ESG
REPORT

Colonies · 2nd Edition

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The need for accessible and quality housing for all to thrive.

The imperative transformation o
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Our impact extends throughout our entire eco-system

Our impact extends … entire eco-system

- Planet
- Investors
- Tenants
- Employees
- Partners

Contents

Who we are

Colonies in a nutshell

How?

Turnkey services : sourcing, works management, design, procurement, sales, operation, asset management, property management, tenancy management

What?

Coliving, Flatsharing, BTR, PBSA

Who?

Residential operator specializing in efficient capital allocation and property management for investors

When?

Founded in 2017

Where?

In metropolitan areas, in France, Germany, Belgium and Spain

Our mission

Provide great and sustainable housing solutions to reshape the residential market for good.

We aim to be Europe's leading housing brand, setting new housing solutions to reshape the residential market for good.

We aim to be Europe's leading housing brand, setting new industry standards.

Our Vision

What we offer

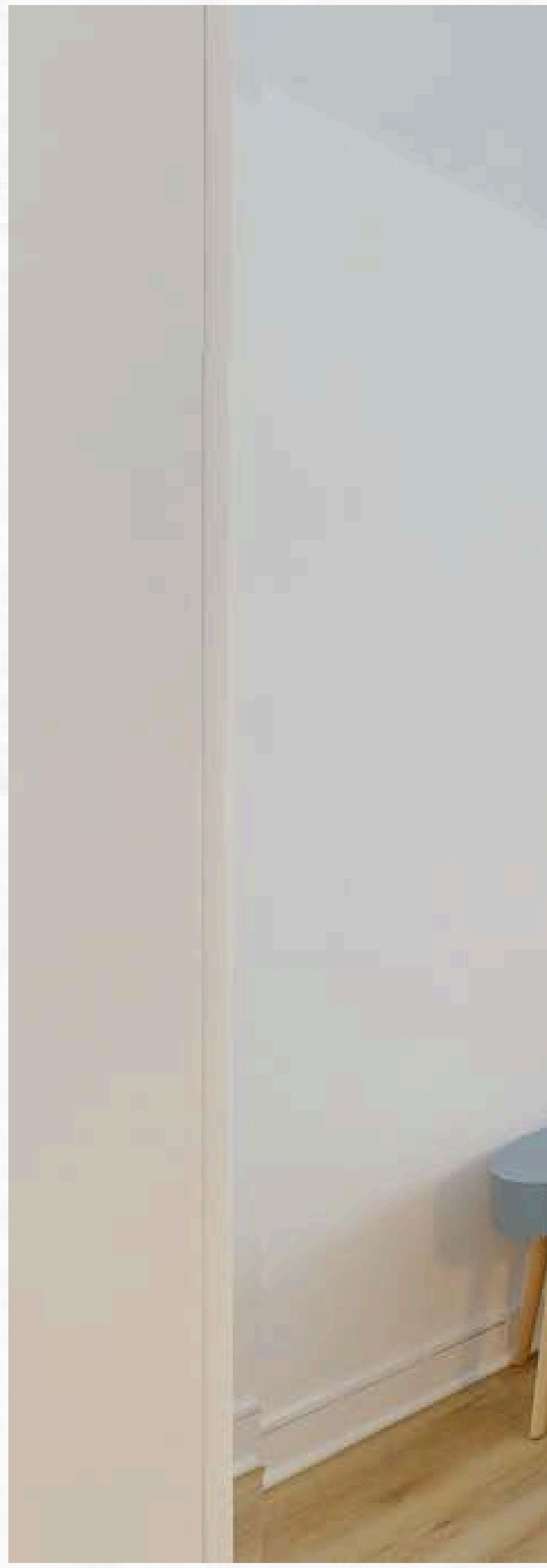
Coliving

A spacious residence with extra facilities and services designed for shared living

Surface
200 – 20 000 m2

Tenants
7 – 350+

Contract
Lease or Management



What we offer

Flatshare

A stylish flat designed for shared living

Surface
75 – 300 m2

Tenants
7 – 6

Contract
Management

What we offer

Private flats

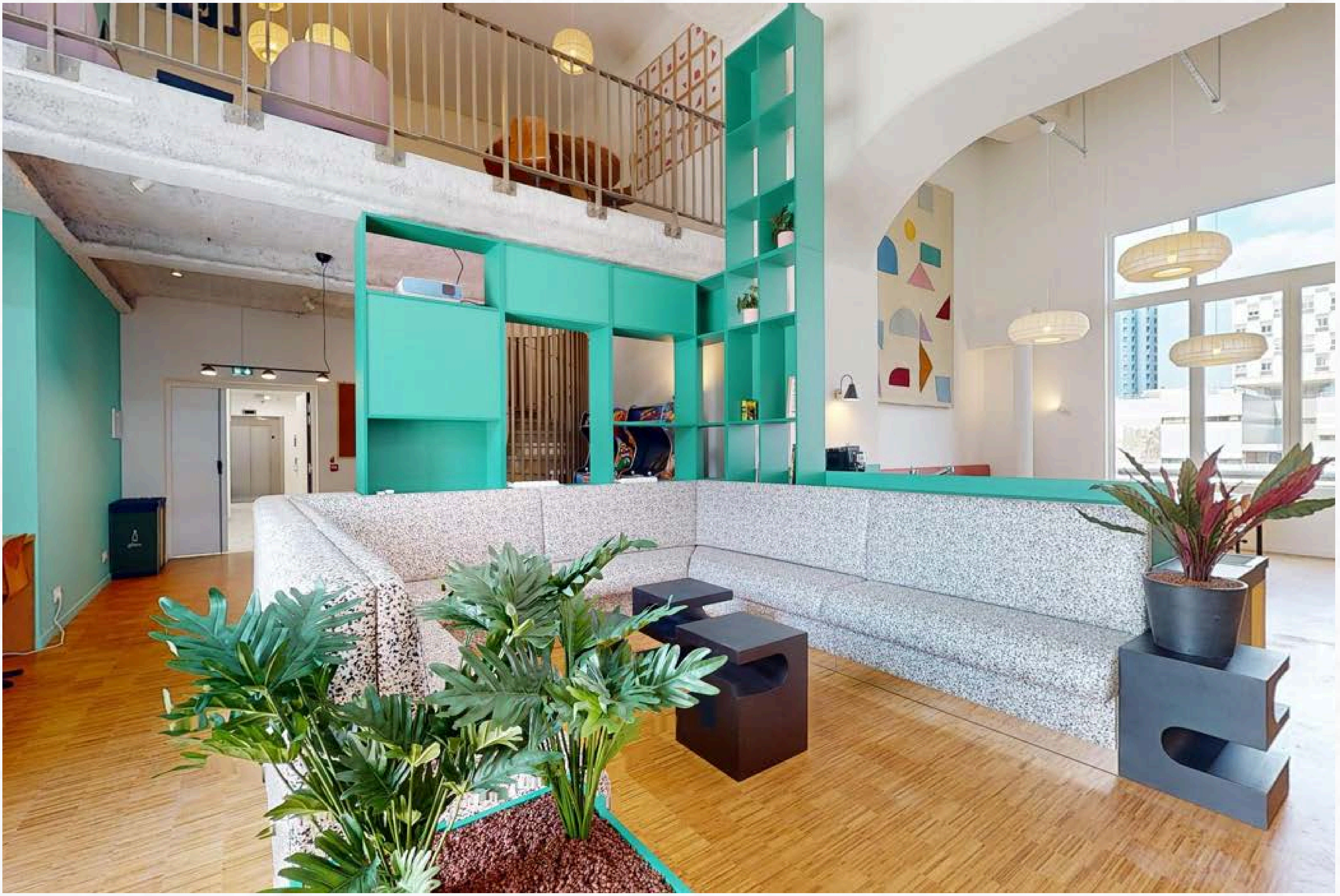
An individual furnished flat for total privacy

Surface
20 – 200 m2

Tenants
1 – 4

Contract
Management

What we offer



Student residences (PBSA)

A convivial residence, thought
for students communities

Surface
200 – 20,000 m2

Tenants
50 – 350

Contract
Lease or Management

What we believe in

What we believe in

Empathy

Ambition

Honesty

Agility

Joy

What we believe in

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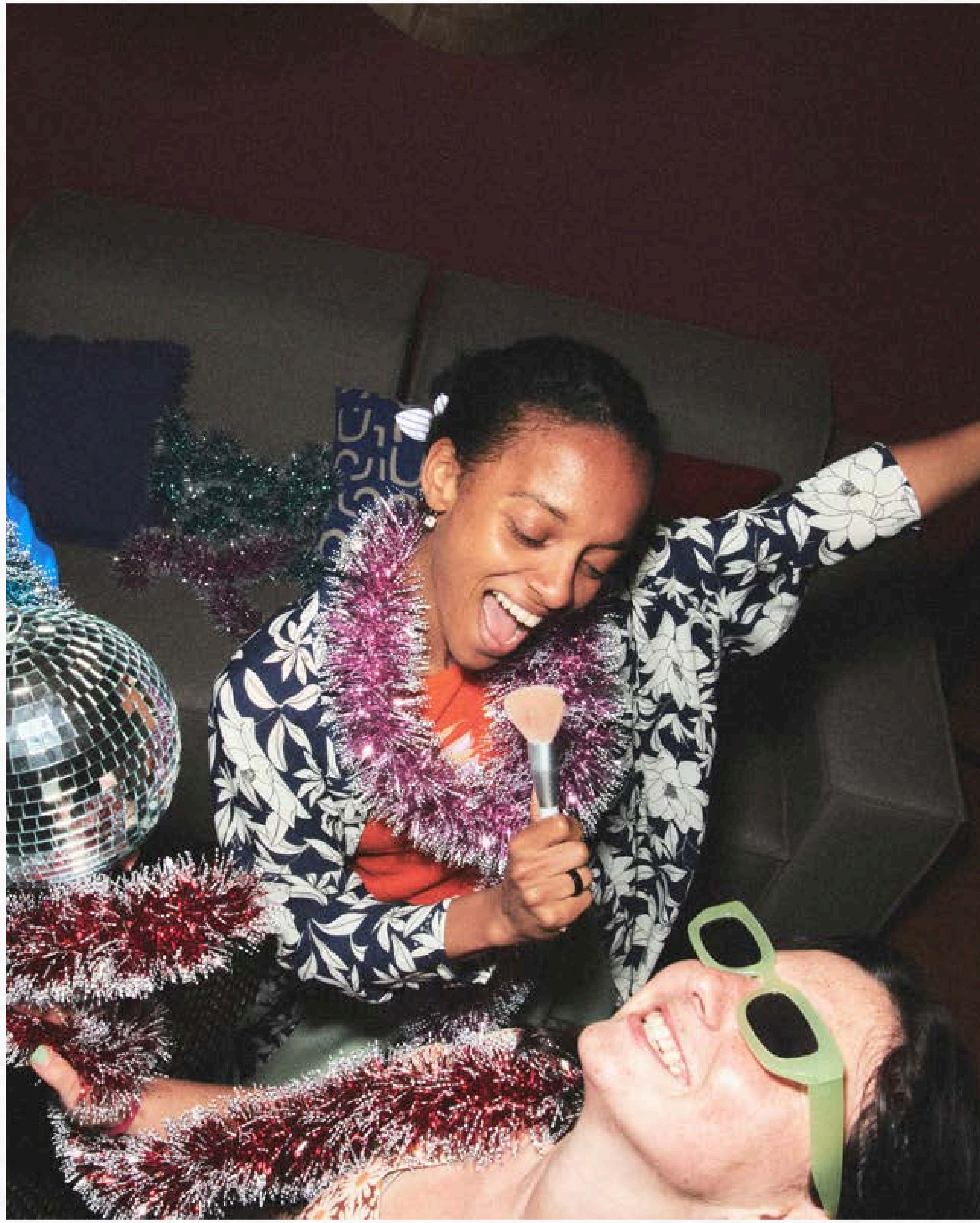


Our impact on the planet

Today, Real Estate represents 40% of all carbon emissions ...

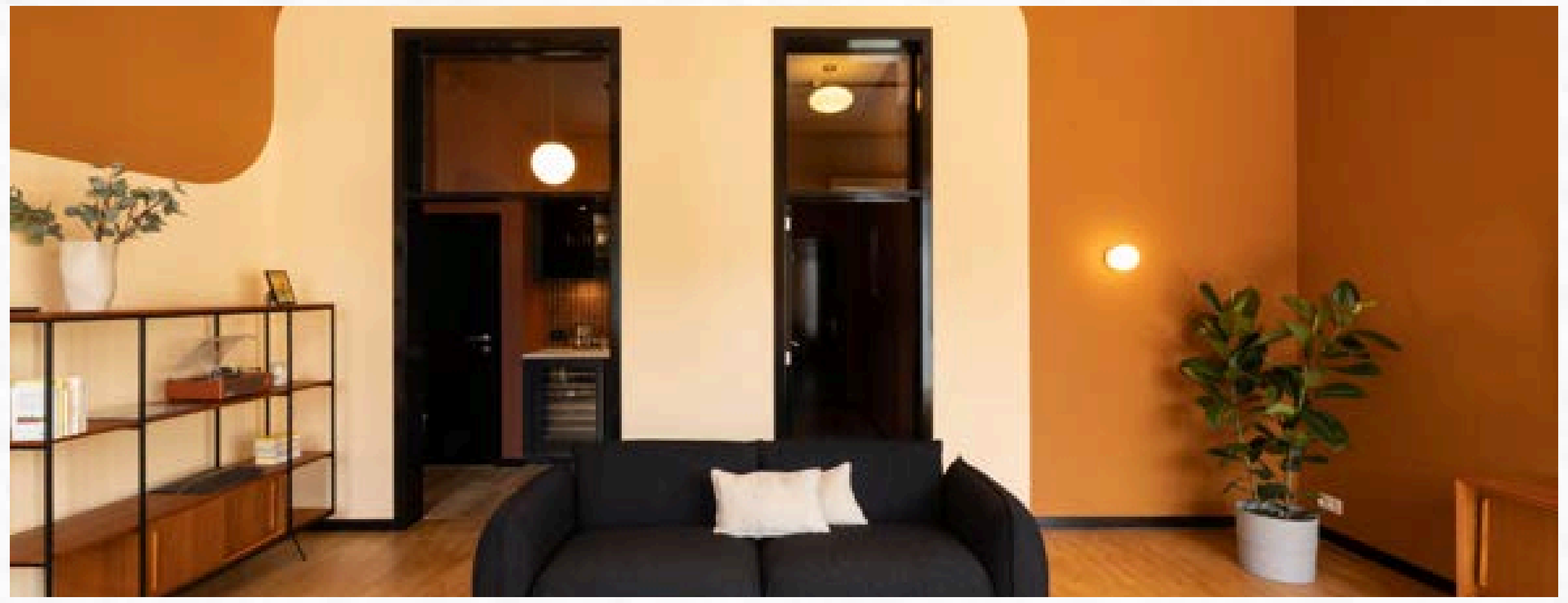
We do have an impact, especially through our works, design and energy consumption

Maximising our positive impact through

Energetic renovation

We work on assets of all sizes, but especially small ones that are often forgotten by energy-saving renovations.

Sustainable interior design



We systematically favour second-hand furniture, avoiding CO2 emissions, and we care about the origin of materials used.

Shared equipment & space

We densify by adding rooms to existing assets or converting office buildings into housing. Shared equipment among tenants reduce CO2 emissions.

How we measure it

Avoided Carbon based on NZI referential

We developed a methodology to measure Avoided Carbon with external consultants based on NZI referential

We developed a

Avoided Carbon

NET ZERO INITIATIVE REFERENTIAL

Define it as “Difference in greenhouse gas emissions compared with a reference scenario”.

REFERENCE SCENARIO

Assumption of the same property
solely to comply with regulations
renovation in some cases) and ac
the average number of inhabitant

We developed a ... to ... Avoided Carbon

O INITIATIVE REFERENTIAL

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pared with a reference
ario”.

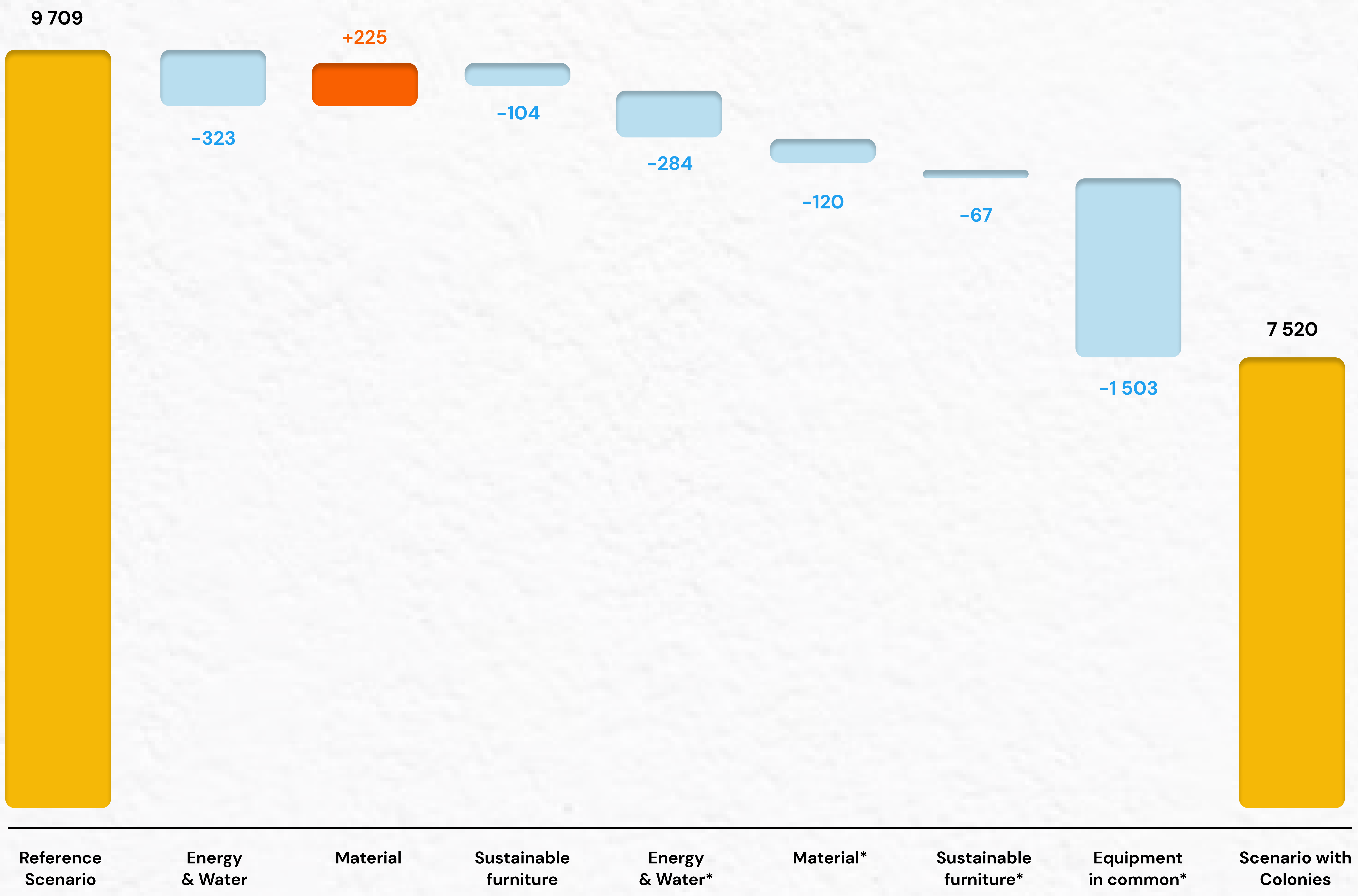
REFERENCE SCENARIO

Assumption of the same property renovated solely to comply with regulations (i.e. without renovation in some cases) and accommodating the average number of inhabitants in the town.

Total avoided carbon in 2024: 2,340t

23% less

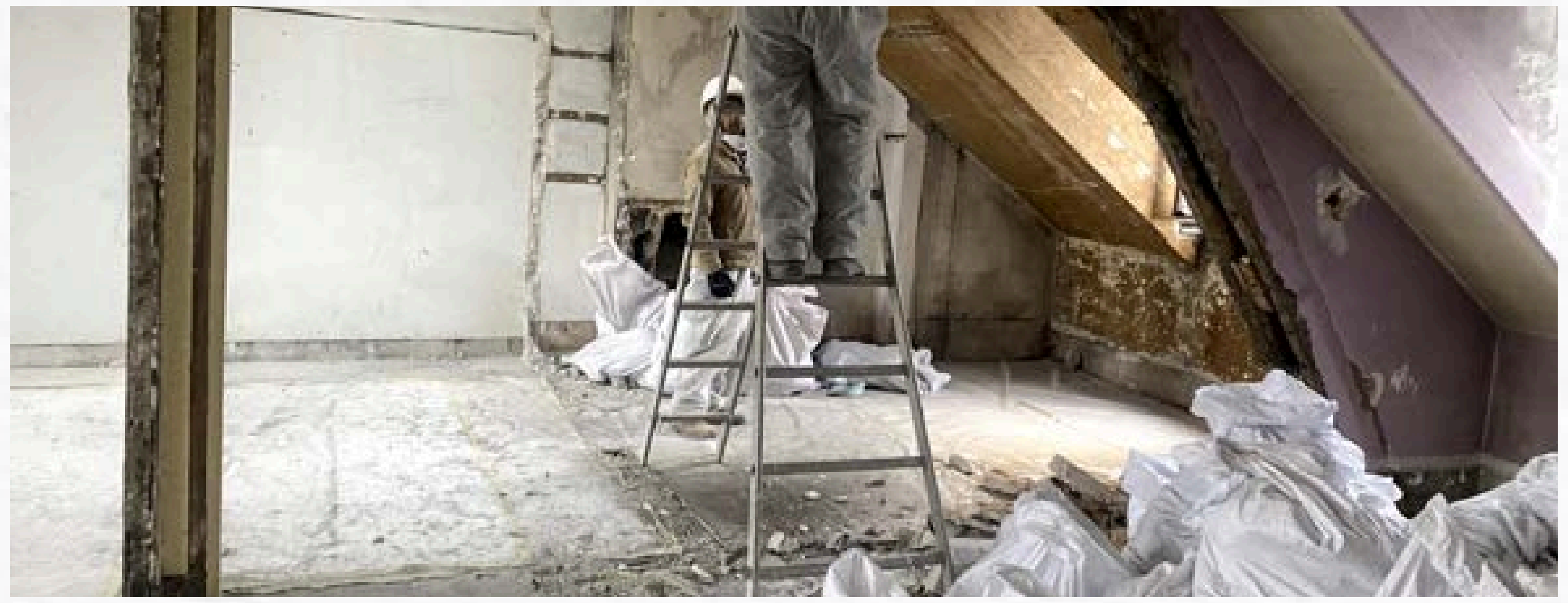
Than if we did not exist



* Densification only

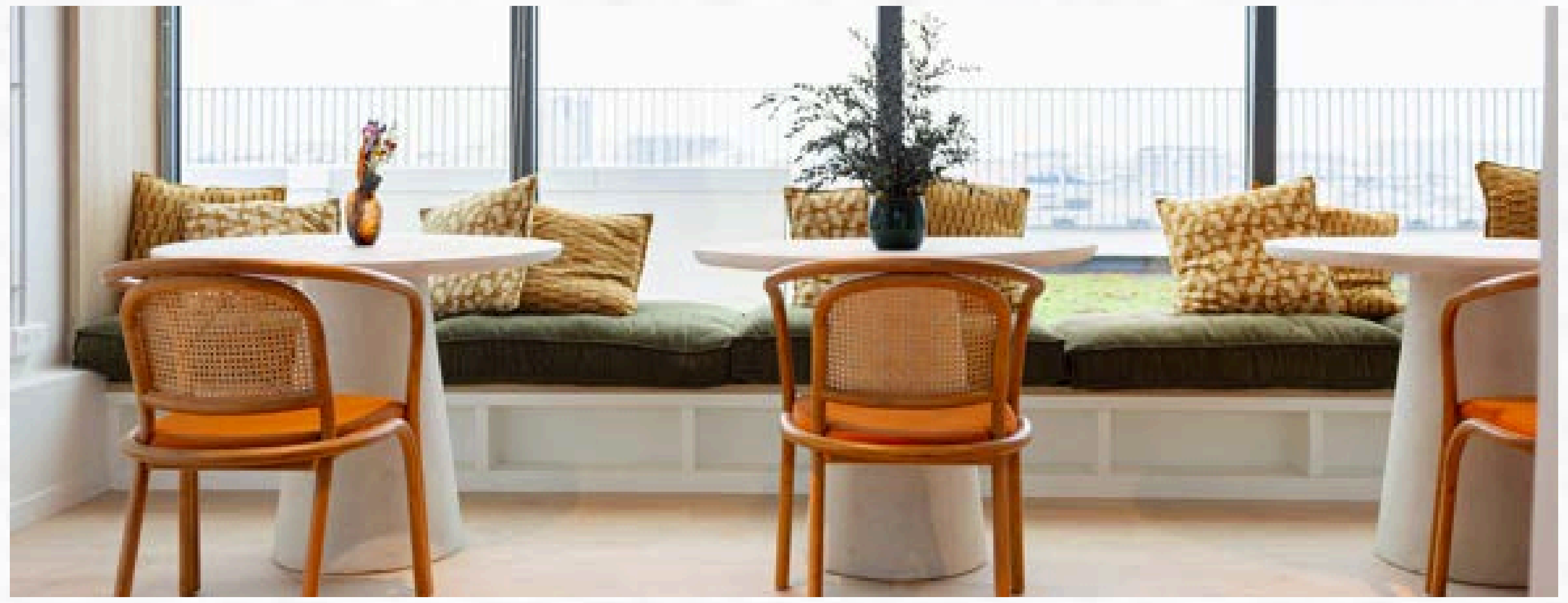
Minimising our negative impact through

Optimised Works



Even though we don't finance or own the buildings, we consider it our responsibility to include them in the carbon footprint calculation and develop an ESG action plan for construction works done by investors.

Sustainable Furniture



As we furnish our apartments and residences, we endeavour to reduce the environmental impact of our furniture and the way they are produced and transported.

Energy Reduction Actions

Our assets consume energy, mainly through heating and hot water. We take clear actions to reduce energy consumption as much as possible.

Method of calculation

Carbon footprint scope 1, 2, 3 (Certified BEGES, GHG)

It starts with measuring our **Carbon Footprint**

It starts with m Carbon Footprint

UNDERSTANDING THE IMPACT

Understanding our environmental impact is crucial to take effective action. Measuring our company's carbon footprint is the way we do it.

DATA COLLECTION

Beginning in 2021, we dedicated 2 years to collecting the necessary data and identifying key areas for improvement.

It starts with Carbon Footprint

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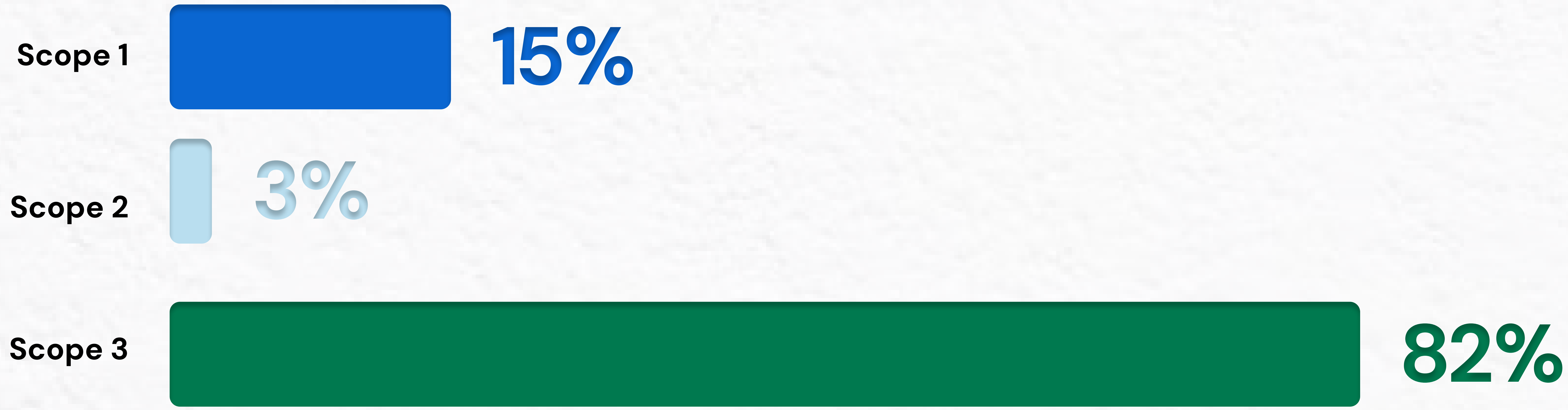
BILAN CARBONE

We have consistently employe
Bilan Carbone Method on scop
and 3. And in 2023, our report
certified by an external audito

Our 2024 Carbon Footprint

7,719 tCO2eq

vs 9,310 tCO2eq in 2023



The carbon footprint is calculated with an external partner, who certifies in BEGES and GHG protocol.

It starts with
our
Carbon Footprint

LECTION

ing in 2021, we dedicated 2
to collecting the necessary
nd identifying key areas for
vement.

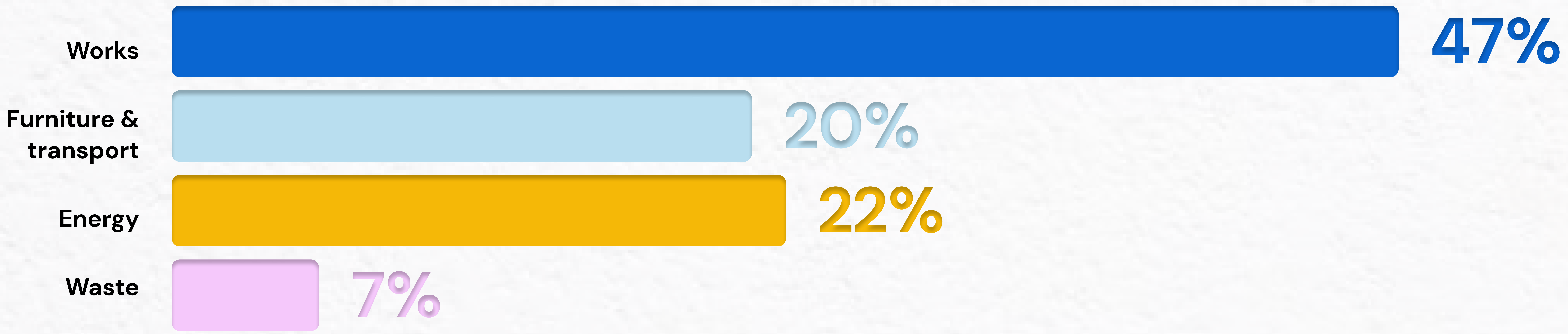
BILAN CARBONE

We have consistently employed the Bilan Carbone Method on scopes 1, 2, and 3. And in 2023, our reports were certified by an external auditor.

Our 2024 Carbon Footprint

2,8 tCO2eq/unit

vs 4,5 tCO2eq/unit in 2023



Why has it reduced between 2023 & 2024 ?

1/ A slowdown in Flatshare projects, resulting in a reduced works footprint
2/ A greater number of units in operation vs. units under construction, resulting in a smaller works footprint and a bigger energy footprint.

Then taking clear actions to reduce carbon emissions

Re-invoicing

Re-invoice abusive energy consumption to tenants to bring awareness on their consumption

Renewable energy

Contract renewable energy contracts for all asset types, to minimize our carbon footprint

Data

Better evaluation of consumption

Spot & address abnormal consumption

Energetic renovation

Improve energy performance and reduce consumption

With ambitious science based targets for the years to come, based on Sbti referential framework

-42%

Reduction of carbon emission
in absolute
for scope 1 & 2 by 2030
(base year 2024)

-52%

Reduction of carbon emission
in intensity (by unit)
for scope 3 by 2030
(base year 2024)

OBJECTIVE NET ZERO BY 2050

We felt it was essential to use the Science Based Targets initiative (SBTi) as a benchmark. It enables us to structure our approach to reducing emissions in a rigorous way, ensuring that our targets are ambitious, scientifically based and fully in line with the requirements of the Paris Agreement. By adopting this reference framework, we are affirming our determination to make a concrete contribution to limiting global warming to 1.5°C.

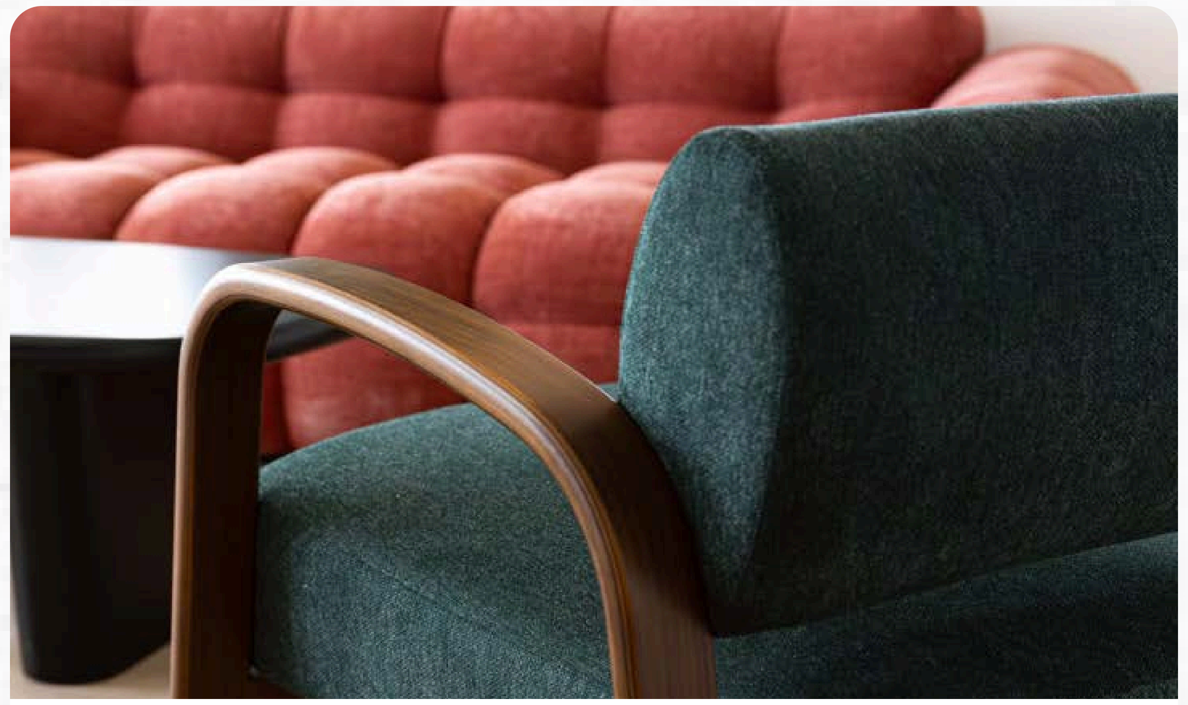
We're particularly proud of our Sustainable Design Objectives

100% of chairs are second-hand, recycled or eco-designed

80% ACHIEVED IN 2024

100% of wood is FSC-certified

80% ACHIEVED IN 2024



40% of furniture made in Europe

98% ACHIEVED IN 2024

Score A, A+ or B on household appliances

65% ACHIEVED IN 2024

We're particularly proud of our Sustainable Design Objectives

A bold strategy, with a clear impact

1,503t

Of carbon emissions avoided for the furniture due to densification

179t

Of carbon emissions avoided due to our Sustainable Design strategy

* if the shared furniture aspect is taken into account;

Example — Sustainable design

Holla Coliving

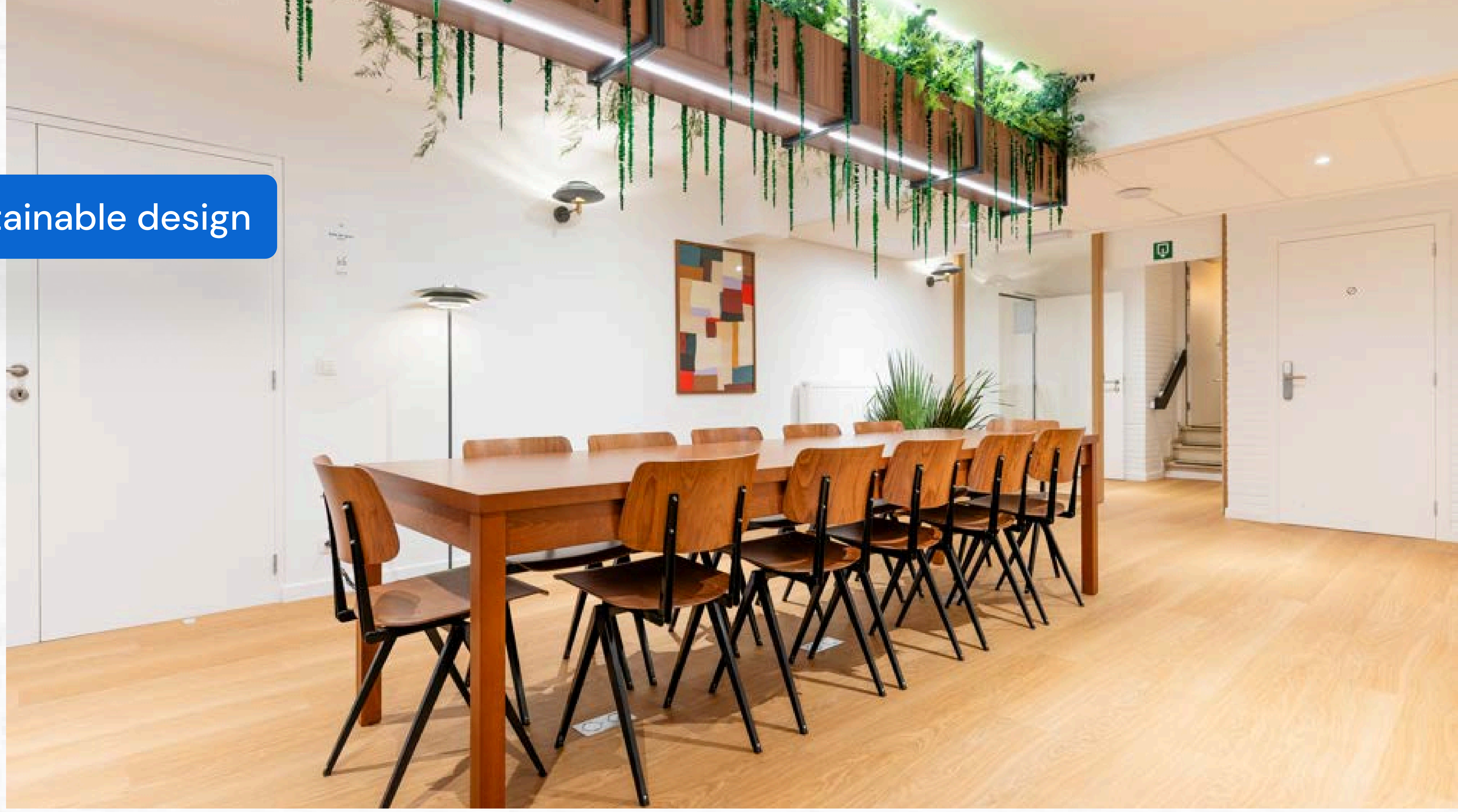
What's in our Coliving Residence?

- 3,197 m2
- 51 studios & 4 homes (semi private kitchen & living room)
- 17 independent studios
- Super-commons: gym, social lounge, coworking, cinema room, laundry, garden
- Refurbisment of senior residence into a coliving residence

Example — Sustainable design

How to minimise the environmental impact of a coliving residence in Brussels? We're willing to share our secret recipe:

- **90%** of chairs are second-hand
- **86%** of wooden furniture is FSC-certified
- **70%** of furniture is made in Europe
- **100%** of lamps are non-integrated LEDs
- **100%** of washing machines are rented



Our impact for Investors

Pioneering a more sustainable way to invest

Breaking barriers of residential market investment

A cheaper investment and more efficient execution. Extensive CSR reporting, aligned with CSRD and European taxonomy indicators

Pioneering a more sustainable way to invest

Meeting social challenges

A chance to answer to societal evolutions and reinvent the way we live in cities.

Pioneering a more sustainable way to invest

Offering sustainable solutions to housing needs

A sustainable way to invest while raising the housing number.
An opportunity to densify and convert existing buildings

Pioneering a more sustainable way to invest

Supporting renovations & limiting environmental impact

A set of tools and expertise to accompany renovating into energetic compliant assets. Close support for minimizing environmental impact for all our assets

We make it seamless to invest in, transform, and operate residential assets

TURNKEY SOLUTIONS

From property sourcing to operational management, we handle the entire value chain with our in-house, tech-enabled processes, ensuring a seamless experience for our investors.

DATA-DRIVEN

With our technology-focused approach and advanced data management system, we minimize investment risks, providing greater security for our partners.

VALUE CREATION

We outperform traditional players by delivering superior financial performance. Through innovative products, tech-enabled operations, tenant-centric design, and a commitment to sustainability, we create an exceptional tenant experience, driving higher returns for our investors.

We make it seamless to invest in, transform, and operate residential assets

Investors love it

2bn€

Committed capital from investors

And they even ask for seconds!

87%

Of investors have already deployed capital on a 2d project

Extensive CSR reporting

BASED ON CSRD AND TAXONOMY INDICATORS

Why bother? Because it’s the right thing to do.

Despite the fact we are not directly concerned by the CSRD directive, we chose to report on it, and to improve our pourcentage of alignment with european taxonomy. We do this in collaboration with our partners and shareholders, with whom we aim to develop more efficient projects.

A LITTLE BIT OF CONTEXT

The European taxonomy sets out a classification system for economic activities to determine whether they are environmentally sustainable or not (and avoid greenwashing).

These criteria are based on the Paris agreement & the objective to limit global warming to 1.5C by 2050. The European regulation obliges big companies or financial companies to report on their alignment with the European taxonomy, through CSRD (Corporate Sustainability Reporting Directive).

Responding to Societal evolutions

THE PROBLEM

According to INSEE, the number of households continues to rise, and not just because of demographic growth. Indeed, the increase in the number of separations, the decline in the number of large families and the rise in the number of single people have all led to a sharp increase in the number of households in recent years.

It is urgent to reinvent the way we live.

THE COLONIES ANSWER

New residential solutions, such as coliving, flatsharing, PBSA or BTR match new living needs, especially for single persons who still want to live in community without the hassle of a normal flatshare. We, at Colonies reinvent the way we live, diving deep into our tenants' needs and offering investors an alternative to the traditional housing market.

USING DATA TO UNDERSTAND TENANT NEEDS

We conducted several market surveys, in France and Germany, interrogating about 1600 young people on their view on the perfect housing solution, with a particular focus on Shared housing. This allowed us to better understands the need and design the exact product our target needs.
We coupled that with surveys for our current tenants, to give them the opportunity to tell them what they like and dislike and adapt our product accordingly.
We believe this is with this data-oriented approach that we will be able to better address the societal evolutions and market needs.

A sustainable way to invest while raising the housing number

THE PROBLEM

Today the housing renting market is very tense, and it is increasingly difficult for a tenant to find an accomodation. We estimate that 375 000 new housing units should be available each year in France to meet demand.

THE COLONIES ANSWER

Coliving and Flatsharing are the perfect solutions for densifying existing buildings, and avoid new constructions which are twice as impactful on the environment.
The densification also allows to pool resources and equipment, such as common spaces, furniture or home appliances. They are perfect solutions to build a more ecological and convivial city.

2,742

Units opened, of which 776 were not open at end of 2023

Converting office buildings into residential solutions

In the current housing crisis, converting office buildings is a solution we favour to contribute to expanding the residential market.

We already open 4 residences that were former offices, and a good example is our Residence Themis, located in Cergy, formerly used as public offices and now welcoming 81 tenants.

48%

Of our units created were not housing before

Support renovating into energetic compliant assets

We are equipped to support investors into energetic renovations and globally improve the assets we take into management.

For small assets like Flats and Flatshare, we are committed to achieving at least a EPC D rating for your property, thanks to a range of:

- Tools developed in-house (in particular costing and data analysis tools)
- External tools (professional DPE diagnostician tools and training by a diagnostician).

94%

Is the proportion of Colonies assets with EPC (DPE) above D in 2023 vs 60% in average in France

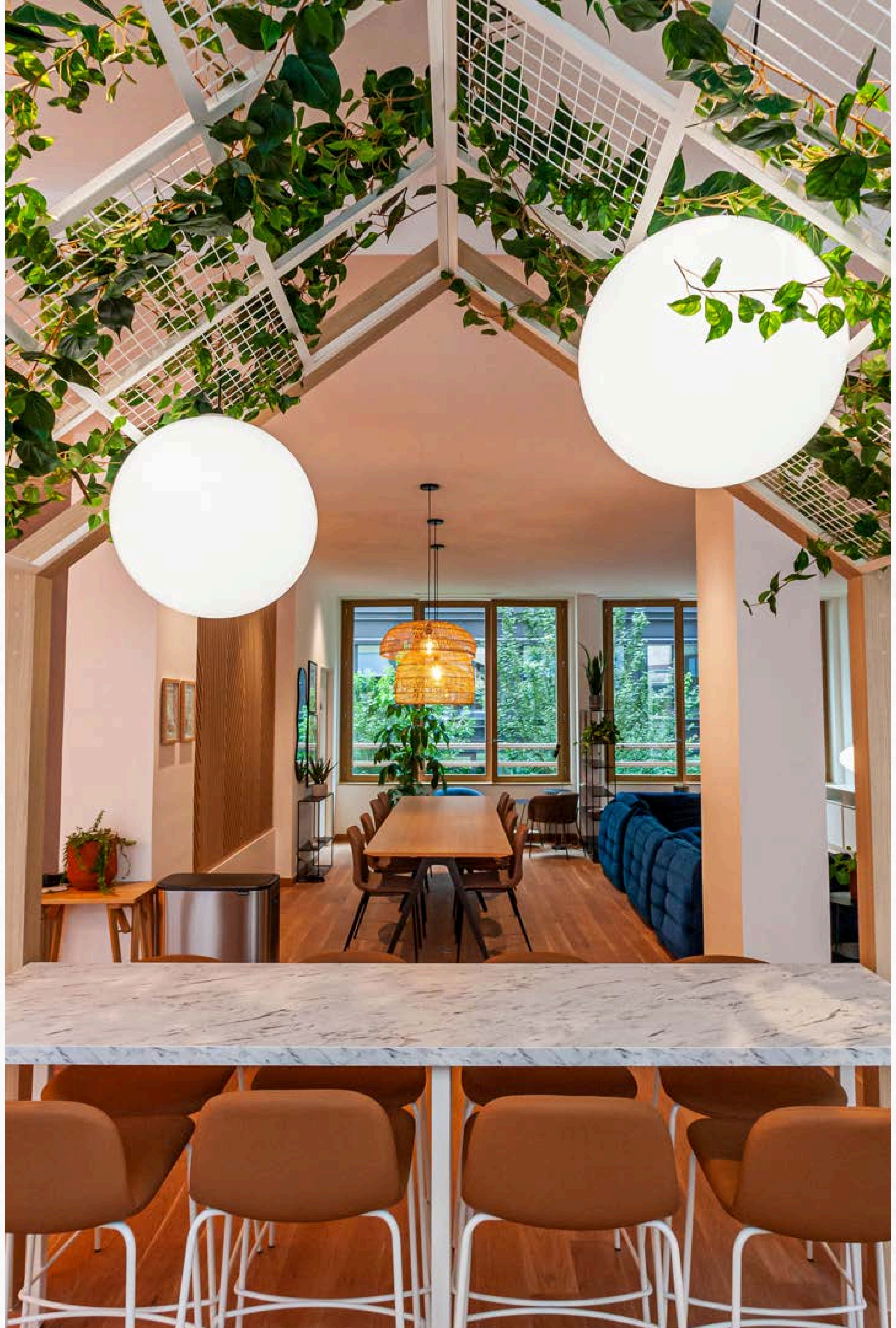
32%

Units with improved DPE (EPC) among projects with less than 1000 m²

Ensuring limited environmental impact for all our assets

For all type of assets, especially the ones where we don't do construction works, we developed strict technical specifications to make sure they match our minimum requirements in terms of environmental impact:

- Certifications and minimum energy performance
- Limited water flow to 8L/Min for showerhead and 5L/min for taps
- Energetic score A for technical equipment and home appliances
- Extended warranty for home appliances



100%

Units are in residences of more than 1,000 sqm, and part of the Top 30% most performant buildings of their area

Our impact for Tenants

We facilitate access to housing solutions for tenants via

— An online process flow
— A facilitated process
— An all-inclusive offer

Our mission is to provide sustainable housing solutions to transform the residential market.
We believe the current market doesn't meet young people's needs and aim to offer diverse options: affordable shared flats, community living with some privacy, and convenient, all-inclusive, online-accessible housing.

Our goal is to provide the right housing solution for everyone

100%

Of our properties can be visited and applied to online

41%

Of our tenants are foreigners, for whom it is even more difficult to secure a housing solution

28

Is the Colonies tenant's average age

509

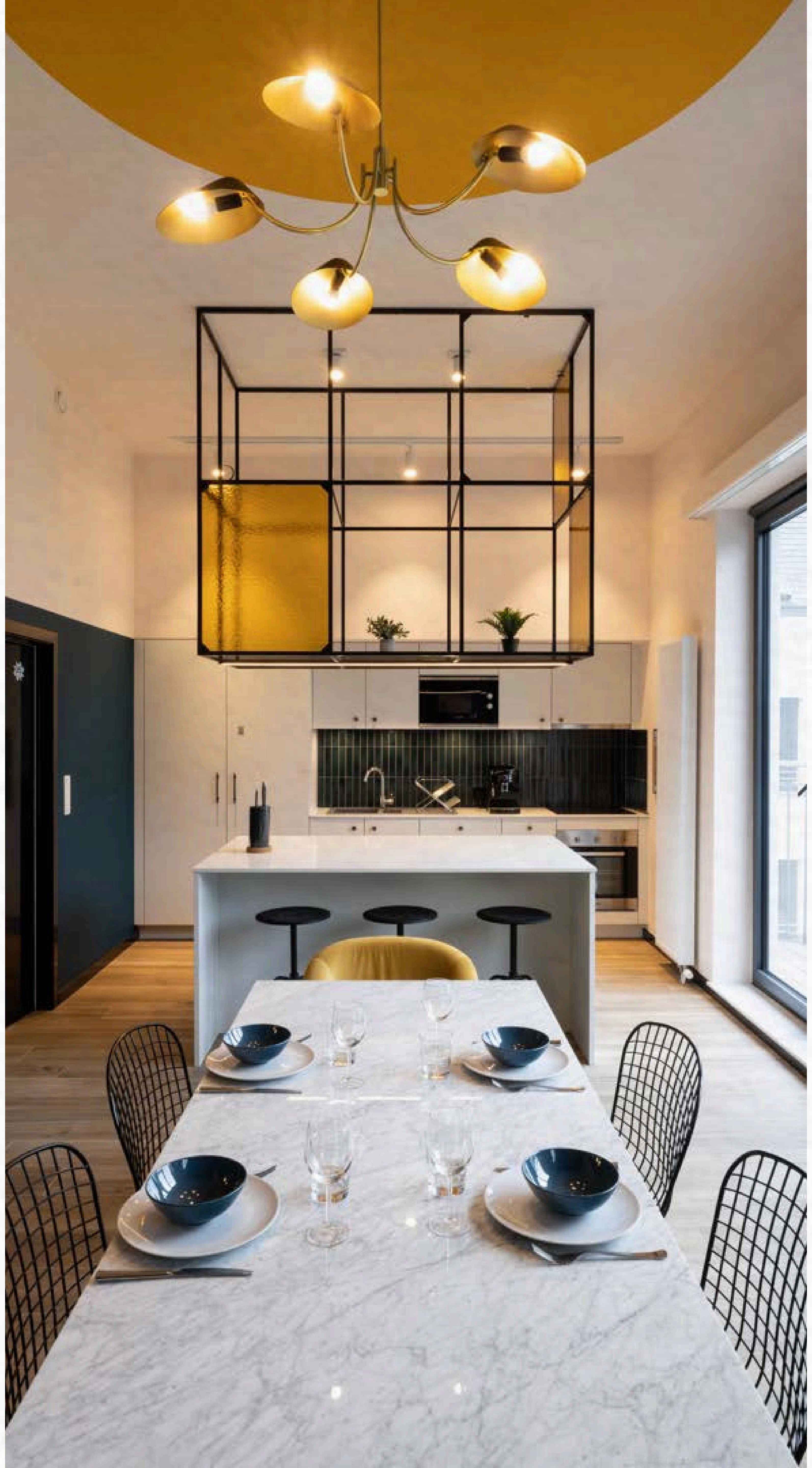
Units with a INLI, reserved for a specific population

Tenant well-being is at the heart of our designs

We want to provide more than just a basic furnished flat with cheap furniture and minimal cutlery...
We think our spaces for the tenant who will live in them.

Our spaces are designed with the tenant's needs in mind, aiming to provide a valuable experience, whether in a community setting or solo.

Finally, our spaces are thoughtfully created to be shared or kept private, depending on the tenant's desired level of intimacy.



In our homes, no matter your budget, you'll always have:

- A double bed
- A dedicated workspace
- A well-equipped kitchen, where you can cook & bake
- A place to do laundry without needing a laundromat

Sustainable design plays a key role in tenant well-being

60

Pieces of furniture, decorative items and equipments in our flats in average vs 20 for a legal furnished flat

56%

Of our Fabrics are certified OekoTex,

Pieces of furniture, decorative items and equipments in our flats in average vs 20 for a legal furnished flat

57%

Of our Fabrics are certified OekoTex, a label answering to strict safety & environmental standards with a target at 80% by 2028

20%

Is the response rate to our resident

Of our Fabrics are certified OekoTex, a label answering to strict safety & environmental standards with a target at 80% by 2028

20%

Is the response rate to our resident product survey launched in 2024. A data driven approach is crucial to improve our product and adapt it to our tenants' needs.

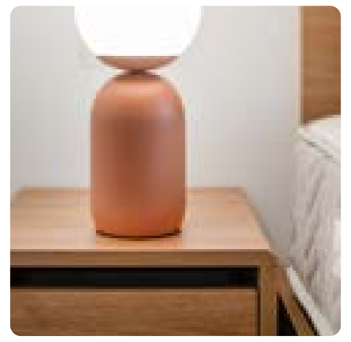
Coliving room furniture is designed by Colonies

We chose to design our Coliving room furniture with the tenant in mind. So, in order to combine design with sustainability, we partnered with a French manufacturer in Lille, France, who crafts the furniture using FSC-certified wood.

CUSTOM-MADE PIECES INCLUDE

A bed with extra storage space, complementing a spacious wardrobe, addressing our tenants' frequent need for more storage.

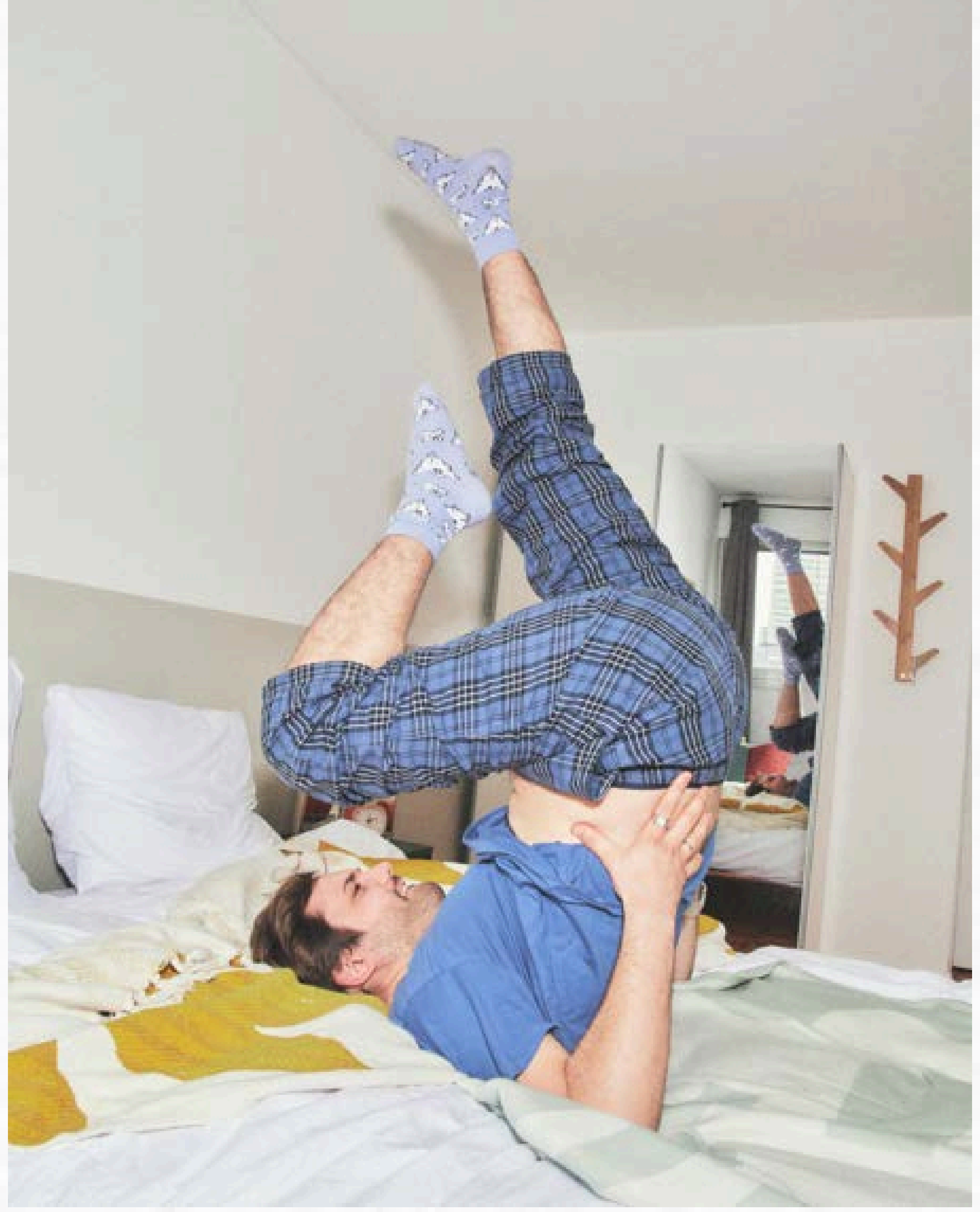
A durable, large desk built to last, designed to serve multiple purposes over time



A versatile, sturdy nightstand that can be tucked under the bed or used as additional seating.

Our impact for our People

We are rewarded fairly



We grow as a team

We care for our people

Our priorities

We are rewarded fairly

We follow a simple principle

Equal Performance
=
Equal Reward

93/100

Is our gender Equality index
vs. 85/100 in 2023
& with a goal to reach 95/100 in 2025

4x

Between highest and lowest salary

100%

Of French employees have stock options

We grow as a team

PERSONAL DEVELOPMENT

We create a work environment and informal moments that foster the growth and well-being of our employees.

"

WORKSHOP "LA FRESQUE DE L'IMMOBILIER DURABLE"

After joining several workshops, like the ones on biodiversity and climate, I found the one on sustainable real estate much more concrete and connected to my job. It helped me better understand the challenges in the real estate sector and gave me ideas for practical changes I can make in my daily work. It is very motivating to see that we can all work together to better address climate change.

" Josephine, Project Manager

We care for our people

PERKS & BENEFITS

We have the right set of perks, policies and benefits to help each other stay at our best.

Moka Care, a tool to support mental health and our tenants' well being

Gymlib, a perks that allow collaborators to access sport events and classes

Lattice, a tool to follow employee satisfaction and performance all year long

Our impact for other Stakeholders

Corporate ethics

We commit to conduct our business fairly, respecting the ones who work for us and with us.

Our Sustainable Procurement Policy

Colonies believes it is essential to collaborate with suppliers who actively work to minimize any adverse environmental and social impacts resulting from their operations, while supporting our mission to create sustainable and innovative living spaces.

This policy applies to all Colonies entities across our European operations (France, Germany, Belgium, and Spain), and concerns all employees, managers, contractors, and business partners involved in procurement decisions.

As an example, we commit to sourcing furniture, fixtures, and equipment (FFE) exclusively from suppliers who can demonstrate compliance with our environmental and social standards. We prioritize suppliers with recognized certifications (FSC, Oeko-tex) and those committed to circular economy principles. We are dedicated to building a more sustainable supply chain by setting impactful and relevant objectives. We set ambitious targets that 100% of our FF&E will meet our sustainability criteria by 2028: FSC-certified wood, Oeko-tex certified fabrics, and 80% European manufacturing.

Additionally, we aim to have all our strategic suppliers sign our Supplier Code of Conduct by 2025.

The Procurement team, in collaboration with the Head of ESG, is responsible for developing this policy and presenting annual objectives to the ESG Board. They must also design initiatives and tools to improve company performance and identify best practices that the company can use to meet its commitments and achieve its objectives.

The Procurement team regularly updates this policy and will communicate any changes to stakeholders.

A comprehensive approach, depending on the type of suppliers

We conduct a “Supplier risk mapping” every year, to make sure we address environmental, social and financial risk associated to our significant suppliers

We put in place a process for all suppliers qualification, including ESG criteria

We created a system of ESG scoring to evaluate the progression of our most significant suppliers

All of our suppliers have contractual clauses on anti-corruption and respect of human rights in their contracts

We ensure that we have set annual targets to support our sustainable procurement policy from 2025

OUR SUSTAINABLE PROCUREMENT KPIS

Environmental KPIs:
- reduction of carbon emissions: transport
- sustainable design criteria :
  - % FSC wood
  - % Oeko Tex fabrics
  - furniture made in Europe
  - % chairs or furniture second-hand or eco-designed in France
- % FFE replacement

Social KPIs:
- Number of suppliers with framework contract
- Number of suppliers audited
- Ratio of certified companies

Governance KPIs:
- Average payment time for our suppliers
- % of supplier non-payments

We involve all our team members in conducting ethical business

We provided all our employees with training on anti-corruption practices to ensure they can identify and address any related issues.

100%

of our people have been trained in anti-corruption practices

0

incident of corruption have been reported

UN Global Compact

Our commitment to the United Nations Global Compact principles

CORPORATE RESPONSIBILITY

At Colonies, we are deeply committed to upholding the principles outlined in the United Nations Pact. through our dedication to corporate social responsibility, we pledge to promote human rights, uphold labor standards, protect the environment, and combat corruption in all forms.

ACCOUNTABILITY

To ensure accountability and transparency in our efforts, we have established a monitoring mechanism using a dedicated form, where stakeholders can report any concerns related to our adherence to the Pact. This mechanism will serve as a centralized platform for receiving feedback, allowing us to promptly address issues and continuously improve our practices.
As per 2023, No incident has been reported

COLLABORATION

By integrating this monitoring system into our operations, we demonstrate our unwavering commitment to responsible business conduct and our determination to contribute positively to global sustainability efforts. At Colonies, we believe that by working together with our stakeholders, we can create a more equitable and sustainable future for all.

We are so proud of the impact we already have, and we plan to have more !

If you need anymore info on this, or want to share something with our ESG team, please reach out to us.