for lagging valuation adjustments to fully reflect market circumstances, but this process is well underway. Whilst interest rates are lower, monetary policy remains restrictive and the consequently higher debt costs will restrain any rebound in volumes.

European Real Estate Investment Volume – all sectors



Monthly RE Investment Europe – all sectors



Source: MSCI RCA, Schroders. July 2024 \*Data for Q2 is preliminary

# Real estate portfolio

## Transactions

No new investment opportunity has been followed closely during the reporting period. However, the fund management team with the local investment teams continue to closely monitor investment activity in all relevant markets. New repriced opportunities have started to emerge which can provide attractive cyclical investment opportunities for the fund going forward.

## Portfolio overview

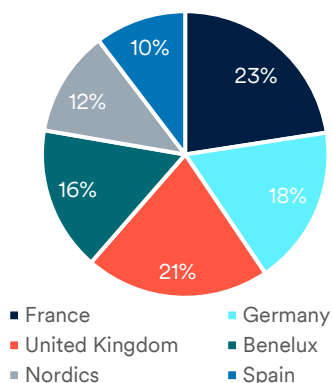
IED owns 36 properties in France, Germany, the UK, Spain, Luxembourg, Denmark, the Netherlands, Sweden, Belgium, and Finland which are currently valued €1.21 billion. This broadly diversified portfolio with more than a 10 years tract record is being actively managed by experienced management and local teams. The assets provide the vehicle with a strong income as well as growth opportunities from current projects such as Berlin Mollstrasse or London Bishopsgate. Standing investments generate contracted rental income of €67 million from around 300 tenants and represent a net initial property yield of 5.7%. The weighted average lease length is 7.5 years to break and 9.3 years to expiry. The portfolio LTV per Q2 2024 stands at a moderate ca. 24%.

Compl. date	Property*	Sector <sup>(2)</sup>	Value band	Tenants	Rent contr. (€m)	Vacancy	Wault break (yrs)	Wault exp. (yrs)
Jul 20	Paris, Well West	Office	€40-60m	7	3.8		4.9	5.2
Jan 17	Paris, Resonance <sup>(1)</sup>	Office	€40-60m	3	5.0		2.4	2.6
Dec 19	Rennes, Tinténiac	Industrial	€20-40m	2	2.2		4.7	7.7
Sep 21	Paris, Pergolese	Office	€20-40m	2	1.7		7.8	7.8
Mar 19	Bordeaux, Damazan	Industrial	€20-40m	2	1.8		3.9	3.9
Apr 15	Bordeaux, Biganos	Retail	€20-40m	29	1.6	12%	1.8	3.3
Sep 15	Paris, Choisy	Retail	€0-20m	2	0.9		6.5	6.5
Dec 15	Dijon, Gevrey (CD)	Industrial	€0-20m	1	0.6		2.2	9.2
Dec 15	Bordeaux, Bègles	Industrial	€0-20m	1	0.5		9.0	12.5
Jul 15	Paris, Gare de l'Est	Retail	€0-20m	1	0.2		7.2	10.2
Oct 15	Paris, Saint-Germain	Retail	€0-20m	1	0.2		4.3	10.3
Dec 15	Dijon, Gevrey (WH)	Industrial	€0-20m	1	0.2		2.2	9.2
<b>France subtotal</b>			<b>€273m</b>	<b>52</b>	<b>18.6</b>	<b>1%</b>	<b>4.2</b>	<b>5.3</b>
Sep 19	London, Gatwick Hotel <sup>(1)</sup>	Hotel	€80-100m	1	4.2		25.3	45.3
Feb 22	The Brewery, Romford <sup>(1)</sup>	Retail	€80-100m	49	7.4	3%	4.7	5.6
Jun 14	Manchester, City Tower <sup>(1)</sup>	Office	€20-40m	61	2.9	21%	12.8	14.0
<b>UK standing subtotal</b>			<b>€207m</b>	<b>111</b>	<b>14.5</b>	<b>6%</b>	<b>12.3</b>	<b>18.8</b>
Dec 13	Munich, Elsenheimerstraße	Office	€40-60m	20	1.9	25%	4.3	4.3
Dec 14	Hamburg, Tondo Center	Retail	€40-60m	27	2.6	3%	8.7	8.7
Apr 18	Essen, Logistic Park	Industrial	€20-40m	4	1.9		6.6	6.6
Sep 17	Braunschweig, Hornbach	Retail	€20-40m	1	1.9		7.2	7.2
<b>Germany subtotal</b>			<b>€152m</b>	<b>52</b>	<b>8.3</b>	<b>10%</b>	<b>6.9</b>	<b>6.9</b>
Jul 21	Barcelona, Hotel Apolo	Hotel	> €100m	1	4.7		22.1	22.1
Jun 15	Madrid, Fuencarral	Leisure	€20-40m	1	1.0		3.1	5.1
<b>Spain subtotal</b>			<b>€125m</b>	<b>2</b>	<b>5.7</b>		<b>18.8</b>	<b>19.2</b>
Dec 22	Rotterdam, University	Education	€40-60m	1	3.5		7.5	7.5
Sep 19	Amsterdam, Cuserpark 1	Office	€20-40m	8	1.5	35%	2.9	2.9
Sep 19	Amsterdam, Cuserpark 2	Office	€0-20m	7	1.3	2%	3.8	3.8
<b>Netherlands subtotal</b>			<b>€87m</b>	<b>16</b>	<b>6.3</b>	<b>13%</b>	<b>5.7</b>	<b>5.7</b>
<b>Denmark subtotal</b>			<b>€80m</b>	<b>24</b>	<b>4.2</b>	<b>5%</b>	<b>2.1</b>	<b>2.1</b>
Dec 21	Luxembourg, Kubik	Office	€60-80m	4	3.9		5.0	5.0
Feb 17	Stockholm, Rotebro	Retail	€40-60m	18	3.4	3%	4.5	4.5
Apr 15	Brussels, E-Lite	Office	€20-40m	7	1.5	20%	3.5	5.1
Dec 15	Helsinki, Salomo	Office	€20-40m	9	1.0	24%	2.1	2.5
<b>Standing investments</b>			<b>€1,099m</b>	<b>295</b>	<b>67.4</b>	<b>5.6%</b>	<b>7.5</b>	<b>9.3</b>
Aug 14	Developm. Berlin, Moll.	Office	€60-80m	1	0.1	98%	0.6	0.6
Dec 15	Developm. LondonBG <sup>(1)</sup>	Office	€40-60m	9	0.9	64%	0.9	1.0
<b>Total portfolio<sup>(3)</sup></b>			<b>€1,211m</b>	<b>305</b>	<b>68.5</b>	<b>14.8%</b>	<b>7.4</b>	<b>9.2</b>
May 17	Seville, Metromar <sup>(1)</sup>	Retail						

(1) Partial ownership considered: Paris, Resonance 50.1%; London, Gatwick Hotel 50.1%, London, Bishopsgate 25%; Manchester, City Tower 25%, Seville, Metromar 50%, Romford 50%  
(2) Sector classification reflects dominant sector for the particular investment. For the purpose of portfolio sector allocations, Manchester City Tower is considered mixed use assets with Manchester having an allocation 55% office and 17% retail and 28% Hotel and other.  
(3) Excludes the Seville property for which the NAV exposure is nil.

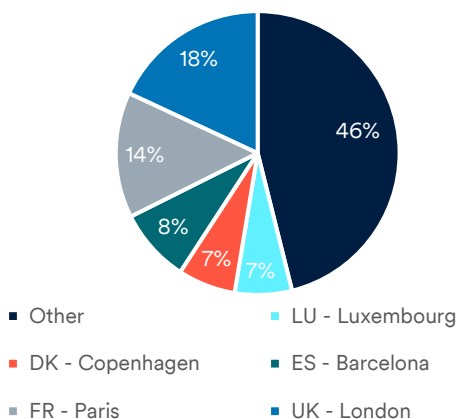
# Allocation Considerations

## Regional allocation



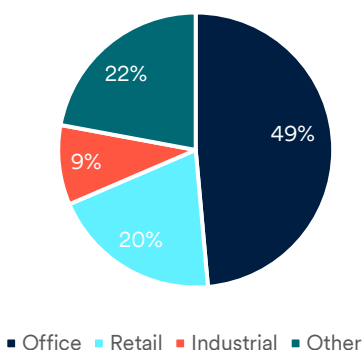
The property portfolio is well-diversified with properties located in growth cities in ten different countries. Germany, UK and France are the largest and most liquid investment markets and account 61% of IED’s portfolio. Further diversification is achieved through investments in Spain, Luxembourg, Denmark, the Netherlands, Sweden, Belgium, and Finland. The pie chart to the left illustrates portfolio allocation by country/region.

## City allocation



IED has its highest exposures in the cities London (18% - three assets), Paris (14% - six assets), Barcelona (8% - one asset), Copenhagen (7% - six assets), and Luxembourg (6% - one asset). Exposure in these five cities accounts for 54% of the portfolio value.

## Sector allocation

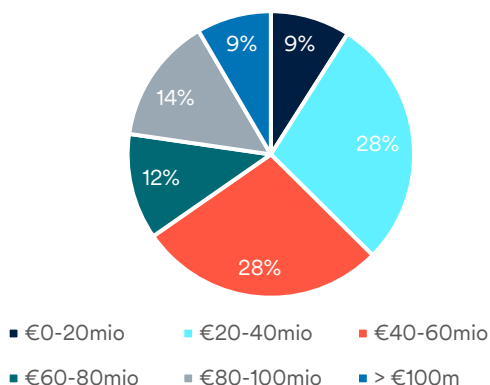


The traditional and most liquid sector offices accounts for 49%. Diversification has been achieved through retail (20%), industrial (logistics) investments (9%) as well as other (22% - i.e. hotel with 16%, education with 3%, leisure with 1% and other smaller uses with 1%).

The pie chart to the left illustrates portfolio allocation by sector.

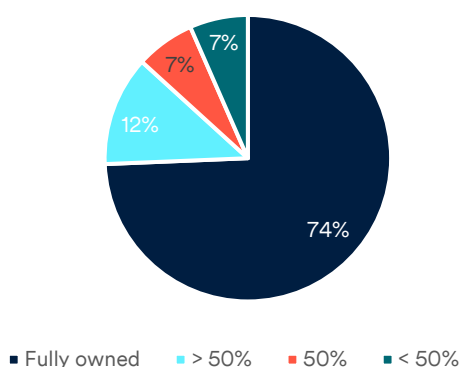


### Lot size allocation



Overall, property values are well spread, with IED’s allocations being well spread across lot sizes. The pie chart to the left illustrates portfolio allocation by lot size.

### Ownership allocation



Joint ventures are an important investment option as they provide the investment group with access to attractive assets of a larger size and in parts of the market, which otherwise would not have been available to the investment group. IED currently holds five properties in co-ownership, reflecting 25% of the portfolio value (i.e., Paris Resonance, four UK properties, excl. Seville for which NAV exposure is written to nil). The pie chart to the left illustrates IED’s ownership allocation.

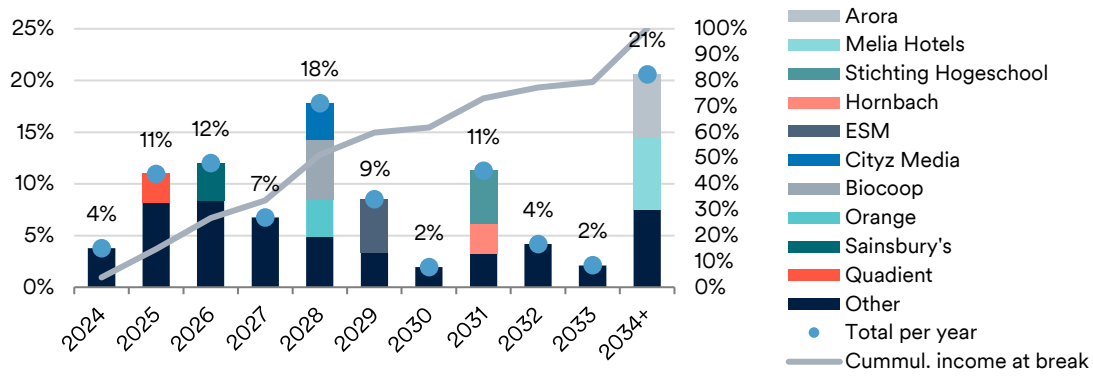
### Largest tenants

The ten largest tenants in the portfolio generate €31.3 million of rental income and represent 46% of contracted rents. The average unexpired lease term of the top ten tenants is 10.0 years to break and 12.9 years to expiry. In total, around 21% of leases have an unexpired lease term of around ten years and over.

#	Tenant	City	% Portfolio	Wault break (years)	Wault expiry (years)
1	Melia Hotels	Barcelona	7%	22.1	22.1
2	Arora	London, Gatwick	6%	25.3	45.3
3	Biocoop	Rennes / Bordeaux, Damazan	6%	4.2	5.8
4	ESM	Luxembourg	5%	5.3	5.3
5	Stichting Hogeschool	Rotterdam	5%	7.5	7.5
6	Orange	Paris, Resonance / Seville	4%	3.9	3.9
7	Sainsbury's	Romford	4%	1.7	1.7
8	Cityz Media	Paris, Well West	4%	4.5	4.5
9	Quadiant	Resonance	3%	1.0	1.0
10	Hornbach	Braunschweig	3%	7.2	7.2
<b>Top ten tenants</b>			<b>46%</b>	<b>10.0</b>	<b>12.9</b>
Remaining tenants			54%	5.2	6.0
<b>Total portfolio</b>			<b>100%</b>	<b>7.4</b>	<b>9.2</b>

## Lease expiry profile

The graph below shows the lease expiry profile of IED's current portfolio.



# Financing

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## Financing status

- IED's gearing comprises €292.4 million of bank debt, secured against 17 properties. IED has approximately €469 million of real estate assets without gearing. The overall portfolio LTV is 24% (based on portfolio values). This is well below the regulatory limit of 33%.
- IED has a revolving credit facility of €45 million which remains undrawn at the moment.
- A notional amount of €289 million is protected against interest rate fluctuations, reflecting a hedging ratio of 99%. The interest hedging ratio is above a 2/3 interest risk cover requirement.
- The average cost of debt is 2.8% including swap interest costs and the average time to maturity is 3.1 years.

## Currency exposure

- All property assets are Euro-denominated with the exception of (i) GBP Sterling-denominated exposure relating to the London, Manchester, Gatwick, and Romford properties, (ii) SEK-denominated exposure relating to the Stockholm property, and (iii) DKK-denominated exposure related to Copenhagen properties. At the end of March 2024, currency exposure before any form of hedge was 30% in GAV terms.
- The NAV-based impact of the investment group's non-Euro currency holdings currency exposure is lower than its GAV exposure. It lies around 29% (i.e. GBP 20%, SEK 4%, and DKK 5%).
- As the DKK is pegged to the Euro, there will be very limited impact from Euro/DKK exchange rate movements on IED's NAV.
- There is no other systematic currency hedge in place. This was agreed upon with investors at launch and is regularly communicated and discussed with Zurich Invest. In particular, IED does not hedge its CHF/Euro exposure.

# Investment group performance

## NAV development / Return per equity unit

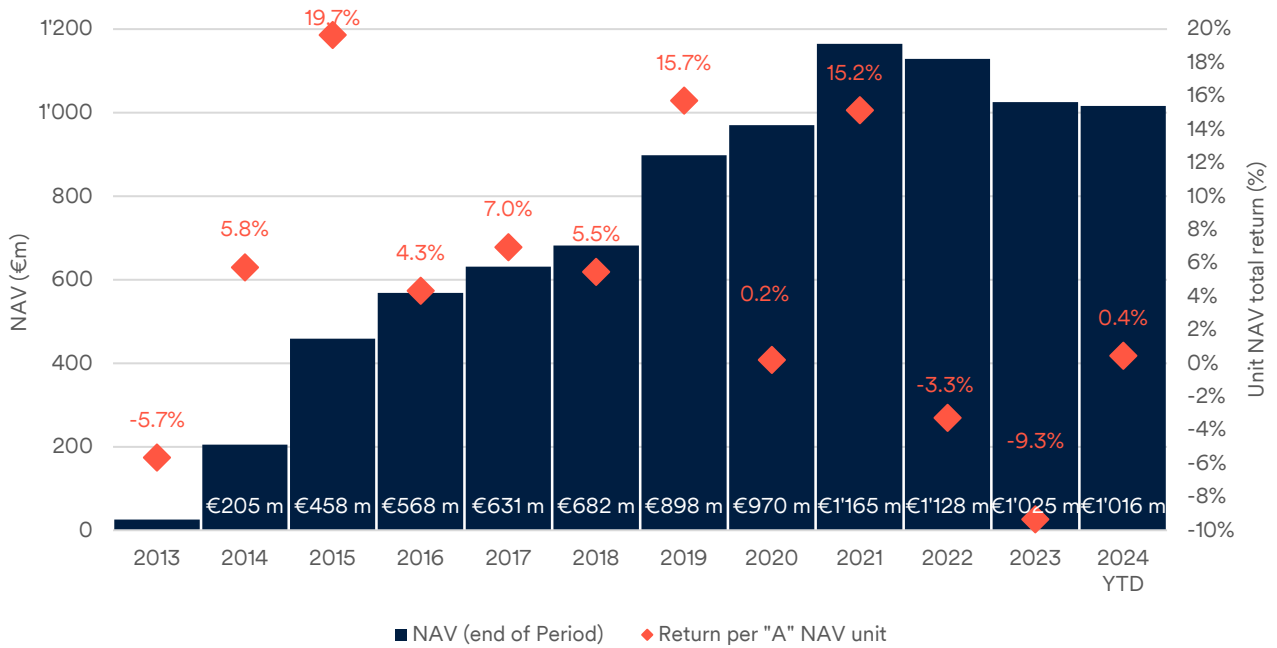
IED's net asset value (NAV) stood at €983 million at the end of June 2024.

The current net asset value per unit for the A share class ("A" unit NAV) is €1,653, which exceeds the initial issue price of €1,000, representing a return per equity unit of 65.3% since inception. This corresponds to an annual return per equity unit of 4.8% since inception.

The number of units stood at over 590,000 units at the end of June 2024.

The table and graph below show the per unit NAV returns over periods year to date, since inception and rolling 1-10 years respectively.

	June 2024						
	Year-to-date (Not annualised)	Since inception (p.a.)	Rolling 1 year	Rolling 3 years	Rolling 5 years	Rolling 7 years	Rolling 10 years
Return per "A" NAV unit	0.4%	4.8%	-6.5%	-1.6%	1.2%	3.6%	5.4%



## Waterfall of returns

- The total net result for the six months 2024 was €5.6 million, reflecting a return on equity of around 0.6%. Hereof, IED generated an income return of +2.2%\* and capital return of -1.6%\*.
- An overview of return components is summarised in the following table.

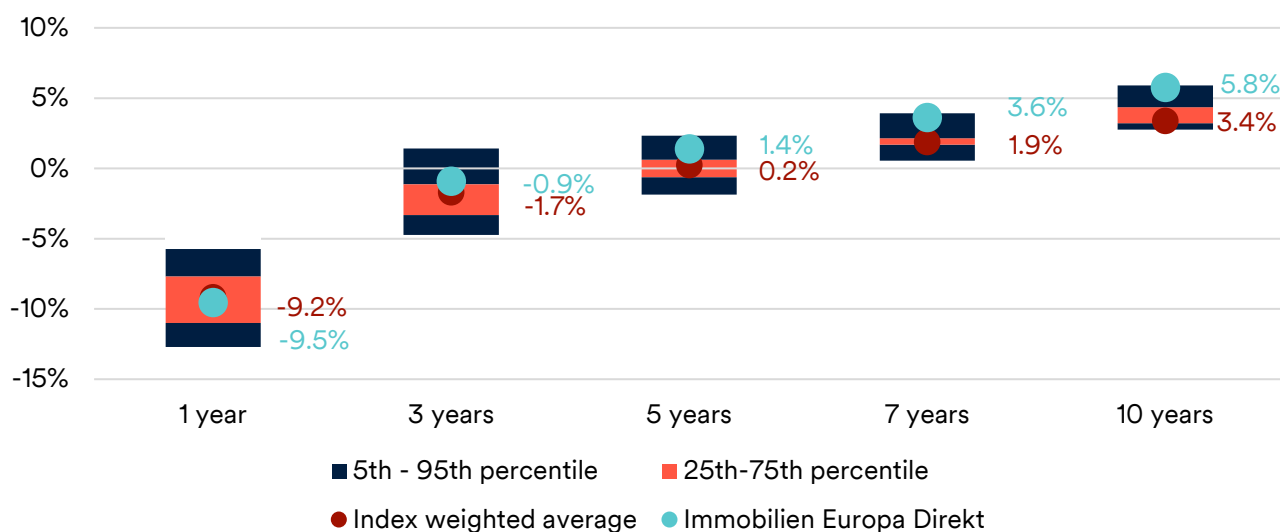
Investment returns YTD 2024	€m	% NAV*
Property income	32.5	3.3%
Finance costs	-3.3	-0.3%
Vehicle expenses	-6.1	-0.6%
Taxes	-0.7	-0.1%
Other	0.0	0.0%
<b>Income result</b>	<b>22.3</b>	<b>2.2%</b>
Property valuation (net of capex)	-22.2	-2.2%
Realised result	1.4	0.1%
Transaction costs	0.0	0.0%
Derivative valuation	-0.3	0.0%
Currency results	3.1	0.3%
Other (e.g. deferred taxes, impairment, other adjustments)	1.2	0.1%
<b>Capital result</b>	<b>-16.8</b>	<b>-1.6%</b>
<b>Total net result</b>	<b>5.6</b>	<b>0.6%</b>

\*Approximate split, including the performance of the Z share class.

## Benchmarking (March 2024)

### Performance relative (to MSCI Pan-European Property Fund Index - Balanced (PEPFI))

Our main target is an absolute performance target. We aim to reach an average distribution yield of 3%-5%. For the purposes of transparency and improving investor communication, we have compared IED with the MSCI PEPFI - Balanced to provide some context about the performance of the European real estate market relative to IED's portfolio. Please note that the index is not a formal benchmark and IED is not managed to track or to outperform this index. The latest available data from MSCI is to the end of the first quarter 2024. A comparison up to the end of the second quarter 2024 will be provided in IED's next report.



IED outperformed the index' fund over 3,5,7 and 10 years by between 0.8%-2.3% p.a. Over the last 12 months, index returns and IED's fund returns both were negative with IED returning -9.5%, whilst the index returned -9.2%.

## Key KGAST ratios

The “Konferenz der Geschäftsführer von Anlagestiftungen” (KGAST) defined standardised key ratios in order to enhance comparability across Swiss Investment Foundations and transparency of reporting data. The following data was identified by KGAST as key obligatory ratios to be reported in the annual accounts (“Berechnung und Publikation der Kennzahlen von direkt in der Schweiz investierenden Immobilien-Anlagegruppen” from 1 September 2016).

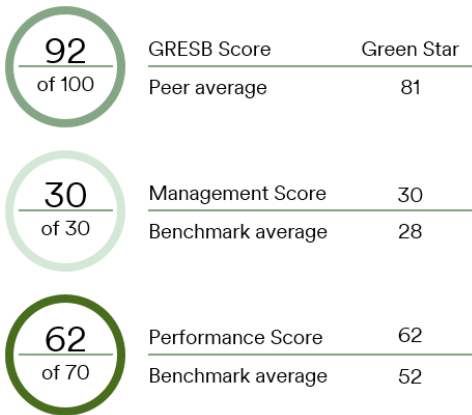
Type	Ratio	30 June 2024	Comment
KGAST	Rent Default Rate (Vacancy + Default) Mietzinsausfallquote	7.74%%	On a proportionally consolidated basis
KGAST	Borrowing Ratio Fremdfinanzierungsquote	24.13%	On a proportionally consolidated basis
KGAST	Gearing ratio Fremdkapitalquote	26.57%	On a proportionally consolidated basis
KGAST	Average cost of debt Verzinsung Fremdfinanzierungen	2.77%	As at 30/06/2024
KGAST	Operating profit margin (EBIT margin) Betriebsgewinnmarge	78.22%	On a proportionally consolidated basis
KGAST	A share: Total Expense ratio (TER) GAV Betriebsaufwandquote	1.05%	YTD / annualised / based on average GAV for period / on a proportionally consolidated basis
KGAST	A share: Total Expense ratio (TER) NAV Betriebsaufwandquote	1.42%	YTD / annualised / based on average NAV for period / on a proportionally consolidated basis
KGAST	Z share: Total Expense ratio (TER) GAV Betriebsaufwandquote	0.77%	YTD / annualised / based on average GAV for period / on a proportionally consolidated basis
KGAST	Z share: Total Expense ratio (TER) NAV Betriebsaufwandquote	1.04%	YTD / annualised / based on average NAV for period / on a proportionally consolidated basis
KGAST	A share: Return on Equity (ROE) Eigenkapitalrendite	0.49%	6 months per 30/06/2024 (Huwiler)
KGAST	Z share: Return on Equity (ROE) Eigenkapitalrendite	0.68%	6 months per 30/06/2024 (Huwiler)
KGAST	Dividend Ratio Ausschüttungsrendite	0%	The JIC decided to reinvest distributable income
KGAST	Payout Ratio Ausschüttungsquote	0%	The JIC decided to reinvest distributable income.
KGAST	A share: Return on Investment (NAV/unit) Anlagerendite	0.44%	6 months per 30/06/2024 (Huwiler)
KGAST	Z share: Return on Investment (NAV/unit) Anlagerendite	0.68%	6 months per 30/06/2024 (Huwiler)
KGAST	Remaining Lease Term (WAULT) Restlaufzeit der fixierten Mietverträge	7.41 years	Avg. years to earliest termination as at 30/06/2024
KGAST	Remaining duration of external debt Restlaufzeit Fremdfinanzierungen	3.11 years	As at 30/06/2024

## ESG summary

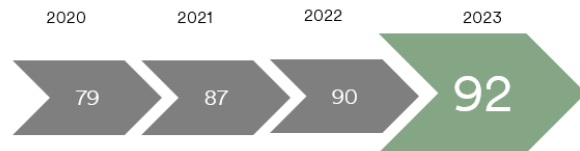
Schroders believes that consideration of Environmental, Social and Governance (ESG) characteristics is key to the long-term success of IED and that a successful sustainable investment programme should deliver enhanced returns to investors, improved business performance to tenants and tangible positive impacts to local communities, the environment and wider society.

The Sustainability Report, (latest version accessible [here](#)) sets out Schroders' approach to sustainability within the management of IED and reflects the programme of activities, including key performance indicators.

### GRESB 2023 ★★★★★



### GRESB 2023 – Continuous improvements



IED achieved in 2023 a 5-star GRESB rating and was able to increase the score to 92 points. GRESB Assessments capture information regarding ESG performance and sustainability best practices for real estate and infrastructure funds, companies and assets worldwide. An overview of the rating is provided below.

Source: Schroders Capital 2023, GRESB 2023, All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it. GRESB 5 Star rating achieved for the annual submissions made for 2021, 2022 and 2023.

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