PATRIZIA SE
Augsburg

Combined Management Report for the Company and the Group and Annual Financial Statements for the Financial Year from 1 January 2024 to 31 December 2024

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Key figures

Financial performance indicators

	2024	2023[1]	Change
Assets under Management (AUM)	EUR 56.4bn	EUR 57.3bn	-1.5%
EBITDA	EUR 46.5m	EUR 42.1m	10.5%
EBITDA margin	17.5%	13.2%	4.3 PP

[1] Restatement due to error correction
PP = percentage points

Revenues and earnings

EUR k	2024	2023[1]	Change
Revenues	255,667	292,434	-12.6%
Total operating performance	292,255	309,795	-5.7%
EBITDA	46,544	42,131	10.5%
EBIT	11,174	-6,866	-262.7%
EBT	3,411	-11,251	-130.3%
Net profit/ loss for the period	2,379	-15,637	-115.2%
Attributable to shareholders of the parent company	*12,867*	*-5,809*	*-321.5%*
Attributable to non-controlling interests	*-10,488*	*-9,828*	*6.7%*

[1] Restatement due to error correction

Structure of assets and capital

EUR k	31.12.2024	31.12.2023[1]	Change
Non-current assets	1,397,416	1,369,115	2.1%
Current assets	332,128	517,626	-35.8%
Equity (excl. non-controlling interests)	1,084,232	1,121,088	-3.3%
Equity ratio (excl. non-controlling interests)	62.7%	59.4%	3.3 PP
Net equity ratio	68.6%	71.7%	-3.1 PP
Non-current liabilities	430,777	478,203	-9.9%
Current liabilities	180,021	247,897	-27.4%
Total assets	1,729,543	1,886,740	-8.3%

[1] Restatement due to error correction
PP = percentage points

PATRIZIA share

ISIN	DE000PAT1AG3
SIN (Security Identification Number)	PAT1AG
Code	PAT
Issued shares as at 31.12.2024	92,351,476 shares
Outstanding shares as at 31.12.2024[1]	86,228,868 shares
Treasury shares as at 31.12.2024	6,122,608 shares
2024 high[2]	EUR 9.09
2024 low[2]	EUR 6.89
Closing price as at 31.12.2024[2]	EUR 7.90
Share price performance 2024[2]	-3.7%
Market capitalisation as at 31.12.2024	EUR 0.7bn
Average trading volume per day 2024[3]	62,694 shares
Indices	SDAX, MSCI World Small Cap, CDAX, Classic All Share, DAXsector Financial Services, DAX Subsector Real Estate, Solactive DIMAX Deutschland, Prime All Share, DAXPlus Family, DAXsector All Financial Services, CBOE Germany Small Cap 50, STOXX Europe Total Market

[1] Reduced number of shares compared to the issued shares due to share buybacks | [2] Closing price on Xetra-trading | [3] All German stock exchanges

Preamble by the Executive Directors

Dear Shareholders,
Dear Readers,

PATRIZIA in the Financial Year 2024 (FY 2024) navigated through a continued challenging market environment. The appetite for investments in real assets was still comparably low across the real estate and infrastructure markets. Nevertheless, when the right opportunities arose, we grasped them, investing more than EUR 1.8bn on behalf of our clients throughout the year. In the second half of 2024, client investment activity slowly improved with more capital being reallocated to the real assets sector. We expect this to have a positive impact on our business in the mid-term.

We continue to see a world in transition with fundamental geopolitical changes that are impacting our societies and economies. However, we also see that economic and social change is driven by four powerful megatrends. We call them the DUEL megatrends: the Digital, Urban, Energy and Living transitions. Based on the DUEL megatrends, we developed our new mid-term strategy last year to become the go-to manager for smart real asset solutions with assets under management (AUM) of more than EUR 100bn by 2030. We are focusing on five key growth areas that will power growth in this new cycle: Living, Value Add, European Infrastructure, RE-Infra and our independent multi-manager platform Advantage Investment Partners (AIP).

Underpinning the DUEL megatrends and our growth areas is technology. Technology is the key driver for the convergence of the two main asset classes: real estate and infrastructure. We believe our expertise in technology-driven investments and our ability to integrate real estate and infrastructure will differentiate us as the partner of choice for future-focused portfolios. We see ourselves at the forefront of this convergence which we call ‘RE-Infra’, leveraging technology as the key driver of future value.

Our new strategy is inspired by the same entrepreneurial ambition which has been at the heart of PATRIZIA since its founding in 1984. It is based on delivering attractive investment solutions for our clients in selected growth areas while addressing societal needs and is underpinned by our resilience, our diverse international footprint and well-established long-term client relationships.

Operating and financial performance

PATRIZIA’s business in FY 2024 was still impacted by the overall low appetite for investments in real assets due to persisting strong market headwinds. Management fees and performance fees came down compared to the previous year due to the lower AUM base and lower realisations for our clients. Transaction fees were virtually unchanged compared to last year, confirming signs of stabilisation in the market. One note of encouragement though was that the equity raised for future investments on behalf of our clients nearly doubled year-on-year (y-o-y). The Company closed FY 2024 with a consolidated EBITDA of EUR 46.5m, which corresponds to an increase of EUR 4.4m compared to the restated figures of the previous year. This development was impacted by a number of items which we will run through below.

While total service fee income – which includes management, transaction and performance fees – dropped y-o-y by EUR 48.3m and net sales revenues and co-investment income declined by EUR 4.1m, other income (excl. reorganisation effects) increased by EUR 20.3m y-o-y and continued to significantly support EBITDA in FY 2024. In response to the lower revenue generation, we intensified cost-efficiency measures and reduced operating expenses (excl. reorganisation effects) by EUR 31.6m. Both other income and operating expenses were impacted by one-off effects in FY 2024. Reorganisation effects again materially impacted EBITDA with EUR 10.9m, however this was slightly lower y-o-y.

The gap between EBITDA and consolidated net profit attributable to shareholders of the parent company is primarily due to depreciation, amortisation and impairment of EUR -28.3m (down EUR 22.2m y-o-y from EUR -50.5m). This includes the non-cash linear amortisation of acquired fund management contracts. Bottom line net profit attributable to shareholders of the parent company turned positive and amounted EUR 12.9m (FY 2023: EUR -5.8m).

AUM declined by 1.5% y-o-y to EUR 56.4bn, primarily due to modest valuation effects which were partially offset by net organic AUM growth of EUR 0.7bn. Equity investments in infrastructure were a particular highlight, making a large positive contribution to the overall transaction volume, while some real estate subsectors continued to be negatively impacted by the market environment and by structural macroeconomic changes. PATRIZIA remained an active investment manager for its clients, closing transactions worth EUR 2.9bn, of which EUR 1.8bn were acquisitions and EUR 1.1bn were disposals. The Company’s strong balance sheet continued to support the business via strategic co-investments, temporary warehousing and seed-funding investment vehicles.

Our AUM benefited from the high quality of our managed assets, the broad diversification in terms of sectors and regions and, in particular, from the forward-thinking investment strategies of our in-house research and data intelligence department, as well as local teams on the ground. This is reflective of our competitiveness and the strength of our investment strategies for

our clients, which continue to use debt responsibly. Leverage in the funds managed remained low, with an average loan-to-value (LTV) ratio of 31.2% as of 31 December 2024.

Over the last 40 years the Company has built up a broad experience and deep knowledge in successfully navigating through market cycles. We are convinced that our trusted long-term client relationships, broad product shelf, combination of local expertise and global scale, as well as our solid balance sheet with a net equity ratio of 68.6% and EUR 118.2m of available liquidity at the end of 2024, will enable us to successfully further develop PATRIZIA's unique platform for the benefit of our clients and shareholders.

PATRIZIA's strong balance sheet also enables the Company to offer its shareholders a reliable dividend policy with growing dividends throughout market cycles. Together with the Board of Directors we are therefore proposing to shareholders a dividend per share of EUR 0.35 for FY 2024, equivalent to a growth of 2.9% y-o-y and the seventh consecutive increase in dividends per share.

Purpose and vision

For decades, we have been guided by the golden rules of investment management: listening carefully to clients, tracking and forecasting market trends, and positioning people, processes and resources to create value. Together with our clients we bring our purpose to life: 'building smarter communities and sustainable futures'.

While we manage assets across all real estate sectors and infrastructure, our DNA is in the real estate living and value add subsectors. However, communities do not only consist of real estate such as homes, stores and offices. They are connected by smart infrastructure for mobility, transport, connectivity, energy, water, and social services. Therefore, building truly sustainable futures requires an integrated approach that combines real estate and infrastructure.

This is how we want to make living spaces holistically more efficient, technologically advanced, sustainable and socially inclusive. Furthermore, real estate and infrastructure investments are both long-term income-generators that offer inflation protection. We are convinced that, together with our clients, we are well positioned to win in the changed market environment as we focus on structural growth markets that will enable us to generate sustainable and attractive value for our clients and shareholders.

We have a track record of over 40 years in identifying the right smart real asset solutions for our clients, evolving our platform to futureproof our offering. We have a broad set of diversified flagship funds, while also providing opportunities in sector-specific investment strategies to maximise value for our clients. And our purpose ensures focus in enhancing the communities in which we serve, with sustainability as a key element of creating and managing real assets for generations to come.

During 2024, we took a huge step towards achieving one of our four sustainability goals. For the first time, we achieved a five-star Principles for Responsible Investment (PRI) rating in all assessed modules. The achievement arrived a year earlier than we had strived for and we will endeavour to retain this rating in 2025, while using this success as motivation to continue to move towards realising the three other sustainability strategy goals.

Outlook

What we are doing now to futureproof PATRIZIA in a world in transition is critical. The global geopolitical situation is likely to remain a topic to be closely followed and might have an impact on the real asset markets also in 2025. The German government's stimulus package addressing significant infrastructure investments could offer opportunities while at the same time potentially impacting long-term yields, which are closely followed by our clients as alternatives to private markets investments in real assets. We will focus on the items we can control. This starts with our client solutions and attitude. Having the right mindset in this new cycle will be paramount for us. 2025 will be decisive in laying the foundation for our growth path to more than EUR 100bn in AUM by 2030.

We have the right strategy, the right products and a skilled workforce delivering on our purpose of 'building smarter communities and sustainable futures'. Now it is time to step up our fundraising activity again. We will focus our efforts on establishing new, attractive and scalable investment solutions for our clients. Showing a first proof point on our ability to deliver on our ambitious growth plan will be mission critical, especially in the light of more favourable market conditions. We will concentrate on the five growth areas at the heart of our AUM growth ambition by 2030. We are excited to drive the execution of our growth ambition in the new investment cycle. By delivering in every growth area, we can drive better synergies and risk-return profiles across our entire product portfolio and thus generate more attractive investment opportunities for our clients.

We expect the growth momentum to continue with re-emerging client appetite for investments in real assets geared towards the second half of 2025. The valuation pressure on real assets should slow down as we anticipate further stabilisation in 2025, with asset values being again driven by rental development instead of interest rates. Entering a more favourable interest rate

environment will increase risk-rewards – especially for investments in real assets. In this environment, we therefore expect AUM in a range between EUR 58.0 – 62.0bn at the end of 2025.

In 2025 we will further strengthen our productivity to improve the Company's performance. This requires modest growth in revenues and extended focus on cost efficiency. We will therefore concentrate our efforts on further improving internal process efficiencies, cost ratios and recurring profitability. We expect EBITDA in a range between EUR 40.0 -60.0m, equivalent to an EBITDA margin in a range between 15.2 – 20.8% for FY 2025.

We would like to thank you, our hard-working and passionate employees, our shareholders, and our clients and business partners for your trust, loyalty and friendship. We look forward to seizing opportunities together, leveraging our 41 years of experience and strong convictions.

Augsburg, 7 April 2025

The PATRIZIA SE Executive Directors

Dr Asoka Wöhrmann
CEO

Martin Praum
CFO

James Muir
Head of Investment Division

Dr Konrad Finkenzeller
Head of Client Division

Wolfgang Egger
Founder

Report of the Board of Directors

Dear Shareholders,
Dear Readers,

The financial year 2024 was once again characterised by a challenging macro-economic environment and geopolitical tensions. In macro-economic terms, central banks in the first half of the year maintained a restrictive monetary policy slowing economic growth, with a strong focus on containing inflation before starting to ease interest rates in the second half of the year. Geopolitical tensions intensified, further increasing economic uncertainty and volatility. Climate change and the energy transition continued to play a key role for our clients, but lost attention in international capital markets. For PATRIZIA, the interest rate environment as well as the general market uncertainty continued to have a significant impact on the company's operating performance. Nevertheless, clients' investment activity is slowly picking up and market activity towards the end of the year suggests that capital is being reallocated to the real asset sector. This is expected to have a positive impact on PATRIZIA's ability to grow its business going forward.

PATRIZIA's operating performance in 2024

In 2024, PATRIZIA's business was still impacted by the overall low appetite for investments in real assets due to persisting market headwinds. Nevertheless, PATRIZIA offered clients access to new investment opportunities and showed overall good platform resilience in uncertain times, helped by its well diversified assets under management (AUM) across the real estate and infrastructure sectors, international footprint and well-established long-term client relationships. Although the Board of Directors noted that productivity and cost structures were strengthened it was not satisfied with the 2024 overall performance. It instructed the Management to further improve the company performance via focus on additional enhancements of internal control-process efficiency, cost ratios and recurring profitability.

PATRIZIA's strategy 2030

In July 2024, PATRIZIA announced an adjusted strategy and its ambition to become a smart real asset player with AUM of more than EUR 100bn by 2030. PATRIZIA has the clear ambition to become the preferred investment manager for its clients by focusing on five key growth areas: Living, Value-add Strategies, Re-Infra & Smart City Solutions, European Infrastructure Investments and its independent platform Advantage Investment Partners. PATRIZIA plans to leverage its strong position in Germany with attractive investment offerings for real assets and intends to grow internationally. In particular by offering large, scalable and discretionary flagship funds for real estate and infrastructure. In addition, PATRIZIA aims to develop "Re-Infra" as a new asset class that combines investments in infrastructure and real estate. The Board of Directors evaluated and agreed to this strategy.

PATRIZIA has established a new organisational structure as of 1 August 2024 to effectively execute its updated mid-term strategy. Instead of the former Executive Committee (ExCo) consisting of the Executive Directors plus the Heads of the most relevant business functions, PATRIZIA has now reorganised its leadership group with the Executive Directors forming the Group Executive Committee (GEC). Based on the new target to become the go-to manager for smart Real Asset solutions, the Company integrated business responsibilities across all asset classes under the Investment and Client Division, both which are now represented in the GEC by dedicated Executive Directors. The Investment division is responsible for Fund Management, Investment Management, and Investment Strategy & Research and the Client Division is responsible for global fundraising, client relationship management and PATRIZIA's product portfolio. The Board of Directors discussed intensively the new structure and agreed to it given that the new structure is in line with the adjusted strategy, cost efficiency needs and last but not least productivity.

Composition of the Board of Directors and their Committees

Until the Annual General Meeting on 12 June 2024, the Board of Directors consisted of seven members, namely Uwe H. Reuter, Wolfgang Egger, Jonathan Feuer, Axel Hefer, Marie Lalleman, Saba Nazar and Philippe Vimard. As from 12 June 2024, the Board of Directors consisted of five members, namely Uwe H. Reuter, Wolfgang Egger, Jonathan Feuer, Saba Nazar and Dr Asoka Wöhrmann. Wolfgang Egger and Dr Asoka Wöhrmann also serve as Executive Directors.

The Board of Directors has established an Audit Committee and a Nomination and Remuneration Committee.

The members of the Audit Committee in the year under review were:
- Jonathan Feuer (Chair)
- Axel Hefer (until 12 June 2024)
- Uwe H. Reuter

The members of the Nomination and Remuneration Committee in the year under review were:
- Marie Lalleman (until 12 June 2024 and during this period also as Chair)
- Wolfgang Egger (as from 12 June 2024 in the role as Chair, previously as a regular member)
- Dr Asoka Wöhrmann (as from 12 June 2024)
- Uwe H. Reuter
- Philippe Vimard (until 12 June 2024)

Cooperation with the Executive Directors

In the monistic governance system of PATRIZIA SE, the Board of Directors determines the basic guidelines for the Company's activities. The Board of Directors made use of the statutory option to delegate the day-to-day business to Executive Directors, whereby as of 12 June 2024 a second Executive Directors was appointed as a member of the Board of Directors. Regular reports on the course of business were submitted to the Board of Directors. All business transactions requiring approval were discussed intensively with the Executive Directors and – where necessary – approval was granted. The members of the Board of Directors requested that the Executive Directors shall inform the Board of Directors about all important items and developments of the Company and the Group and in addition requested detailed information about specific issues. These requests were conducted by means of oral and written reports by the Executive Directors and senior leaders during board meetings or direct information to the relevant member of the Board of Directors in case of specific requests. The Board of Directors discussed these reports and intensively debated questions of business policy, the course of business and the further development of the Company and the Group during the meetings. In addition, also outside the meetings, the Chair of the Board of Directors was in regular personal, virtual and written contact with the CEO to get up-to-date information on the development of the business. Based on the reports submitted by the Executive Directors and the other information received, the Board of Directors has informed itself of the proper management of the Group. The Board of Directors has reviewed the appropriateness of the internal control system and the risk management system and has assessed their effectiveness. As a result of their review and the assessment of the auditor, the Board of Directors has instructed the Executive Directors to improve, with priority, the accounting-related internal control system and the risk management system, including risk orientated liquidity management.

Meetings

A total of eight meetings of the Board of Directors took place in the year under review. Five meetings were held in person and three meetings were held virtually.

In addition, a total of four meetings of the Audit Committee and four meetings of the Nomination and Remuneration Committee were held in the reporting year. The Audit Committee and the Nomination and Remuneration Committee held all meetings in virtual form. In addition, the Committees met for several informal working sessions throughout the year.

Details on the meetings held and individual meeting attendance can be found in the following overview:

Individual attendance of meetings by members of the Board of Directors in 2024

	Board of Directors		Audit Committee		Nomination and Remuneration Committee	
	Number	in %	Number	in %	Number	in %
Uwe H. Reuter	8/8	100%	4/4	100%	3/4	75%
Jonathan Feuer	8/8	100%	4/4	100%	n/a	n/a
Wolfgang Egger	8/8	100%	n/a	n/a	4/4	100%
Axel Hefer[1]	4/4	100%	2/2	100%	n/a	n/a
Marie Lalleman[1]	4/4	100%	n/a	n/a	2/2	100%
Saba Nazar	8/8	100%	n/a	n/a	n/a	n/a
Philippe Vimard[1]	4/4	100%	n/a	n/a	2/2	100%
Dr Asoka Wöhrmann[2]	4/4	100%	n/a	n/a	2/2	100%

[1] Axel Hefer, Marie Lalleman and Philippe Vimard were members until 12 June 2024

[2] Dr Asoka Wöhrmann is a member as from 12 June 2024

Focal points of activities

The meetings of the Board of Directors focused in particular on important fundamental and individual issues, the Group's strategy and the economic situation against the background of a greatly changed market environment.

In a first meeting of the Board of Directors on 5 March 2024, following a report of the Nomination and Remuneration Committee, the Board of Directors focussed on personnel topics, in particular ESG targets for the Executive Directors, a definition on peer groups as benchmark for the Executive Director's remuneration as well as a decision on the long-term incentives and bonus deferrals for the former members of the Management Board and Executive Directors for the financial years 2020 and 2021 as well as changes to the remuneration system for the Executive Directors. Further topics of this meeting were a report of the Audit Committee, reports by the CEO and the CFO including an update on the Dawonia mandate, a business update report by members of the Company's Executive Committee, a report on risk management, a presentation by the CEO on the management's view for the Company's future strategy including the internal Fit-for-Future initiative, a decision on the approval for the conclusion of domination agreements between the Company as dominating entity and certain subsidiaries, the approval of the agenda for the upcoming Annual General Meeting as well as the approval of the Corporate Governance Statement. Additionally, an external counsel from an international law firm provided a training on the Corporate Sustainability Reporting Directive (CSRD) and the requirements for sustainability reporting.

The meeting of the Board of Directors on 19 March 2024 was also the meeting to approve the financial statements for the financial year 2023, at which the auditors of BDO AG Wirtschaftsprüfungsgesellschaft reported on their audit activities for the financial year 2023. After reviewing the annual financial statements 2023 and the consolidated financial statements as well as the combined Annual Report 2023 of the Company and the Group, the Board of Directors adopted the annual financial statements and approved the consolidated financial statements 2023. The Board of Directors also approved the Dependency Report as well as the Remuneration Report of the Company for the financial year 2023. The Board of Directors decided to follow the proposal of the Executive Directors to propose to the shareholders of the Company to pay a dividend of EUR 0.34 per share for the financial year 2023. In addition, the Board of Directors resolved on the prolongation of Wolfgang Egger's mandate as Executive Director and his respective service agreement.

An extraordinary meeting was held on 5 April 2024 during which the members of the Board of Directors discussed and resolved on the voting proposals for the appointment of members of the Board of Directors as well as changes to the remuneration of the members of the Board of Directors as well as the Board of Directors' voting recommendation to the Annual General Meeting. Based on the recommendation of the Audit Committee, the Board of Directors proposed to the Annual General Meeting to appoint BDO AG Wirtschaftsprüfungsgesellschaft as auditor of the annual financial statements and consolidated financial statements of the financial year 2024.

A further ordinary meeting was held on 11 June 2024 during which the members of the Board of Directors received an update on the business development of the Company, a report by the CEO as well as a management report on current topics from the CFO resort including risk management, IT, valuations, fund operations as well as recent financial figures from Q1 2024 and a de-brief of the audit process for the financial year 2023. Following a report by the Nomination and Remuneration Committee, the members of the Board of Directors resolved on the individual targets as well as Corporate targets for 2024 for the short-term incentive plan for the Executive Directors and also on the KPI-Targets for the long-term incentive plan 2024 for the Executive Directors (except of targets for the EBITDA margin which was as of 11 June 2024 subject to pending determination of the mid-term plan) and the revised bonus pay-out and pre-mature pay-out of phantom shares for the financial year 2023 for the former member of the Management Board Karim Bohn. Finally, during this meeting the members of the Board of Directors analysed the outcome of the self-assessment for the financial year 2023.

Following the Annual General Meeting and election of members of the Board of Directors, an additional meeting took place on 12 June 2024 in which the Board of Directors resolved on the election of the Chair and the Deputy Chair of the Board of Directors, the composition of the Audit Committee and the Nomination and Remuneration Committee, the determination of the audit expert and accounting expert as well as respective changes to the Rules of Procedure of the Board of Directors. Main focus of this meeting was a detailed discussion of the Company's future strategy and the mid-term plan. In addition, during this meeting the General Counsel provided an update on regulatory topics.

A virtual meeting was held on 9 July 2024 during which the Board of Directors resolved on the Company's strategy 2030 as well as the mid-term plan. Part of the future strategy is a revised target operating model, which includes the appointment of additional Executive Directors. In this context the members of the Board of Directors discussed on the appointment of internal candidates for these new roles as well as on their remuneration. The Board of Directors appointed Dr Konrad Finkenzeller (Head of Client Division), James Muir (Head of Investment Division) and Martin Praum (CFO) as Executive Directors as of 1 August 2024.

On 24 September 2024, the Board of Directors held a further ordinary meeting. First agenda item was a report on current business developments with special focus on fundraising and fund management provided by the Head of Investment Division & Executive Director, James Muir and Head of Client Division & Executive Director, Dr Konrad Finkenzeller. This was followed by a report of the Audit Committee, a discussion on consequences of audit findings and a report on a potential tax claim. Martin Praum (CFO) provided a finance update and Christoph Glaser (COO) reported on recent developments in the area of property management as well as on the current status of the Dawonia mandate. Following a report of the Nomination and Remuneration Committee the Board of Directors resolved on updated targets for the LTIP 2024 for the Executive Directors considering EBITDA targets resulting from the recently approved mid-term plan as well as the granting of respective LTIP awards for the financial year 2024. Following the recent appointment of Dr Konrad Finkenzeller, James Muir and Martin Praum STI targets for these new Executive Directors were approved. Since the appointment of these new roles also caused changes to the schedule of responsibilities of Dr Asoka Wöhrmann and Christoph Glaser, also the STI targets for these Executive Directors were adjusted. In addition, during the meeting the Board of Directors resolved on an amended earn-out mechanism to be offered to the sellers of the recently acquired infrastructure business. The Board of Directors discussed the status of a process error in a complex tax proceeding at fund level and its potential implications on PATRIZIA.

In the last meeting of the reporting year on 12 December 2024, the Board of Directors set a focus on the current financial situation of the Company and the budget for the financial year 2025 which was discussed following a report by the CFO. The CFO also reported on a routine audit by BaFin of the 2023 annual financial statements and the catalogue of questions received, which also included questions on accounting for the Whitehelm acquisition. This was followed by a management report by the CEO as well as business reports by James Muir and Dr Konrad Finkenzeller regarding their areas of responsibility as well as a report on fund performance and lifecycle management of funds. Further topics of the meeting were reports on risk management, compliance, internal audit, and pending litigation as well as a report by the Audit Committee. Furthermore, the Board of Directors dealt with personnel and remuneration topics, including succession planning for the Board of Directors, the target setting for the share of women for the Board of Directors, the Executive Directors and the two management levels below the Executive Directors. The remuneration system to be applied in the financial year 2025 for the Executive Directors was updated to change the weighting between corporate and individual targets for the short-term incentives, include ESG targets for short-term and long-term incentives, and a new Share Ownership Guideline for the Executive Directors was introduced. Upon request of the members of the Board of Directors, an external investment specialist shared an external view on PATRIZIA from a shareholder perspective. During this meeting the Board of Directors also approved the resignation of Christoph Glaser from his role as Executive Director.

The Audit Committee, on a regular basis, dealt with the quarterly financial performance of the Company, review of annual and quarterly financial statements, review of regular updates to the financial year forecast, liquidity forecast, trend analysis, underlying earnings and the implementation of CSRD reporting. In addition, the Audit Committee dealt with the election proposal and commissioning for the auditor and the independence of the auditor, the determination of the focal points for the audit of the financial statements, the monitoring of the accounting processes and the audit of the annual financial statements and the Remuneration Report. In addition, the Audit Committee dealt with the Company's compliance management, effectiveness of the internal control system, the risk management system and the internal audit system as well as the quality of the audit and the additional services provided by the auditor. The Chair of the Audit Committee was in regular contact with the auditor.

The Nomination and Remuneration Committee dealt with the Remuneration Report, the personnel changes in the area of the Executive Directors and the Board of Directors, the remuneration of the members of the former Management Board and the Executive Directors, including the remuneration system and the determination of the variable remuneration for the past financial year as well as the determination of corporate and individual performance targets for the variable remuneration for financial year 2024. Another focus of the activities was the preparation of succession planning for the Executive Directors, as well as the preparation of resolutions regarding service contracts of former members of the Management Board and current Executive Directors.

Further Resolutions, Conflicts of Interest & Training

Where necessary, the Board of Directors also made decisions by way of circular resolutions. These concerned, amongst others, decisions on the appointment of Executive Directors and their service contracts, remuneration elements, the dividend proposal for the financial year 2023 and the budget for the financial year 2025.

Wolfgang Egger's and Dr Asoka Wöhrmann's dual function as a member of the Board of Directors and as Executive Director at the same time could possibly lead to a conflict of interest, which, however, did not specifically materialise in the reporting year. Nevertheless, Wolfgang Egger and Dr Asoka Wöhrmann have not participated, nor will they participate, in the discussions and resolutions of the Board of Directors if there is a personal conflict of interest arising from their role as Executive Director. Beyond this, the Board of Directors are not aware of any potential conflicts of interest in the financial year 2024.

The Company assists the members of the Board of Directors in obtaining the necessary training and continuing development for their responsibilities, such as changes in the legal framework or in capital market-specific governance requirements. During the meeting on 5 March 2024, the Board of Directors executed a training on the new Corporate Sustainability Reporting Directive (CSRD) and sustainability reporting requirements held by an external legal counsel. Regular capital markets updates were received by the Board of Directors and the General Counsel commented on new regulation during meetings of the Board of Directors. An onboarding process exists for new members of the Board of Directors.

Corporate Governance

The Board of Directors published the Corporate Governance Statement on 9 April 2025 on the PATRIZIA website at https://ir.patrizia.ag/en/corporate-governance.

On 5 March 2025, the Board of Directors adopted the Declaration of Compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to Section 161 of the German Stock Corporation Act (DCGK 2022). The recommendations were complied with during the year, with a few exceptions. The current and all previous declarations of compliance are also permanently available on the PATRIZIA website in the Corporate Governance section.

Audit of the annual and consolidated financial statements 2024

The annual financial statements of PATRIZIA SE prepared in accordance with the German Commercial Code (HGB), the consolidated financial statements prepared in accordance with IFRS (both including the accounting records), the combined management report (including the Group Non-Financial Statement, audited with limited assurance) and the Remuneration Report for the financial year 2024 were audited by BDO AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and were each given an unqualified audit opinion (initially without ESEF audit opinion). The members of the Board of Directors of PATRIZIA SE received the aforementioned documents and the audit reports of BDO AG Wirtschaftsprüfungsgesellschaft ahead of the balance sheet meeting. The Executive Directors and the responsible auditors explained the results of the audit to the Board of Directors at the balance sheet meeting on 9 April 2025 and provided supplementary information. In addition, the Executive Directors explained the financial statements of PATRIZIA SE and the Group at this meeting. As part of the annual financial statements the Board of Directors discussed the restatements for previous years with management and the auditor. The Group, alongside the auditor, reassessed the contingent consideration (“earn-out”) of the Whitehelm acquisition in the 2024 financial year. After reassessing IFRS 3.B55, PATRIZIA has concluded that this purchase price component is not a contingent consideration but a contingent payment agreement. The Group has made the resulting restatements for previous years accordingly.

Within the audit process, the auditor reviews the internal control systems and reports their assessment to the Board of Directors. The Board of Directors agreed with the assessment of the auditor regarding the Group-wide accounting-related internal control system and risk management system. As a result of the assessment of the auditor and their own review, the Board of Directors has instructed the Executive Directors to improve, with priority, the accounting-related internal control system and the risk management system, including risk orientated liquidity management.

The Board of Directors and its committees also examined the annual financial statements of PATRIZIA SE, the consolidated financial statements, the combined management report for the Company and the Group, including the Group Non-Financial Statement, for the financial year 2024, the Remuneration Report and the Executive Directors' proposal for the appropriation of profits. Following the final result of its examination, the Board of Directors did not raise any objections against the annual and consolidated financial statements. We took note of the auditor's findings and approved the annual and consolidated financial statements accordingly. The annual financial statements of PATRIZIA SE for the financial year 2024 are thus adopted. The Board of Directors will – based on a proposal by the Company’s Executive Directors – propose a dividend per share for the financial year 2024 of EUR 0.35 to shareholders. This reflects the seventh consecutive increase in dividend per share, equivalent to 2.9% y-o-y growth. The proposal factored in the Company’s continued strong balance sheet ratios. The remaining amount of the balance sheet profit according to HGB will be carried forward.

Examination of the Dependency Report

The Dependency Report of PATRIZIA SE, which reports about relationships with related parties for the financial year 2024, was also examined by the auditor. According to this report, all legal and business relationships with related parties listed therein correspond to standard market conditions as they would have been concluded between the PATRIZIA Group and third parties. Likewise, no transactions with related parties within the meaning of Sections 107 and 111a to 111c (German Stock Corporation Act), which would have required the approval of the Board of Directors by law or the Company's Articles of Association, were identified. The auditor issued the following note on the Dependency Report:

"Following our audit and assessment, we confirm that
- the factual statements in the report are correct,
- in the legal transactions listed in the report, the company's performance was not unreasonably high."

The Dependency Report prepared by the Executive Directors and audited by the auditor as well as the related audit report were made available to all members of the Board of Directors and were presented and explained to the Board of Directors. The Board of Directors raised no objections to the Dependency Report and the concluding statement by the Executive Directors contained therein.

Our sincere thanks go to the Executive Directors and all PATRIZIA employees for what has been achieved. You have contributed significantly to the development of the Company with your expertise and hard work in a difficult environment.

Augsburg, 9 April 2025

For the Board of Directors of PATRIZIA SE

Uwe H. Reuter (Chair)

The PATRIZIA share

PATRIZIA's key share data

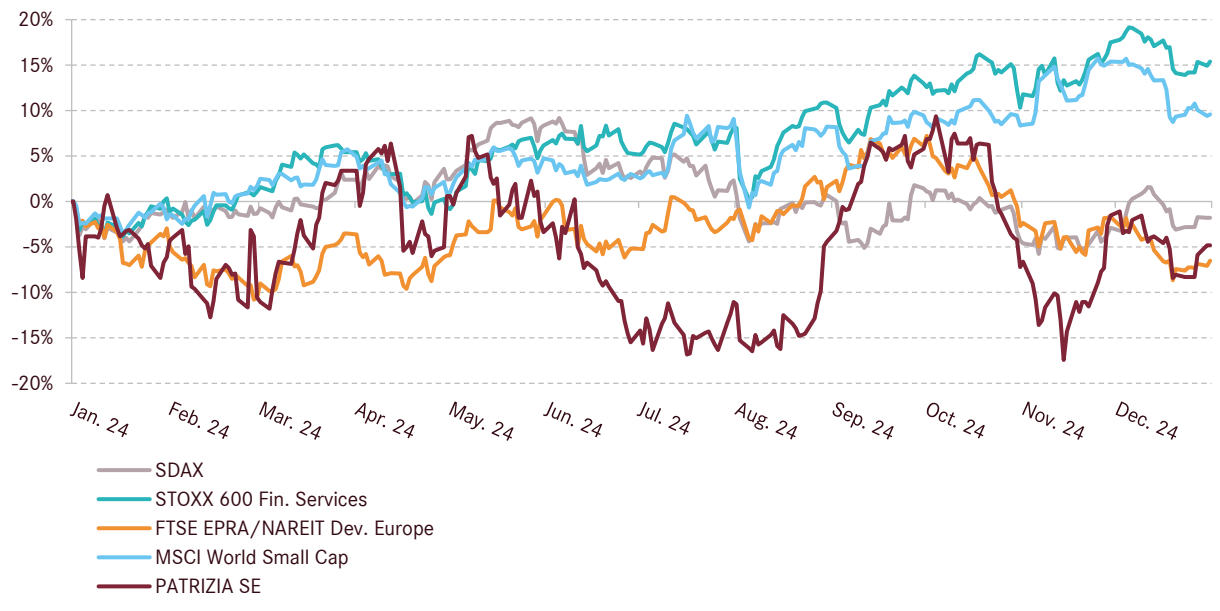
		2024	2023	2022
Share prices				
High	EUR	9.09	12.38	20.95
Low	EUR	6.89	7.03	6.99
Closing price as at 31.12.	EUR	7.90	8.20	10.36
Share price performance	%	-3.66	-20.85	-49.46
Market capitalisation as at 31.12.	EUR bn	0.7	0.8	1.0
Average trading volume per day[1]	EUR	469,716	718,745	895,747
Average trading volume per day[1]	Shares	62,694	78,430	74,997
Annual share turnover[2]		0.17	0.22	0.21
Issued shares as at 31.12.	Shares	92,351,476	92,351,476	92,351,476
Outstanding shares as at 31.12.	Shares	86,228,868	85,844,433	86,175,357
Treasury shares as at 31.12.	Shares	6,122,608	6,507,043	6,176,119
Earnings per share undiluted	EUR	0.15	-0.07	0.08
Earnings per share diluted	EUR	0.15	-0.07	0.08
Dividend per share	EUR	0.35	0.34	0.33

[1] All German stock exchanges
[2] Quotient of share turnover on all German stock exchanges/average number of shares issued (2024: 92,351,476 shares; 2023: 92,351,476 shares; 2022: 92,351,476 shares)

The year 2024 was characterised by a large upswing in huge parts of the stock market, primarily driven by monetary policy actions by the European Central Bank (ECB) and the Federal Reserve System (FED) which were driven by stabilising inflation rates since the summer of 2023. Germany's leading stock index, the DAX surpassed the 20,000 point-mark for the first time, finishing the year 2024 with a 18.8% gain after already increasing by 20.3% in 2023. In contrast, the German small- and mid-cap stock indices failed to follow this strong upward trend. After experiencing significant volatility in Q2 and Q4 the SDAX ended the year with a 1.8% decline and the MDAX recorded a 5.7% decrease. PATRIZIA's benchmark indices also displayed a very mixed performance. The STOXX 600 Financial Services Price Index gained 15.4% while the FTSE EPRA/NAREIT Developed Europe Index decreased by 6.5% throughout the year.

The PATRIZIA share started 2024 at a price of EUR 7.85, reached its low in August at EUR 6.89 and its peak in October at EUR 9.09. The closing share price on 31 December 2024 was EUR 7.90 with 92,351,476 issued shares and a market capitalisation of EUR 730m. On average, 62,694 PATRIZIA shares were traded per day on all German stock exchanges. This corresponds to a year-on-year decrease in volume of 20.1% (2023: 78,430 shares/day) and an annual share turnover of 17.2% (2023: 21.7%).

Development of the PATRIZIA share in comparison with various indices



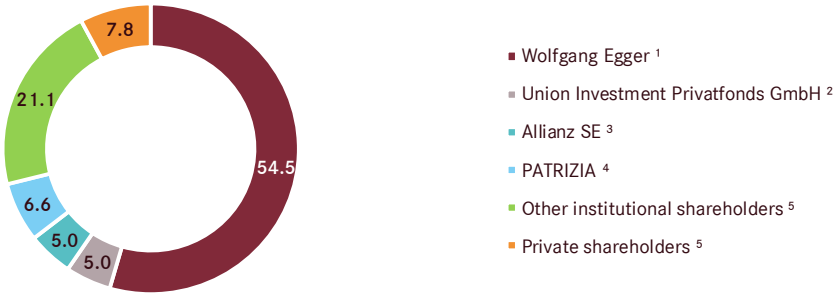
Dividend payment

In 2024, a dividend of EUR 0.34 per share was paid out in cash for the financial year 2023, which corresponds to an increase of 3.0% compared to the previous year. The unappropriated profit in accordance with the German Commercial Code (HGB) of EUR 261.6m was used in part to pay out the dividend and the remaining amount was carried forward. The resolution passed by the Annual General Meeting on 12 June 2024 resulted in a cash dividend payment of EUR 29.3m. Based on the dividend per share, the total amount of the dividend exceeded the adjusted IFRS consolidated net profit for 2023 of EUR -5.8m attributable to the shareholders of the parent company. The dividend was paid out on 17 June 2024. For the past financial year 2024, PATRIZIA's Board of Directors will – based on a proposal by the Company's Executive Directors – propose to shareholders to use the unappropriated profit according to HGB of EUR 168.9m to pay out a dividend per share of EUR 0.35 and to carry forward the remaining amount to new account. This reflects the seventh consecutive increase in dividend per share, equivalent to an increase of 2.9% compared to the previous year.

Shareholder structure of the Company

The shareholder structure of PATRIZIA SE changed only slightly in the past fiscal year. The Company's founder and Executive Director, Wolfgang Egger, continues to be the main shareholder with a stake of 54.47% at the end of 2024. The vast majority of which is held via First Capital Partner GmbH. Based on voting rights notifications, both Union Investment Privatfonds GmbH and Allianz SE maintained their shareholding unchanged during 2024. PATRIZIA SE held 6.63% of its shares as treasury shares as at 31 December 2024. Of the remaining shares, 21.13% were held by institutional investors and 7.79% by private shareholders.

PATRIZIA shareholder structure as at 31 December 2024 | By shareholder group | Specification in %



[1] The majority of which is held via First Capital Partner GmbH
[2] According to the voting rights notification of 15 February 2023
[3] According to the voting rights notification of 14 December 2020
[4] Treasury shares of PATRIZIA SE
[5] Source: PATRIZIA share register

Investor Relations – valuable relationships and active communication

PATRIZIA SE maintains a continuous dialogue with its institutional, semi-professional and private shareholders and analysts. In this context, proactive and transparent information is provided on the Company's business development as well as all important events. In addition to numerous physical meetings, some meetings were again held as video conferences this year. The team also took part in many international financial conferences and participated in multiple face-to-face events with analysts and investors.

The PATRIZIA SE share is regularly rated by eight analysts from national and international banks. At the end of 2024, six analysts recommended the PATRIZIA share as a buy, one analyst recommended holding the share and one analyst issued a reduce recommendation. Buy recommendations were issued by Berenberg, Deutsche Bank, DZ Bank, Kepler Cheuvreux, Metzler Capital Markets and Warburg. ODDO BHF recommended to hold the share and Baader Helvea recommended to reduce positions in the share. On 31 December 2024, the analysts' share price targets ranged from EUR 7.50 (ODDO BHF) to EUR 11.00 (Kepler Cheuvreux) per share and the average share price target stood at EUR 9.58.

Further information is available on the website https://ir.patrizia.ag/en/. In addition to financial reports, presentations and announcements, the current financial calendar, roadshow and conference dates for 2025 and the analysts' consensus on Key Performance Indicators (KPIs) of PATRIZIA and the PATRIZIA share can also be found there.

Management Report

Combined management report of the company and the Group

The management report has been combined with the management report of PATRIZIA SE in accordance with section 315 (5) of the German Commercial Code (HGB) in conjunction with section 298 (2) HGB because the situation of PATRIZIA SE as management holding company is strongly linked with the situation of the Group. The combined management report contains all presentations of the net assets, earnings and financial situation of the company and the Group as well as other details that are required according to German commercial law and the supplementary provisions of German Accounting Standard (GAS) 20. Where the term 'company' is used below, this refers to the parent company PATRIZIA SE; where the term 'Company' is used, this refers to the entire Group.

The currency denomination is EUR. Differences may occur when using rounded amounts and percentages. All references on chapters and individual sections refer to chapters and sections in this report.

The Company does not differentiate between genders in our writing, and always uses the masculine form of personal nouns. This is intended to be a neutral language that aims to address everyone equally and without any type of bias.

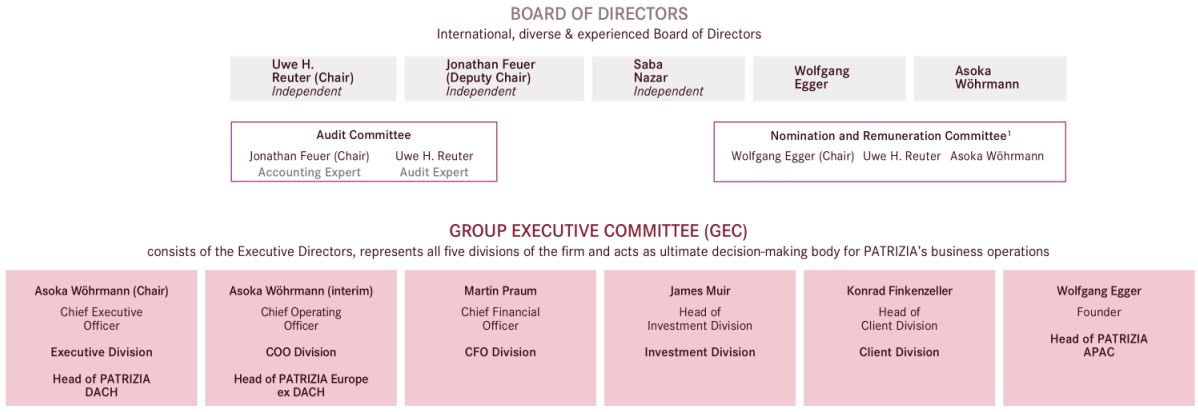
1 Group Fundamentals

Company Profile

PATRIZIA is a leading European independent real asset investment manager [1] with 887 employees (FTE) as at 31 December 2024 active in 26 locations (31.12.2023: 28 locations) worldwide. The Company's core business is real asset investment management, offering a comprehensive product portfolio of private and listed equity funds, private debt funds and fund of fund products in line with individual return expectations, diversification objectives and risk styles to more than 500 institutional and more than 6,500 semi-professional or private investors.

Organisation

PATRIZIA is managed by an international and experienced leadership team. Since August 2024 the Company is organised in five distinct Divisions to manage all business areas of PATRIZIA. Each Division has a comparable divisional structure with dedicated functions for their respective business area on a global level and across all regions. To better align the global business strategy with regional markets, specifics and regulatory requirements the Company has implemented joint ownership of the Executive Directors on a regional level.



[1] The Committee serves as an advisory body only in its current structure, as the majority of its members are dependent Directors. Please visit https://ir.patrizia.ag/en/corporate-governance to review the *Rules of Procedure for the Board of Directors* for more details.

Products and Services

PATRIZIA's offering spans from real assets funds, bespoke account solutions, Global Partner (multi-manager) solutions, multi strategy solutions to landmark single asset & portfolio deal opportunities to meet client preferences and requirements extensively and specifically. The Company provides a wide range of services, from asset and portfolio management to the execution of acquisitions and disposal transactions for almost all real estate and infrastructure sectors to alternative investments and project developments on behalf of clients. Investors receive an "all-round solution" that covers services from the entire value chain of real asset investments. Specific parts from this assortment can be chosen as well.

[1] Source: IREI Global Investment Managers, published in May 2024 (latest available set). Ranking based on Assets under Management.

The description is intended to fulfil the disclosure requirement in accordance with ESRS 2 40 a) ii.), iii) and supplement the description in the Group Non-Financial Statement in section 4 of the 2024 Annual Report.

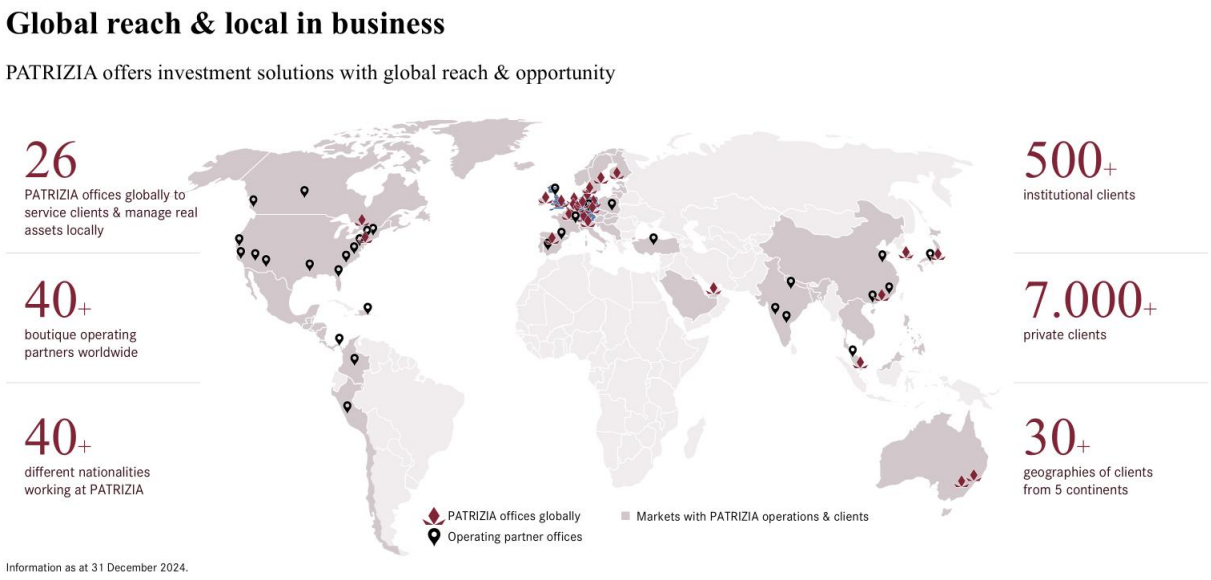
PATRIZIA's funds are built on specialist expertise in various investment strategies and risk classes of real estate and infrastructure investments. In recent years, the Company has enriched its historically private markets-based equity product portfolio by listed equity, private debt and additional multi manager strategies to offer investors comprehensive diversification opportunities.

The product shelf covers a broad range of real estate and infrastructure assets. The asset classes in real estate range from residential, office, retail and logistics properties to hotels and care homes. The product offering in infrastructure covers nearly all infrastructure sectors, such as energy, including renewables, distribution networks for electricity, communications, gas and heat, water and waste management as well as underground energy storage facilities, so called caverns, transport or social infrastructure, like schools and kindergardens. Within its infrastructure products the Company manages equity and fixed income investments in infrastructure assets.

PATRIZIA also offers its clients broad access to multi-manager products, to invest in third-party managed real estate, global infrastructure and private equity funds in Europe, Asia and the Americas. PATRIZIA conducts this business under the brands of PATRIZIA Global Partners (PGP) and Advantage Investment Partners (AIP).

The assets held by the funds typically have a planned initial holding period of between five and ten years, with a propensity for ten years.

PATRIZIA's regional platforms cover 26 locations globally to service clients and manage real assets locally



Clients and regional platforms

PATRIZIA's clients include institutional and semi-professional investors such as insurance firms, pension fund institutions and sovereign funds from Germany, Europe, North-America, Australia and Asia, high-net-worth individuals (HNWI) and private investors.

PATRIZIA seeks for a trust-based and reliable partnership with business partners and successful investments for investors, and deems sustainable, prudent, and successful business operations to be the basis for this. Its brand and associated trust are considered essential for attracting new clients and extending existing business relationships. This is why the Company places great value on fostering the PATRIZIA brand and earning the trust of investors with every investment.

Overall, equity raised from clients amounted to EUR 1.0bn (2023: EUR 0.5bn) in the past financial year. Open equity commitments available for investments on behalf of clients stood at EUR 1.3bn, as at 31 December 2024.

PATRIZIA's regional platforms are well established throughout Europe and growing globally towards the Asian-Pacific region with a regional hub established in Singapore in 2022 but also towards the North American region where the Company currently maintains two offices. In total, regional platforms cover 26 locations of PATRIZIA offices to service clients and manage real assets locally as at 31 December 2024. The total number of employees (headcount in persons) at 31 December 2024 stood at 921. The overviews and statistics disclosed further below exclude 12 employees (10.6 FTE) from Advantage Investment

Partners due to limited data availability and will therefore reference to a total number of 909 employees (headcount in persons). The geographical location of employees (headcount) by country as at 31 December 2024 was 539 in Germany, 173 in the United Kingdom, 53 in Luxembourg and 144 in other locations.

The description is intended to fulfil the disclosure requirement in accordance with ESRS 2 40 a) i.) and supplement the description in the Group Non-Financial Statement in section 4 of the 2024 Annual Report.

PATRIZIA is represented in its markets with own operations or partners with long-standing and, above all, local expertise. The Company's regionally and nationally established network gives direct access to current market developments and tracks transactions relevant to its clients. It enables PATRIZIA to identify and pursue attractive investment opportunities across nearly all asset classes and risk profiles in real estate and infrastructure.

PATRIZIA has various entities that are designed to manage investment assets, including German asset management companies and a regulated platform (AIFM) in each of Luxembourg, France, Denmark, the United Kingdom and Australia. They make global investments in various real estate and infrastructure sectors, on behalf of their clients via the funds launched. The funds act as holding agents and hold the investments contained in the funds.

This provides the pre-requisites to offer investments within the legal and regulatory framework preferred by the respective clients according to their local regulations. Relationships with clients have been and continue to be expanded worldwide. Local contacts have been established in Middle East, Australia, Singapore, Hong Kong, Japan, South Korea, the US and Canada. The existing client base in Germany and the rest of Europe is equally being expanded further. The aim is to build a long-term, stable relationship with international clients similarly to the relationship PATRIZIA already enjoys with its existing predominantly German investors.

Transition megatrends that impact PATRIZIA's business

In the current sector environment, PATRIZIA finds itself at the intersection of profound change, operating in a world in transition that significantly influences the way real assets are utilized – through changing lifestyles, ways of working and technological progress. Within this evolving context, PATRIZIA recognises and embraces four major transition megatrends that shape real estate and infrastructure investment strategies in the medium and long term: digital transition, urban transition, energy transition, and living transition, the so-called "DUEL" megatrends:

Digital Transition is at the forefront of revolutionising the real estate and infrastructure sectors, striving to enhance efficiency, decision-making processes, and overall performance. The infusion of new technologies has disrupted traditional paradigms, creating new opportunities for the development of future business models. A prime illustration is found in the widespread adoption of technologies like Fibre Optics, facilitating seamless communication and connectivity. Moreover, initiatives such as the co-sharing of real-time internet access between public and private users or the evolution of artificial intelligence exemplify the transformative power of digital innovations in creating interconnected and smart environments.

Urban Transition signifies a transformative shift towards crafting more sustainable, connected, and efficient cities. At the core of this evolution is the recognition of cities as dynamic hubs of innovation for smart technologies, modern living and working concept, as well as decarbonisation measures. This transition is exemplified by the rise of shared offices and the adoption of flexible living conditions, emphasising part-time living models. By embracing these innovative approaches, Urban Transition reflects a commitment to redefining urban spaces, making them not only technologically advanced but also adaptable to the changing needs of a dynamic and interconnected society. This paradigm shift underscores the vision of creating cities that serve as beacons of progress and improved quality of life for their inhabitants.

The **Energy transition** represents the fundamental shift in energy systems towards sustainability and efficiency. By leveraging cutting-edge technology and innovative strategies for energy production and storage through investments on behalf of clients, PATRIZIA aims to align and drive this transformative process. A prime illustration of this transition is evident in the widespread adoption of electric cars and the development of electric vehicle charging infrastructure. Embracing such advancements not only reduces the carbon footprint but also signifies a commitment to a cleaner, more sustainable energy future.

Living transition embodies the dynamic evolution of the real estate sector, adapting to demographics and the shifting landscapes of lifestyles, preferences, and technological advancements. The focus is on creating modern, connected, and user-centric living spaces that resonate with the diverse needs of today's inhabitants. An illustrative example lies in smart housing or the heightened demand for affordable housing, reflecting the urgency to address changing socio-economic dynamics.

Revenue Generation

The primary source of revenues for the Company are management fees generated through investment management services as well as performance and transaction fees generated through acquisitions and disposals of assets on behalf of clients. Revenues from co-investments and occasional rental revenues from assets held on the balance sheet also contribute to total revenues, albeit to a smaller level.

PATRIZIA structures, places and manages fund vehicles for clients. The Company generates stable and recurring income in the form of management fees for managing assets and project developments on behalf of clients. The size of Assets under Management (AUM) therefore impacts the level of recurring fee income. AUM amounted to EUR 56.4bn as at 31 December 2024 (31 December 2023: EUR 57.3bn). Additional revenue in form of transaction fees is generated through movements in Assets under Management, caused by the acquisition and disposal of assets on behalf of clients. PATRIZIA also receives performance fees if defined individual yield targets of funds or assets are exceeded.

PATRIZIA selectively invests its own available Group capital in partnership with its institutional clients, in the form of long-term co-investments. In doing so, PATRIZIA generates fees and additional investment income and thus allows PATRIZIA's shareholders to participate directly in the performance of the underlying real asset portfolio, albeit to a limited portion. Furthermore, Management selectively uses existing liquidity to seed invest or warehouse assets being consolidated at the Company level. In total, PATRIZIA has invested around EUR 0.5bn (at acquisition costs) of its own capital in moderately sized and well diversified co-investments, seed investments or the warehousing of assets with an intended short holding period to be injected in the Company's managed funds. Further details on these co-investments can be found in the capital allocation in chapter 5.4.3.

Value Chain

The **upstream** value chain for PATRIZIA includes activities and inputs that are needed to acquire real estate and infrastructure assets and allow PATRIZIA to act as an investment manager. The upstream value chain provides the necessary resources and information for managing potential investments.

Key actors of the upstream value chain include a wide range of investors who provide their capital being invested by PATRIZIA in assets which are subsequently managed by the Company. Market research and analysis play a critical role by gathering and analysing data on market trends, property values, and economic indicators to identify potential investment opportunities. Site selection and acquisition involve identifying and acquiring suitable properties, a process that includes thorough due diligence, legal negotiations, regulatory approvals, and securing finance.

The **downstream** value chain involves the engagement and management of acquired assets to generate value for clients of PATRIZIA and hence also for PATRIZIA, this includes monitoring performance, developing assets and implementing strategies to maximise returns. The downstream value chain stakeholders should ensure that PATRIZIA can effectively manage all Assets under Management, maintain client satisfaction and comply with regulatory requirements.

One key phase is property management, where PATRIZIA wants to ensure that comprehensive services are in place for assets. Property managers oversee daily operations, and should ensure that assets are well-maintained, efficiently functioning, and meeting tenant demands. These services also include energy efficiency and sustainability initiatives. The downstream value chain also includes the development of marketing strategies to attract tenants and finding property managers to oversee tasks such as maintenance and leasing.

Tenants and end users are another vital component, as PATRIZIA develops marketing strategies to attract them or potential buyers. This process involves negotiating lease terms, managing tenant turnover, and optimizing occupancy rates. Tenants range from residential apartment occupants to commercial and industrial space users. Asset management is focused on enhancing asset value through strategic initiatives, such as renovations, retrofits, repositioning properties to align with market demands, obtaining sustainability certifications, and implementing energy efficiency programs.

Depending on the asset plans, construction, development, or refurbishment can follow, aimed at maximizing the asset's potential. This phase includes hiring contractors, architects, engineers, and urban planners, obtaining approval from local authorities, engaging with local communities, and assessing materials or retrofitting processes. Compliance and sustainability are key factors, as PATRIZIA intends to ensure that assets meet environmental standards and regulations while incorporating sustainable practices in the development or retrofitting process to minimize environmental impact.

Clients and investors are kept informed through detailed performance reports with the aim of creating transparency as to whether the assets are achieving the expected returns and thus fulfilling investors' information requirements. Lastly, disposal and exit strategies involve managing the sale of assets with the aim of maximizing returns. This includes strategic timing, leveraging networks to find suitable buyers, and engaging with property buyers, brokers, and legal professionals. Potential profits from asset sales could be reinvested into the investment cycle, providing further possible returns to investors.

Segments

The segments “Management Services” and “Investments” categorise whether PATRIZIA acts as an investment manager for its clients or invests its own available capital acting as an investor. In the Management Services segment, PATRIZIA generates fee income for the Company's services provided to its clients. In the Investment segment, PATRIZIA generates income from its principal investments, co-investments (excl. co-investment in Dawonia GmbH), seed investments and occasionally rental revenues through the warehousing of assets.

The Management Services segment covers a broad range of real assets services such as the acquisition and disposal of real estate and infrastructure assets or portfolios (Transactions), value-oriented property management (Asset Management), strategic consulting on investment strategy, portfolio planning and allocation (Portfolio Management) and the execution of complex, non-standard investments (Alternative Investments).

Through the Group’s own asset management entities investment funds are also set up and managed according to individual client requests. The service fee income generated from both co-investments and third-party business is reported in the Management Services segment. This also includes management and performance fees realized in income from participations due to services rendered as a shareholder contribution for the asset management of the co-investment Dawonia GmbH.

The Investments segment bundles co-investments, seed investments and warehousing assets, as well as certain historical principal investments which are being downsized according to strategy.

The description is intended to fulfil the disclosure requirement in accordance with ESRS 2 40 b) and supplement the description in the Group Non-Financial Statement in section 4 of the 2024 Annual Report.

Consolidated Group

PATRIZIA Group with its parent company PATRIZIA SE consists of 131 subsidiaries, six at-equity entities and 19 branches of minor importance. Currently, the legal entities and branches are mainly located in Europe, whereby the global presence is consistently extended as part of PATRIZIA’s growth strategy.

2 Group strategy

PATRIZIA published a new mid-term strategy in 2024. The Company's vision is to become the leading manager for smart real assets solutions and has set itself a long-term growth target for AUM for the first time. AUM is targeted to grow to more than EUR 100bn by 2030. Bringing this growth ambition to live the Company has defined six strategic priorities:

1. Focus on five key growth areas
2. Establish RE-Infra as new asset class
3. Facilitate a Dynamic Product Portfolio
4. Live cost discipline
5. Drive distinct performance culture
6. Ensure clear responsibilities and operational excellence

In August 2024 the Company established a dedicated focus on thematic strategies and flagship products. PATRIZIA defined a clear path for growth and aims to raise equity of EUR 30bn until 2030 in the following five key growth areas: Living, Value-add Strategies, Re-Infra & Smart City Solutions, European Infrastructure, and through its independent platform Advantage Investment Partners. PATRIZIA will leverage its strong position in Germany with attractive real asset offerings and continue to grow internationally.

After more than a decade of growth, the current state of the real asset markets, especially real estate, has substantially changed. Markets are undergoing a fundamental transformation, being in a state of high volatility and complexity, a changing political environment and changing client behavior. Furthermore, real assets are impacted by the fundamental shifts in economies and societies as outlined in the four megatrends digital transition, urban transition, energy transition and living transition, the so-called “DUEL” megatrends. As a result of these megatrends, the Company expects that the distinct line between real estate and infrastructure will dimmish over time. Combining real estate and infrastructure investments in one product offering will offer untapped potential, which should initially unfold in the area of smart city solutions.

Smart Real Asset Player characteristics

PATRIZIA's strategy to become the go-to manager for smart Real Asset solutions is distinguished by five key characteristics that collectively shape the Company’s approach to striving for excellence in an evolving business and market landscape. It builds on the four pillars of the previous corporate strategy: Increasing the global presence via regional platforms, transforming the real asset product line, broadening of the international client base, and further improving the quality of earnings. At the same time, it is important that these pillars are developed to help strengthen the positioning of the Company as a smart Real Asset Player. “smart” for PATRIZIA means:

The description is intended to fulfil the disclosure requirements in accordance with ESRS 2 40 e) and f) and supplement the description in the Group Non-Financial Statement in section 4 of the 2024 Annual Report.

In addition to its intention to grow its business, PATRIZIA aims to optimize its Company structure with clear responsibilities striving for operational excellence as well as a people-centric and performance-oriented culture fostering cost discipline.

Further Improvement of Earnings Quality

The group strategy is part of PATRIZIA's effort to ensure its continued financial success. The Company strives to achieve its targets to meet the demands and return expectations of its shareholders.

PATRIZIA's primary mid-term financial objective is increasing the share of recurring management fees derived from the managed assets in relation to the total service fee income. Also the Company intends to increase the share of scalable and margin accretive real estate, infrastructure and integrated real asset flagship funds, which are built on digital transition, urban transition, energy transition, and living transition, the "DUEL" megatrends and are made accessible to investors across Germany, Europe and other regions worldwide.

The Company strives to further increase AUM and recurring fee income through new business growth. At the same time, the Company aims to further improve its cost discipline based on efficiency measures with the target to cover operating costs by recurring management fees through market cycles. In doing so the Company intends to sustainably increase profitability and further improving financial stability and flexibility.

In order to best manage these fundamental changes in a world in transition and create a strong foundation for revitalising growth, the year 2024 marked an important milestone adapting the Company's strategy and way of working.

3 Group management and performance indicators

3.1 Corporate and Group management by segments

PATRIZIA's corporate segments are Management Services and Investments. The **Management Services** segment largely comprises service fee income from portfolio, asset and fund management. The **Investments** segment primarily contains the return on equity employed. Segment reporting can be found in chapter 5 of the notes to the consolidated financial statements.

3.2 Corporate and Group management on the basis of financial performance indicators

PATRIZIA used the following financial performance indicators for corporate management in the past financial year 2024 and will continue utilising them in the upcoming financial year. They are the key financial performance indicators within the meaning of the German Accounting Standard (GAS) 20.

PATRIZIA Key Performance Indicators within the meaning of GAS 20

Financial performance indicators	Description
Assets under Management	The Group's growth is assessed on the basis of Assets under Management. A detailed calculation method can be found below.
EBITDA	EBITDA is the Group's key management parameter. It can be derived directly from the IFRS income statement.
EBITDA margin	The EBITDA margin compares the EBITDA of the financial year with the sum of total service fee income and net sales revenues and co-investment income.

The assets under management (AUM) consist of the total market value of the investments in real estate and infrastructure managed by the Company, for which the Company provides supervision, investment management services and other advisory services.

The AUM resulting from investments in real estate comprise the total market value of all properties managed by the Company or the funds:

Unlisted real estate equity	Gross property value + cash in fund
Unlisted real estate developments	Fair value on the basis of the most recent valuation in alignment with IFRS 15, i.e. the fund is committed to perform its obligation to complete the construction of the asset.
PATRIZIA funds investing in other PATRIZIA funds	Crossholding: gross property value in AuM whenever fees are generated for PATRIZIA, i.e. whenever PATRIZIA earns fees both in the fund that invests in other funds as well as in the fund in which other PATRIZIA invest.
Minority share, Joint ventures and co-investments	Only proportionate shares owned by a PATRIZIA product are considered in the calculation, not the shares owned by other Investment Managers
Fund of Funds (Multi-Manager)	Net asset value as provided by the managing entity

The AUM resulting from investments in infrastructure assets and debt instruments comprise the total market value of all infrastructure projects managed by the Company or the funds:

Equity Investments in unlisted infrastructure projects	Enterprise value (gross asset value (GAV), equity value extrapolated by net debt at owner level)
Equity Investments in listed infrastructure projects	Value of equity (share price * number of shares) + cash in the fund
Investments in debt instruments of unlisted infrastructure projects	Market value of debt instruments + accrued interest (dirty value)
Unlisted funds of funds for infrastructure (Multi-Manager)	Value of equity + cash in the fund
Fund of Funds (Multi-Manager)	Net asset value extrapolated for leverage (NAV provided by the administrative agent and extrapolated for leverage)

In the context of fund of funds structures, AUM represent the total market value of all underlying assets within the funds managed by PATRIZIA. When investing in funds of funds, investments are generally made in a portfolio of other investment funds and not directly in securities or assets. AUM arising in this context are calculated on the basis of the net asset value of the underlying funds plus the cash in the fund.

The calculation of AUM is mainly based on external valuation reports as at the respective reporting date. For individual products or specific platforms (i.e. fund of funds, infrastructure), the figures for the previous quarter are used, including an extrapolation as at the reporting date. The cash/liquidity component mainly reflects the previous quarter. The resulting imprecision is not material to the overall result (historically, this resulted in a deviation of less than 1%).

As there are no global regulatory guidelines for the standardised calculation of AUM worldwide, the method used by the Company to determine AUM may differ from the methodology of other competitors and from the methodology of a local regulatory calculation of AUM.

In addition, the following framework parameters support the management of the Group.

Additional PATRIZIA Group Performance Indicators

Further framework parameters	Description
Management fees	PATRIZIA receives recurring service fees for managing real assets, usually depending on the volume of assets under management or net asset value of the managed funds.
Transaction fees	PATRIZIA receives a transaction volume-related fee for purchases or sales.
Performance fees	PATRIZIA receives performance fees if defined target returns on individual investments are exceeded.
Transaction volume	The transaction volume is the sum of signed acquisitions and disposals.
Net sales revenues and co-investment income	Return on capital employed.
Equity raised	For the various investments, equity is raised from institutional, (semi-)professional and private investors worldwide.

EBIT and EBT will also support the management of the Group as additional framework parameters.

The development of these indicators is further explained in chapter 4.3.

Within the guidance section of this report, a guidance is given for the three financial performance indicators of PATRIZIA.

3.2.1 Corporate and Group management on the basis of non-financial performance indicators

PATRIZIA attaches great importance to the integration of sustainability aspects, however has not yet defined any key non-financial performance indicators in accordance with GAS 20. The Company reports on the most important parameters relating to material sustainability aspects within the Group Non-Financial Statement in section 4 of the Annual Report.

PATRIZIA intends to add non-financial performance indicators in its management of the Group in 2025. Most likely the non-financial performance indicators used in the revised remuneration system will be used for that purpose. Effective from 1 January 2025 onwards (subject to shareholder approval in forthcoming Annual General Meeting) the Company integrated sustainability targets into its remuneration system. The remuneration system will contain an ESG Factor next to financial targets for the Short-Term Incentive Plan (STIP) and for the Long-Term Incentive Plan (LTIP).
The integration of an ESG Factor in the STI will also apply for all other employees and senior managers of PATRIZIA effective from 1 January 2025. The ESG factor includes several non-financial performance KPIs starting to be tracked within financial year 2025.

4 Group Non-Financial Statement

General information
ESRS 2

Basis for preparation

BP-1 General basis for preparation of the Group Non-Financial Statement

Frameworks

Compliance with the requirements of §§315b to 315c HGB.

The Group Non-Financial Statement was prepared to comply with the requirements under Sections 315b, 315c in conjunction with Section 289c to 289e of the German Commercial Code (HGB) with partial application of the requirements under Regulation (EU) 2023/2772, the so-called European Sustainability Reporting Standards (ESRS). The Group Non-Financial Statement partially applies the first sentence of the ESRS as a framework, as ESRS E1-5 and E1-6 do not meet the requirements. Furthermore, the disclosures pursuant to Regulation (EU) 2020/852 are described in the EU Taxonomy section, included in the section environmental information of this The Group Non-Financial Statement. Data and assumptions used in preparing the Group Non-Financial Statement are consistent with the corresponding financial data used for financial reporting in the Annual Report 2024; unless otherwise noted.

Further disclosures stemming from other legislation or other sustainability reporting standards have been considered and are referenced in section ESRS 2 BP-2. All disclosures made and key figures presented relate to activities on Group level, including the parent company PATRIZIA SE, unless otherwise indicated. Information on the Company's business purpose, organisational structure, and business processes can be found in the reported in management report Section 1 "Group Fundamentals".

The Group Non-Financial Statement was subject to a limited assurance engagement in accordance with ISAE 3000 (rev.).

PATRIZIA has applied and followed the ESRS reporting standard adopted by the European Commission for the 2024 Group Non-Financial Statement. This is due to the growing significance of the ESRS disclosure requirement and legislation. The reconciliation of the ESRS topics and information on the aspects according to the §289c paragraph 3 HGB can be found in the table below.

Reconciliation of the ESRS topics/information on the aspects according to §289c para. 3 HGB

Aspect according to §289c para. 3 HGB	ESRS according to the CSRD
Environmental concerns	Please refer to the below for all environmental concerns: • ESRS E1 – Climate change • ESRS E2 – Pollution • ESRS E3 – Water and marine resources • ESRS E4 – Biodiversity and ecosystems • ESRS E5 – Resource use and circular economy
Employee matters	Please refer to ESRS S1 – Own workforce for information on employee matters
Human rights	Please refer to ESRS S1 – Own workforce and ESRS S2 – Workers in the value chain for information on human rights
Social issues	Please refer to the below for all social issues • ESRS S1 – Own workforce • ESRS S2 – Workers in the value chain • ESRS S3 – Affected communities • ESRS S4 – Consumers and end users
Prevention of corruption and bribery	Please refer to G1 – Business Conduct for information on the prevention of corruption and bribery
Other matters	n/a

Scope of consolidation

The disclosures made in this Group Non-Financial Statement relate to all subsidiaries over which the PATRIZIA has control, i.e. all subsidiaries that are included in the consolidated financial statements. The reporting period corresponds to the reporting period for the consolidated financial statements. The consolidated financial statements of PATRIZIA SE (from now on referred to as PATRIZIA) includes the financial statements of the parent company and respective subsidiaries as described in chapter "2.1 Consolidated Group" in the Annual Report. Subsidiaries are directly or indirectly controlled by the parent company and are included in the consolidated financial statements in accordance with the rules of full consolidation. In addition, six investments are accounted for in the consolidated financial statements using the equity method.

Respective information for entities, being associated companies or joint ventures, accounted for under the equity method in the financial statements and being part of the value chain, are included in the disclosures on the value chain, in accordance with the approach adopted for the other business relationships in the value chain.

Furthermore, PATRIZIA selectively uses existing liquidity for co-investments, seed investments or the warehousing of real estate and infrastructure assets and funds. In case those investments are held using the equity method, those are already considered in the scope of consolidation being included in the "Assets under Management (AUM)" reporting on fund/asset level. Once these investments are deconsolidated, entering solely the targeted funds level, these assets will stay in the Assets under Management reporting on fund/asset level.

For reasons of materiality, no additional disclosures are made below for associated companies that are accounted for using the equity method and are not intended to be placed at fund level (e.g. EVANA AG or Cognotekt GmbH). In these cases, PATRIZIA has no operational control as a minority shareholder and does not consider the non-financial effects stemming from business activities of these investments to be material.

Information regarding employees applies to all employees in PATRIZIA Group. Any exceptions have been noted in the respective sections.

Sustainability information relating to AUM

Besides the material impacts, risks and opportunities that are directly connected with PATRIZIA, the Double Materiality Assessment (DMA) conducted in the year 2023 and finalized in 2024, also revealed indirect impacts, risks and opportunities stemming from the assets that PATRIZIA manages on behalf of its clients. In order to do justice to these insights PATRIZIA also reports on material impacts, risks and opportunities on the assets managed on behalf of clients whenever the results of the conducted materiality assessment do not clearly relate to PATRIZIA but to Assets under Management (AUM). This includes and exceeds current requirements of the CSRD, addressing reporting standards for the financial industry only in Appendix A ESRS E1 AR 46 b) of Commission Delegated Regulation (EU) 2023/2772 with regards to Scope 3 GHG emissions data. The Company recognises that the scope of reporting on an AUM level may be impacted by the release of sector-specific standards that are still subject to be published by the EU. As a result, PATRIZIA cannot rule out that the publication of these sector-specific standards may result in changes to asset-level reporting.

Managed assets categorised by the nature of the asset class as at 31 December 2024

	Real estate assets	Infrastructure investee companies	Others	Total AUM
Scope	Individual Real estate assets managed by PATRIZIA or one of its subsidiaries and Dawonia	Unlisted infrastructure equity and debt, listed infrastructure and infrastructure multi-manager	Venture capital investments and fund of fund business	
AUM in EUR bn (in % of total AUM)	46.0 (82%)	7.7 (14%)	2.6 (4%)	56.4 (100%)

Value Chain

Inclusion and an explanation of PATRIZIA's value chain is a crucial aspect of the CSRD and indicates PATRIZIA's commitment to transparency and accountability. By reporting on the environmental and social impacts of PATRIZIA's entire value chain, including both upstream and downstream as well as own operations ensures comprehensive transparency as well as identifying and mitigating sustainability risks, opportunities and impacts of the entire value chain in order to improve sustainability performance. Furthermore, reporting on the value chain aligns with the principles of double materiality, considering both the financial impact of sustainability issues of PATRIZIA and the impact on the environmental and society. This holistic approach enables stakeholder to make more informed decisions and supports the transition to a more sustainable economy.

The upstream value chain for PATRIZIA includes activities and inputs, such as market research analysis, capital raising, networking and strategic planning activities, that are needed to act as an effective investment manager and to acquire real estate and infrastructure assets. The upstream value chain stakeholders provide the necessary resources and information for evaluating potential investments for clients. The downstream value chain comprises PATRIZIA's AUM. The downstream value chain involves the engagement and management of acquired assets to create value for PATRIZIA's clients, this includes monitoring performance, developing assets and implementing strategies to gain returns. The downstream value chain stakeholders ensure that PATRIZIA can effectively manage all AUM, maintain client satisfaction and comply with regulatory requirements. The value chain is taken into consideration and reported on in ESRS E1 climate change, ESRS S2 workers in the value chain, ESRS S3 affected communities and ESRS G1 business conduct. Due to the phase-in allowance PATRIZIA will not report on the value chain metrics in other ESRS chapters. All impacts, risks or opportunities related to the value chain are expanded on in the corresponding ESRS chapters, with the opening paragraphs indicating if the ESRS topic will cover upstream, downstream or own operations. Additionally, the table in section ESRS 2 SBM-3 indicates which Impacts, Risks & Opportunities (IROs) impact the value chain.

Transparency

No information corresponding to intellectual property, know-how or the results of innovation has been omitted from the Group Non-Financial Statement. Nor has PATRIZIA been exempt from disclosure of any impending developments or matters that are currently in the course of negotiation.

BP-2 Disclosures in relation to specific circumstances

Time horizons

PATRIZIA's financial time horizons (aligned with the time horizons used in ESRS E1 - Climate Change) used in the DMA are the following:

- Short-term horizon: 1 year
- Mid-term horizon: 1-5 years
- Long-term horizon: >5 years

Value chain estimation

Please refer to the estimation use sources for a summary of estimations. PATRIZIA is reliant on data received by third parties for the production of GHG emissions reporting, this includes receipt of travel emissions data. Where actual supply chain data is not available, assumptions have been use utilizing a spend base approach.

Sources of estimation and outcome uncertainty

For assets where data is available, data processed is aligned with the PATRIZIA ESG Data Process which has a strict data hierarchy where actual data is always prioritised and utilised wherever possible.

While best efforts are made to collect data from underlying investments to assess and report on relevant indicators, there are factors, including industry-wide challenges, that limit data availability, particularly where data owners, such as building occupiers, are not obligated to share data. In such cases, the Company leverages suitable proxies, based on granular benchmarks.

As this is PATRIZIA's first disclosure partially aligned with the CSRD, limitations to data accuracy exist, but it is intended that the quality will be improved over time. The Company is making best efforts to increase data availability, such as through asset-level measures, including installation of smart meters and implementation of "green" leases, and Company-wide measures, including a review of ESG data management platforms, engagement with service providers, and allocation of dedicated resources for data processing. Forecasted data is presented up to the years 2030 and 2050.

Estimation Use Sources	
Consumption Data & GHG Emissions Reporting	• PATRIZIA is reliant on data received by third parties for the production of GHG Emissions Reporting, this includes receipt of travel emissions data • Where actual data is not available, assumptions have been made utilising a spend base approach • PATRIZIA is reliant on utilising estimations where 100% data is not available, estimations are based on the use of full-time equivalents • Emissions factors used can impact the associated emissions presented. PATRIZIA has outlined emissions factors used (predominantly Carbon Risk Real Estate Monitor (CRREM) and International Energy Agency (IEA)) is section E1. For full details please refer to E1-6

Changes in the preparation or presentation of sustainability information

For the 2024 reporting period, PATRIZIA has structured its Group Non-Financial Statement in accordance with the requirement of the ESRS for the first time. A DMA was conducted in 2023 and finalised in 2024 in accordance with the requirements of ESRS to identify material impacts, risks and opportunities across PATRIZIA's own operations and AUM. The following Group Non-Financial Statement contains material new disclosures and metrics as described by the ESRS, including descriptions of material impacts, risks and opportunities, policies, actions, metrics and targets to address them.

Reporting errors in prior periods

No reporting errors for prior periods were identified.

Disclosures stemming from other legislation or other sustainability reporting standards

The Group Non-Financial Statement includes elements of the Sustainable Development Goals (SDGs) which are supported by PATRIZIA, information presented in reference to the Taskforce for Climate-related Financial Disclosures (TCFD), and the principles for the United Nations Global Compact (UNGC) and Principles for Responsible Investment (PRI). This information is clearly identified in the Group Non-Financial Statement.

PATRIZIA integrates nine SDGs into its business practices, using them as a blueprint for its sustainability strategy. These SDGs are both intersecting and distinct. Details on their incorporation into the corporate strategy can be found on the company website: SDG's | PATRIZIA SE. Therefore, there is no specific reference to the SDGs in the Group Non-Financial Statement.

Reference to the TCFD report can be found in ESRS E1. Reference to the UNGC can be found throughout the report specifically in ESRS S1 and S2. While not explicitly stated in PATRIZIA's Annual Report, the Principles of Responsible Investment (PRIs) are integrated throughout. This is evident in PATRIZIA's Responsible Investment Policy and commitment to the six responsible investment standards.

Incorporation by reference

To fulfil disclosure requirements in ESRS 2 SBM-1 (40a, b, e and f) PATRIZIA states and has incorporated by reference the following - "please refer to the "Group Fundamentals" and "Strategy" section within the management report".

Governance

GOV-1 The role of the administrative, management and supervisory bodies and GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Sustainability is perceived to be most successful when implemented at both the corporate level and investment level. Sustainable investment management requires ESG responsibilities to be integrated across all business functions and be a part of the day-to-day operations of the Company.

Board of Directors

PATRIZIA's Board of Directors (the Board) is responsible for defining, supervising, implementing, and approving the Company's business and sustainability strategy as well as for the oversight of impacts, risks and opportunities. The Board is informed by the Executive Directors on PATRIZIA's approach to sustainability, performance and material impacts, risks and opportunities during reviews and approvals of the Group Non-Financial Statement. Sustainability topics are discussed frequently at Board meetings, also during the reporting period.

PATRIZIA's Board consists of five members, four male and one female (20% - the Board's gender diversity ratio). The Board of Directors is comprised of two Executive Directors and three independent non-Executive Directors, thus 60 % of the Board of Directors members are independent. The Boards ages range from 55 to 69 years. Three members of the Board are German and two are British, and all reside in these locations. Four out of five members of the Board have explicit expertise and skills on sustainability matters (ESG expertise) and in relation to PATRIZIA's material impacts, risks and opportunities. Supplementary information about the competencies and skills of the individual members can be found in the Corporate Governance Statement accessible on the PATRIZIA website: https://ir.patrizia.ag/en/corporate-governance. Within this document the skills of the Board members can be seen through a qualification matrix, the matrix includes expertise in fields such as ESG, M&A, Finance, Capital Markets, and Governance & Compliance to name a few. Furthermore, a training on sustainability matters was attended by the Board members in the year 2023.

No employees are represented on the Board, and the Company is not subject to the German One-Third Participation Act (DrittelbG). Nevertheless, the governance structure of PATRIZIA SE is monistic, which means that the management and supervision functions are consolidated into a singular administrative board.

The Declaration of Compliance, Corporate Governance Statement, Rules of Procedure and remuneration system are all documents that the Board signs off and that reflect impacts, risks and opportunities.

Audit Committee

The Board of Directors has established an Audit Committee to monitor the Group's accounting which includes the Group Non-Financial Statement. At least one of the members of the Audit Committee has expertise in the field of accounting and one other member has expertise in the field of auditing. Accounting and auditing also include sustainability reporting and its audit and assurance. The Audit Committee is provided with regular updates on sustainability related financial risks and opportunities as well as on the status of the sustainability reporting in its meetings, also during the reporting period. This framework allows the Audit Committee and Nomination & Remuneration Committee as part of the Board to have oversight of the sustainability related risks and opportunities which are impacting the business. The Audit Committee's Chair is part of the Board of Directors, therefore the Board has the highest level of oversight.

The Group Executive Committee (GEC)

The Board has delegated overarching responsibility of implementing the Company's strategy to the Executive Directors (hereinafter also referred to collectively as 'the Group Executive Committee' or 'GEC'), whose responsibilities include executive oversight of ESG, supported by an ESG Committee, who implement risk assessments and other aspects of the PATRIZIA sustainability agenda. During the reporting period the GEC consisted of six Executive Directors, representing the divisions of the firm. The GEC is provided regularly with updates on material sustainability related impacts, risks and opportunities in its meetings, also during the reporting period. All members of the GEC have expertise and skills on sustainability matters and/or

access to such expertise and skills through their reporting lines. An overview of the reporting lines, reflecting individual responsibilities for impacts, risks and opportunities can be found in the Schedule of Responsibilities, which is part of the Rules of Procedure of the Executive Directors. The full document can be found on the PATRIZIA website: https://ir.patrizia.ag/en/corporate-governance. Both of the following include members of the GEC, and as such report to the GEC - the Business Leadership Team, which represents all key business functions across the business value chain, and the Global Operating Committee (OPCO), which represents all key stakeholders for operational activities to enable a firm-wide efficient and effective platform. As seen below, the Executive Directors have a range of responsibilities and expertise in various fields, therefore covering the impacts, risks and opportunities material to PATRIZIA.

Schedule of Responsibilities of the Executive Directors of PATRIZIA SE

Effective as per 1 August 2024

Dr Asoka Wöhrmann CEO Executive Director	Christoph Glaser COO Executive Director	Martin Praum CFO Executive Director	James Muir Head of Investment Division Executive Director	Dr Konrad Finkenzeller Head of Client Division Executive Director	Wolfgang Egger Founder Executive Director
– Strategic Development of PATRIZIA SE – Corporate M&A – Capital Allocation & Investments – Communication – Human Resources – Collaboration with Board of Directors – Transformation & Business Development – Internal Audit – Legal – Region Germany, Austria, Switzerland (DACH)	– Operations Enablement & IT – Fund Services – Risk Management – Procurement & Services – Insurance – Compliance – Region Europe excl. Germany, Austria, Switzerland (DACH)	– Performance Management – Corporate Finance (incl. Treasury) – Corporate Reporting & Planning – Accounting – Tax – Investor Relations (incl. Capital Markets Compliance) – Cost Management	– Real Estate – Infrastructure – Investment Solutions – Investment Strategy & Research – Sustainability	– Clients – Marketing – Products	– Strategic Client Relationships – Capital Deployment Strategy – Region Asia-Pacific (APAC)

As at 31 December 2024, the members of the GEC are jointly responsible for the fulfilment of sustainability related targets. These are part of the general reporting and controlling process. The members of the GEC are responsible for oversight of impacts, risks and opportunities.

The members of the GEC are all male (0% female). Five members are German, and one is British. The members ages range between 42 and 59 years. The curriculum vitae of the GEC members (as at 31 December 2024) can be found on the PATRIZIA website: https://www.patrizia.ag/en/our-company/management-team/.

ESG Governance

As part of PATRIZIA's new mid-term strategy, some necessary adjustments were made to the organisational structure, which included a comprehensive review of PATRIZIA's ESG governance setup concerning how key ESG priorities like decarbonisation are addressed. This process included regular steering meetings and oversight from the former Executive Committee (now the Group Executive Committee), which took place instead of regular ESG Committee meetings, bringing together cross-functional members from across the business to collaborate. A key outcome of the review was the decision to amend PATRIZIA's ESG governance setup, aligning with the new structure, where the Group Executive Committee has oversight of ESG, supported by a more operational ESG Council, which is to be formally launched in 2025.

In 2024 PATRIZIA continued to maintain an ESG KPI framework, which established and tracked ESG KPIs for relevant departments, as agreed with the departmental heads. This included reporting to the Group Executive Committee for executive oversight.

The ED&I Council

The ED&I Council steers PATRIZIA's agenda on all equity, diversity and inclusion matters ("ED&I") and supports the ongoing commitment to ED&I matters by PATRIZIA. It identifies emerging market trends and investor requirements related to ED&I, and actively promotes their adoption within the organisation. In addition, the Council is responsible for educating employees across PATRIZIA on ED&I matters, ensuring that all staff members are informed and engaged. The ED&I Council also takes the lead in developing and updating company policies and practices to align with PATRIZIA's ED&I strategy, ensuring that these values are embedded in the corporate culture. Furthermore, the Council oversees the creation and dissemination of ED&I-related reports and communications to investors and other stakeholders, maintaining transparency and accountability. In coordination with various departments, including HR, Legal, and Compliance, the ED&I Council identifies key ED&I topics and facilitates their execution, fostering an inclusive and equitable work environment across the organization.

The Sustainability Team

The Sustainability team is embedded in the Investment Division, which is headed by a member of the Group Executive Committee, therefore ensuring oversight of sustainability related topics. The Sustainability team is responsible for developing processes necessary to ensure good company and fund ESG performance against corporate sustainability targets within the AUM and ensuring successful integration of ESG aspects into the investment process. The Sustainability team has reported to the GEC in 2024. The Sustainability team considers impacts, risks and opportunities when overseeing PATRIZIA's sustainability strategy, this can be seen through the Investment Committee having to get mandatory sign off from the Sustainability team for potential transactions and a member of the Sustainability team having to provide an update on any sustainability risk that has occurred every quarter to the risk tracker tool.

For reference, the Investment Committee's purpose is to review and approve recommendations for the Transactions team, including related due diligence processes and capital expenditures. This review and approval is a critical part of the governance procedures of PATRIZIA. The Investment Committee reviews and approval process is designed to ensure the consistent application of the highest standards across PATRIZIA's global business. Additionally, a key objective, but not limited too, is to review ESG aspects of potential transactions.

Sustainability Strategy

PATRIZIA has developed the following four corporate sustainability goals as part of the Company's Sustainability Strategy to address global challenges:

- Become a leading global impact investor in the real assets sector with a meaningful part of assets under management in impact investment by 2035
- Become a leading sustainable investor in real assets with a consistent PRI five-star rating from 2025 onward
- Be an employer of choice, in the real asset sector, where everyone feels included, represented and valued equitably
- Achieve net zero carbon status across corporate operations and direct held assets portfolio by 2040 or earlier, with a clear ambition to execute as fast as external and stakeholder requirements permit

GOV-3 Integration of sustainability-related performance in incentive schemes

In December 2024 the Board resolved changes to the remuneration system of the Executive Directors effective from 1 January 2025 onwards (subject to shareholder approval in the forthcoming Annual General Meeting) and integrated sustainability targets into its remuneration system. The remuneration system will contain an ESG factor next to financial targets for the Short-Term Incentive Plan (STIP) as well as a new ESG factor next to financial targets for the Long-Term Incentive Plan (LTIP).

The ESG factor for STIP is planned to be incorporated with a 10% weighting within the Corporate targets, hence reducing the weightings for financial targets within the Corporate targets from 100% in 2024 to 90% in 2025.

The ESG factor for LTIP is planned to be incorporated with a 15% weighting within the Corporate targets, hence reducing the weightings for financial targets within the Corporate targets from 100% in 2024 to 85% in 2025.

The integration of an ESG factor in the STIP will also apply for all other employees and senior managers of PATRIZIA in 2025, based on the guiding principle that the remuneration system of the Executive Directors shall follow the same principles as the system implemented for all other employees and senior managers of PATRIZIA.

GOV-4 Statement on due diligence

The following table provides a mapping to where in PATRIZIA's Group Non-Financial Statements information is provided on the due diligence process.

Statement on due diligence

Core elements of due diligence	Specific ESRS to map	Sections in the Group Non-Financial Statement	Reference pages in the Group Non-Financial Statement
Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	ESRS 2 – 2. Governance	Page 28
	ESRS 2 GOV-3	ESRS 2 – 2. Governance	Page 30
	ESRS 2 SBM-3	ESRS 2 – 3. Strategy	Page 37
Engaging with affected stakeholders	ESRS 2 GOV-2	ESRS 2 – 2. Governance	Page 28
	ESRS 2 SBM-2	ESRS 2 – 3. Strategy	Page 34
	ESRS 2 IRO-1	ESRS 2 – 2. Governance	Page 45
	ESRS 2 MDR-P	ESRS E1 Climate Change	Page 75
		ESRS E2 Pollution	Page 81
		ESRS E3 Water and marine resources	Page 83
		ESRS E4 Biodiversity and ecosystems	Page 87
		ESRS E5 Resource use and circular economy	Page 90
		ESRS S1 Own workforce	Page 93
		ESRS S2 Workers in the value chain	Page 109
		ESRS S3 Affected communities	Page 113
		ESRS S4 Consumers and end users	Page 119
		ESRS G1 Business Conduct	Page 123
Identifying and assessing negative impacts on people and the environment	ESRS IRO-1	ESRS 2 - 2. Governance	Page 45
	ESRS 2 SBM-3	ESRS 2 – 3. Strategy	Page 37
Taking actions to address negative impacts on people and the environment	ESRS 2 MDR-A	ESRS E1 Climate Change	Page 75
		ESRS E2 Pollution	Page 81
		ESRS E3 Water and marine resources	Page 83
		ESRS E4 Biodiversity and ecosystems	Page 87
		ESRS E5 Resource use and circular economy	Page 90
		ESRS S1 Own workforce	Page 95
		ESRS S2 Workers in the value chain	Page 111
		ESRS S3 Affected communities	Page 115
		ESRS S4 Consumers and end users	Page 121
		ESRS G1 Business Conduct	Page 124
Tracking the effectiveness of these efforts	ESRS 2 MDR-M	ESRS E1 Climate Change	Page 78
		ESRS E2 Pollution	Page 82
		ESRS E3 Water and marine resources	Page 85
		ESRS E4 Biodiversity and ecosystems	Page 88
		ESRS E5 Resource use and circular economy	Page 90
		ESRS S1 Own workforce	Page 100
	ESRS 2 MDR-T	ESRS E1 Climate Change	Page 77
		ESRS E2 Pollution	Page 82
		ESRS E3 Water and marine resources	Page 84
		ESRS E4 Biodiversity and ecosystems	Page 88
		ESRS E5 Resource use and circular economy	Page 90
		ESRS S1 Own workforce	Page 98

GOV-5 Risk management and internal controls over sustainability reporting

PATRIZIA commenced the writing of the sustainability report after the Double Materiality Assessment (DMA) was finalised and auditors were engaged. Information was gained by the sustainability team from other internal PATRIZIA teams and also the downstream value chain and then written in word documents. PATRIZIA then sent word document drafts to the respective PATRIZIAns to review the chapters ensuring that data was reviewed and verified by more than one person to prevent errors and fraud. These internal control systems also ensured completeness and the integrity of data in the sustainability reporting and made sure that all relevant data was captured and accurately represented. PATRIZIA did not have a formal risk assessment approach in relation to the sustainability reporting and therefore did not identify risks or mitigation strategies. The following table indicates the teams which reviewed each specific ESRS chapter. The full report was also reviewed by the Audit Committee, CFO, and the Head of the Investment Division (both part of the Executive Directors).

Sustainability reporting internal control process

ESRS	Which PATRIZIA team reviewed the ESRS chapter
ESRS 2	• Sustainability Team • Investor Relations • Group Reporting and Consolidation
ESRS E1	• Sustainability Team • Investor Relations
ESRS E2	• Sustainability Team • Investor Relations • Sustainable Transformation Infrastructure Team
ESRS E3	• Sustainability Team • Investor Relations • Sustainable Transformation Infrastructure Team
ESRS E4	• Sustainability Team • Investor Relations • Sustainable Transformation Infrastructure Team
ESRS E5	• Sustainability Team • Investor Relations • Sustainable Transformation Infrastructure Team • Real Estate Development Team
ESRS S1	• Sustainability Team • Investor Relations • Human Resources
ESRS S2	• Sustainability Team • Investor Relations • Compliance • Procurement and Services
ESRS S3	• Sustainability Team • Investor Relations
ESRS S4	• Sustainability Team • Investor Relations
ESRS G1	• Sustainability Team • Investor Relations • Accounting • Compliance

Strategy

SBM-1 Strategy, business model and value chain

Please refer to the chapter “Group fundamentals” within the Management Report for a description of the business model, including products and services offered, clients and regional platforms, value chain, revenue generation and segments and the headcount of employees by geographical areas. Further details on the Group strategy can be found in the same chapter within the Management Report.

PATRIZIA's adjusted mid-term strategy, announced on 26 July 2024, integrates sustainability further into its core business model and value chain through its focus on five key growth areas: Living, Value-add Strategies, RE-Infra and Smart City Solutions, European Infrastructure, and its independent Advantage Investment Partners platform. The company aims to reach EUR 100bn in AUM by 2030, aligning its growth ambitions with sustainable investments on behalf of its clients.

PATRIZIA in 2023 conducted and in 2024 finalised a DMA which identified the transition to low-carbon economy, climate change mitigation and physical climate risk as most significant environmental impacts, risks and opportunities. A full overview can be found in SBM-3.

PATRIZIA's investment philosophy behind the mid-term strategy is driven by the “DUEL” megatrends - Digital, Urban, Energy, and Living transitions - highlighting the Company's vision of a World in Transition. These trends significantly align with the significant and important impacts, risks and opportunities identified in the DMA, particularly in addressing climate change and decarbonization.

The **Digital Transition**, with advancements like real-time connectivity and AI, offers new ways to optimize energy efficiency, implement smart building solutions, and manage carbon emissions in real estate and infrastructure investments. These technologies are crucial in mitigating climate-related risks by enabling more sustainable and resilient operational models.

Urban Transition 2.0 emphasises the role of cities as hubs for innovation, smart technologies, and decarbonization efforts. As PATRIZIA invests in urban centres, the integration of green infrastructure and energy-efficient buildings becomes a core component of mitigating the risks posed by regulatory changes and increasing carbon reduction standards. Opportunities arise in the form of developing sustainable urban spaces that meet growing demands for low-carbon living and working environments.

The **Energy Transition** is central to PATRIZIA's Net Zero Carbon Strategy, addressing the risks of climate change and global warming by shifting investments towards renewable energy and sustainable energy production solutions. This transition presents both risks - such as regulatory pressures to reduce carbon footprints - and opportunities for investments in renewable energy infrastructure and green energy storage technologies.

The **Living Transition**, driven by changing demographics and the need for smart housing, aligns with PATRIZIA's efforts to create sustainable living environments. By prioritizing energy-efficient, smart, and low-carbon housing developments, PATRIZIA can mitigate the risks related to rising energy costs and stricter carbon regulations, while seizing opportunities to cater to evolving consumer demands for sustainable, modern living solutions.

PATRIZIA's Responsible Investment Policy is the foundation of the approach to ESG integration and strategy. Respect for the individual, society and the environment is core to PATRIZIA's culture, and the Company is dedicated to conducting operations in accordance with the highest legal, ethical and professional standards. The Responsible Investment Policy is governed and maintained by the ESG Committee and the policy's key contents includes PATRIZIA's responsible investment principles, corporate guidelines, business unit specific standards and the framework for impact investing. The policy explains the activities of its own operations, and the downstream value chain (real estate and infrastructure). PATRIZIA believes that adherence to robust principles and upholding of evolving standards reduces risk and ensures that PATRIZIA will continue to deliver societal value and stable long-term financial returns. The policy relates to all the IROs listed in ESRS E2, E3, E5, S3 and S4. At PATRIZIA, every employee has a part to play in applying the responsible investment principles and contributing towards PATRIZIA's sustainability goals. Responsible investment underpins PATRIZIA's culture and pervades everything PATRIZIA does, from the way teams are grown to the analysis of investments. The policy can be found on the internal portal and also on the Company website for external stakeholders. Accordingly, this policy includes commitments and guidelines that are relevant to all PATRIZIA employees, along with additional sections that apply specifically to individual Business Units within PATRIZIA, as outlined in the table below.

Scope of application by section of the Responsible Investment Policy

Policy Section	Real Estate	Infrastructure Equity	Infrastructure Debt	Infrastructure Listed
PATRIZIA approach	X	X	X	X
Overarching principles	X	X	X	X
Corporate guidelines (own operations)	X	X	X	X
Real Estate	X			
Infrastructure equity		X		
Infrastructure listed				X
Impact investing	X	X		X

PATRIZIA does not categorise its revenues by ESRS (European Sustainability Reporting Standards) sectors, as no such sectors have been established or defined within the Company's financial reporting framework. However, the Company provides a supplementary breakdown of its total revenues in accordance with IFRS 8 Operating Segments which can be found in the chapter "Segment reporting" contained in the Notes to the consolidated statements.

As stated in the value chain section, PATRIZIA's own operations encompass acquiring and managing real estate and infrastructure assets. The upstream value chain for PATRIZIA includes activities and inputs that are needed to acquire real estate and infrastructure assets and allow PATRIZIA to be an effective investment manager for its clients. The upstream value chain provides the necessary resources and information for managing potential investments. Key stakeholder of the upstream value chain includes investment capital providers, who engage with a diverse range of investors to supply the capital PATRIZIA needs to manage and invest in funds and assets. Market research and analysis play a critical role by gathering and analysing data on market trends, values, and economic indicators to identify potential investment opportunities. Site selection and acquisition involve identifying and acquiring suitable assets, a process that includes thorough due diligence, legal negotiations, regulatory approvals, and securing finance.

The downstream value chain involves the engagement and management of acquired assets to maximise value for PATRIZIA and clients, this includes monitoring performance, developing assets and implementing strategies to maximise returns. The downstream value chain stakeholders ensure that PATRIZIA can effectively manage all AUM, maintain client satisfaction and comply with regulatory requirements.

One key element of the downstream value chain is asset management, where PATRIZIA ensures that comprehensive services are in place for assets. Property managers and infrastructure managers oversee daily operations, ensuring assets are well-maintained, efficiently functioning, and meeting tenant demands. These services also include energy efficiency and sustainability initiatives. The downstream value chain also includes the development of marketing strategies to attract tenants and finding property managers to oversee tasks such as maintenance and leasing.

Tenants and end users are another vital component, as PATRIZIA develops marketing strategies to attract them or potential buyers. This process involves negotiating lease terms, managing tenant turnover, and optimizing occupancy rates. Tenants range from residential apartment occupants to commercial and industrial space users. Asset management is focused on enhancing asset values through strategic initiatives, such as renovations, retrofits, repositioning properties to align with market demands, obtaining sustainability certifications, and implementing energy efficiency and decarbonisation measures.

Depending on the asset plans, construction, development, or refurbishment can occur, which is aimed at maximizing the asset's potential. This phase includes hiring contractors, architects, engineers, and urban planners, obtaining approval from local authorities, engaging with local communities, and assessing materials or retrofitting processes. Compliance and sustainability are key factors, as PATRIZIA ensures that assets meet environmental standards and regulations while incorporating sustainable practices in the development or retrofitting processes to minimize environmental impact.

In terms of outputs, outcomes and expected benefits for PATRIZIA's stakeholders, share investors can expect sustainable growth and an enhanced market position, which should potentially lead to dividend income and share price appreciation. Employees can expect employment opportunities, development and growth and local communities can benefit from innovation, socially responsible investment practices and collaborative engagement.

PATRIZIA is not active in the fossil fuel sector and does not generate a revenue from coal, oil or gas. PATRIZIA does not have a revenue from Taxonomy-aligned economic activities related to fossil gas. Please refer to the Taxonomy disclosure to see the very small exposure that PATRIZIA has to gain revenue from gas activities via the infrastructure AUM.

SBM-2 Interests and views of stakeholders

PATRIZIA engages regularly with the stakeholders most affected by the business. PATRIZIA aims to be transparent with stakeholders and provide data coverage and performance measures to build a mutual level of trust whilst gaining an understanding of stakeholder's interests and views. The table below indicates the type of engagement activity, purpose and outcome of engagement. The views of stakeholders informed PATRIZIA's due diligence process and the materiality assessment, which is described further in IRO-1. Of the stakeholders listed below, PATRIZIA's key stakeholders are fund investors & clients, employees, analysts & share investors and tenants.

Stakeholder

Stakeholder Group	Engagement Activity	Purpose of Engagement	Outcome from Engagement
Fund Investors & Clients	– Regular fund reviews. – Standardised quarterly ESG reporting to all investors. – Regular ESG events for all German investors to present innovations, regulations and strategies. – Macroeconomic research and investment trends. – Regular social media engagement and posting of ESG-related articles and content on the PATRIZIA website. – Requests for proposals or questionnaires from investors. – Annual investor conferences held by infrastructure funds (EIF II and ASIF).	– To understand the expectations of investors on sustainability topics. – Enhancement of transparency between PATRIZIA and investors. – To attract responsible investors.	– A trusting relationship with investors and clients. – Increased flow of information between PATRIZIA and investors.
Analysts & Share Investors	– Publication of the PATRIZIA Annual Report (including Group Non-Financial Statement), Sustainability Report and quarterly reporting. – Capital Markets Day. – Regular conference calls that address the strategic and financial development of the Group. – Regular roadshows and conferences to present PATRIZIA, as well as additional meetings and calls with analysts and investors. – Annual General Meetings. – Rating agencies review of PATRIZIA, such as MSCI, ISS and Sustainalytics.	– Enhancement of transparency between PATRIZIA and shareholders. – To attract responsible investors. – To understand the expectations of investors in terms of sustainability topics. – Facilitating discussions and conversations between the management and shareholders. –	– Ensure transparency about business development between PATRIZIA and shareholders. – Provide a transparent picture about PATRIZIA's sustainability performance. –

Employees	– Employee Resource Groups (ERGs) are in place. – Internal communications, such as a monthly Business Update Call and the PAT A GLANCE newsletter. – The Employee intranet includes HR policies, training and development and a place for collaboration. – Employees can volunteer through the PATRIZIA Foundation. – Annual performance reviews include ESG KPIs. – Regular internal and external ESG training. – Employee representation bodies in form of a European Employee Forum (EEF) and a local works council in Frankfurt	– Gain employee perceptions and experiences of working at PATRIZIA in order to become an employer of choice. – Encourage a culture of development, open communication, and philanthropy.	– Develops a culture of open dialogue. – Keeps employees up to date on PATRIZIA progress, policies and training.
Tenants	– Communication with tenants through videos links through YouTube, ESG guidelines, surveys, meetings and events. – Green clause implementation for almost all new leases and prolongations. – Use of third-party engagement platforms (e.g. HOCOCO or Area of People) for residential community-building apps.	– Implement sustainable practices in assets and develop tenants understanding of ESG. – Giving tenants a platform to provide their opinions and views.	– Development of further tenant engagement initiatives and sustainable practices.
Property Management Teams	– Annual meetings are held with Property Management teams to discuss all asset-related topics, including sustainability topics. – Dedicated people at PATRIZIA for property managers to contact to facilitate quick communication.	– To understand the expectations of property managers on sustainability topics.	– Development of further sustainable initiatives for assets.
Suppliers & Contractors	– A Supplier Code of Conduct is in place and includes ESG requirements.	– Compliance with the code of conduct, to ensure protection of human and labour rights.	– Health, wellbeing and working conditions maintained.
Communities	– Employees volunteer in their own time and also together through the PATRIZIA Foundation. – All employees have the possibility to use 1% of their working time to support a non-profit organisation with a charitable impact.	– Encourage employees to be philanthropic.	– Develop a culture of giving back to communities.
Business Partners	– Annual ESG surveys sent to all local operating partners to assess ESG levels. – Comparative ESG result reports are shared. – Active engagement with local operating partners, offering improvement advice, discussing upcoming trends, strategies and best practices across asset classes and global regions. – Regular meetings with local operating partners in impact funds to oversee fulfilment of impact KPIs, such as high energy efficiency, reduction of embodied carbon and implementation of social programs. – Coordinate with local operating partner to hold community engagement activities, such as community surveys.	– To understand the expectations of business partners in terms of sustainability topics. – Facilitating discussions and conversations between PATRIZIA and business partners.	– Enhancement of transparency between PATRIZIA and business partners.
Local Authorities	– In the case of renovations, PATRIZIA works with municipalities to ensure work is in line with local regulations, standards and sustainability ambitions.	– Understand local regulations and standards applicable to PATRIZIA.	– Compliance with local regulations and standards.
Industry Bodies	– Signatory to NZAM, CDP, UNGC and the PRI. – PATRIZIA holds committee member seats or representation in various regional industry associations – INREV, RICS, AREF, ZIA, BVI, ULI, to name a few.	– Enhances PATRIZIA's sustainability accreditation and reputation. – Benchmarks PATRIZIA sustainability approach.	– Alignment with industry best practices and standards.

Portfolio Companies	– Regular engagement by Operating Partners, Asset Management and Sustainable Transformation teams with portfolio company management. – Sustainability Workshops run on site. – Engagement with ESG data collection, including training sessions in the new data collection system.	– Develop portfolio companies understanding of sustainability.	– Increase of data collection for PATRIZIA and better performing assets.

PATRIZIA has not amended its strategy in the reporting year but has identified six strategic priorities to focus on in the next five years that are all geared towards positioning PATRIZIA as the go-to manager for smart real asset solutions. PATRIZIA's operating model was amended in the reporting year. PATRIZIA has reorganised to create five distinct divisions – Executive Division, CFO Division, COO Division, Investment Division and Client Division with each one headed by an Executive Director who is member of the GEC. The GEC is the main operative decision-making body. PATRIZIA has also established a Business Leadership Team (BLT) who drives business and consist of key business function leaders. Additionally, there is a Global Operating Committee (OpCo) which oversees the day-to-day business of the organisation.

This new operating model enhances decision making, shows clear accountability and focused leadership and will lead to operational efficiency. Overall, this restructuring is designed to create a more agile, transparent, and client-focused organization, which should positively impact stakeholder trust and engagement. The new operating model will also create attractive investment opportunities and drive client's investment success, whilst growing PATRIZIA as a company, therefore taking stakeholder interests and views into consideration. The reorganisation has been completed and implemented into PATRIZIA and no further steps are being taken. The Board and GEC are not informed about the views and interests of affected stakeholders with regard to sustainability related impacts.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

PATRIZIA's material impacts, risks and opportunities identified during the DMA are indicated in the table on the page below. Each material topic is further described in the Group Non-Financial Statement, found in the respective chapters.

PATRIZIA's threshold for defining materiality of impacts, risks and opportunity was that all topics were ranked important, significant or critical in the final calculation of results that was deemed a material topic to report on. The criteria were based on corresponding scales used in the surveys. The materiality threshold was rated as a score of 0 to 5. Important was rated as 2.5-3.5 (yellow), significant as 3.5-4.5 (orange) and critical as 4.5+ (red). As seen in the table, no topics were ranked as critical and a limited amount rated as significant, with most topics being rated as important:

PATRIZIA has further analysed each impact, risk and opportunity in terms of sub-topic. The table on the page below describes in more detail the material topics. Further information on how PATRIZIA responds to the effects of each impact, risk and opportunity can be found in the ESRS chapters in the report. All IRO's in the table were addressed by the Sustainability Team during the reporting year.

Material topics

ESRS Topic	Description	Time horizon			Value Chain		
		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
E1 Climate Change							
Climate Change adaptation – Transition to a low carbon economy							
Positive impact	Decreasing GHG emissions due to energy efficiency improvements and renewable energy production through the setting of GHG reduction targets.	X				X	X
Risk	Higher costs and technical challenges associated with decarbonization and energy efficiency legislation. The increase of compulsory legislation can lead to fines or non-compliance for PATRIZIA or costs associated with having to hire new employees or third parties.	X				X	X
Opportunity	Implementing energy efficiency and decarbonizing technologies can reduce energy consumption and bills. Over time these savings can create economic opportunity such as offsetting the initial investment costs and lead to positive financial returns.	X				X	X
Climate Change adaptation – Physical climate risk							
Positive impact	Alleviating physical climate risk such as flooding, wildfires, storms, heatwaves, water scarcity, sea-level rise and drought through forward looking scenario analysis across the portfolio and assessing exposure to the physical climate risks impacting an asset. By proactively managing physical climate risks, PATRIZIA can enhance its resilience to extreme weather events and long-term climate changes. This can help maintain operations and provide information on the future of assets.	X					X
	The construction of assets increases the pressure on ecosystem services (water, food, food chain) and local infrastructure (sewage).	X					X
	Increasing biodiversity and using nature-based solutions in refurbishment of assets increases resilience to flooding and overheating.	X				X	X
	Creation of new renewable energy production sources alleviates the local energy demand.	X				X	X
	Increasing resilience of assets through technological and nature based solutions (e.g. increasing vegetated areas, saving water and cooling and heating costs).	X				X	X
Negative impact	The increasing frequency of aggravating physical climate risks such as hurricanes, floods, wildfires and other extreme weather events can cause substantial damage to buildings and assets around the world.						X
Risk	Damage or an increase in operating costs due to increased severity and frequency of chronic conditions such as water stress, droughts, heatwaves and sea level rise.	X				X	X
	Loss of revenue/value due to some areas becoming un-inhabitable or less attractive due to temperature	X				X	X
	Increased pressure to lower energy consumption and intensity resulting in costs of improvements and technological challenges.	X				X	X
	Requirements/expectations to provide low carbon transport options (EV charging points, availability of public transport etc.).	X				X	X
Opportunity	Increasing resilience of assets through technological and nature-based solutions (e.g. increasing vegetated areas, saving water and cooling and heating costs).	X					X
	Decreased GHG emissions from assets construction and operations through technological and nature-based solutions such as limiting the use of virgin materials, establishing innovative cooling/heating systems or increased biodiversity spaces.	X					X
	Decreased energy costs from energy efficiency upgrades.	X					X
	Decreased GHG emissions from renewable energy.	X					X
	Increase of capital available for sustainable investments.	X					X

Climate Change Mitigation							
Positive Impact	Decreased energy consumption from energy efficiency upgrades.	X					X
	Investment in renewable or efficient energy producers (or other efficient energy sources).	X					X
Risk	Increased pressure to lower energy consumption and intensity resulting in costs of improvements and technological challenges.	X					X
	Requirements/expectations to provide carbon transport options (EV charging points, availability of public transport etc.)	X					X
Opportunity	Decreased energy costs from energy efficiency upgrades.	X					X
	Decreased GHG emissions from renewable energy.	X					X
	Increase of capital available for sustainable investments.	X					X
ESRS E2 Pollution		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Substances of concern							
Positive impact	Committing to the use of asbestos and PCB-free materials in all new developments and renovations reduces future health risks.	X					X
	Best practice in asbestos management promotes the safety, health and well-being of occupiers and communities.	X					X
Risk	If substances of concern such as asbestos are discovered, it can lead to significant remediation costs. This may then lead to higher insurance premiums and decreased market value of the asset. This may also lead to further financial implications such as the deterrence of potential buyers and impact the assets marketability.	X					X
ESRS E3 Water and Marine Resources		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Water							
Positive impact	Reducing water consumption helps preserve natural ecosystems and biodiversity. This mitigates the effects of droughts and water shortages, contributing to a more resilient environment.	X					X
	Implementing efficient water management practices (such as low-flow fixtures or the recycling of water) reduce water bills and operational costs and indicates to investors that an asset is environmentally responsible and managing water consumption.	X					X
ESRS E4 Biodiversity and ecosystems		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Direct impact drivers of biodiversity loss							
Negative Impact	Construction disrupts natural habitats which jeopardizes the continuation and natural migration patterns of species by taking up space and breaking down food chains.		X				X
	Urban sprawl spreads pollutants, impacting air and water quality.		X				X
	New construction/deployment of capital on greenfields causes biodiversity loss.		X				X
Impacts on the extent and condition of ecosystems							
Risk	The changing nature of biodiversity sees the possibility of regulations changing and the need to reduce soil sealing, which indirectly effects PATRIZIA's revenues.		X				X

Impacts and dependencies on ecosystem services							
Risk	Ecosystem degradation may affect the value of properties in the future if investors start screening for it. This can then limit the pool of investors willing to buy assets, and indirectly affect PATRIZIA's revenues due to lower transaction and performance fees generated with an investment.	X					X
ESRS E5 Resource use and circular economy		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Resource inflows, including resource use							
Positive impact	Circular practices, such as repurposing and recycling building materials, developing buildings for multiple changes of use, and modular construction methods for ease of disassembly, minimise the need for virgin material use which reduces the strain on natural resources.	X					X
Negative impact	Real estate developments often require significant amounts of natural and virgin materials/resources. Overexploitation leads to resource depletion and ecological imbalances.	X			X		X
Risk	Retrofitting or using non-virgin materials to align with circular practices can be costly and is a new practice compared to traditional construction methods. Without incentives or further guidance from governing bodies on circular economy practices this may impede the progress of PATRIZIA.	X					X
Opportunity	By repurposing and recycling materials, PATRIZIA can improve resource productivity and reduce reliance on virgin materials and therefore gain a financial advantage.	X					X
Resource outflows related to products and services							
Positive impact	When PATRIZIA repurposes and re-uses building materials for development assets it significantly lowers the greenhouse gas emissions and minimise its environmental impact. These development assets are designed to reduce energy requirements through efficient insulation and energy-efficient systems, creating further energy savings.	X			X		X
Negative impact	Construction generates substantial waste, including debris, packaging materials and discarded materials, without the correct disposal mechanism this can harm the environment. Additionally, a high amount of waste can only be mitigated but not avoided by re-using materials.	X					X
	Real estate developments often require significant amounts of natural and virgin materials/resources. Overexploitation leads to resource depletion and ecological imbalances.	X					X
Risk	Retrofitting or using non-virgin materials to align with circular practices can be costly and complex for PATRIZIA to implement. Without incentives or knowledge on circular economy practices this may impede the progress of PATRIZIA.	X					X
Opportunity	Circular building designs often incorporate energy saving features, leading to operational cost savings.	X					X
	By repurposing and recycling materials, PATRIZIA and investors can improve resource productivity and reduce reliance on virgin materials.	X					X

ESRS S1 Own Workforce		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Working Conditions							
Positive impact	Good working conditions (such as fair compensation, a work-life balance, development opportunities, an ergonomic work environment, health and safety, transparent communication and inclusive culture) lead to healthier, more satisfied employees who contribute positively to their communities. Employees prospering from good working conditions are more likely to engage in community activities and volunteer work, fostering social cohesion.	X				X	
Negative impact	Substandard working conditions can lead to chronic health issues among employees, increasing public health burdens and reducing the overall quality of life in the community.	X				X	
	Poor attention to well-being can contribute to mental and physical health issues such as stress, anxiety, depression, heart disease, hypertension, and obesity. This places additional strain on healthcare systems and reduces overall public health. Furthermore, it can have wide-reaching effects on the ability of employees to contribute to society.	X				X	
	Neglecting employee health and well-being can result in higher absenteeism and a higher burden on healthcare systems.	X				X	
	High turnover rates and decreased productivity due to poor working conditions can lead to economic instability within the Company and the community, as local economies rely on the success of businesses for jobs and economic growth.	X				X	
Risk	A lack of focus on favourable working conditions, especially wellbeing, diminishes employee engagement and productivity, as workers feel undervalued and unsupported. Lower employee engagement and productivity from poor health and wellbeing initiatives can lead to higher rates of absenteeism, increasing costs caused by decreased productivity or hiring temporary staff.	X				X	
	Poor working conditions contribute to job dissatisfaction, increasing staff fluctuation and the costs associated with recruiting, hiring and training new employees.	X				X	
Opportunity	Good working conditions, including secure employment, comfortable workspaces, adequate resources, and fair compensation, enhance employee productivity and efficiency, leading to higher output and profitability. Additionally, prioritising health and wellbeing through initiatives like mental health support and well-being programs can reduce absenteeism and chronic illness, which can lower personnel expenses and healthcare cost.	X				X	
	A focus on wellbeing leads to higher employee engagement and satisfaction, as workers feel valued and supported, leading to higher productivity and lower turnover costs.	X				X	
	Positive working conditions lead to higher job satisfaction, reducing turnover rates and retaining valuable talent and knowledge within the organisation, reducing costs for recruiting, hiring and training new employees.	X				X	
Equal treatment and opportunities for all							

Positive impact	Promoting equal treatment and non-discrimination (through ED&I training, ERGs, ED&I policies, promoting a diverse culture and inclusive development opportunities) helps to reduce societal inequalities. PATRIZIA ensures fair treatment (through diverse leadership, flexible work arrangements, transparent ED&I policies, ERGs, ED&I training, and mentor programs), and contributes to a more just and equitable society where opportunities are accessible to all, regardless of background.	X				X	
Negative impact	Inequality and discrimination in the workplace can perpetuate social divides and tensions, leading to a less cohesive and more fragmented society.	X				X	
	Discrimination prevents talented individuals from contributing fully to the economy and society, leading to a loss of potential innovation and economic growth.	X				X	
Risk	Inequality and discrimination create a toxic work environment, leading to decreased employee morale, motivation, and loyalty.	X				X	
	Discriminatory practices expose the organisation to legal challenges, including lawsuits, fines, and settlements. Furthermore, they can damage its reputation, and harm the Company's brand, leading to loss of clients and revenue.	X				X	
Opportunity	Ensuring non-discrimination attracts a diverse range of candidates, enriching the Company with varied perspectives and innovative ideas. A diverse workforce brings a variety of perspectives and ideas, driving innovation and potentially leading to new products, services, and markets.	X				X	
	A reputation for fairness and inclusivity attracts top talent, reducing recruitment costs and increasing the quality of hires.	X				X	
	Promoting equal treatment and non-discrimination fosters a supportive and inclusive work environment, boosting employee morale and motivation, leading to higher employee productivity, associated with increased financial performance.	X				X	
ESRS S2 Workers in the Value Chain		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Working Conditions							
Positive impact	By ensuring fair wages, safe environments, and job security, companies can help reduce economic inequality and promote social equity. Better working conditions also lead to improved health and well-being for workers, reducing the burden on public health systems. Additionally, these practices can decrease the prevalence of child and forced labour, allowing for greater educational opportunities and breaking cycles of poverty. Enhanced working conditions foster social stability, as satisfied workers are less likely to engage in unrest. These conditions can boost productivity and innovation, drive economic growth and create a more equitable and healthy society.	X					X
Negative impact	Poor working conditions can lead to economic inequality, as workers face low wages and job insecurity. Health issues arise from unsafe environments and long working hours, placing a burden on public health systems. Additionally, inadequate conditions can increase the prevalence of child and forced labour, perpetuating cycles of poverty and limiting educational opportunities. Social instability may result from worker unrest and strikes, disrupting communities and economies. Environmental degradation is also a concern, as companies neglecting worker welfare often overlook environmental standards.	X					X
Risk	Poor working conditions can lead to the increase in costs associated with high turnover of the workforce and therefore availability of adequate replacements.	X					X

	Reputational risk from working with partners who do not adhere to best practices or high business standards.	X					X
Opportunity	Costs savings and productivity gains from stable workforce.	X					X
Equal treatment and opportunities for all							
Positive impact	By ensuring that all workers receive fair compensation, safe working conditions, and equal opportunities regardless of their background, companies can help create a more inclusive and equitable workforce. These practices not only improve the well-being and job satisfaction of workers but also contribute to reducing inequality and fostering social cohesion. Ultimately, this leads to a more just and sustainable society.	X					X
Risk	Costs associated with reputational damage if working with partners whose practices are below the minimum industry standard.	X					X
Opportunity	Improved access to capital associated with reputation of working with partners whose practices exceed minimum industry standard, productivity gains from stable workforce.	X					X
Other work-related rights							
Positive impact	Ensuring that work related rights such as fair compensation, health and safety standards and equal opportunities means that companies can help workers in the value chain secure adequate wages, a work-life balance and job security. This reduces the likelihood of forced labour, child labour, improves the health and well-being of workers in the value chains, and enhances privacy protections. This contributes to a more ethical, equitable and sustainable society.	X					X
Risk	Reputational damage if working with partners whose practices are below the minimum industry standard.	X					X
Opportunity	Improved access to capital associated with reputation of working with partners whose practices exceed minimum industry standard, productivity gains from stable workforce.	X					X
ESRS S3 Affected Communities		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Communities economic, social and cultural rights							
Positive impact	Providing adequate housing for communities affected by PATRIZIA's assets and activities.	X					X
	Change of use of land for communities affected by PATRIZIA's assets and activities. Such as schools, greenspace, educational centres or commercial hubs.	X					X
	Increased availability of local jobs linked to construction and operation of real estate.	X					X
Risk	Costs associated with not safeguarding the rights of affected communities such as reputational or legal risks of negatively impacting access to adequate housing, food, water and affecting security of communities adjacent to investments.	X					X
Opportunity	Cost saving from timely permissions and completion of investments, value from creation of economic and social opportunities for affected communities.	X					X

ESRS S4 Consumers and End Users		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Information related impacts for consumers and/or end users							
Positive impact	Respecting the privacy of end users and businesses builds trust, this then leads to cooperative communities.	X					X
Risk	Reputational or legal risk from not giving sufficient access to quality information and respecting privacy of consumers and end users this can then lead to a decrease of value or revenue due to the loss of tenants.	X					X
Opportunity	When tenants have access to accurate information, it builds trust between them and the business, and allows them to make informed decisions. This transparency can lead to stronger relationships, higher satisfaction levels and therefore tenants are more likely to be retained and attract similar tenants.	X					X
Personal safety of consumer and/or end users							
Positive impact	By providing safe and healthy living conditions for all, it helps reduce social and economic disparities and also leads to healthier populations. This can decrease the burden on the healthcare systems, improve quality of life and help reduce inequality.	X					X
Risk	Reputational or legal risk from not respecting the safety and health of consumers and end users, which leads to the decrease of value or revenue due to loss of tenants.	X					X
Opportunity	Increase of value or revenue due to better tenant retention and recruitment.	X					X
Social inclusion of consumers and/or end users							
Opportunity	By PATRIZIA developing affordable housing projects, it leads to social inclusion being fostered by engaging with tenants and creating communal spaces. This can also lead to the increase of revenue and value of projects due to better tenant retention.	X					X

ESRS G1 Business Conduct		Short term	Medium term	Long term	Upstream	Own Operations	Downstream
Protection of whistleblowers							
Positive impact	Encouraging transparency, accountability, and ethical behaviour across industries and institutions. Including the whistleblowing system, access to information annually in PATRIZIA reports, and clear communication with stakeholders on whistleblowing systems and the Code of Values.	X				X	
Management of relationships with suppliers including payment practices							
Positive impact	By fostering collaborative and long-term relationships with suppliers, businesses drive economic growth, and it leads to more stable supply chains. Collaboration leads to innovation and efficiency, which boosts productivity and enables essential services to remain available.	X				X	
Negative impact	Poor management of suppliers, including unfair payment practices can cause economic instability and exploitation of workers as well as it undermines fair trade and ethics.	X				X	
Risk	Reputational and legal risk from not adhering to best business practices in managing the relationship with suppliers may affect the supply chain, leading to operational disruptions, resulting in higher operational costs, penalties for missed deadlines or lost revenue.	X				X	
Opportunity	Cost savings due to PATRIZIA having a reliable supply chain that signs a supplier code of conduct and reinforces positive business practices. Therefore, resulting in enhanced profitability, improved operational efficiency and the creation of a competitive advantage.	X				X	

Corruption and Bribery						
Positive impact	By companies publicly stating if they have had any corruption and bribery conflicts or exposure it fosters a more transparent and fair society, leading to economic growth and enhanced trust in institutions globally.	X			X	
Risk	Reputational and legal risk as well as damage from not adhering to best business practices, anti-corruption and anti-bribery rules and practices.	X			X	
Opportunity	Capitalising on opportunities created by a culture free from corruption and bribery. Opportunities include an enhanced reputation and trust from stakeholders, regulatory compliance preventing legal issues, fines and establishing a culture free from corruption as well as a potential for increased investments from investors looking for companies with ethical practices.	X			X	

There have been no changes to the material impacts, risks and opportunities compared to the previous reporting period as this is PATRIZIA's first Group Non-Financial Statement that has applied and followed the ESRS reporting standards, which requires impacts, risks and opportunities to be reported on.

Material impacts stated above do not originate from the Company's business model however, they are all connected to the strategy of becoming a smart real asset player and any material impact may stop this from occurring. Additionally, the impacts all relate to the "DUEL" megatrends - Digital, Urban, Energy, and Living transitions - highlighting the Company's vision of a World in Transition. These trends significantly align with the important impacts, risks and opportunities identified in the DMA, particularly in addressing climate change and decarbonization and indicate the resilience of PATRIZIA's strategy and business model. PATRIZIA has not undertaken a resilience analysis of its strategy and business model, however, throughout the last 40 years, PATRIZIA has seen success and growth of the company, through internationalisation, a growing variety of real estate and infrastructure asset classes and being close to the asset to create added value. The DUEL megatrends that PATRIZIA is now focusing on will allow PATRIZIA to become a leading global real asset manager.

PATRIZIA has set a risk threshold, stating that risks must be reported if the impact exceeds EUR 100k or is above low qualitative damage classification within one year and in the inherent worst case. PATRIZIA's material sustainability risks and opportunities do not currently exceed this threshold.

PATRIZIA did not incorporate sector or entity-specific standards into the DMA. The survey questions referred to PATRIZIA, without explicitly mentioning 'real estate' or 'infrastructure'. PATRIZIAns from various departments responded based on their individual roles and experiences, leading to DMA responses that inherently reflected perspectives from both sectors.

Impact, risk and opportunity management

Disclosures on the materiality assessment process

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

PATRIZIA, with the assistance of a third-party consultant, conducted in 2023 and finalised in 2024 a DMA in accordance with the requirements of the ESRS. The DMA is a first step in aligning with the CSRD and identifying which ESG-related topics are material for a company. Material topics are assessed on the impact the company is having on the planet and the people (both positive and negative), as well as the risks and opportunities a company is exposed to. Once identified, the material topics are reported on in the annual disclosure, as seen in this Group Non-Financial Statement.

In order to deliver the result, ESG topics were compiled and assessed by PATRIZIA and the third-party consultant in multiple workshops. The outcome was a longlist of relevant ESG topics (based on the ESRS classification) which were ranked in terms of relevance on a scale of 1-3 (3 equated to 'of significance' and 1 'of no relevance'). It was decided that stakeholder engagement would focus on all topics rated 3 and 2, which led to an ESG topic shortlist in the surveys and discussed in interviews with stakeholders to assess the materiality.

Stakeholder groups were jointly identified by the third-party consultant and PATRIZIA. A broad range of stakeholder and employees were invited to complete the surveys and interviews on impact materiality and financial materiality. Internal stakeholders ranged from senior management, Human Resources, Legal, Investor Relations, Funds Management, ESG professionals, Marketing, Asset Management, Compliance, Risk Management and Investment Management. External stakeholders included, fund investors and clients, share investors and analysts, business partners, tenants, contractors, property managers, industry bodies and local authorities. Internal control procedures to identify the material risks, opportunities and impacts included oversight from the Head of Investment Management Sustainability and a Director in Investor Relations conducting the DMA and using resources in their team to complete the Group Non-Financial Statement.

Processes do not focus on specific activities, business relationships, geographies or other factors that give rise to the heightened risk of adverse impacts. PATRIZIA did not consider the impacts with which its own operations affect business relationships.

The materiality threshold was rated as a score of 0 to 5 whereas all important, significant and critical topics were considered as material topics. Important was rated as 2.5-3.5 (yellow), significant 3.5-4.5 (orange) and critical 4.5+ (red). PATRIZIA defined process steps for conducting the DMA for impact and financial materiality. The process followed the steps listed below:

Initiation
- ESG topic selection (long list)
- Stakeholder selection

Preparation
- Final ESG topic selection (short list)
- Survey development

Execution
- Impact and financial materiality digital survey distribution
- Internal and external stakeholder interviews
- Financial materiality workshop

Assessment and evaluation
- Quantitative and qualitative assessment of the results by third-party consultant

Report
- Final report and results presented to the working group
- Review and sign-off by the PATRIZIA ESG Committee
- Final results presented to the Group Executive Committee and Board of Directors

The material financial risks were then mapped into the Group-wide risk management system. It is planned to expand the risk management system by opportunity management within the next business year, so that opportunities can be tracked in the same manner. Impacts have not been mapped into the risk management system.

PATRIZIA's DMA determined that the sub-topic of 'other work-related rights' within ESRS S1 is not a material topic. However, the sub-sub-topics of 'child labour' and 'forced labour' are addressed under the sub-topic of 'working conditions' due to the overlapping of information.

PATRIZIA's DMA indicated that there are two other material topics in ESRS S4 that are not ESRS topics or sub topics. These material topics are 'tenant engagement' and 'health and wellbeing of tenants/occupants'. PATRIZIA has aggregated and covered all the information from these two topics within the three material ESRS topics in ESRS S4.

The following topics were assumed and considered non-material before the DMA survey was created. The table indicates the reason for omissions and how PATRIZIA focused on the material topics relevance to the Company's operations, stakeholders, and regulatory landscape. Internal discussions took place to determine these non-material topics including the Head of Investment Management Sustainability and Investor Relations. Therefore, no impacts, risks and opportunities were identified for the following topics and sub-topics. PATRIZIA made the assumption that the company did not impact the planet or people, both positively and negatively and the risks/opportunities the company was exposed to in terms of the topic. No further assumptions were made.

Non-material ESRS topics

Topic	Sub-topic	Reason
ESRS E2 Pollution	Pollution of air	As an investment manager for real estate and infrastructure investments, PATRIZIA does not have operational control over industrial processes that typically cause air, water, or soil pollution. Real estate assets, unlike manufacturing or industrial companies, have a relatively lower environmental impact on these pollution types. Pollution from tenants or indirect sources are not material since PATRIZIA's role as an investment manager limits direct control over operational activities within the buildings.
	Pollution of water	
	Pollution of soil	
	Pollution of living organisms and food resources	PATRIZIA operates in the real estate and infrastructure investment management sector. The Company's activities do not involve direct interactions with agricultural or food production systems, where pollution of food resources might be a material concern. Therefore, pollution impacting living organisms and food chains is not relevant in the context of the operations of the Company.
	Substances of very high concern	The use of substances of very high concern is typically associated with industries such as chemicals, pharmaceuticals, or heavy manufacturing. PATRIZIA does not engage in activities where the handling of substances of very high concern is a significant risk.
	Microplastics	The production and release of microplastics are primarily associated with industries like textiles, packaging, and consumer goods. As an investment manager, PATRIZIA does not contribute to microplastic pollution.
ESRS E3 Water and Marine Resources	Marine resources	PATRIZIA's real estate and infrastructure activities are land-based, having no interaction with marine environments, making this topic non-material for the operations.
ESRS E4 Biodiversity and Ecosystems	Impact on the state of species	As an investment manager for real estate and infrastructure investments, PATRIZIA's core activities focus on urban and built environments rather than natural habitats where species biodiversity is typically a major concern, making the topic non-material for the Company.
ESRS E5 Resource Use and Circular Economy	Waste management	Waste generation and management are more relevant for sectors with large-scale production processes or high material consumption. These are no operational fields of PATRIZIA.
ESRS S1 Own Workforce	Other work-related rights	The subtopic of 'other work-related rights' under ESRS S1 Own Workforce is not material for PATRIZIA, as the company operates in regions with stringent labour laws that prohibit forced or child labour. Additionally, PATRIZIA's robust internal policies and compliance measures ensure that all employees' rights are protected, further mitigating any risks associated with these issues.
ESRS S3 Affected Communities	Communities' civil and political rights	As a company focused on real estate and infrastructure management, PATRIZIA's business operations do not intersect with issues related to civil and political rights. These issues are more likely to be relevant to companies operating in sectors with significant impacts on local communities or those engaging in direct interactions with civil or political entities.
	Rights of indigenous people	The geographical locations of PATRIZIA's AUM are likely to be in urban or developed areas, where the presence of indigenous peoples is either limited or non-existent, making this topic non-material.
ESRS G1 Business Conduct	Corporate culture	While corporate culture is an important internal governance factor, it is often considered more of an internal management issue rather than a material sustainability issue with significant external or financial impact. For PATRIZIA, corporate culture is considered material for external sustainability reporting but is likely addressed through internal governance structures.
	Animal welfare	Animal welfare concerns are more relevant to industries such as agriculture, food production, or retail. PATRIZIA has no exposure to activities affecting animal welfare.
	Political and lobbying activities	While political engagement and lobbying can be material for some companies, PATRIZIA is not significantly involved in activities that require large-scale political engagement or lobbying. The focus on investment management, as opposed to sectors like energy or technology, has limited involvement in shaping political agendas, making this issue non-material.

PATRIZIA identifies and assesses risks and opportunities that may have potential financial effects through performing a risk inventory, the results of this are an overview and detailed description of the risk categories and risk types which are stated in the risk catalogue. The risk catalogue describes nature of the given risk and describes exemplary control and mitigation tools.

PATRIZIA has considered and mapped the relevant impacts, risks and opportunities from the DMA to the risk catalogue to ensure they are all included. PATRIZIA does not prioritise sustainability-related risks. Any such risks with material impacts are to be notified and registered on PATRIZIA's risk tracker tool irrespective of the EUR100k threshold. To monitor risks, PATRIZIA risk management has a periodic reporting setup that ensures that the identified risks are subject to periodic analyses and assessments, and that the adequacy and effectiveness of the implemented risk control measures are steered and monitored via a risk owner setup.

PATRIZIA assesses the likelihood and magnitude of risks through aggregating qualitative assessments of potential damages that are graded from "low to significant" and the frequency of occurrences are graded from "very unlikely to very likely". To prioritise impacts (both positive and negative) during the DMA, PATRIZIA's methodology was based on the likelihood of the impact which ranged from not likely at all to actual: very likely. The impacts were also scored on the scale of how significant and how widespread the impact was. The scale of how significant the impact was ranged from 'none' to 'extremely significant'

and the widespread impacts ranged from ‘none’ to ‘global’. Lastly, the irremediable character of the impact was assessed in terms of ‘very easy to remedy’ to ‘non-remediable/irreversible’. This rating was performed at the sub-topic level, resulting in the prioritisation of impacts based on their relative severity and likelihood. These scales and methodology allowed PATRIZIA to determine which sustainability impacts were material to report on. The process to identify, assess and manage impacts, risks and opportunities has not changed compared to the prior reporting period, to note that this was PATRIZIA’s first year undertaking a DMA. PATRIZIA has not yet decided the future revision dates of the DMA. PATRIZIA has not prioritised the material negative impacts.

IRO-2 Disclosure requirements in ESRS covered by the undertaking’s Group Non-Financial Statement

The following table indicates the ESRS disclosure requirements and reference to page number or reason for omitting. Some of the disclosure requirements are also cross-cutting and have related datapoints that derive from other EU legislation. The specific EU legislation is indicated in the table, the cross-cutting EU legislation includes the SFDR, Pillar 3 reference, Benchmark Regulation reference and EU Climate law reference.

Disclosure Requirement

Disclosure Requirement	Related data point and cross cutting EU legislation	Page Reference
ESRS 2 General Disclosures		
BP-1 General basis for preparation of the Group Non-Financial Statement	n/a	Page 25
BP-2 Disclosures in relation to specific circumstances	n/a	Page 27
GOV-1 The role of administrative, management and supervisory bodies	Boards gender diversity - SFDR, Benchmark regulation	Page 28
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Percentage of board members who are independent – Benchmark regulation	Page 28
GOV-3 Integration of sustainability-related performance in incentive schemes	n/a	Page 30
GOV-4 Statement on due diligence	Statement on due diligence - SFDR	Page 30
GOV-5 Risk management and internal controls over sustainability reporting	n/a	Page 31
SBM-1 Strategy, business model and value chain	Involvement in activities related to fossil fuel activities, chemical production, controversial weapons, and cultivation and production of tobacco – SFDR, Pillar 3 and Benchmark regulation	Page 32
SBM-2 Interests and views of stakeholders	n/a	Page 34
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	n/a	Page 37
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	n/a	Page 45
IRO-2 Disclosure requirements in ESRS covered by the undertaking's Group Non-Financial Statement		Page 48
ESRS E1 Climate Change		
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	n/a	Page 68
E1-1 Transition plan for climate change mitigation	Transition plan to reach climate neutrality by 2050 – EU Climate Law Undertakings excluded from Paris-aligned benchmarks – Pillar 3 and Benchmark regulation	Page 68
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	n/a	Page 70
ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	n/a	Page 70
E1-2 Policies related to climate change mitigation and adaptation	n/a	Page 75
E1-3 Actions and resources in relation to climate change policies	n/a	Page 75
E1-4 Targets related to climate change mitigation and adaptation	GHG emission reduction targets – SFDR, Pillar 3, Benchmark reference	Page 77
E1-5 Energy consumption and mix	Energy consumption from fossil sources disaggregated by sources – SFDR Energy consumption and mix – SFDR Energy intensity associated with activities in high climate impact sectors - SFDR	Page 78
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Gross Scope 1,2,3 and total GHG emissions – SFDR, Pillar 3 and Benchmark regulation Gross GHG emissions intensity – SFDR, Pillar 3 and Benchmark regulation	Page 78
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	GHG removal and carbon credits – EU Climate Law	Not applicable to PATRIZIA
E1-8 Internal carbon pricing	n/a	Not applicable to PATRIZIA

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Exposure of the benchmark portfolio to climate related physical risks – Benchmark regulation Disaggregation of monetary amounts of acute and chronic physical risk – Pillar 3 Breakdown of the carrying value of its real estate assets by energy efficiency classes – Pillar 3 Degree of exposure of the portfolio to climate related opportunities – Benchmark regulation	Using phase-in allowance
ESRS E2 Pollution		
ESRS 2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	n/a	Page 81
E2-1 Policies related to pollution	n/a	Page 81
E2-2 Actions and resources related to pollution	n/a	Page 81
E2-3 Targets related to pollution	n/a	Page 82
E2-4 Pollution of air, water and soil	Amount of each pollutant listed - SFDR	Not material to PATRIZIA
E2-5 Substances of concern and substances of very high concern	n/a	Not applicable for value chain
E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities	n/a	Using phase-in allowance
ESRS E3 Water and marine resources		
ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	n/a	Page 83
E3-1 Policies related to water and marine resources	Water and marine resources – SFDR Dedicated policy – SFDR Sustainable oceans and seas – SFDR	Page 83
E3-2 Actions and resources related to water and marine resources	n/a	Page 83
E3-3 Targets related to water and marine resources	n/a	Page 84
E3-4 Water consumption	Total water recycled and reused – SFDR Total water consumption - SFDR	Not applicable for value chain
E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	n/a	Page 85
ESRS E4 Biodiversity and ecosystems		
E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	n/a	Page 87
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Paragraph 16 a-c - SFDR	Page 87
ESRS 2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	n/a	Page 86
E4-2 Policies related to biodiversity and ecosystems	Sustainable land/agriculture practices or policies – SFDR Sustainable oceans/seas practices or policies – SFDR Policies to address deforestation – SFDR	Page 87
E4-3 Actions and resources related to biodiversity and ecosystems	n/a	Page 87
E4-4 Targets related to biodiversity and ecosystems	n/a	Not applicable for value chain
E4-5 Impact metrics related to biodiversity and ecosystems change	n/a	Not applicable for value chain
E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	n/a	Page 88
ESRS E5 Resource Use and Circular Economy		
ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	n/a	Page 89
E5-1 Policies related to resource use and circular economy	n/a	Page 90
E5-2 Actions and resources related to resource use and circular economy	n/a	Page 90
E5-3 Targets related to resource use and circular economy	n/a	Page 90

E5-4 Resource inflow	n/a	Page 90
E5-5 Resource outflow	Non-recycled waster – SFDR	
	Hazardous waste and radioactive waste – SFDR	Page 90
E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	n/a	Page 90
ESRS S1 Own Workforce		
ESRS 2 SBM-2 Interests and views of stakeholders	n/a	Page 91
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Risk of incidents of forced labour – SFDR	
	Risk of incidents of child labour - SFDR	Page 91
S1-1 Policies related to own workforce	Human rights policy commitment – SFDR	
	Due diligence policies on issues addressed by the ILO – Benchmark regulation	
	Processes and measures for preventing trafficking in human beings – SFDR	
	Workplace accident prevention policy or management system - SFDR	Page 93
S1-2 Processes for engaging with own workers and workers' representatives about impacts	n/a	Page 94
S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	Grievance/complaints handling mechanism - SFDR	Page 95
S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	n/a	Page 96
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	n/a	Page 98
S1-6 Characteristics of non-employee workers in the undertaking's own workforce	n/a	Page 100
S1-7 Characteristics of non-employee workers in the undertaking's own workforce	n/a	Page 102
S1-8 Collective bargaining coverage and social dialogue	n/a	Page 102
S1-9 Diversity metrics	n/a	Page 103
S1-10 Adequate wages	n/a	Page 104
S1-11 Social protection	n/a	Page 104
S1-12 Persons with disabilities	n/a	Page 105
S1-13 Training and skills development metrics	n/a	Page 105
S1-14 Health and safety metrics	Number of fatalities and number and rate of work-related accidents – SFDR and Benchmark regulation	
	Number of days lost of injuries, accidents, fatalities or illness - SFDR	Page 105
S1-15 Work-life balance metrics	n/a	Page 106
S1-16 Compensation metrics (pay gap and total compensation)	Unadjusted gender pay gap – SFDR and Benchmark regulation	
	Excessive CEO pay ratio - SFDR	Page 106
S1-17 Incidents, complaints and severe human rights impacts	Incidents of discrimination – SFDR	
	Non-respect of UNGPs on Business and Human Rights and OECD guidelines – SFDR and Benchmark regulation	Page 106
ESRS S2 Workers in the Value Chain		
ESRS 2 SBM-2 Interests and views of stakeholders	n/a	Page 108
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Significant risk of child labour or forced labour in the value chain – SFDR	Page 108
S2-1 Policies related to value chain workers	Human rights policy commitments – SFDR	
	Policies related to value chain workers – SFDR	
	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines – SFDR and Benchmark regulation	
	Due diligence policies on issues addressed by the fundamental ILO – Benchmark regulation	Page 109

S2-2 Processes for engaging with value chain workers about impacts	n/a	Page 111
S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	n/a	Page 111
S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Human rights issues and incidents connected to its upstream and downstream value chain - SFDR	Page 111
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	n/a	Page 112
ESRS S3 Affected Communities		
ESRS 2 SBM-2 Interests and views of stakeholders	n/a	Page 113
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	n/a	Page 113
S3-1 Policies related to affected communities	Human rights policy commitments – SFDR Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines – SFDR and Benchmark regulation	Page 113
S3-2 Processes for engaging with affected communities about impacts	n/a	Page 114
S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	n/a	Page 114
S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Human rights issues and incidents – SFDR	Page 115
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	n/a	Page 116
ESRS S4 Consumers and End Users		
ESRS 2 SBM-2 Interests and views of stakeholders	n/a	Page 118
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	n/a	Page 118
S4-1 Policies related to consumers and end-users	Policies related to consumers and end-users – SFDR Non-respect of UNGPs on Business and Human Rights and OECD guidelines – SFDR and Benchmark Regulation	Page 119
S4-2 Processes for engaging with consumers and end-users about impacts	n/a	Page 119
S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	n/a	Page 120
S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Human rights issues and incidents - SFDR	Page 121
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	n/a	Page 121
ESRS G1 Business Conduct		
ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	n/a	Page 123
ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	n/a	Page 123
G1-1 Business conduct policies and corporate culture	United Nations Convention against corruption – SFDR Protection of whistle-blowers – SFDR	Page 123
G1-2 Management of relationships with suppliers	n/a	Page 124
G1-3 Prevention and detection of corruption and briber	n/a	Page 125
G1-4 Confirmed incidents of corruption or bribery	Fines for violation of anti-corruption and anti-bribery laws – SFDR and Benchmark regulation Standards of anti-corruption and anti-bribery - SFDR	Page 125
G1-5 Political influence and lobbying activities	n/a	Not material to PATRIZIA
G1-6 Payment practices	n/a	Page 125

Environmental information
EU Taxonomy Regulation

Background

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment ('Taxonomy Regulation') has established a unified EU classification system for environmentally sustainable economic activities (referred to as 'Taxonomy-aligned activities') and imposes transparency obligations on certain non-financial and financial undertakings with respect to those activities.

The Taxonomy Regulation recognises an economic activity as environmentally sustainable when it contributes significantly to one or more of six environmental objectives, while not causing significant harm to any of the remaining objectives (the so called 'do no significant harm' principle), providing that it is carried out in compliance with minimum social safeguards. The six objectives are:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The criteria for assessing alignment with each of the six objectives has been implemented in stages, through delegated and implementing acts, such as Commission Delegated Regulation (EU) 2021/2139 and Commission Implementing Regulation (EU) 2021/2178. In June 2021, the Commission adopted the EU Taxonomy Climate Delegated Act ('Climate Delegated Act'), which established criteria for measuring substantial contribution to the environmental objectives of climate change mitigation and adaptation. In June 2023, the Commission adopted the EU Taxonomy Environmental Delegated Act ('Environmental Delegated Act'), which established criteria for the remaining four environmental objectives. An investment activity that is not currently recognised by the Taxonomy Regulation as contributing substantially to one of the EU's environmental objectives is not necessarily unsustainable and may be included in future.

The Taxonomy Regulation introduced mandatory disclosure obligations for organisations in scope of the Accounting Directive as amended by the Corporate Sustainability Reporting Directive (CSRD), with disclosure rules that differ for non-financial and financial undertakings. Undertakings subject to non-financial reporting are required to disclose how and to what extent their activities are associated with environmentally sustainable activities, allowing for the comparison of companies and investment portfolios. In July 2021, the Commission adopted the Delegated Act that specifies the content and presentation of disclosures made by undertakings regarding those of their activities that are Taxonomy-eligible and Taxonomy-aligned ('Disclosures Delegated Act'), which was amended in June 2023 by the Environmental Delegated Act for consistency.

From 1 January 2023 (for FY 2022), non-financial undertakings were required to start disclosing Taxonomy-alignment. Financial undertakings reported Taxonomy-eligibility and Taxonomy-non-eligibility from 1 January 2022 until 31 December 2023, and Taxonomy-alignment from 2024 (for FY 2023), based on information disclosed by their counterparties.

In this context, eligibility refers to investments in economic activities that are in scope of the Taxonomy Regulation, i.e., for which assessment criteria has been defined. Taxonomy-eligibility, therefore, does not provide an indication of the environmental sustainability of investments. Taxonomy-alignment, however, implies that an activity fulfils the criteria for determining substantial contribution to one or more of the EU environmental objectives.

Regarding the four environmental objectives specified by the Environmental Delegated Act, disclosures made by financial undertakings between 1 January 2024 and 31 December 2025 (for the previous financial year) are only to include the proportion of Taxonomy-eligible activities in their AUM. From 1 January 2026 (for FY 2025), disclosure of Taxonomy-alignment will cover all six environmental objectives.

In July 2022, the Commission published the Complementary Climate Delegated Act, which included specific nuclear and gas energy related activities in the list of economic activities covered by the EU Taxonomy. The Act requires that non-financial and financial undertakings disclose their exposures to nuclear and fossil gas related activities in a separate disclosure, including the amount and proportion of Taxonomy-aligned, Taxonomy-eligible, and Taxonomy-non-eligible nuclear and gas energy related activities.

The European Commission has issued several notices to clarify the implementation of EU Taxonomy Regulation, including the first and second commission notices published in 2023. In November 2024, the Commission published its third Commission Notice made under Article 8 of the Taxonomy Regulation. PATRIZIA SE applies the principles of the commission notices published to date.

PATRIZIA SE classifies itself as a non-financial holding company. Most of its subsidiaries operate in the area of asset management (managing real estate investments and infrastructure assets), which is a financial activity. PATRIZIA SE and its financial subsidiaries are hereinafter together referred to as "PATRIZIA Group". With reference to the Third Commission Notice PATRIZIA report for consolidated activities of financial subsidiaries separately using the disclosure rules for asset managers, as this results in a disclosure that is relevant and clear to investors/creditors regarding Taxonomy alignment.

Methodology

The Taxonomy KPIs for asset managers require calculation of the proportion of investments made in Taxonomy-aligned economic activities in the value of their total AUM, which covers both collective and individual portfolio management, excluding exposures to central governments, central banks and supranational issuers (denominator). Total AUM are calculated on the basis of the latest available fair value of managed real estate, infrastructure and fund of funds investments. Hedging derivatives are therefore not included within the definition of total AUM. Asset managers need to identify investments aimed at financing taxonomy-aligned economic activities. Taxonomy-alignment is expressed as the weighted average of the value of investments in Taxonomy-aligned economic activities, where the weighting is based on both the proportion of revenues and CapEx of investees, related to such activities.

In the composition of the numerator PATRIZIA has implemented exclusions in accordance with Article 7 of the Disclosure Delegated Act. These exclusions pertain to exposures in undertakings that do not fall under Articles 19a and 29a of the Accounting Directive. Specifically, these exclusions apply to non-CSRD entities within the infrastructure, real estate, and venture capital portfolios.

The turnover-based KPI indicates the proportion of investments in environmentally sustainable activities, determined as the weighted average value of investments, based on the proportion of taxonomy-aligned economic activities of investee companies. For investments in non-financial undertakings, the numerator is calculated as the proportion of revenues derived from Taxonomy-aligned activities, as reported by the investee. For investments in real estate, the numerator is calculated as the rental income generated from Taxonomy-aligned properties. The turnover-based KPI provides the best indication of the proportion of AUM that is already Taxonomy-aligned.

The CapEx-based KPI indicates the weighted average value of investments, based on the proportion of capital expenditure for real estate assets or investee companies that is effectively assisting Taxonomy-aligned activities. This may include a CapEx plan to expand Taxonomy-alignment, produce Taxonomy-aligned output, or that relates to the reduction of greenhouse gas emissions. The CapEx-based KPI provides an indication of efforts to increase Taxonomy-alignment. However, CapEx may only be recognised as Taxonomy-aligned where the methodology used meets certain conditions. CapEx may be recognised as Taxonomy-aligned where the expansion of Taxonomy-aligned activities becomes operational in the same financial period when all related CapEx is incurred. Otherwise, it must be part of a CapEx plan that specifically addresses all Technical Screening Criteria for rendering an investment activity as Taxonomy-aligned within a period of five years.

Qualitative Disclosures

Contextual information in support of the quantitative indicators, on the scope of assets, data sources and limitations

PATRIZIA's AUM primarily comprise investments in real estate and infrastructure. The scope of assets that are included in the quantitative indicators as Taxonomy-eligible fall within the sectors of construction and real estate, namely acquisition and ownership of buildings, and various infrastructure sectors, including energy, transport, and information and communication. Acquisition and ownership of buildings, which can be associated with the NACE code L68[2], constitute the majority of PATRIZIA's AUM and are Taxonomy-eligible. At present, only those real estate assets domiciled in the EU and UK can be reliably assessed as Taxonomy-aligned due to the references within the Technical Screening Criteria to various EU regulations. In the breakdown of the KPIs, investments in real estate are categorised as exposures to other counterparties and assets. The assessment of Taxonomy-alignment requires determining compliance with numerous activity-specific and nuanced Technical Screening Criteria as well as Minimum Safeguards.

PATRIZIA's AUM include EUR 34.3m of exposures to shares in companies that have some portion of involvement in the nuclear and/or fossil gas related activities set out in Template 1 of Annex III of Delegated Regulation 2022/1214 (0.1% of total AUM).

The scope of assets included in the KPI that are assessed as Taxonomy-non-eligible primarily of cash (and cash equivalent assets). As this is the second year in which detailed Taxonomy disclosures are required, PATRIZIA expects to increase the completeness of future disclosures. The scope of PATRIZIA's infrastructure investments that are included as Taxonomy-eligible is limited to a minor subset of AUM that are included in the GRI calculation, this comprises of listed infrastructure.

All criteria must be fulfilled and sufficiently evidenced for investment activities to be considered Taxonomy-aligned. For real estate investments, where the necessary information and substantiating evidence is not reported and may not be available on proprietary systems in the level of detail required, the respective assets are reported as Taxonomy-non-aligned. This relates to

[2] In accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006

indirect real estate investments where PATRIZIA does not have direct exposure, and assets are manged by external counterparties.

The nature, objectives & evolution of Taxonomy-Aligned economic activities
PATRIZIA's AUM are typically in economic activities that play a role in the transition to a low carbon economy, including but not limited to the built environment, transportation, and energy related infrastructure, such as renewable energy. Correspondingly, a significant proportion of PATRIZIA's AUM are designated by the Taxonomy Regulation as eligible to substantially contribute to the EU environmental objective of climate change mitigation.

The proportion of PATRIZIA's AUM that are reported as Taxonomy-aligned, within the parameters of the disclosure rules, are namely real estate assets that substantially contribute to the environmental objective of climate change mitigation. Those assets are determined to have an Energy Performance Certificate (EPC) rating of at least 'A' and the physical climate risks material to the activity must be determined by means of a robust climate risk and vulnerability assessment in accordance with the requirements of Appendix A in Annex I of the Climate Delegated Act (EU 2021/2139) as per the relevant DNSH criteria. In addition, the OECD guidelines, and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights in connection with the acquisition or ownership of the building must be fulfilled in accordance with Article 18 of the Taxonomy Regulation.

While the investment strategy of such investments did not explicitly include a commitment to aligning with the criteria of the Taxonomy Regulation, alignment is a product of the synergies with PATRIZIA's approach to ESG integration, including the management of climate related risk and opportunities to protect and enhance the value of assets.

The overall methodology for assessing alignment across real estate and infrastructure assets remained consistent with the previous reporting year. Taxonomy alignment has decreased compared to the 2023 reporting period, primarily due to the implementation of new software for physical risk assessment (MunichRe). This software has enabled a more comprehensive evaluation of physical risks which has resulted in lower alignment for the assessment of acquisition and ownership of buildings. Variations in infrastructure sector alignment reflect changes in the underlying performance of listed entities. Additionally, further adjustments to alignment are attributable to changes in assets under management (AUM) and the acquisition and disposal of assets. Alignment for turnover decreased by 1% and Aligned with Article 8 alignment for capex increased by less than 0.1%. The small increase in capex alignment is driven by an increase in reported aligned capex by our investments in listed companies.

The process for assessing alignment across acquisition and ownership of buildings and infrastructure assets has remained consistent, ensuring continuity in PATRIZIA's evaluation methodology. Over the course of FY25, PATRIZIA will continue to increase adaptation plans across assets which have been identified as high risk or very high risk by MunichRe to ensure an increase in taxonomy alignment. Aligned with Article 8 of the Delegated Disclosure Act (Commission Delegated Regulation 2021/2178), the KPIs of the prior reporting period are summarised below.

FY23 KPI Overview

Figures in %	Figures in EURm
The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below: Turnover-based: 4% CapEx–based: 0.1%	The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: EUR 2,108m CapEx-based: EUR 36 m

Compliance with the Taxonomy Regulation in PATRIZIA's business strategy, product design processes and engagement activities
PATRIZIA considers that its business strategy, including sustainability goals and responsible investment practices, supports contribution to the environmental objectives set out in the Taxonomy Regulation. For example, PATRIZIA's commitment to achieving net zero carbon by 2040 or sooner and the progression of the net zero carbon strategy supports increasing alignment with the EU objectives of climate change mitigation and adaptation. Additionally, engagement with investee companies to establish ESG related goals and strategies, undertaken by PATRIZIA's Sustainable Transformation team, may lead to increased Taxonomy-alignment of portfolio companies.

The Taxonomy Regulation offers a harmonised framework for considering the environmental sustainability of eligible investments, which is complimentary to PATRIZIA's approach to ESG integration. PATRIZIA considers numerous ESG factors in its investment decision making process for real estate and infrastructure investments, including but not limited to the assessment of physical climate risk, leveraging state-of-the-art climate projections. Since the Taxonomy Regulation came into force, PATRIZIA has adapted its due diligence processes for the selection of real estate and infrastructure investments to

include aspects of the Technical Screening Criteria to enable an assessment of Taxonomy-alignment (subject to data availability). Furthermore, PATRIZIA continues to adapt its tools and systems for data collection to facilitate improvement in the analysis of ESG data pertaining to the Taxonomy Regulation.

PATRIZIA considers the objectives of the Taxonomy Regulation in the development of products. For example, the investment strategy and binding commitments of several real estate and infrastructure products include a commitment to a minimum proportion of Taxonomy-aligned investments. This is expected to result in increased capital allocation towards investments that substantially contribute to the environmental objectives of the EU.

Key Figures

Standard template for the disclosure required under Article 8 of Regulation (EU) 2020/852 (asset managers):

Overview

Figures in %	Figures in EURm
The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below: Turnover-based: 2.6% CapEx–based: 0.1%	The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: EUR 1,486m CapEx-based: EUR 42 m
The percentage of assets covered by the KPI relative to the total investments (total AUM). Excluding investments in sovereign entities, Coverage ratio: 100%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities, Coverage: EUR 56,369m

Additional, complementary disclosures: breakdown of denominator of the KPI

Figures in %	Figures in EURm
The percentage of derivatives relative to total assets covered by the KPI: 0%	The value in monetary amounts of derivatives: EUR 0m
The proportion of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: For non-financial undertakings: 5.1% For financial undertakings: 0.0%	Value of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**: For non-financial undertakings: EUR 3,111m For financial undertakings: EUR 0m
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: For non-financial undertakings: 7.1% For financial undertakings: 0.5%	Value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**: For non-financial undertakings: EUR 4,004m For financial undertakings: EUR 263m
The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: For non-financial undertakings: 0.1% For financial undertakings: 0.0%	Value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**: For non-financial undertakings: EUR 73m For financial undertakings: EUR 0m
The proportion of **exposures to other counterparties and assets** over total assets covered by the KPI: 74.3%	Value of **exposures to other counterparties and assets**: EUR 41,885m
The value of all the investments that are funding **economic activities that are not taxonomy-eligible** relative to the value of total assets covered by the KPI: 6.9%	Value of all the investments that are funding **economic activities that are not taxonomy-eligible**: EUR 3,908m
The value of all the investments that are funding taxonomy-eligible economic activities, but not taxonomy-aligned relative to the value of total assets covered by the KPI: 67.0%	Value of all the investments that are funding Taxonomy-eligible economic activities, **but not taxonomy-aligned:** EUR 37,764m

Additional, complementary disclosures: breakdown of numerator of the KPI

Figures in %	Figures in EURm
The proportion of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: For non-financial undertakings: Turnover-based: 0.1%	Value of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**: For non-financial undertakings: Turnover-based: EUR 32m

Capital expenditures-based: 0.1% For financial undertakings: Turnover-based: 0.0% Capital expenditures-based: 0.0%	Capital expenditures-based: EUR 42m For financial undertakings: Turnover-based: EUR 0m Capital expenditures-based: EUR 0m
The proportion of **Taxonomy-aligned exposures to other counterparties and assets** in over total assets covered by the KPI: Turnover-based: 2.6% Capital expenditures-based: 0.0%	Value of **Taxonomy-aligned exposures to other counterparties and assets**: Turnover-based: EUR 1,454m Capital expenditures-based: EUR 0m

Breakdown of the numerator of the KPI per environmental objective

Taxonomy Aligned Activities	Figures in %
(1) Climate Change Mitigation	Turnover: 2.6% CapEx: 0.1% Transitional Activities: Turnover: 0.0% CapEx 0.0% Enabling Activities: Turnover: 0.0% CapEx 0.0%
(2) Climate Change Adaptation	Turnover: 0.0% CapEx: 0.0% Transitional Activities: Turnover: 0.0% CapEx 0.0% Enabling Activities: Turnover: 0.0% CapEx 0.0%

Taxonomy Eligible Activities	Figures in %
(1) The sustainable use and protection of water and marine used	Turnover: 0% CapEx: 0%
(2) The transition to a circular economy	Turnover: 0% CapEx: 0%
(3) Pollution prevention and control	Turnover: 0% CapEx: 0%
(4) The protection and restoration of biodiversity and ecosystems	Turnover: 0% CapEx: 0%

Standard template for the disclosure of nuclear and fossil gas related activities:

Template 1 – Nuclear and fossil gas related activities (Turnover-based and CapEx-based KPIs)

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 - Taxonomy-aligned economic activities (denominator), Turnover-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	1,486.0	3%	1,486.0	3%	-	0%
8	**Total applicable KPI**	56,369.3	100%	56,369.3	100%	-	0%

Template 3 – Taxonomy-aligned economic activities (numerator), Turnover-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	1,486.0	3%	1,486.0	3%	-	0%
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	1,486.0	3%	1,486.0	3%	-	0%

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities, Turnover-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.6	0%	1.6	0%	-	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.5	0%	0.5	0%	-	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.4	0%	0.4	0%	-	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	37,762.0	67%	37,762.0	67%	-	0%
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	37,762.0	67%	37,762.0	67%	-	0%

Template 5 – Taxonomy non-eligible economic activities, Turnover-based KPI:

Row	Economic Activities	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.5	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	3,927.5	7%
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	3,927.5	7%

Template 2 - Taxonomy-aligned economic activities (denominator), CapEx-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	40.2	0%	39.5	0%	0.7	0%
8	**Total applicable KPI**	56,369.3	100%	56,368.7	100%	0.7	0%

Template 3 – Taxonomy-aligned economic activities (numerator), CapEx-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	40.2	0%	39.5	0%	0.7	0%
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	40.2	0%	39.5	0%	0.7	0%

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities, CapEx-based KPI:

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.9	0%	0.9	0%	-	0%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.2	0%	1.2	0%	-	0%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.8	0%	0.8	0%	-	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	39,444.8	70%	39,444.8	70%	-	0%
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	39,497.4	70%	39,497.4	70%	-	0%

Template 5 – Taxonomy non-eligible economic activities, CapEx-based KPI:

Row	Economic Activities	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.5	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	16,881.7	30%
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	16,882.2	30%

ESRS E1 Climate Change

GOV-3 Integration of sustainability-related performance in incentive schemes

Please refer to ESRS 2, Gov-1 for further information on integration of sustainability-related performance in incentive schemes.

E1-1 Transition plan for climate change mitigation

PATRIZIA has set ambitious sustainability goals, including a commitment to achieving net zero carbon by no later than 2040 across PATRIZIA's corporate and direct operational assets, in advance of the mid-century target of the Paris Agreement. This commitment and proactive approach aim to ensure that PATRIZIA meets evolving market conditions, ahead of regulation and is aligned with the scientific consensus that limiting global warming to 1.5°C. requires substantial reductions in greenhouse gas (GHG) emissions. By targeting 2040 as a deadline, PATRIZIA aspires to move ahead of the market in order to capitalise on the increasing demand and anticipated value uplift of low-carbon buildings and infrastructure and reduce its carbon footprint and therefore contributing to the global effort to keep temperature rise below 2°C. and ideally 1.5°C. To deliver this commitment, PATRIZIA has set interim targets for 2030, consistent with best practice recommendations by the Intergovernmental Panel on Climate Change (IPCC) to achieve a 50% global reduction in CO2. PATRIZIA is not excluded from the EU Paris-aligned Benchmarks. PATRIZIA's commitment includes scope 1, 2 and the most material scope 3 carbon emissions.

Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by a company. Scope 2 emissions are indirect GHG emissions from the consumption of purchased electricity, steam, heat, or cooling. These emissions occur at the facility where the energy is generated but are attributed to the company that uses the energy. Scope 3 emissions encompass all other indirect emissions that occur in the value chain of the company, both upstream and downstream.

This transition plan is incorporated into recommendations presented in investment plans, with anticipated financial effects outlined in short- and mid-term planning as they arise. The transition plan is embedded in PATRIZIA's strategy and financial planning reflecting a commitment to sustainability and long-term growth. PATRIZIA aims to become a leading player in smart real assets with EUR 100bn in AUM by 2030. This ambition is supported by a focused growth strategy centred around four megatrends that are aligned to sustainability trends – digital transition, urban transition, energy transition and living transition. PATRIZIA is actively investing in sectors that support the energy transition, such as renewable energy and infrastructure assets. This enhances PATRIZIA's AUM, but also positions PATRIZIA as a responsible investment manager which is meeting increasing ESG standards and regulatory requirements. Additionally, the Short-Term Incentive (STI) component and Long-Term Incentive (LTI) component of PATRIZIA's remuneration system effective from January 1 2025, will include sustainability targets that are formally determined on an annual basis. The Group Executive Committee (GEC) enhances decision-making efficiency and aligns operational activities with the transition plan. Individual asset transition plans are approved by the Investment Committee upon acquisition, which the sustainability team compiles. This structure supports the execution of the growth strategy across all asset classes, ensuring that sustainability remains a core focus in all business operations.

Locked-In Emissions impact on transition risk: Locked-in emissions predominantly refer to embodied carbon risk – the emissions associated with the production, transportation and disposal of building materials. These emissions are "locked-in" from the moment a building is constructed and cannot easily be reduced. The Real Estate Development team developed a matrix which monitors embodied carbon for assets, this matrix was developed by a third-party consultant, who based the targets on sector and geography of PATRIZIA's operations.

Potential locked-in emissions from real estate assets:

1. New Construction: The materials used in new buildings, such as concrete and steel, have high embodied carbon.
2. Renovations and Retrofit: Even when existing buildings are renovated to improve energy efficiency, the materials and processes involved can add to the embodied carbon footprint.
3. Maintenance and End-of-Life: Ongoing maintenance and eventual demolition or refurbishment of buildings also contribute to embodied carbon, as materials need to be replaced and disposed of.

Impact on GHG Emission Reduction Targets:

1. Jeopardizing Targets: Locked-in emissions make it challenging to meet GHG emission reduction targets because they represent a substantial portion of a building's total carbon footprint. As operational emissions decrease through energy efficiency and renewable energy use, the relative importance of embodied carbon increases.
2. Transition Risk: Real estate assets with high locked-in emissions face transition risks, including stricter regulations, increased costs for carbon-intensive materials, and potential devaluation of properties that do not meet future sustainability standards.

PATRIZIA Mitigation:

1. PATRIZIA has set targets to ensure all new real estate developments are net zero carbon by 2030.
2. PATRIZIA aims to measure embodied carbon at project completion.

Net Zero Carbon Strategy Goals

Category	Strategy Goal and Timeframe	Progress 2024
Energy and Carbon Intensity	Reduce energy intensity by 30% and carbon intensity[3,4] by 50% by 2030 across our direct real estate AUM, from an industry-wide baseline of 2019.	39% reduction in carbon intensity (ca. EUR 7bn AUM covered) 27% reduction in energy intensity (ca. EUR 6bn AUM covered) Figures are based on actual consumption data and CRREM analysis utilising EPCs, energy audits and actual data
Data Coverage	Achieve 100% coverage of landlord procured energy data and establish an effective tenant engagement strategy[5] by 2025.	Over 58% of discretionary assets hold landlord data, with programmes in place via the integration of the new ESG platform expected to achieve goals by FY25
Renewable Energy Procurement	Procure electricity from renewable sources[6] for all landlord-controlled supplies by 2025[7], while encouraging occupiers to adopt renewable energy.	Credible renewable energy contract negotiated for all German, Polish and Czech landlord electricity supplies
Asset Level Implementation	Develop a decarbonisation plan that applies the energy hierarchy, including feasibility studies for onsite renewable energy, for all AUM[8] by 2025.	CRREM analysis for in scope assets undertaken for 100% of AUM 250+ energy audits undertaken
Decarbonisation of Heat	Remove fossil fuel heat sources[9] across all AUM, where practically feasible[10] by 2030.	61% of discretionary funds assets analysed (ca. 90% coverage) have a heat source which is not fossil fuel
Development Emissions	Ensure that by 2030, all new real estate developments[11] are net zero carbon.	In 2024, the Real Estate Development Matrix was re-launched with new ambitious targets that align with PATRIZIA's overarching goals
Corporate Emissions	Achieve net zero carbon status for the Company's own operations by 2030[12].	Implementation of company car EV policy Movement of London office (ca. 19 % of FTE) to a new state of the art office. During construction, over 98% of all onsite waste was recycled and the re-use of existing materials has reduced the embodied carbon of the building. The enhanced sustainability credentials of the building were the highest that could be achieved due to its age, with an EPC A rating alongside BREEAM Excellent and WiredScore Gold certifications.

Significant operational expenditure (OpEx) and capital expenditure (CapEx) required to implement the action plan

Corporate – PATRIZIA's commitment to funding necessary OpEx and CapEx to achieve publicly stated goals is demonstrated by the team of 9 dedicated sustainability professionals. Additionally, PATRIZIA has OpEx allocated for sustainability software to ensure accurate assessment and monitoring of climate-related risk. Examples include Munich Re (PATRIZIA's physical risk assessment tool), Deepki (leading ESG data platform for real estate assets) and Reporting21 (ESG platform used for sustainability metrics for infrastructure AUM).

Real estate – CapEx is allocated on a case-by-case basis in the business plans of real estate assets, subject to the extent of decarbonisation requirements. CapEx can cover a range of measures, ranging from full refurbishment to asset level upgrades (e.g. energy efficient equipment, onsite renewable energy, electrification of heating, building fabric, etc.)

Infrastructure – Similar to the real estate AUM, CapEx is allocated within the infrastructure AUM on a case-by-case basis. Where a decarbonisation plan requires Capex, a team will be appointed within the investee company to define the studies / resources / technologies to be invested in in order to decarbonise the asset. The plan is then presented to the Board of directors for approval. Measures will depend on the asset, the kind of activities which need to be decarbonised and what will fit into the business plan.

[3] Arising from scope 1, 2 and 3 energy consumption.
[4] Subject to periodic review in line with best practice science-based target setting methodologies.
[5] With the aim of increasing tenant data coverage.
[6] Prioritising the use of supplies that demonstrate additionality in growing overall capacity for renewables.
[7] Where regional energy supply markets allow
[8] Applicable to all assets but flexible in level of detail, depending on scope of landlord control and materiality of transition risk.
[9] Pertaining to scope 1 emissions.
[10] Where lease arrangements and phased maintenance and replacement programmes allow.
[11] Where PATRIZIA has full authority over the development process.
[12] The boundary of the commitment is defined in the Net Zero Carbon Strategy paper

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Climate Change Impact, Risks and Opportunities	
Climate Change Adaptation – Transition to a low carbon economy	
Positive Impact	Decreasing GHG emissions due to energy efficiency improvements and renewable energy production through the setting of GHG reduction targets.
Risk	Higher costs and technical challenges associated with decarbonization and energy efficiency legislation. The increase of compulsory legislation can lead to fines or non-compliance for PATRIZIA or costs associated with having to hire new employees or third parties.
Opportunity	Implementing energy efficiency and decarbonizing technologies can reduce energy consumption and bills. Over time these savings can create economic opportunity such as offsetting the initial investment costs and lead to positive financial returns.
Climate Change Adaptation – Physical climate risk	
Positive Impact	Alleviating physical climate risk such as flooding, wildfires, storms, heatwaves, water scarcity, sea-level rise and drought through forward looking scenario analysis across and assessing exposure to the physical climate risks impacting an asset. By proactively managing physical climate risks, PATRIZIA can enhance its resilience to extreme weather events and long-term climate changes. This can help maintain operations and provide information on the future of assets.
	The construction of assets increases the pressure on ecosystem services (water, food, food chain) and local infrastructure (sewage).
	Increasing biodiversity and using nature-based solutions in refurbishment of assets increases resilience to flooding and overheating.
	Creation of new renewable energy production sources alleviates the local energy demand.
	Increasing resilience of assets through technological and nature based solutions (e.g. increasing vegetated areas, saving water and cooling and heating costs).
Negative Impact	The increasing frequency of aggravating physical climate risks such as hurricanes, floods, wildfires and other extreme weather events can cause substantial damage to buildings and assets around the world.
Risk	Damage or an increase in operating costs due to increased severity and frequency of chronic conditions such as water stress, droughts, heatwaves and sea level rise.
	Loss of revenue/value due to some areas becoming un-inhabitable or less attractive due to temperature rises and water stress.
	Increased pressure to lower energy consumption and intensity resulting in costs of improvements and technological challenges.
	Requirements/expectations to provide low carbon transport options (EV charging points, availability of public transport etc.).
	Increasing resilience of assets through technological and nature based solutions (e.g. increasing vegetated areas, saving water and cooling and heating costs).
Opportunity	Decreased GHG emissions from assets construction and operations through technological and nature-based solutions such as limiting the use of virgin materials, establishing innovating cooling/heating systems or increased biodiversity spaces.
	Decreased energy costs from energy efficiency upgrades.
	Decreased GHG emissions from renewable energy.
	Increase of capital available for sustainable investments.
Climate Change Mitigation	
Positive Impact	Decreased energy consumption from energy efficiency upgrades.
	Investment in renewable or efficient energy producers (or other efficient energy sources).
Risk	Increased pressure to lower energy consumption and intensity resulting in costs of improvements and technological challenges.
Opportunity	Requirements/expectations to provide carbon transport options (EV charging points, availability of public transport etc.)
	Decreased energy costs from energy efficiency upgrades.
	Decreased GHG emissions from renewable energy.

E1 IRO-1 Processes to identify and assess material climate-related impacts, risks and opportunities and

Climate-related risks and opportunities:

Climate risks can be divided into two risk categories: physical risks and transition risks

Physical risks refer to risks arising from the physical effects of climate change and environmental degradation. The physical impacts of climate change are already evident and could pose material financial impacts through reparation costs and increasing insurance premiums. Areas significantly affected by climate change may become less attractive to investors and end-users, adversely impacting asset values.

Transition risks are business-related risks that follow societal and economic shifts toward a low-carbon future, including policy and regulatory risks, technological risks, market risks, reputational risks, and legal risks.

PATRIZIA has defined and considered climate risks and opportunities to its operations over the following time horizons (the time horizons are aligned with the financial time horizons): – Short term: 1 year – Medium term: 1-5 years – Long term: >5 years

Climate related physical risks (acute and chronic)

			Time horizon		
Risk type	Description	Impact	Short term	Medium term	Long term
Extreme events and long-term changes in weather pattern	Fluvial and/or coastal flooding – as temperatures are rising, heavy rainfalls are becoming more frequent, which in turn results in more extreme flooding.	Reduced asset value and liquidity in high-risk locations due to higher stranding risk, destroyed raw materials or interruptions in operations and loss of revenue at unpredictable times. Reduced revenue due to higher costs for damage repairs of assets affected by physical damages, the cost of adaptation measures to withstand future physical climate affects and higher insurance costs to assets.		x	x
	Strong winds and/or tropical cyclones – evaporation intensifies as temperatures rise, and so does the transfer of heat from the oceans to the air. As the storms travel across warm oceans, they pull in more water vapor and heat. This implies stronger wind, heavier rainfall, and more flooding when the storms hit land.			x	x
	Extreme heat and wildfires – as temperatures rise and extreme heat waves are occurring more often, the risk of wildfires increases.			x	x

Physical Climate Risks

To assess physical climate risk, PATRIZIA undertakes forward looking scenario analysis across the real estate and infrastructure AUM. An overview of the proportion of assets exposed to a high level of potential risk, per risk category, can be found in the following table.

Physical risk analysis is undertaken with the Munich Re 'Location Risk Intelligence' model. This includes an assessment of exposure to the key climate-related risk types, the most relevant of which to the asset classes under PATRIZIA's management are presented below (flooding, cyclones, extreme heat and extreme cold).

The physical risks assessment is undertaken across several time horizons and warming scenarios. The scenarios presented are Representation Concentration Pathway (RCP) 4.5 and RCP 8.5, with time horizons of 2030 and 2050, reflecting the medium and long-term risk to assets. The Intergovernmental Panel on Climate Change (IPCC) describes RCP 4.5 as a moderate scenario where emissions peak in 2040, whereas RCP 8.5 is considered to be a stress case scenario where emissions continue to rise throughout the 21st century.

Physical risk assessments have been undertaken for EUR 39bn of AUM. Assets that are currently excluded from the analysis are those where the granularity of available data is insufficient, which includes the Dawonia portfolio, Sustainable Future Ventures fund and the Advantage portfolios.

Physical Risk: Percentage of real estate AUM exposed to RCP 4.5 and RCP 8.5 in 2030 and 2050

Real Estate AUM	River Flooding	Storm Surge	Heat Stress	Cold Stress
RCP 4.5 (2030)	5%	5%	3%	26%
RCP 4.5 (2050)	5%	5%	4%	15%
RCP 8.5 (2030)	10%	5%	3%	26%
RCP 8.5 (2050)	5%	5%	5%	11%

Physical Risk: Percentage of infrastructure AUM exposed to RCP 4.5 and RCP 8.5 in 2030 and 2050

Real Estate AUM	River Flooding	Storm Surge	Heat Stress	Cold Stress
RCP 4.5 (2030)	67%	24%	6%	67%
RCP 4.5 (2050)	46%	24%	7%	67%
RCP 8.5 (2030)	0%	24%	6%	67%
RCP 8.5 (2050)	46%	24%	7%	62%

PATRIZIA recognises that climate risk assessments and climate models have uncertainties and natural variability, which causes limitations such as data gaps, forecast uncertainty and scenario limitations (e.g. unprecedented events), but PATRIZIA will continue to monitor all asset locations using Munich Re and aim to enhance data collection and broaden the overall coverage of assets in both real estate and infrastructure. PATRIZIA does not use climate-related assumptions in the financial statement.

Transition Risks

Climate related transition risks

Risk type	Description	Impact	Time horizon		
			Short term	Medium term	Long term
Market	Declining attractiveness of submarkets due to increased vulnerability and exposure to higher costs; (e.g., exposure to energy inefficient real estate assets, or exposure to assets involved in the extraction, storage, transport, or manufacture of fossil fuels).	Generation of asset re-pricing to reflect material climate risks due to increasing of stranding risk.	x	x	x
Policy and legal	Legislation focused on climate change, e.g., disclosure of climate risks, minimum energy efficiency standards, stricter development standards, CO_2 taxes, etc.	Increased operating costs and potential for reduced demand for assets due to assets not being able to meet legislative changes and stricter taxes.	x	x	x
Reputation	Stakeholder demand for real assets where climate risks are included in the investment calculation. Climate change can also be tied to changing customer perceptions and perceptions of what the company is contributing to transition to a lower carbon economy.	Negative impact on investor relations if the company or assets are not actively implementing low carbon strategies.	x	x	x
Technology	The need for technological change relating to energy-saving, low-carbon transportation, and increasing use of non-fossil fuels or other technologies that help reduce greenhouse gas (GHG) emissions are needed to meet policy goals; existing technologies are likely to become superseded and new more expensive technology needs to be acquired.	Cost of transition to net zero carbon assets.	x	x	x

The crystallisation of Transition risk is already apparent, such as legislation focused on climate change, stakeholder demand for climate risk inclusion, and shifting technology advancements. Additionally, the minimum energy efficiency standards, such as those in the UK and Netherlands and under implementation by the EU (under revision of the Energy Performance of Buildings Directive), are set to drive a renovation wave of poor-performing buildings, creating potentially unforeseen expenditure for companies.

Real Estate and Infrastructure operations assess their transition risks using different methodologies, due to the differences in asset classes as described below:

Transition Risks – Real Estate investments - For the medium term and long term, PATRIZIA runs on a regular basis, Carbon Risk Real Estate Monitor (CRREM) analyses and updates across all direct real estate investments to assess the vulnerability of its AUM to transition risk, based on greenhouse gas emission intensity.

CRREM is an assessment tool for the benchmarking of real estate assets based on their CO2 and energy intensity against country and sector specific decarbonisation pathways. The pathways are derived from the global carbon budget in alignment with the Paris Agreement Climate Targets to limit global warming to 1.5 °C by 2100 through achievement of climate neutrality by 2050. Consequently, CRREM has become the industry benchmark for evaluating climate change transition risks in the real estate sector. These risks include potential non-compliance with regulations and market expectations, as defined by the CRREM pathways for energy and carbon intensity.

The aim of the CRREM analysis is to explore the estimated stranded asset risk based on energy intensity in form of energy requirement of a building in kilowatt hours (kWh) per square metre (m^2) and year (a) (kWh/m²a) and CO2 intensity (kgCO2e/m²a) at asset and fund level. The tool identifies outliers to define High Impact Assets for further energetic investigations. Consistent with PATRIZIA's Net Zero Carbon Strategy, PATRIZIA has aligned on the 1.5 °C pathway. Hence, this is the standard setting for all CRREM assessments. The outcome of the CRREM analysis, known as "stranding asset time", allows an evaluation of transition risks and the extent of decarbonisation requirements.

In-house CRREM assessments serve as a crucial tool for identifying risks at the portfolio level and are essential for understanding an asset's true energy and CO2 performance. During the analysis, specific characteristics of each asset are examined to determine how factors such as building geometry, energy sources, usage type, and tenant structure influence energy consumption patterns.

This process involves collecting asset-specific data from various sources, including energy performance certificates, technical building assessments, consumption data, and supplier certificates. To ensure comprehensive data coverage, information is gathered through both internal and external channels, such as property management, tenants, energy supply companies, and data collection hardware.

In cases, where the above-mentioned data sources are unavailable, the estimation of the on-site consumed energy is based on building specific proxy data sources such as energy performance certificates, or actual consumption data from buildings with similar construction type, construction year, type of use, as well as tenant structure. Gap filling using non-building specific proxy data is the last resort, and only for such cases where no building specific data is available. The described approach restricts itself for the determination of estimated figures. Although there have been continuous improvements in data gathering in the recent years, it is important to acknowledge the continued industry-wide challenges in achieving the appropriate levels of data quality, coverage and stability. While the collected data still falls short of the standards established in other industries, there is notable progress being made.

Transition Risks – Infrastructure investments - PATRIZIA assesses transition risks of each infrastructure asset using the Task Force on Climate-Related Financial Disclosures (TCFD) recommendation as a framework and reflects these in an internal Climate Change Risk report produced for each fund and strategy, including portfolio company mitigation and adaptation strategies where risks have been identified. The CO2 footprint of each equity investment is reported annually, with decarbonisation planning ongoing, in line with PATRIZIA Net Zero Asset Manager Initiative (NZAM) commitments to reduce CO2 intensity within its infrastructure business.

Climate related opportunities

			Time horizon		
Opportunity type	Description	Impact	Short term	Medium term	Long term
Resource efficiency	Use of more efficient resources and thus more efficient assets. Reduction in water usage, consumption, raw materials and the use of recycling systems.	Reduced operational costs through efficiency gains for both landlords and occupiers.		x	x
Markets	Companies that are actively seeking diversification of their portfolio, either through the access of new markets or locations will be in a better position to transition to a low carbon economy. Companies also have the opportunity in the market to implement financial green bonds and infrastructure which is energy efficient, transport or low emissions.	Increasing allocation of preferential capital towards efficient, low carbon buildings and infrastructure.	x	x	x
Energy sources	The opportunity for lower emissions sources of energy; the use of new technologies and support of policy incentives and evolution of new technology.	Increased revenue and decreased operating expenditure due to efficiency in energy prices for both landlords and occupiers.	x	x	x
Products and services	Opportunity for development of climate change mitigation and adaptation solutions and a shift in consumer preferences.	Improved building amenities driving occupier demand.	x	x	x

While the transition to a low carbon economy will undoubtedly present challenges, PATRIZIA believes that a proactive approach will help to protect and enhance long-term investment value. Climate change poses significant risk, but also creates new opportunities for value creation and differentiation.

Adaptation and Adjustments: PATRIZIA continues to focus on adaptation of its strategies to accurately reflect the risks and opportunities outlined above.

- Short Term: PATRIZIA conducts climate risk assessments to identify vulnerabilities to allow for immediate adjustments to mitigate risks.
- Medium Term: Redeploying, upgrading, or decommissioning existing assets to improve energy efficiency and reduce carbon footprints. For example, transitioning to renewable energy sources.
- Long Term: PATRIZIA monitors legislative and forecasted updates, to ensure that corporate strategies align with long-term goals.

E1-2 Policies related to climate change mitigation and adaptation

To address all impacts, risks and opportunities related to the material ESRS topic of climate change, PATRIZIA has the Net Zero Carbon Strategy. PATRIZIA implemented a Net Zero Carbon Strategy in 2022 to manage climate change impacts, risks and opportunities such climate change mitigation and climate change adaptation. The strategy is monitored through the progress and implementation of the net zero goal and mid-term pathway goals. The strategy is applicable and outlines for all stakeholders, internal and external, specifically employees and end users, a framework to translate PATRIZIA's goals into real-world actions, therefore it is applicable for all of the value chain and geographies that PATRIZIA operates in. PATRIZIA considered stakeholders interests in setting the policy and made sure that the strategy provided gave the reader tangible implementation guidelines and parameters. Through the strategy, PATRIZIA establishes a carbon emission baseline to underpin targets for decarbonisation. To promote action, the document is focused on providing the reader with tangible implementation guidelines and parameters. The strategy covers climate change mitigation, adaptation, energy efficiency and renewable energy deployment topics. PATRIZIA aims to establish every year ambitious roadmaps for the decarbonisation journey. The strategy

is publicly available on the PATRIZIA website and is sent to investors on request. The Head of the Investment Division is the most senior level accountable for the implementation of the policy. The strategy commits to respect through the implementation of the strategy the Paris Agreement, the IPCC recommendations.

PATRIZIA's strategy is based on current best practices, including the application of the energy hierarchy which sets out considerations at each stage of the asset lifecycle. The hierarchy focuses first on reducing demand for energy, followed by the decarbonisation of energy sources, and only then offsetting residual emissions. For the AUM to be considered as net zero carbon, the following definitions must be met:

- Operational Buildings – when the amount of carbon emissions associated with the building's operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on site or off-site renewable energy sources, with any remaining carbon balance offset.
- Net Construction and Major Renovations – when the amount of embodied carbon emissions associated with a building's materials and construction activities up to completion is zero or negative, through the use of offsets.

E1-3 Actions and resources in relation to climate change policies

Decarbonisation levers and key actions – Mitigation and adaptation

The key actions for PATRIZIA in regard to the impacts, risks and opportunities in relation to climate change adaptation and mitigation are the use of Munich Re and CRREM analysis. Please refer to ESRS E1-IRO-1 for further information on both of the actions. MunichRe contributes directly to achieving the impacts, risks and opportunities in relation to adaptation, specifically physical climate risks. CRREM analysis helps address the impact, risk and opportunity in relation to transition to a low carbon economy. Both of the actions also contribute indirectly to the impacts, risk and opportunities in terms of climate change mitigation. Additionally, both of the key actions are in relation to PATRIZIA's Net Zero Carbon Strategy and contribute to the achievement of becoming net zero.

The aim of the CRREM analysis is to explore the estimated stranded asset risk based on energy intensity (kWh/m²a) and CO2 intensity (kgCO2e/m²a) at asset and fund level. The tool identifies outliers to define High Impact Assets for further energetic investigations. Consistent with PATRIZIA's Net Zero Carbon Strategy, PATRIZIA has aligned on the 1.5 °C pathway. Hence, this is the standard setting for all CRREM assessments. The outcome of the CRREM analysis, known as "stranding asset time", allows an evaluation of transition risks and the extent of decarbonisation requirements. PATRIZIA runs on a regular basis, Carbon Risk Real Estate Monitor (CRREM) analyses and updates across all direct real estate investments to assess the vulnerability of its AUM to transition risk, based on greenhouse gas emission intensity. CRREM analysis does not require significant CapEx or OpEx as it is an in-house assessment and no direct CapEx or OpEx is allocated to it, therefore, no further current or future financial resources will be reported.

Physical risk analysis is undertaken with the Munich Re 'Location Risk Intelligence' model. This includes an assessment of exposure to the key climate-related risk types such as flooding, cyclones, extreme heat and extreme cold. The Munich Re assessment covers the corporate activities of PATRIZIA. The analysis is run on an annual basis. PATRIZIA has allocated a certain number of financial resources in terms of OpEx to Munich Re, however for confidentiality reasons will not report the exact figure. There is no CapEx allocated to Munich Re.

PATRIZIA recognises that the successful implementation of Munich Re and CRREM depend on the availability and allocation of resources. Ongoing access to finance and client interest in sustainability is also critical for executing these initiatives. This includes OpEx for Munich Re and also financial resources (and capacity) to allow the sustainability team to conduct these actions for both Munich Re and CRREEM analysis.

The actions stated below are supplementary actions which are in relation to the investment lifecycle. The actions are not PATRIZIA's key actions, therefore the minimum disclosure requirements will not be covered.

PATRIZIA – At the corporate level, PATRIZIA has a Company-wide car policy, requiring the phase out of the fossil fuel fleet within three years (until 2027) and establishment of an electric vehicle fleet.

PATRIZIA has also enhanced the internal travel policy stating that green means of transportation should be favoured such as taking a train rather than flying where practical, as well specific restrictions on air, road and rail travel for certain time frames.

Sourcing & Acquisitions

As part of the PATRIZIA ESG Screening and Exclusion Policy, and as a signatory to the PRI and UNGC (United Nations Global Compact) principles, PATRIZIA avoids business with entities linked to controversial weapons or countries with serious violations of political stability, human rights, and religious freedoms. The Screening and Exclusion Policy also excludes specific entities, sectors, or individuals from the investment universe and employs a positive screening process to guide investments, aiming for best practices.

Real estate - All potential acquisitions undergo an ESG due diligence assessment, to identify asset-level ESG risks and opportunities before acquisition. The checklist specifies material findings, including but not limited to physical risks, energy, water and waste consumption data, biodiversity risks, and sustainability certifications. These risks can then be appropriately addressed and put into investment proposals and business plans to manage risks. The due diligence assessment is then considered by PATRIZIA's Investment Committee.

Infrastructure - All prospective investments are required to collect carbon data (Scope 1 & 2 GHG emissions and revenue intensity) that is included in the Risk Analysis provided to the Investment Committee. A carbon intensity framework is applied at the Risk Analysis state of investment and requires that the revenue intensity be classified as red, amber or green[13]. This classification determines the actions required from the Investment Committee when granting approvals.

Development & Refurbishment

Real estate - PATRIZIA has established country-specific operational carbon, embodied carbon and water targets and best practice requirements for all PATRIZIA developments on behalf of clients in accordance with a Sustainable Development matrix.

Infrastructure - The infrastructure AUM has ESG implementation guidelines, which comprise a 9-step framework for ensuring the incorporation of ESG considerations throughout the asset lifecycle.

Operational Assets - Fund Management

PATRIZIA has a standardised approach for all funds to implement an ESG policy and allows the fund manager and the client/investor to select an ESG ambition level, with five different compliance levels set out in a matrix. The Fund ESG Policy is a standardised approach for all funds to adopt to drive the systematic integration of sustainability risk management, including the ongoing assessment, measurement, and improvement of any climate-related risks. The Fund ESG Policy is not relevant to the upstream or downstream value chain. The Head of the Investment Division is the most senior level at PATRIZIA that is accountable for the implementation of the policy. Through consideration of ESG-related risks and opportunities, PATRIZIA aims to incorporate material ESG factors into investment decisions. The Fund ESG Policy can be found on PATRIZIA's internal intranet for relevant employees to access and implement it.

PATRIZIA also produces internal fund level climate risk reports for all funds, which are issued annually. The reports challenge and enhance the understanding of likely portfolio behaviour under various scenarios and provides a basis for action.

Operational Assets - Asset Management

Real estate – PATRIZIA has a network of ESG champions which includes over 25 employees from various regions within the investment division, who are dedicated to supporting the implementation of ESG ambitions and strategies throughout the investment life cycle. The asset management ESG Champions are responsible for analysing each assets performance, leading ESG integration, driving product level ESG reporting and compliance, supporting data collection, case study collection and ESG reporting.

The ESG Toolkit serves as a strategic ESG action plan and scorecard. The toolkit provides an internal benchmark and identifies potential ESG priority actions for assets, including tracking energy certificates and decarbonisation plans. The toolkit ensures alignment with fund-level ESG policies, supporting the identification and prioritisation of ESG actions, and decarbonisation planning.

Where applicable, assets undertake net zero energy audits to allow for plans to be put in place to allow for improvements in decarbonisation plans.

In 2024, PATRIZIA began to roll-out Deepki (an ESG data management platform) to allow for increased data availability, reporting capabilities and actual data.

PATRIZIA utilises the CRREM tool to assess transition risks and uses MunichRe to assess physical risks. Please refer to the section above to gain further understanding of the tools.

Infrastructure - For all portfolio companies, Sustainability Roadmaps with underlying remediation projects are finalised at the post-merger integration investment stage. These roadmaps address any climate-related risks identified during the investment process. PATRIZIA subjects all its "infrastructure" portfolio companies to annual climate change risk reporting. The key objective of this process is to identify and assess climate risks and opportunities at both asset and portfolio level.

PATRIZIA rolled out the Reporting21 platform (ESG data management platform) across its infrastructure portfolio in 2024. The tool has standardised the data collection process, increased transparency and supported reporting workstreams. It is also

[13] The thresholds for a red, amber or green status are the following: red – greater than 225tonnes/1M EUR revenue; amber – up to 225 tonnes/1M EUR revenue; green – up to 100 tonnes/1M EUR revenue.

used in active asset management, as a systematic assessment framework which is the basis for discussions with the assets to identify and prioritise remediation projects.

Achieved GHG emission reductions

PATRIZIAs corporate footprint: Utilising actual data and estimations (based on performance per FTE), PATRIZIA saw a 1% reduction in corporate emissions analysed for FY24. This was driven by a reduction in energy usage at corporate offices, which was offset by an increase in travel emissions. Full breakdown can be found in E1-6.

Expected GHG emission reductions

Corporate GHG emissions are expected to reduce further driven by implementation of the new corporate car policy which will phase out all non-electric vehicles by 2027. PATRIZIA continues to influence GHG emissions reduction through corporate offices via encouraging behavioural change through outreach, ensuring implementation of the travel policy and choosing energy efficient offices when moving (where possible). PATRIZIA can not quantify the expected GHG emission reduction of its corporate emissions at the time of reporting.

Operational GHG emissions are expected to be reduced further driven by improvement measures undertaken on assets. This includes (but is not limited to): movement to renewable energy providers, improvements work on assets to improve efficiency (e.g. LED light replacements), implementation of PV technology and tenant engagement.

E1-4 Targets related to climate change mitigation and adaptation

As stated in the Net Zero Carbon Strategy, PATRIZIA has set four ambitious sustainability goals, one of which includes a commitment to achieving net zero carbon by no later than 2040 for its corporate operations and direct operational assets, in advance of the mid-century target of the Paris Agreement, therefore the target is an absolute target and covers PATRIZIA's own operations and direct operational assets (aligned with Scope 1-3 emissions for PATRIZIA SE). Stakeholders have not been involved in setting the target.

As part of PATRIZIA's net zero carbon goal by 2040, a key milestone is the midterm goal to reduce carbon intensity by 2030 on its direct real estate portfolio. In regards to this mid-term goal, 2019 is PATRIZIA's baseline year and the baseline value is 39.3 kgCO2/m2/a for PATRIZIA real estate investments, the baseline is representative of an industry-wide baseline utilising CRREM data and therefore PATRIZIA is unable to provide actual data based on own operations for 2019. PATRIZIA is re-baselining each year in order to reflect the diverse and changing nature of the asset types.

The target is aligned to the Paris Agreement and the Intergovernmental Panel on Climate Change (IPCC) recommendations. The target is related to environmental matters and is based on scientific evidence but is not specifically a science-based target. The targets methodologies have not changed vs. the prior year but PATRIZIA has re-baselined to reflect the composition of the current AUM.

Performance against the mid-term carbon intensity target – Based on actual data and CRREM analysis undertaken (utilising EPC data, consumption data and energy audits), for the EUR 7bn of assets analysed, PATRIZIA is on track to achieve a ca. 39% reduction vs. the 2019 industry-wide baseline figures. The analysis is based off actual consumption data alongside CRREM analysis which has been compiled utilising actual data, EPC data and energy audits. A 39% reduction represents 23.9 kgCO2/m2. The performance is aligned with initial performance expectations, with the mid-term goal to reduce carbon intensity by 50% by 2030. PATRIZIA will continue to improve the quality and quantity of data in coming years in order to ensure accurate monitoring and improvements (where applicable). The above indicates how PATRIZIA tracks the effectiveness of the net zero carbon strategy and key actions stated in E1-3, through its targets.

Limitations: The limitations of the progress shown derive from assumptions made as part of the CRREM analysis, including using data such as EPCs and energy audits where consumption data is not available. Additionally, due to the lack of availability in the first year of CSRD reporting the figures represent EUR 7bn of real estate market value.

The performance targets and metrics are not at this stage validated by an external body.

PATRIZIA has also set mid-term pathway goals with varying timeframes (mentioned in E1-1) in order to help reach the overall 2040 goal. These ambitious goals aim to ensure that PATRIZIA meets evolving market conditions in anticipation of changing regulations. These can be referred to in E1.

E1-5 Energy consumption and mix

Due to the timings of FY 2024 Annual Report and limitations in data sourcing, PATRIZIA's presentation of energy consumption mix is presented only in reference to ESRS.

The following table provides information on PATRIZIA's energy consumption. Information covers PATRIZIA's own operations, and does not include consumption data from the upstream or downstream value chain. Given the lack of availability for 2024

data, data presented is FY23 performance and represents 65% of FTE. Fossil fuel exposure only relates to fuel consumption from gas, with no consumption from coal, coal products, crude oil or other fossil fuel sources.

Consumption Data 2023

	Fuel consumption for renewable sources	Purchased renewable energy	Self-generated non-fuel renewable energy	Consumption from fossil sources	Consumption from nuclear sources	Not defined/other non-renewable (e.g. District Heating)	Total	Coverage
Corporate Footprint (kwh)	0	655,105	0	12,636	0	746,488	**1,414,229**	65% FTE
Corporate Footprint (%)	*0%*	*46%*	*0%*	*1%*	*0%*	*53%*	***100%***	*n.a*

E1-6 Gross Scope 1, 2, 3 and Total GHG emissions

Due to the timings of FY 2024 Annual Report and limitations in data sourcing, PATRIZIA's presentation of Gross Scope 1,2 and 3 emissions is presented only in reference to ESRS.

PATRIZIA's scope of carbon emissions boundary is informed by best practices and includes the most material emissions sources arising from both PATRIZIA corporate operations and investment activities.

There have been no significant events and changes in circumstances that have occurred between the reporting dates of the entities and the date of the financial statements.

Identifying relevant scope 3 activities: Relevant scope 3 emissions were defined utilising the guidance provided by GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Version: 2011).

Scope 3 Emissions

	Included in Scope (Corporate)	Reasoning for exclusion (if applicable)
Purchased goods and services	Yes	Included
Capital Goods	No	Not relevant
Fuel and energy (not related to Scope 1&2)	No	Not relevant, any exposure to fuel and energy (not related to Scope 1 & 2) is included as part of the "Investments" emissions
Upstream transportation and distribution	No	Not relevant
Waste generated in operations	Yes	Not material
Business Travel	Yes	Included
Employee Commuting	No	Not applicable given PATRIZIA has no ability to influence, deemed out of scope
Upstream leased assets	No	Not relevant
Transportation and distribution of sold products	No	Not relevant
Processing of sold products	No	Not relevant
Use of sold products	No	Not relevant
End-of-life treatment of sold products	No	Not relevant
Downstream Leased Assets	No	Not relevant, emissions associated from assets managed by PATRIZIA are reflected in the investments category
Franchises	No	Not relevant
Investments	Yes	Reflect the emissions of direct assets under management

Corporate Footprint

Emissions have been calculated in line with advice given by the GHG protocol.

Key Assumptions

Scope	PATRIZIA Covered Data	Coverage of Data	Estimations Used if Applicable	Limitations	Emissions Factor Source
Scope 1	Direct GHG emissions, relating to gas heating	100% actual data for where gas heating is known. Offices with known gas exposure, represents 1 office which is 1% of FTE	Not applicable, only one office identified as utilising gas heating under corporate exposure	As heating types are not known for all offices, gas emissions are only available for Spain	CRREM
Scope 2	Purchased electricity & district heating used in corporate offices	2024: 38% actual and 62% estimated 2023: 65% actual and 35% estimated. Estimations are based on FTE	For offices where type of electricity and heating split is not known, estimations are based off of electricity and district heating Where no data is available, data is estimated based on FTE to achieve 100% coverage	Due to low coverage of actual data, data is presented is subject to estimations which may not be reflective of actual performance	CRREM, IEA and country specific databases (e.g. UK Government Department of Energy)
Scope 3 (Purchased Goods & Services)	Figures align to cost for purchased services in annual report	100% estimated data for FY23 and FY24	Spend based method has been applied utilising factors from DEFRA for Scope 3 emissions	The spend based method is only an estimation and may not be indicative of actual emissions	DEFRA
Scope 3 (Business Travel)	Flight travel, train travel	2024: 89% actual flight data, 11% estimated. 60% actual train data, 40% estimated. 2023: 65% actual and 35% estimated. Estimations are based on FTE	Estimations based on FTE performance	Due to estimations and corporate car data, the emissions may not be indicative of actual emissions levels	BEIS and European Environment Agency
Scope 3 (Investments)	PATRIZIA operational assets under management	0%	n/a – data not presented	Due to restrictions in data quality, and data rights of tenant data PATRIZIA will not be presenting as part of the FY24 reporting	n/a – data not presented

GHG Emissions

		Retrospective		
	Base Year	2023	2024	% Change
Gross Scope 1 GHG emissions (tCO2eq)	Not available	2.31	2.01	-13%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	Not available	0%	0%	0%
Gross 2 Location-Based GHG emissions (tCO2eq)	Not available	563	488	-13%
Total Gross Indirect (Scope 3) GHG emissions (tCO2eq)	Not available	2,431	2,484	2%
1. Purchased goods and services	Not available	2,130	2,062	-3%
6. Business Travelling	Not available	301	422	40%
15. Investments	Not available	Not available	Not available	Not available
Total Location-Based GHG emissions (tCO2eq)	Not available	2996	2974	-1%

There are no biogenic emissions of CO2 from the combustion or biodegradation of biomass present in the Scope 1 GHG emissions. There are no significant changes for this reporting year in the definition of PATRIZIA's value chain.

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

PATRIZIA does not have any GHG removal or GHG mitigation projects financed through carbon credits.

In the context of the Net Zero by 2040 target, PATRIZIA may in the future rely on GHG removals and mitigation projects financed through carbon credits in order to offset residual emissions that cannot be neutralised by implementation measures.

E1-8 Internal carbon pricing

PATRIZIA does not apply an internal carbon pricing scheme at the corporate level.

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The financial effects from physical and transition risks depend on many sub-factors and risks are interdependent with many other risks in the business, therefore stating a financial forecast at this moment in time is not feasible to report on. PATRIZIA has opted to exercise the phase-in allowance to omit the financial effects from material physical and transition risks and potential climate-related opportunities.

ESRS E2 Pollution

ESRS E2 IRO-1. Identification and assessment of material pollution-related impacts, risks and opportunities

As a real asset investment manager, PATRIZIA's main substances of concern that impact assets are asbestos, PCBs, PFAS. By working closely with property managers, third party consultants and tenants, PATRIZIA can reduce the substances of concern and pollution. PATRIZIA has not conducted consultations with affected communities in regards to pollution.

PATRIZIA's DMA indicated that pollution (ESRS E2) is a material topic with substances of concern recognised by stakeholders as a material sub-topic for the real estate AUM.

Pollution is not deemed a material topic at the corporate level (PATRIZIA) because the topic concerns the downstream value chain. Pollution and substances of concern are also not deemed material topics for the infrastructure AUM. This is because all assets have been built after the ban of asbestos/PCBs, and therefore substances of concern have already been phased out. Therefore, ESRS E2 focuses on real estate assets managed on behalf of clients.

The following indicates the assumed and potential pollution-related, risks, opportunities and impacts in PATRIZIA's downstream value chain. The DMA deemed pollution as a positive impact and risk to PATRIZIA.

Pollution Impacts, Risks and Opportunities

Substances of concern	
Positive Impact	Committing to the use of asbestos and PCB-free materials in all new developments and renovations reduces future health risks.
	Best practice in asbestos management promotes the safety, health and well-being of occupiers and communities.
Risk	If substances of concern such as asbestos are discovered, it can lead to significant remediation costs. This may then lead to higher insurance premiums and decreased market value of the asset. This may also lead to further financial implications such as the deterrence of potential buyers and impact the assets marketability.

E2-1 Policies related to pollution

PATRIZIA does not have a standalone substances of concern policy, however the topic is covered through the transaction minimum standards in the Responsible Investment Policy (section 4.1.2. Transactions). As stated in the Responsible Investment Policy, PATRIZIA conducts ESG due diligence, as guided by PATRIZA's due diligence checklist, to identify material ESG-related risk and opportunities prior to acquisition to ensure that they are managed through adequate procedures. PATRIZIA considers the results of the ESG due diligence in investment proposals and establishes relevant measures in an assets business plan to manage material risks, if necessary. The ESG due diligence is performed on all potential acquisitions and development projects. Further information on the Responsible Investment Policy can be found in ESRS 2 SBM-1. The due diligence covers the following to make sure that substances of concern are limited or phased out:

- Provide an extract from the contaminated land register.
- Is there any site contamination? Provide soil survey.
- Is there any groundwater contamination?
- Is there any building contamination?
- Is there any indication of asbestos?
- Provide Environmental Check I.
- Provide Environmental Check II (only needed if at least one negative outcome of Environmental Check I).
- Prepare PAH (Polycyclic Aromatic Hydrocarbons) report.
- Prepare PCB (polychlorinated biphenyl) report.
- Prepare OVK (obligatory ventilation system) records report.
- Perform radon measurements

Emergency incidents are highly unlikely, as substances of concern are detected through due diligence, resulting in their remediation or monitoring. If they occur PATRIZIA will control the limit and impact on people and the environment through remediation or monitoring.

E2-2 Actions and resources related to pollution

Actions regarding substances of concern are determined on a deal-by-deal basis. The ESG due diligence checklist, as stated above, is applied for every acquisition. If the due diligence indicates that substances of concern are present, the project team at PATRIZIA is informed by appointed consultants on the risk level and if the substance requires monitoring or remediation. If remediation is necessary and costs do not impede the transaction, sufficient budget is included in the business plan of the asset. During the holding period, property managers are responsible for monitoring the substances of concern.

It must be noted that substances of concern are highly likely to only be present in pre-existing assets due to the phasing out of substances of concern in the EU. The legal requirements for substances of concern in European countries are primarily

guided by the European Union directives, which member states implement into national legislation. The EU Directive banned the use and marketing of asbestos-containing products in 2005 and member states were required to transpose this into national law by April 2006. Therefore, substances of concern are only a material topic for the acquisition of buildings developed before 2005 and are not material for development assets.

Where substances of concern have been identified, they will be handled following regulatory requirements to ensure the safety of the site users and compliance with applicable regulations. Legislation in all jurisdictions and the applicability of new regulations around substances of concern are tracked by PATRIZIA and third-party consultants conducting the due diligence. In terms of the value chain, engagement with the upstream value chain is carried out by property managers, and engagement with tenants is conducted by PATRIZIA after the due diligence, if remediation is necessary. However, in most cases, engagement by PATRIZIA with the upstream and downstream value chain is not needed.

PATRIZIA will not be reporting on the current and future financial resources due to the topic covering the downstream value chain. To note that substances of concern are only a material topic for the acquisition of buildings developed before 2005 and are not material for development assets, therefore there will be limited acquired assets allocating current and future financial resources. However, efforts made by PATRIZIA to obtain current and future resources allocated to the downstream value chain are seen through the Investment Committee after the due diligence process. PATRIZIA deems significant CapEx projects to be in the case that CapEx measures or maintenance for already acquired assets exceeds EUR 10m or 10% of the market value compared to the approved business plan (concluded after the due diligence checklist), the updated business plan assumptions must then be approved by the Investment Committee. In terms of OpEx, it is assumed that OpEx measures alone will not exceed significant amounts and are therefore included within the above-mentioned CapEx projects.

E2-3 Targets related to pollution

PATRIZIA has not set any specific targets for pollution or substance of concern because substances are either remediated at the due diligence stage or monitored by the property managers. This proactive approach ensures that potential risks are managed effectively without the need for specific targets. Additionally, it is not mandatory for PATRIZIA by law to have pollution-related targets. Preventing substances of concern is viewed as a matter of control rather than a target-based material topic. Therefore, no targets are set or tracked by PATRIZIA. PATRIZIA does not track the effectiveness of its policies and actions in relation to the IROs.

E2-5 Substances of concern and substances of very high concern

The substance of concern data points will not be reported due to the topic concerning PATRIZIA's downstream value chain. PATRIZIA has not obtained this information for its downstream value chain due to the reasoning stated in E2-3, that substances are either remediated at the due diligence stage or monitored by the property managers and therefore metrics are not able to be measured. PATRIZIA does not currently have plans to obtain the information in the future. Additionally, as stated before, substances of concern are only a material topic for the acquisition of buildings developed before 2005 and are not material for development assets, therefore tracking metrics is deemed not applicable.

E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities

PATRIZIA has opted to exercise the phase-in allowance to omit the financial effects arising from pollution-related impacts, risks and opportunities.

ESRS E3 Water and Marine Resources

IRO-1. Processes to identify and assess material water-related impacts, risks and opportunities

Fresh water is a finite resource and is essential for human well-being. Water consumption and withdrawals need to be considered as they can lead to water scarcity, which is exacerbated by climate change. Sustainable water management practices are expected to safeguard resources for future generations.

PATRIZIA's DMA revealed that water and marine resources (ESRS E3) is a material topic with water and water consumption and water withdrawals recognised by stakeholders as a material sub-topic and sub-sub-topic.

This chapter focuses on water consumption and water withdrawals of real estate and infrastructure investments at the asset level. At the corporate level (PATRIZIA) water is not deemed a material topic and is part of the downstream value chain. By its nature as an investment manager, PATRIZIA does not use any meaningful amount of water in daily operations compared to industries such as manufacturing or agriculture. Still, it must be noted that PATRIZIA's Responsible Investment Policy (corporate operations) requires that PATRIZIA endeavours to reduce the environmental impacts of its operations, including management of resource use through efficient operation of buildings and by encouraging positive behaviour of tenants, which includes water consumption/withdrawals. PATRIZIA has not conducted consultations with affected communities and does not deem it applicable due to the limited influence PATRIZIA holds over the water consumption and withdrawal by tenants.

The main positive impacts associated with water and water consumption/withdrawals are:

Water Impacts, Risks and Opportunities

Water consumption and water withdrawals	
Positive Impact	Reducing water consumption helps preserve natural ecosystems and biodiversity. This mitigates the effects of droughts and water shortages, contributing to a more resilient environment.
	Implementing efficient water management practices (such as low-flow fixtures or the recycling of water) reduce water bills and operational costs and indicates to investors that an asset is environmentally responsible and managing water consumption.

E3-1 Policies related to water

Real Estate – Water consumption/withdrawal is included in the Fund ESG Policy for all fund policies and the RED (Real Estate Development) sustainable development matrix which is only in relation to new real estate development projects. The Fund ESG Policy seeks to achieve full coverage of water consumption data where possible and the sustainable development matrix sets out the direction of design for all teams involved and includes water use targets, therefore contributing to the positive impacts stated above. Please refer to ESRS E1-3 for further information on the Fund ESG Policy. The sustainable development matrix sets targets focusing on three key sustainability metrics for development projects – embodied carbon, operational energy and operational water. The matrix acknowledges the disparities in sustainable legislation and standards across European countries and the matrix then sets country-by-country targets. The targets are up to date and tailored to country specific values, ensuring alignment with local requirements and global sustainability goals. The matrix directly aligns to the positive impacts of reducing water consumption and implementing efficient water management practices in new development projects. As stated, the matrix only covers new real estate development projects, therefore relating to the downstream value chain. Additionally, within the matrix the three target groups are broken down by location and sector. The Head of Real Estate Development is the most senior level accountable for the implementation of the matrix. The policy does not address water treatment as a step towards more sustainable sourcing of water. The matrix is made available internally via the PATRIZIA intranet, for other stakeholders the matrix is provided via email from PATRIZIA to the appropriate contractor.

Infrastructure - PATRIZIA does not have a specific water or water consumption/ withdrawals policy. However, the PATRIZIA Infrastructure Responsible Investment Framework (PIRIF), included in the Responsible Investment Policy, states that PATRIZIA conducts ESG assessment frameworks through a due diligence questionnaire, to identify ESG risks and support the inclusion of remedial actions into the business plans through governance and monitoring. This includes water consumption. Additionally, the article 8 funds, through their Private Placement Memorandums (PPM), promote the monitoring and minimisation of water usage as one of their environmental objectives, as per the Sustainable Finance Disclosures Regulation (SFDR). Please refer to ESRS 2 SBM-1 for further information on the Responsible Investment Policy.

E3-2 Actions and resources related to water

As stated in ESRS E1 Climate Change, PATRIZIA uses MunichRe (please refer to the ESRS E1 section for further information) to assess water consumption in areas at water risk for real estate and infrastructure assets. MunichRe assesses 100% of real estate and infrastructure assets and is updated annually to understand physical climate risks. PATRIZIA will not be reporting on the current and future financial resources allocated to the action plan due to the topic covering the downstream value chain. Efforts are made by PATRIZIA to obtain current and future resources allocated to the downstream value chain are seen through the Investment Committee, after the due diligence process. Please refer to E2-2 for further information.

Physical climate risk- water

AUM	Water Stress
Real Estate	
Current	0%
RCP 8.5 (2050)	0%
Infrastructure	
Current	0%
RCP 8.5 (2050)	0%

Real Estate – Water consumption is assessed at the due diligence stage. The ESG due diligence checks for the availability of historic (-1 year) water consumption data. Water fixtures and flow rates are also examined in line with the technical screening criteria of the EU Taxonomy, and advisors provide a capital expenditure estimate to achieve the stated water flow rates. Appropriate actions are determined on a deal-by-deal basis depending on the business plan for the acquired asset. Actions could include implementing water efficiency measures of taps/showers or cisterns to reduce water consumption and preserve natural ecosystems and reduce water bills. These actions will be implemented after the acquisition of the asset.

For development assets, PATRIZIA tracks the ESG-related performance of its developments, including the extent to which the Fund ESG Policy and sustainable development matrix is applied, through reporting and regular engagement with stakeholders.

Infrastructure – The ESG due diligence at the investment stage includes an assessment of water consumption and the associated impacts on target companies. Alignment with SFDR reporting requirements is also included in the ESG due diligence scope. One of the voluntary Principle Adverse Indicators (PAI) covers the ability of a company to report on water usage and recycling where relevant. When water is deemed a material topic for a potential target company, the voluntary PAI would be assessed.

After acquisition of the asset key actions are determined on a deal-by-deal basis. If water use is deemed material (used for the industrial process), management teams engage in ongoing efforts to reduce water consumption, such as closed loop systems to reduce water consumption or the reuse of industrial water on green spaces. PATRIZIA then includes the targets and deadlines in the sustainability roadmap of the asset to be implemented over the lifetime of the investment. Progress is monitored via quarterly calls with the ESG responsible at asset level and through a yearly data collection campaign.

E3-3 Targets related to water

Real Estate – PATRIZIA is unable to control the water consumption/withdrawals of tenants and thus has limited influence. Therefore, setting water consumption/withdrawals targets on the asset level would be unnecessary. PATRIZIA is not required to implement water objectives for managed assets under current legislation. In the foreseeable future, PATRIZIA does not plan to establish targets or monitor such objectives.

PATRIZIA has set water targets for new developments, seen in the sustainable development matrix. The target relates to operational water (water use of the asset over the reference study period), therefore relating to the positive impact of water reduction or the implementation of water efficient measures. Targets are split by sector and jurisdiction that PATRIZIA operates in. The targets vary in alignment due to direct comparisons being challenging and requiring additional context for accurate comparison. PATRIZIA used a third-party consultant to develop the sustainable development matrix and leveraging their international presence and expertise, they developed targets for different sectors and locations. The targets are up to date and tailored to country specific values, ensuring alignment with local requirements and global sustainability goals, the targets are related to environmental matters but are not based on conclusive scientific evidence. The base year from which progress is measured for the targets will be 2025, the baseline value will therefore be 2025. The level of refurbishment of the development significantly impacts how the targets are set, additionally, water targets could vary depending on what parts of the building are being replaced or retained. In the matrix, it is assumed that the targets apply only to newly added elements. The water targets are based on potable water (water that is safe to drink or use for food preparation as it is free from harmful contaminants and meets the quality standards by health authorities):

Potable water targets for each region[14] (l/person/day)

	UK		Germany		Denmark		France		Belgium	
	2025	2030	2025	2030	2025	2030	2025	2030	2025	2030
Office	13	10	13	11	18	11	13	11	13	11
Retail	16	13	5	5	17	15	5	5	5	5
Hotel	150	120	63	58	100	90	63	58	63	58
Logistics	16	13	13	11	17	15	13	11	13	11
Residential	95	75	99	94	97	90	99	94	99	94

Potable water targets for each region (l/person/day) continued

	Spain/Portugal		Italy		Netherlands		Sweden	
	2025	2030	2025	2030	2025	2030	2025	2030
Office	13	11	13	11	13	11	13	11
Retail	5	5	5	5	5	5	5	5
Hotel	63	58	63	58	63	58	63	58
Logistics	13	11	13	11	13	11	13	11
Residential	99	94	99	94	99	94	99	94

Infrastructure – PATRIZIA does not have a target in place in relation to water. PATRIZIA does not plan to implement an overall target in the future, because where a topic is deemed material to an asset, the infrastructure team will look to further engage with the Company through the sustainability roadmap and set appropriate targets, if necessary, as mentioned in the actions section. PATRIZIA does not track the effectiveness of its actions and policies in relation to the impacts, risks and opportunities.

E3-4 Water consumption and water withdrawals metrics

It is only necessary to report these water consumption and water withdrawal metrics for own operations, therefore PATRIZIA will not report the metrics, due to the material topic concerning the downstream value chain.

E3-5 Anticipated financial effects from water-related impacts, risks and opportunities

Real estate - The financial effect of water consumption on the real estate AUM is expected to be very limited as it is building occupiers that bear the operational cost. PATRIZIA has the opportunity to take advantage of water efficiency improvements in order to increase the attractiveness of properties to tenants, which could reduce void periods and contribute to a rental premium. Water efficiency is also a factor in determining whether an asset aligns with the environmental objectives of the EU Taxonomy, which could enhance asset valuation.

Infrastructure - Where relevant, water use is included in the assets risk register and an analysis of the magnitude of the financial effect is carried out. To date no assets have included water use in their risk register, as water risks have been deemed insignificant, therefore water use has a neglectable financial affect.

[14] Targets have only been developed for places PATRIZIA operates in with new construction projects. To note that PATRIZIA does have assets in further countries, but these are not development projects.

ESRS E4 Biodiversity and Ecosystems

ESRS E4 IRO-1. Identification and assessment of material biodiversity and ecosystem-related impacts, risks and opportunities

In recent years, international forums such as COP 15 have shown the urgency of biodiversity conservation and have brought together stakeholders to address the loss of species, habitat degradation and climate-related challenges. This has prompted worldwide collaboration and PATRZIA has recognised these efforts and the need to contribute.

PATRIZIA's DMA indicated that biodiversity and ecosystems (ESRS E4) is a material topic, and the material sub-topics are direct impact drivers of biodiversity loss, impacts on the extent and condition of ecosystems and impact and dependencies on ecosystem services.

PATRIZIA deems biodiversity to be an increasingly important topic for all real estate assets. Real estate can be a major driver of biodiversity loss, especially concerning greenfield development, and the industry faces pressure to incorporate nature-based solutions and comply with stricter regulations. Biodiversity considerations not only increase the attractiveness of properties, support the health & wellbeing of occupiers, improve air quality within cities but also contribute to net-zero carbon ambitions and resilience against extreme weather events. Biodiversity provides natural defences against extreme weather events and allows diverse ecosystems to flourish, thus ecosystems are more robust, adaptable and make them better equipped to withstand disturbances like storms, floods and heatwaves. Protecting biodiversity and ecosystems not only safeguards the planet's health but also contributes significantly to climate resilience and achieving a sustainable, net-zero carbon future. PATRIZIA has not conducted consultations with affected communities on biodiversity topics as it is still in the initial stages of its biodiversity journey. As PATRIZIA is in the early stages of its biodiversity journey it has not yet located the real estate assets that are located in or near biodiversity sensitive areas and therefore has concluded that it is not yet necessary to put in place mitigation measures.

Biodiversity is considered throughout the infrastructure investment lifecycle. Biodiversity considerations are typically an integral part of the permitting process and environmental permits. Through database screening and environmental impact assessments or equivalent studies, it has been identified that infrastructure assets are not located in biodiversity-sensitive areas, and no mitigation measures or monitoring are required. Most of PATRIZIA's infrastructure assets are brownfield at acquisition and located in urbanised or industrial areas, with limited development planned, therefore this chapter does not capture infrastructure biodiversity information.

At the corporate level (PATRIZIA) biodiversity is not deemed a material topic. PATRIZIA leases the offices it inhabits but has limited opportunity to influence property managers who control biodiversity implications, strategies and transition plans. Therefore, PATRIZIA does not report on ESRS E4 at the corporate level and only on the level of assets managed on behalf of clients.

Recognising the ESRS sub-topics and sub-sub-topics for biodiversity, PATRIZIA's DMA and third-party consultants established three material sub-topics that map to the ESRS but are more specific and material to PATRIZIA. PATRIZIA refers to these sub-topics throughout the report. The sub-topics are:

- Biodiversity loss (with the relevant sub-sub-topics of climate change and land-use change concerning PATRIZIA);
- Impacts on the extent and condition of ecosystems, (with the relevant sub-sub-topic soil sealing); and
- Impacts and dependencies on ecosystem services, which is deemed material for PATRIZIA with regards to the impact of loss of stable ecosystems.

The following indicates the assumed and potential biodiversity-related, impacts, risks and opportunities for real estate assets.

Biodiversity Impacts, Risks and Opportunities

Direct impact drivers of biodiversity loss	
Negative Impact	Construction disrupts natural habitats which jeopardizes the continuation and natural migration patterns of species by taking up space and breaking down food chains.
	Urban sprawl spreads pollutants, impacting air and water quality.
	New construction/deployment of capital on greenfields causes biodiversity loss.
Impacts on the extent and condition of ecosystems	
Risk	The changing nature of biodiversity sees the possibility of regulations changing and the need to reduce soil sealing, which indirectly effects PATRIZIAs revenue.
Impacts and dependencies on ecosystem services	
Risk	Ecosystem degradation may affect the value of properties in the future if investors start screening for it. This can then limit the pool of investors willing to buy assets, and indirectly affect PATRIZIA's revenues due to lower transaction and performance fees generated with a deal.

PATRIZIA assesses transition and physical opportunities and risks connected to climate change, which is closely linked to biodiversity, on the asset level. PATRIZIA has currently not assessed or identified biodiversity-specific physical risks and opportunities. However, PATRIZIA established an internal working group in 2024 to distil best practices in addressing biodiversity related risks and opportunities. The response to biodiversity in the industry is still in a nascent stage, but PATRIZIA is proactively looking to identify best practices and implement tools to overcome biodiversity risks and opportunities. PATRIZIA looks to intensify its focus on biodiversity and a transition plan on the level of assets managed as soon as a common understanding is reached regarding the assessment parameters, appropriate tools, and effective strategies. PATRIZIA has not yet considered and assessed systemic risks of biodiversity.

PATRIZIA conducted an in-house assessment of biodiversity risk for all of its own operational office locations using the Integrated Biodiversity Assessment Tool (IBAT) tool. The tool indicated that PATRIZIA does not have any offices in areas with high biodiversity risk or operates in biodiversity sensitive areas. PATRIZIA has not identified if there are negative impacts with regards to land degradation, desertification or soil sealing. PATRIZIA does not have office operations that affect threatened species.

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

PATRIZIA's real estate AUM specifically the real estate development projects have the most material impact on biodiversity loss and each project is assessed on a case-by-case basis. PATRIZIA has not conducted a specific assessment of the resilience of the business model and strategy in relation to biodiversity. As stated in the strategy section in ESRS 2, PATRIZIA understands that there are external challenges which are embodied in the transitional trends Urban transition 2.0, expecting cities to become centres of gravity for new working models and modern living and are indirectly impacted by the energy and living transition. Within its strategy to become a smart real asset player, PATRIZIA commits to create a positive impact and shape sustainable communities by capturing these future mega trends in a world of transition, incorporating risks and negative impacts with regards to biodiversity and ecosystems and staying ahead of national regulations.

PATRIZIA has not yet made any key assumptions, set time horizons, or disclosed biodiversity results. PATRIZIA does not have any plans to involve stakeholders in the future to work and develop biodiversity measures.

E4-2 Policies related to biodiversity and ecosystems

PATRIZIA does not have a biodiversity policy and will look to implement one in the near future. PATRIZIA is in the early stages of its biodiversity journey and therefore a policy has not been applied yet.

E4-3 Actions and resources related to biodiversity and ecosystems

PATRIZIA plans to follow a biodiversity mitigation hierarchy to build guidance in the coming years. This will be seen by PATRIZIA taking measures to avoid impacting biodiversity from the start, to minimise the duration, intensity, extent and/or likelihood of impacts that can't be avoided and then to restore and improve degraded ecosystems following exposure to impacts that can't be avoided or minimised. The mitigation hierarchy has not been finalised but will be the tool to guide PATRIZIA's actions on biodiversity. The actions from the mitigation hierarchy will prevent, mitigate and remediate the negative impact of biodiversity loss and risk of ecosystem degradation. New and updated regulations and frameworks on biodiversity are expected to help guide PATRIZIA, such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network (SBTN). PATRIZIA is aware of upcoming and changing regulations which addresses risks for PATRIZIA. Once the mitigation hierarchy has been finalised, PATRIZIA plans to work with local stakeholders and indigenous people to gain knowledge and incorporate nature-based solutions. PATRIZIA intends to complete the mitigation hierarchy in the next two years.

PATRIZIA does not use biodiversity offsets. Offsets are not industry standard, and the impacts of offsets have not been established. PATRIZIA identifies offsets as part of the mitigation hierarchy and will monitor the situation to see if offsets should be used in the future.

Biodiversity is included in the Fund ESG Policy and ensures that funds aim to implement an asset related biodiversity plan, which may include management of invasive plant species, promotion and protection of native species, greening of facades and roofs and maintenance contracts for the preservation of the functional condition and ecological quality.

PATRIZIA has piloted several initiatives in order to protect and improve the biodiversity of real estate assets in Europe. PATRIZIA has engaged with external suppliers to install beehives and bug-hotels across a sample of relevant assets. This allows increased pollination and assists the maintenance of native species. Where applicable, PATRIZIA has piloted working with providers to assess biodiversity and how to achieve biodiversity net gains on assets. PATRIZIA has also implemented green roofs and winter gardens and has piloted studies for re-wilding for relevant assets. This is expected to allow for biodiversity net gain for the relevant impacted assets.

PATRIZIA will not be reporting on the current and future financial resources allocated to the action plan due to the topic covering the downstream value chain. PATRIZIA is in the initial stages of implementing biodiversity policies, actions and targets.

Therefore, PATRIZIA has not made any efforts to obtain the necessary information about the downstream value chain. Once PATRIZIA has established necessary biodiversity policies, actions and targets it will plan to obtain necessary information in the future.

E4-4 Targets related to biodiversity and ecosystems

PATRIZIA is in the early stages of its biodiversity journey and therefore, has not set targets. PATRIZIA plans to establish targets once a baseline has been established and future actions finalised. Targets are expected to be informed by the 2030 EU biodiversity strategy, the TNFD and SBTN and other national legislation in the countries in which PATRIZIA operates. PATRIZIA plans to align with these frameworks and follow any new regulations to guide the ongoing development and commitment to biodiversity. PATRIZIA does not track the effectiveness of its actions and does not have a policy to track the effectiveness.

E4-5 Impact metrics related to biodiversity and ecosystem change

PATRIZIA does not yet have a system in place to track the number or area of assets located in or near protected areas or key biodiversity areas or that negatively impact biodiversity. PATRIZIA plans to track these in the next few years. Once targets have been set, PATRIZIA will report on the metrics considered relevant to biodiversity and plans to closely align these with the TNFD. Additionally, PATRIZIA will not report on the minimum disclosure requirement metrics, due to the ESRS topic of biodiversity covering the downstream value chain. Therefore, PATRIZIA is not required to include the information at the time of reporting.

E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities

The potential financial risk for PATRIZIA associated with biodiversity is the indirect impact to PATRIZIA's ability to generate fees due to the declining value of assets. Development areas with depleted ecosystems may become less attractive to investors or tenants, leading to decreased demand. Additionally, ecosystem loss could raise insurance costs due to heightened climate risks, and properties in vulnerable areas may be subject to a premium. PATRIZIA's clients may also incur potential costs from legal requirements to remediate soil sealing, additional cooling or remediate biodiversity loss, having an indirect impact on PATRIZIA's profitability. PATRIZIA deems the financial risk of biodiversity to be limited at the time of reporting. Financial prospects arise from investors looking favourably at companies that protect nature and have enhancing biodiversity initiatives in place.

ESRS E5 Resource Use and Circular Economy

ESRS 5 IRO-1. Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

To provide for fundamental societal needs, such as housing, the real estate industry is highly dependent on significant amounts of raw materials in order to develop buildings. However, due to the demand and pressure on supply chains, it can be difficult to source raw materials. To overcome this PATRIZIA can introduce circular initiatives through reuse and recycling to minimise supply chain volatilities.

PATRIZIA's DMA indicated that the circular economy is a material topic, with the sub-topics of - limit the use of virgin building materials and future use or disposal of building materials and components. Building on the results of the DMA, PATRIZIA identifies ESRS E5, resource use and circular economy with the sub-topics resource inflows including the circularity of material resource inflows, considering renewable and non- renewable resources and resource outflows including information on products and materials, including resource use and resource outflows related to products and services as material topics.

At the corporate level (PATRIZIA), resource use and the circular economy is not deemed a material topic. PATRIZIA leases the offices it inhabits and is not a high waste producer, only generating generic office waste. Therefore, PATRIZIA will not report on ESRS E5 at the corporate level.

PATRIZIA's infrastructure strategy includes energy-from-waste, and biogas investments, serving the need for renewable energy generation. Nevertheless, the remaining assets in the portfolio are low waste producers and raw materials are not used, therefore PATRIZIA will not report on the infrastructure AUM.

The circular economy and resource use is an important topic for the real estate industry, however, PATRIZIA only deems the real estate development assets as material as PATRIZIA acts as a contractor for real estate developments or refurbishment projects. Therefore, this chapter (ESRS E5) only reports on real estate development assets. PATRIZIA does not have a list or prioritisation of the material resources used, as it will depend on the development project.

The following indicates the assumed and potential circular economy and resource use-related, impacts, risks and opportunities for real estate development assets.

Resource Use and Circular Economy Impacts, Risks and Opportunities

Resource inflows, including resource use	
Positive Impact	Circular practices, such as repurposing and recycling building materials, developing buildings for multiple changes of use, and modular construction methods for ease of disassembly, minimise the need for virgin material use which reduces the strain on natural resources.
Negative Impact	Real estate developments often require significant amounts of natural and virgin materials/resources. Overexploitation leads to resource depletion and ecological imbalances.
Risk	Retrofitting or using non-virgin materials to align with circular practices can be costly and is a new practice compared to traditional construction methods. Without incentives or further guidance from governing bodies on circular economy practices this may impede the progress of PATRIZIA.
Opportunity	By repurposing and recycling materials, PATRIZIA can improve resource productivity and reduce reliance on virgin materials and therefore gain a financial advantage.
Resource outflows related to products and services	
Positive Impact	When PATRIZIA repurposes and re-uses building materials for development assets it significantly lowers the greenhouse gas emissions and minimises its environmental impact. These development assets are designed to reduce energy requirements through efficient insulation and energy-efficient systems, creating further energy savings.
Negative Impact	Construction generates substantial waste, including debris, packaging materials and discarded materials, without the correct disposal mechanism this can harm the environment. Additionally, a high amount of waste can only be mitigated but not avoided by re-using materials.
	Real estate developments often require significant amounts of natural and virgin materials/resources. Overexploitation leads to resource depletion and ecological imbalances.
Risk	Retrofitting or using non-virgin materials to align with circular practices can be costly and complex for PATRIZIA to implement. Without incentives or knowledge on circular economy practices this may impede the progress of PATRIZIA.
Opportunity	Circular building designs often incorporate energy saving features, leading to operational cost savings.
	By repurposing and recycling materials, PATRIZIA and investors can improve resource productivity and reduce reliance on virgin materials.

E5-1 Policies related to resource use and circular economy

Minimum standards for real estate development are established in PATRIZIA's Responsible Investment Policy (4.1.5 Real Estate Development). This includes that PATRIZIA strives to consider resource use, greenhouse gas emissions and innovative design approaches regarding circular economy principles, such as cradle-to-cradle design and novel material selection. Additionally, the asset management section (4.1.3) of the Responsible Investment Policy states, that PATRIZIA seeks to instil best practices when undertaking fit-out and refurbishment work, such as when sourcing materials, including encouraging recycling and re-use. Please refer to ESRS 2 SBM-1 for further information on the Responsible Investment Policy.

E5-2 Actions and resources related to resource use and circular economy

PATRIZIA applies a proprietary sustainable development matrix for all real estate developments, where PATRIZIA's inhouse real estate development team has authority, and tracks and assesses embodied (and operational) carbon. Resource use and the circular economy actions are determined on a case-by-case basis, where each project is design led. Actions on a case-by-case basis include the salvaging of non-virgin materials such as metal raised floors or mechanical electrical plants for the refurbishment of offices or the reuse of furniture as in the new development as part of the fit-out. PATRIZIA engages with design teams and briefs the teams on the project and design parameters, which includes resource use and the circular economy. PATRIZIA also makes sure that the General Contractors are in alignment with the sustainable development matrix. These actions and the sustainable development matrix relate to all of the IRO's listed above and will help mitigate the negative impacts due to the matrix promoting the use of non-virgin materials/resources and the reduction of waste, by setting operational and embodied carbon targets. The time horizon of completion for each development project is different for each and will be determined on a case-by-case basis. PATRIZIA will not be reporting on the current and future financial resources allocated to the action plan due to the topic covering the downstream value chain.

E5-3 Targets related to resource use and circular economy

PATRIZIA does not have specific targets on resource use and the circular economy due to PATRIZIA acting as a contractor for real estate developments and therefore not deeming it necessary to have targets. It is not compulsory or required by legislation for PATRIZIA to have resource use and circular economy targets in place. PATRIZIA does not track the effectiveness of its policies and actions in relation to the material IROs.

E5-4 Resource inflows and;
E5-5 Resource outflows

Due to the material topic concerning the downstream value chain, PATRIZIA will not report on any resource inflow or resource outflow metrics. PATRIZIA has not obtained information from the downstream value chain due to the sustainable development matrix being developed in 2024, therefore tracking of the metrics has not yet begun. PATRIZIA will start to obtain information in 2025. The metrics on non-recycled waste, percentage of non-recycled waste, total amount of hazardous waste and total amount of radioactive waste are not material for PATRIZIA, therefore will not be reported on.

E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

PATRIZIA deems there to be minimal financial risk from resource use and circular economy practices. PATRIZIA may face delays to projects if materials are not able to be purchased or sourced and this may indirectly affect PATRIZIA's profitability. If reused and recycled materials are used in the development of new assets, it will decrease the need for virgin materials and therefore create cost savings.

ESRS S1 Own Workforce

ESRS 2 SBM-2 Interests and views of stakeholders

PATRIZIA's (the "Company") DMA indicates that the own workforce (ESRS S1) is a material topic recognised by stakeholders with regards to working conditions, health and wellbeing and equal treatment and non-discrimination. These topics can be mapped to the sub-topics *working conditions* and *equal treatment and opportunities for all* ESRS S1, own workforce.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

PATRIZIA's employees significantly contribute to the success of the Company's strategy, of becoming a smart real asset player. PATRIZIA relies on the skills, expertise, and performance of its employees, the entrepreneurial business mindset, the unique performance culture, and execution excellence of the workforce.

Aligned with these strategic objectives, PATRIZIA has set the sustainability goal to be an employer of choice in the real asset sector, where everyone feels included, represented, and valued equitably. To achieve this goal, the Company focuses on additional social aspects such as equity, diversity, and inclusion (ED&I) as well as employee development.

This dual focus ensures that PATRIZIA not only attracts and retains top talent but also cultivates a supportive and dynamic workplace environment that enhances overall employee satisfaction and productivity. By integrating ED&I initiatives with robust recruitment and development programs, PATRIZIA strengthens its workforce's capabilities and commitment, ultimately driving sustainable success and innovation in the real asset industry.

The following indicates the assumed and potential workforce-related, impacts, risks and opportunities at the corporate level.

Own Workforce Impacts, Risks and Opportunities

Working Conditions	
Positive Impact	Good working conditions (such as fair compensation, a work-life balance, development opportunities, an ergonomic work environment, health and safety, transparent communication and inclusive culture) lead to healthier, more satisfied employees who contribute positively to their communities. Employees prospering from good working conditions are more likely to engage in community activities and volunteer work, fostering social cohesion.
Negative Impact	Substandard working conditions can lead to chronic health issues among employees, increasing public health burdens and reducing the overall quality of life in the community.
	Poor attention to well-being can contribute to mental and physical health issues such as stress, anxiety, depression, heart disease, hypertension, and obesity. This places additional strain on healthcare systems and reduces overall public health. Furthermore, it can have wide-reaching effects on the ability of employees to contribute to society.
	Neglecting employee health and well-being can result in higher absenteeism and a higher burden on healthcare systems.
	High turnover rates and decreased productivity due to poor working conditions can lead to economic instability within the Company and the community, as local economies rely on the success of businesses for jobs and economic growth.
Risk	A lack of focus on favourable working conditions, especially wellbeing, diminishes employee engagement and productivity, as workers feel undervalued and unsupported. Lower employee engagement and productivity from poor health and wellbeing initiatives can lead to higher rates of absenteeism, increasing costs caused by decreased productivity or hiring temporary staff.
Opportunity	Poor working conditions contribute to job dissatisfaction, increasing staff fluctuation and the costs associated with recruiting, hiring and training new employees.
	Good working conditions, including secure employment, comfortable workspaces, adequate resources, and fair compensation, enhance employee productivity and efficiency, leading to higher output and profitability. Additionally, prioritising health and wellbeing through initiatives like mental health support and well-being programs can reduce absenteeism and chronic illness, which can lower personnel expenses and healthcare cost.
	A focus on wellbeing leads to higher employee engagement and satisfaction, as workers feel valued and supported, leading to higher productivity and lower turnover costs.
	Positive working conditions lead to higher job satisfaction, reducing turnover rates and retaining valuable talent and knowledge within the organisation, reducing costs for recruiting, hiring and training new employees.
Equal treatment and opportunities for all	
Positive Impact	Promoting equal treatment and non-discrimination (through ED&I training, ERGs, ED&I policies, promoting a diverse culture and inclusive development opportunities) helps to reduce societal inequalities. PATRIZIA ensures fair treatment (through diverse leadership, flexible work arrangements, transparent ED&I policies, employee resource groups, ED&I training, and mentor programs), and contributes to a more just and equitable society where opportunities are accessible to all, regardless of background.
Negative Impact	Inequality and discrimination in the workplace can perpetuate social divides and tensions, leading to a less cohesive and more fragmented society.
	Discrimination prevents talented individuals from contributing fully to the economy and society, leading to a loss of potential innovation and economic growth.
Risk	Inequality and discrimination create a toxic work environment, leading to decreased employee morale, motivation, and loyalty.
	Discriminatory practices expose the organisation to legal challenges, including lawsuits, fines, and settlements. Furthermore, they can damage its reputation, and harm the Company's brand, leading to loss of customers and revenue.
Opportunity	Ensuring non-discrimination attracts a diverse range of candidates, enriching the Company with varied perspectives and innovative ideas. A diverse workforce brings a variety of perspectives and ideas, driving innovation and potentially leading to new products, services, and markets.
	A reputation for fairness and inclusivity attracts top talent, reducing recruitment costs and increasing the quality of hires.
	Promoting equal treatment and non-discrimination fosters a supportive and inclusive work environment, boosting employee morale and motivation, leading to higher employee productivity, associated with increased financial performance.

The following section focuses on the own workforce, emphasizing on the key aspects of working conditions and equal treatment and opportunities for all, including the following sub-sub-topics:

Topics

Sub-topic	Sub-sub-topics
Working conditions	- Secure employment - Working time - Adequate wages - Social dialogue - Freedom of association, the existence of works councils and the information, consultation and participation rights of workers - Collective bargaining, including rate of workers covered by collective agreements - Work-life balance - Health, safety and well-being
Equal treatment and opportunities for all	- Gender equality and equal pay for work of equal value - Training and skills development - Employment and inclusion of persons with disabilities - Measures against violence and harassment in the workplace - Diversity

PATRIZIA pays close attention to ensuring that employees feel valued for the work they do. This means providing favourable employment conditions for employees, including social protection, paid leave, competitive compensation packages, flexible working hours and health and wellbeing offers.

The term “employee” includes all individuals who hold an employment contract with PATRIZIA or any of its subsidiaries. Non-employees, such as independent contractors, consultants, and temporary agency workers, generally fall outside the scope of this chapter.

PATRIZIA’s primary focus is on the permanent workforce; however, PATRIZIA occasionally relies on temporary support. This may include addressing short-term resource gaps or managing specialized projects that demand specific expertise and skills. Consultants are engaged for advisory roles, such as in legal, tax, or IT matters, while temporary workers assist PATRIZIA’s permanent team during periods of increased workload. These resources may be provided by third parties or contractors. In all cases, PATRIZA ensures adherence to a compliant process. It is important to note that PATRIZIA employs a very limited number of non-employees. No employee is at greater risk of harm than one another.

S1-1 Policies related to own workforce:

Working conditions

Key policies to address the impacts, risks and opportunities regarding working conditions include the Compliance Manual and the Code of Values. Key contents of the Code of Values includes the following topics:

- Fundamental values and basic rights
- Conduct vis-à-vis the Community
- Conduct when dealing with business partners and third parties
- Conduct within the organisation
- Organisational matters

The Code of Values describes the common values that PATRIZIA employees companies share and is also a guide to an employees day-to-day actions. The code is intended to enable employees to familiarise themselves with the values. Managers at PATRIZIA have particular responsibility for ensuring compliance with the rules. The managers are role models for employees by being compliance with the rules themselves and are responsible for ensuring that others comply with the rules of the Code of Values. The Code applies to all employees of PATRIZIA SE and its affiliated companies and is also applicable to freelancers and consultants where it appears necessary and appropriate. The Head of Compliance is the most senior person responsible for the implementation of the Code.

The Compliance Manual covers the following topics to name a few:

- General compliance regulations at PATRIZIA
- Overview of the compliance organisation at PATRIZIA
- Code of Conduct to prevent breaches of duty and criminal conduct
- Code of Conduct on Conflicts of interest
- Code of Conduct on public limited company and capital market law
- Code of Conduct on dealing with business partners
- Code of Conduct on invitations, gifts, donations, sponsoring and memberships

PATRIZIA has established the Compliance Manual to ensure its business operations are structured to prevent any breaches or violations that could lead to criminal charges or administrative fines. The Manual recognises the principles of standard commercial practice and the general customs that form part of day-to-day life as sometimes corporate principles can conflict with certain business practices or certain forms of expected or offered behaviour. The compliance officers are responsible for monitoring employees and adherence to the Manual. The Head of Compliance is the most senior level accountable for the implementation of the Manual. The Manual applies to all of PATRIZIA and its affiliated companies.

When required by law PATRIZIA is committed to comply with any requirements in relation to human rights due diligence at a corporate level. PATRIZIA’s commitment to human rights (for instance in the form of equal opportunities, opposition to forced labour, privacy and business ethics, parental leave, anti-harassment and health & safety policies to name a few) is included in the Group’s Compliance Manual and the Groups’ Code of Values. One of PATRIZIA’s most important values is the principle of law-abiding behaviour. No one is above the law. There are no exceptions to this principle, which applies equally to employees, senior staff, contractual partners and other stakeholders. The principle of law-abiding behaviour obliges each of us individually to obey the laws in force without exception. This includes but is not limited to the following grounds for discrimination: Racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law. It applies both to each individual and to the Company as a whole.

Equal treatment and opportunities for all

The key policy which addresses the impacts, risks and opportunities regarding equal treatment and opportunities for all is the Equity, Diversity and Inclusion (ED&I) Strategy Statement. The Statement addresses what ED&I is, why it is important, what PATRIZIA's approach to ED&I is and roles & responsibilities within the Company. PATRIZIA recognises that in a diverse workplace people require support in different ways. PATRIZIA wants to ensure that there is fair treatment, access, opportunity and advancement of all and to identify and eliminate barriers that prevent participation. Monitoring and contributing to ED&I is the responsibility of all staff at PATRIZIA, and employees are required to demonstrate how they do this as part of the performance enablement process. The ED&I statement applies to all PATRIZIA employees. The ED&I Council is the most senior level responsible for the implementation of the statement.

Within the organisation, employees are treated equally and given equal opportunities regardless of race or ethnic origin, gender, religion or ideology, disability, age, sexual identity, or orientation. Appointments, promotions, and level of remuneration are based solely on employees' competencies, and experience. PATRIZIA maintains a groupwide Job Architecture, a framework that describes job profiles and contains remuneration principles based on these job profiles to ensure equal pay for equal work by standardising job roles consistency and fairness in compensation. The Job Architecture framework is regularly reviewed by the Compensation and Benefits team as part of the HR department.

PATRIZIA's Equity, Diversity and Inclusion (ED&I) Policy contained in the ED&I Strategy Statement embraces a comprehensive definition of diversity that encompasses but is not limited to age, gender, race, ethnicity, disability, sexual orientation, religious beliefs, cultural background, education, life experiences, socio-economic status, marital status and carer responsibilities. It defines PATRIZIA's approach to ED&I as well as the roles and responsibilities. It applies to all PATRIZIA employees.

The PATRIZIA ED&I Council acts as the advisory board for all ED&I initiatives across PATRIZIA and provides governance on ED&I priorities, programmes, actions, and metrics. The PATRIZIA ED&I Council is overseen by the Group Executive Committee and supported by the HR department.

On signing their employment contract, all managers and employees are obliged to refrain from **discrimination**. With the ED&I strategy, PATRIZIA and the ED&I Council take a proactive stance in preventing discrimination and harassment in the workplace and call everyone in the Company to take own actions, ranging from information and awareness raising up to individual ED&I performance goal. To reinforce this, all employees are asked to set an ED&I related goal each year.

S1-2 Processes for engaging with own workers and workers' representatives about impacts:

PATRIZIA conducts regular town hall meetings, so-called PAT Talks as well as monthly business update calls, where management provides updates on projects, current challenges, and the actual business performance. Employees have an opportunity to ask questions and provide feedback during these sessions. Furthermore, the Executive Directors, on a rolling basis, inform the employees monthly on current topics through the so-called PAT A GLANCE newsletter. The newsletter contains a feedback channel that allows employees to share their questions, comments or ideas with the creators and management. PATRIZIA also maintains an internal website, the so-called PIN-page, where updates are posted and a social media platform through which all employees in the Company can exchange information in communities and remain in dialogue.

The global Employee Engagement Surveys, which are anonymous surveys, are distributed to all employees on a regular basis to evaluate the effectiveness of the engagement procedures and to gather their opinions on working conditions and overall satisfaction. Results are reviewed by management and discussed to address key issues. The last global Employee Engagement Survey was conducted in 2023. The survey provided valuable insights on where to focus for the year 2024. The survey had an overall response rate of 88% providing an accurate snapshot of where PATRIZIA stands as a Company through a set of ca. 60 questions structured around 15 factors ranging from Company Confidence, to Enablement, Inclusion and Management. Early in 2024, the findings were released internally. 'Strategy' and 'Community' were identified to be the main focus areas for improvement. PATRIZIA also conducted a pulse check in December 2024 in which employees were asked about their satisfaction as well as their feedback to gain further understanding from employees.

In Frankfurt, there are weekly meetings between representatives of the HR department and the local works council and several meetings per year between the works council and management depending on the topic and need e.g. regarding organisational changes, IT processes or systems.

In Luxembourg, the works council, locally called "Staff Delegation", meets quarterly with the local Managing Directors as well as a representative from the HR department to exchange about important matters for the Luxembourg workforce. Every employee can approach the local works councils at any given time to discuss topics confidentially.

The European works council (European Employee Forum, EEF) has at least one annual meeting in which management shares the strategic and economic situation and direction of the Company and listens to the voice of the EEF. The members of the EEF exchange regularly among their group, typically every 1-2 months. In general, every employee globally may reach out to the EEF members directly to discuss any topic they deem relevant.

To continually advance ED&I at PATRIZIA a series of ERGs have been launched, providing a voice for PATRIZIAn communities and allies. These groups bring together PATRIZIAns from across all locations to actively create a workplace where everyone can feel included, represented, and valued equitably, thus having created the place and space where individual needs and voices are heard and amplified. Since 2021, ERG leads have set up the following groups:

- PATRIZIA Advance: Focuses on strengthening career growth opportunities for women through events, mentoring, and partnerships
- PATRIZIA NextGen: Supports early career professionals via education, networking, and recruitment to position PATRIZIA as an employer of choice
- Pride Alliance: Connects LGBTQ+ members and allies, aiming to normalize conversations about LGBTQ+ matters and promote inclusivity
- Working Parents & Carers Network: Provides a supportive environment for those balancing work and caregiving
- Gen50 Plus: Creating the best possible environment, to pass on experience and maintain health and performance for a long time.

Plans are in place to create the following ERGs: Holistic Health resource group and Race & Ethnicity or Origin resource group.

To further expand and increase awareness of ED&I in the Company employees were asked to fill out voluntary and anonymous questions on demographics. The demographic data was used to tailor the support and increase the impact of PATRIZIAs ERGs. As there has also been a rise in demographic questions within the due diligence and investor questionnaires, the results enable PATRIZIA to report on more diversity dimensions at a Company level. The survey had a response rate of 78%.

PATRIZIA became a signatory to the United Nations Global Compact (UNGC) in 2024 and is committed to respecting fundamental human rights as defined by the United Nations Universal Declaration of Human Rights as well as upholding the human rights and labour standards as defined by the International Labour Organisation (ILO). PATRIZIA has robust processes and mechanisms in place to monitor and ensure compliance with these international standards. Specific mechanisms include a due diligence process, a supplier code of conduct, stakeholder engagement, whistleblowing mechanism, training and awareness programmes, monitoring and reporting. These measures help in identifying and addressing any potential human rights and labour rights issues proactively throughout the value chain. The Company operates in countries with high standards on secure employment, including regulations on adequate wages, working time as well as freedom of association and collective bargaining rights and expects all business partners and suppliers to respect internationally recognised human rights. PATRIZIA's policies with regard to its own workforce are aligned with the requirements set out by the three bodies stated above (UNGC, ILO and Declaration of Human Rights).

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

PATRIZIA adopts a proactive stance on mitigating negative impacts through working conditions on its employees. This involves a commitment to identifying, addressing, and resolving issues that arise from the Company's operations.

PATRIZIA maintains an open-door concept encouraging employees to enter into dialogue with their line manager, a representative of the HR team, a works council member or persons of trust from ERGs about concerns or complaints at all times. Moreover, within each jurisdiction the employment contract, handbook or local policies set out the procedure for employee complaints. This does not affect any further legal rights by local laws that exist in the majorities of countries where PATRIZIA operates. Furthermore, employees are encouraged to raise concerns with their line manager or in the regular town hall meetings. Where formal grievances are raised, these are managed by the HR department in a confidential manner. Once they are investigated and an outcome is given, the HR team supervises the implementation of any recommendations or corrective actions.

PATRIZIA is committed to fostering good relations with employees and is committed to ensuring that employees feel able to share their views and concerns both on an informal and formal basis through the various structures and processes mentioned above. In order to ensure that employees are aware of, and trust in these structures and processes as a way to raise concerns or needs and have them addressed, PATRIZIA regularly engages with the various formal and informal employee groups, such as works councils or ERGs. PATRIZIA also engages in a regular employee opinion survey where employees are asked whether they feel they can voice a contrary opinion without fear of negative consequences and whether there is open and honest communication at PATRIZIA. The Employee Opinion Survey results are then analysed and actions put in place where it is felt that more needs to be done across the Group or within particular divisions.

Where these channels are unsuitable, employees as well as third parties can use PATRIZIA's digital whistleblowing system, also anonymously, to send information about possible or actual violations of laws or regulations. The system enables a secure and confidential exchange between the whistleblower and Compliance via an anonymised mailbox. Each report undergoes thorough investigation. Throughout the handling process, utmost confidentiality and equitable treatment of the whistleblower are upheld. Furthermore, there is the option to send information via letter. The information is also contained in the compliance manual distributed to all employees upon commencement. Furthermore, the information about the digital whistleblowing

system and contact details can be found on the internal PIN page and the external PATRIZIA website: https://www.patrizia.ag/en/our-company/compliance/.

S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Working Conditions

The two key actions that were undertaken in 2024 to address the impacts, risks and opportunities regarding working conditions was the introduction and roll out of the 'Fit For Future' initiative and the further work on the 'New Work' concept. All other actions stated in this section are supplementary actions regarding working conditions.

The Employee Engagement Survey conducted in late 2023, identified 'Strategy' and 'Community' to be the main focus areas for improvement. In response the Company introduced the 'Fit for Future' in 2024, a PATRIZIA wide initiative to futureproof the business, putting a focus on execution excellence, with a new spirit of responsibility and accountability in problem-solving. The initiative was undertaken early 2024 and the concept phase concluded in late 2024, therefore trying to close out the impacts and risks surrounding transparent communication, inclusive culture and engagement & productivity. The initiative did not require significant OpEx or CapEx and is now complete, therefore no current or future financial resources will be reported on. Moving forward on the focus area 'Community', which relates to the negative impacts, positive impacts and risks, the Culture workstream within the Fit for Future initiative focused their work around four key findings from the survey:

- Fostering a culture of cross-functional collaboration across all levels and departments
- Improving transparency by open communication and adequate and clear information sharing
- Nurturing meritocracy and aspire to cultivate a culture of performance, empowered by a motivating recognition system
- Enhancing individual accountability to enhance trust and increase the ability to execute strategic projects

Another key action for PATRIZIA in 2024 was the endeavour to provide its employees with state-of-the-art office spaces that offer a range of benefits aimed at enhancing employee satisfaction, productivity, and overall well-being, therefore addressing the positive impacts, negative impacts, risks and opportunities. While the offices in Luxembourg and Frankfurt had already been reconfigured to the New Work concept in previous years, 2024 saw the offices in Hamburg and London joining this list. In London, a new international hub was established, with a move into a new office in 2024 featuring an open layout, flexible workspaces, quiet areas, a gym, a family room, a contemplation room, and a café, bar, and restaurant. In Hamburg, the office was redesigned, retaining the typical open layout, with the addition of a unique feature known as the 'jungle room.' This area is filled with lush green plants and includes six individual workstations separated by plant walls, allowing colleagues to enjoy the immersive nature of the environment. All of these qualities of the offices and actions are closing out the IROs related to wellbeing, working conditions, turnover rates, health issues and job satisfaction. In 2025, it is planned that the Augsburg office will also relocate to a new modern, state-of-the-art headquarters. Other measures in place to mitigation negative impacts on the workforce specifically in relation to ecological and climate aspects includes the cycle to work scheme offered in some countries, EV car policy, volunteering days, and encouraging the shutting down of computers, turning off lights and saving electricity within the office. The New Work concept does not have significant current or future CapEx or OpEx, therefore no current or future financial resources will be reported on.

The following actions are also actions undertaken by PATRIZIA in relation to working conditions in 2024, these actions are significant for PATRIZIA but are not key actions to be fully reported on.

In the year 2023 and 2024 supporting roles in entry- and intermediate levels received a voluntary one-time payment to help offset the inflation-related increase in the cost of living. In 2024 the mobile working policy was also renewed, maintaining a high degree of flexibility for all employees.

During Mental Health Awareness Week in 2023, PATRIZIA held company-wide webinars on the importance of movement for mental health and pointed out how employees could get involved via the PATRIZIA Academy in virtual trainings on self-awareness, resilience, and stress management, and were encouraged to seek confidential support from certified PATRIZIA Mental Health First Aiders or use the mental health first aid kits available in office locations worldwide when facing mental health difficulties or tough times. This support, general internal communication and information as well as regular trainings were also offered throughout the year 2024 and are available to all PATRIZIAns. Another Health Awareness Week is planned to take place in the foreseeable future.

Besides, project teams examined state-of-the-art development programmes, consequent application of the incentive scheme and non-financial recognition programmes, resulting in new or updated policies around referral, recruitment and promotion as well as in the launch of an updated Global Mobile Working Policy and toolkits and an Internal Mobility Job Board. Additionally, the NextGen Challenge was introduced as an early career development programme as well as the ElevateHER programme to form a vital part of the gender representation roadmap. Furthermore, the introduction of 360-degree Reviews and People & Culture Scorecards are planned to support performance measurement accordingly.

Moreover, the PATRIZIA Academy's training catalogue is constantly reviewed to best answer the needs of PATRIZIA's employees in terms of risks from working conditions as well as equal treatment and opportunities for all. In 2024, in line with the focus areas identified in the engagement survey and mirroring the overall focus on collaboration, execution and performance new training courses were offered in the fields of ED&I, leadership & management, personal effectiveness and wellbeing. The courses were developed and conducted in collaboration with longstanding external trainers.

PATRIZIA recognises and accommodates many personal working circumstances and has comprehensive family leave policies and practices that cover maternity, paternity, adoption, shared parental, parental, time off for dependents, flexible working, compassionate, additional paid, jury service, and unpaid leave circumstances to promote work-life balance. Moreover, PATRIZIA offers flexible working hours and maintains a global mobile working policy that applies to all employees within PATRIZIA. Furthermore, PATRIZIA is committed to employee well-being by promoting physical, mental, and emotional health across the workforce. The details are laid out in the employee handbook and further information and offers can be found in the intranet in the section "Wellbeing". The intranet also contains additional services on mental, physical and social well-being, training classes in the PATRIZIA Academy as well as local "Mental Health First Aiders" contact details for help and support. Since 2023 all offices worldwide can request Mental Health First Aid Kits.

The Company aims to offer attractive, interesting positions with motivating remuneration schemes, including relevant development and training opportunities to promote professional and personal development, offering all PATRIZIAns access to a meaningful career and reaching their full potential. All employees are invited to participate in a variety of training opportunities, including the PATRIZIA Academy, language learning, and external trainings which can be accessed via the intranet site. The Academy has a range of internal and external expert trainers, giving each employee the opportunity to learn and build insights into a variety of topics specific to their career.

Equal treatment and opportunities for all

The key action that was undertaken in 2024 to address the impacts, risk and opportunities regarding equal treatment and opportunity for all was the ongoing training programmes. This action relates to the IROs by promoting equal opportunity, helps to reduce societal inequalities, contributes to a more equitable society, eradicates discrimination and does not allow a toxic work culture to be fostered.

PATRIZIA offers all employees a range of ED&I training courses every year. In 2022, 17 virtual and in person training sessions on ED&I were conducted, which improved the employee dialogue and engagement. This continued in 2023, with over 900 employees attending more than the 30 ESG trainings held, including 21 trainings on ED&I topics. As part of the PATRIZIA Academy, in 2024 a total of 13 ED&I related online courses were offered which were attended by a total of 132 participants. The trainings do not require significant CapEx or OpEx, so no current or future financial resources will be reported on.

The actions stated below are supplementary actions in relation to equal treatment and opportunities for all but are not key actions so will not be reported on further.

In 2024 PATRIZIA repeated to offer dedicated leadership & management trainings (18 in total) through the PATRZIA Academy, focusing on collaborative decision-making, developing accountable teams, leading through change, managing the team's wellbeing and psychological safety. PATRIZIA investigated further broadening the offering regarding specialised anti-bias trainings, aiming to roll out mandatory anti-bias trainings for managers from Q4 2024 onwards. In addition, the development program RISE aimed at managers taking on people responsibilities for the first time saw a revised agenda in 2024 with one focus being on anti-bias training also highlighting PATRIZIA's updated recruiting policy.

In 2023 the ED&I Strategy Statement was published and the collection of data through a global Employee Engagement Survey. The survey served as a substantial method of gathering internal data and soliciting feedback from all employees. It presents a chance for management to hear about PATRIZIA's company culture from an employee's perspective, on its strengths, and areas in which adjustments are necessary to reach future objectives. The survey provided valuable insights on where to focus for the year 2024. The ERG leads and members played an incremental part in informing and supporting PATRIZIA's companywide Culture initiative as part of the wider 'Fit for Future' programme. Members of the ERG were involved with projects like non-financial recognition, updating the company values as well as looking into the gender representation roadmap. Their views and input helped shape and positively impact the PATRIZIA company culture.

PATRIZIA plans to continue to enhance the good working conditions and work-life-balance of its employees as well as development opportunities through flexible work arrangements, focus on employee assistance programs and the introduction of internal mobility and promotion policies.

PATRIZIA will conduct a further Employee Engagement Survey in 2025 tracking the effectiveness of the actions put in place and improvements in the focus areas identified since the last survey. PATRIZIA is also considering a more 'real time' approach to gathering employee feedback through the use of targeted Pulse surveys, from time to time, in addition to the regular comprehensive Employee Engagement Survey and will also implement a 360-feedback review as part of the next employee

engagement survey to further increase transparent communication. PATRIZIA also tracks the effectiveness of actions through informal employee feedback through the various ERGs, ED&I Council and works council meetings. PATRIZIA has not yet defined the level of ambition to be achieved.

Employees are asked to set annual ED&I performance goals to sharpen their perception or to improve their direct work environment with regards to ED&I issues. Furthermore, PATRIZIA continues to foster a favourable working environment and reviews its actions, guidelines and policies on a continuous basis.

Furthermore, PATRIZIA can draw on a comprehensive catalogue of existing programmes that take place regularly and as required. These include the programmes “HORIZONS” being PATRIZIA’s early career two-track talent programme for new joiners (“Step In”) and for existing employees (“Step Up”), “FUTURES”, developing emerging leaders, “RISE” to support employees who step into the role of being a people manager for the first time as well as experienced managers taking over people management responsibilities at PATRIZIA for the first time, an inclusive leadership programme called “Momentum”, “UnThink”, a reverse mentoring programme for senior leaders and young professionals, the “NextGen Challenge” to drive visibility of early career talent by applying Design Thinking to solve real-life challenges at PATRIZIA, “ElevateHER” a sponsorship programme for senior female talent as well as a partnership with “Moving Ahead”, an external mentoring programme for female talent. PATRIZIA offers two apprenticeship programmes to career starters who will become a Business Graduate in Office Management or in Real Estate. The apprenticeship programmes can also be combined with university studies (dual studies) at special universities in Germany. Furthermore, PATRIZIA offers a dual bachelor's degree programme in business administration with a focus on real estate management or accounting/management accounting at Baden-Wuerttemberg Cooperative State University (DHBW).

The groupwide appraisal system aims to ensure that each employee has a clear understanding of their progress and direction within their job role and thereby help to achieve the Company’s objectives. In turn, the process also provides each employee with an opportunity to review their own progress and identify areas of further development or interest. The performance enablement process is set out via process guides on the PATRIZIA intranet site, and the process is regularly reviewed and owned by the HR team.

Please refer to ESRS 2 for the mapping of material ESRS topics and the risk management system.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As described under S1-4, to minimize negative impacts, enhance positive effects, reduce risks, and seize opportunities, PATRIZIA regularly conducts the Employee Engagement Survey. This survey enables a detailed analysis of how employees perceive changes, initiatives, the current workplace/work environment and what positive or negative impact they have.

Based on the results, targets Executive Directors are defined and evaluated. These targets are not only related to the implementation of specific measures but, more importantly, to the targeted improvement of scores in certain survey categories. This ensures that the Company’s initiatives achieve the intended impact on the workforce and drive meaningful progress. Depending on their relevance, these targets can be further cascaded throughout the organization and integrated into departments and teams to ensure broad adoption and sustainable implementation.

One example of such a corporate objective is PATRIZIA’s new qualitative goal "Collaboration", which defines how employees work together as a company. This goal has been rolled out company-wide in 2024 and will now be systematically assessed to measure progress effectively.

In addition to the Employee Engagement Survey, other statistical data, such as turnover rates, is collected, analysed, and processed on a regular basis by PATRIZIA’s risk department to ensure they don’t exceed defined hurdles. These insights are regularly provided to key decision-making bodies, such as the Board of Directors, to identify trends at an early stage and take targeted countermeasures if necessary.

To support the ED&I strategy, PATRIZIA has set diversity targets that are measurable and achievable. Progress against the targets is measured at least once a year and reported to the GEC and Board of Directors. In 2024, PATRIZIA updated these targets due to the changes made to the Board of Directors, the newly implemented GEC consisting of six appointed Executive Directors and the redefined management levels below the Executive Directors. Management has set a target of 40% for the share of women on its Board of Directors (previous target: 29%) to be achieved by 31 December 2028 and a respective target of 33% for the Executive Directors (previous target: 25%) also to be achieved by 31 December 2028.

PATRIZIA aims to advance gender diversity and equality within the organisational hierarchy by also addressing the two management levels below the Group Executive Committee. The current reporting line structure, in combination with people management responsibilities, reflects the Company’s commitment to clarity in managerial accountability, encompassing both the oversight of teams and broader responsibilities such as financial decision-making and external representation. The

Company believes this approach fosters a well-defined hierarchy, ensuring that management levels are clearly delineated and effectively support leadership development and operational efficiency and therefore also represents a suitable structure for determining management levels.

The first management level below the Executive Directors (EDs) comprises all employees reporting directly into one of the EDs and who are People Managers. A ”People Manager” is hereby defined as an employee who holds disciplinary responsibility within PATRIZIA, meaning they are formally accountable for managing their direct reports' performance, development, and adherence to company policies. The target to be achieved until 31 December 2028 for the share of women is set at 25%.

The second management level below the EDs is defined as all employees with people management responsibility (people managers) reporting directly into the first management level below the EDs. The target to be achieved until 31 December 2028 for the share of women for the second management level is set at 30%.

Progress against diversity targets is shared with the ED&I Council and relevant Employee Resource Groups (ERGs). The ERGs give input on PATRIZIA’s ED&I strategy and the various initiatives that are undertaken to further Equity, Diversity and Inclusion at PATRIZIA. An example would be the PATRIZIA Advance ERG giving input on how PATRIZIA is going to improve gender representation at PATRIZIA.

Next to the existing ERGs, the Gen50 Plus ERG was launched in early 2024. Their aim is to create the best possible environment, to pass on experience and maintain health and performance for a long time. Therefore, one of the focus areas is looking into part time working / retirement as a phased approach alongside the already provided offers from PATRIZIA, e.g. through external partners.

Through this beforementioned structured and partially data-driven approach, PATRIZIA ensures continuous improvements in working conditions, actively promote equal treatment and opportunities, and drive sustainable transformation within the organization. PATRIZIA has not set targets in relation to the topic of working conditions. PATRIZIA does not deem is necessary to set targets around the topic as the impacts, risks and opportunities are difficult to quantify, are an individual perspective or something that a target is not deemed applicable for. PATRIZIA may look to introduce targets in the future. PATRIZIA does not track the effectiveness of its actions to address IROs. The targets stated above are not based on conclusive scientific evidence and stakeholder were not involved in target setting.

S1-6 Characteristics of the undertaking’s employees

Employees of PATRIZIA incl. AIP

	2024	2023
Employees (headcount in persons)	921	1,007
Full-Time Equivalents (FTE)[15]	887	971

As of 31 December 2024, PATRIZIA employed a total of 921 employees or 887 FTE (2023: 1,007 employees or 971 FTE).

A Full-Time Equivalent (FTE) as it is stated above represents a standardized unit of an employee’s workload based on the full weekly working hours of a specific country or region. A 100% FTE position corresponds to the full regular working hours of a country, e.g., 40 hours per week in Germany. Part-time positions or reduced working hours are calculated proportionally. For example, a 50% FTE position in Germany equals 20 hours per week.

The figures for headcount and FTEs presented in the table above do not include interns, working students, and parental leavers or unpaid employees in Germany such as long-term sick leavers. The overviews and statistics disclosed further below exclude 12 employees (10.6 FTE) from Advantage Investment Partners due to limited data availability and will therefore reference to a total number of 909 employees (headcount in persons). All figures reported relate to data as at 31 December 2024 unless otherwise noted.

[15] Part-time positions are weighted according to their respective share of working hours.

Employees of PATRIZIA by gender (headcount)

	2024	2023
Male	489	554
Female	420	453
Total employees	909	**1007**

Employees of PATRIZIA by country (headcount)

	2024
Germany	539
United Kingdom	173
Luxembourg	53
Other[16]	144
Total employees	**909**

A cross-reference of the information reported above to the most representative number in the financial statements can be found in chapter 7.5 in the notes to the consolidated financial statements.

Employees of PATRIZIA by region (headcount)

	2024
Europe	853
thereof Germany	539
thereof Luxembourg	53
thereof United Kingdom	173
Americas	2
Asia-Pacific	54
Middle East and North Africa	0
Total employees	**909**

Employees of PATRIZIA by contract type, broken down by gender (headcount)

			2024
Contract type	Female	Male	Total
Number of employees	420	489	909
Number of permanent employees	405	470	875
thereof number of Executive Directors	0	6	6
Number of temporary employees (fixed term)	15	13	28
thereof number of apprenticeships	6	0	6
thereof number of dual students	2	5	7
Number of non-guaranteed hours employees	0	0	0
Number of full-time employees	316	474	790
Number of part-time employees	104	15	119

Employees of PATRIZIA by contract type, broken down by countries with more than 50 employees or at least 10% of total employees (headcount)

			2024
Contract type	Germany	Luxembourg	United Kingdom
Number of employees	539	53	173
Number of permanent employees	515	53	166
thereof number of Executive Directors	5	0	1
Number of temporary employees (fixed term)	19	0	6
thereof number of apprenticeships	6	0	0
thereof number of dual students	7	0	0
Number of non-guaranteed hours employees	0	0	0
Number of full-time employees	447	45	169
Number of part-time employees	92	8	4

Employees are put at the centre of activities and therefore offered flexibility and modern workspaces. In addition to offering modern, flexible workspaces, a variety of work models tailored to the individual needs and life situations of employees are provided. For this reason, a significant number of part-time staff is employed, allowing employees to reduce working hours and creating more space for personal interests, hobbies, or family responsibilities. Additionally, fixed-term contracts are offered, primarily used to handle increased workloads or to support time-limited projects.

[15] Includes all other countries in which PATRIZIA operates, with the exception of Germany, the United Kingdom and Luxembourg

Turnover calculation based on headcount

During the reporting period, the company experienced an employee turnover rate of 16.8%, which represents a total of 159 employees who have left the company. This turnover has been influenced by recent reorganisation measures, accounting for an involuntary turnover rate of 7.0%, which translates to a voluntary turnover rate of 9.8%.

Turnover calculation - methodology

Turnover methodology and assumptions for Workforce Data Compilation

Terminated Employees: The numerator in the turnover calculation includes all terminated employees, with the exception of employees on fixed-term contracts. Fixed-term employees are excluded from termination counts as their departures are based on pre-determined contract expirations rather than voluntary or involuntary turnover. Voluntary terminations refer to employee-initiated separations, such as resignations and retirements. These exits occur at the employee's discretion and are not initiated by the employer. Involuntary terminations represent employer-initiated separations, including dismissals due to performance, layoffs, redundancies, or other organisational decisions.

Head Count Reporting: The data presented is reported using head count rather than Full-Time Equivalent (FTE). Each employee, regardless of their working hours, is counted as one unit. This method provides a straightforward count of the number of employees without adjusting for part-time or full-time status.

Reporting Period and Headcount Calculation: End of Reporting Period Data: The calculation method considers "Ending Headcount" numbers for each specific month within the reporting period (e.g., 2024-01, 2024-02, etc.). These figures reflect the total number of employees on the last day of each respective month, providing a snapshot of the workforce at those points in time.

Average Monthly Headcount: The "Average Monthly Headcount" is calculated by summing the headcounts recorded at the end of each month and then dividing by the number of months in the reporting period. This average provides a more stable and representative measure of workforce size over the period, smoothing out any monthly fluctuations.

Average Monthly Headcount = Sum of Monthly Headcounts / Number of Months

For instance, with a sum of monthly headcounts of 5,946 over six months, the average monthly headcount is 991.

Turnover Rate Calculation: The turnover rate is determined using the average monthly headcount as the denominator. This approach ensures that the turnover rate accurately reflects the average workforce size over the reporting period, rather than just a snapshot at a single point in time.

Turnover % = Number of Terminations / Average Monthly Headcount x 100

By employing head count and calculating average monthly headcount, this methodology ensures a clear and accurate representation of workforce size and turnover rates, facilitating better analysis and decision-making.

S1-7 Characteristics of non-employee workers in the undertaking's own workforce

As already described, consultants are used to provide advice e.g. in legal, tax or IT matters and temporary workers to support permanent workforce in workload peaks. This can be provided by third party or contractors. Both cases follow a compliant process. Contractors include self-employed and temporary workers from employee leasing.

All external workers, defined as contractors under the aforementioned definition, are maintained in PATRIZIA's IT systems, as their role requires access to hardware and software. The data presented here is based on a snapshot taken as of December 4, 2024. This ensures an accurate representation of the number of external resources in the form of contractors.

The reported number of contractors is provided as a headcount and reflects the status at the end of the reporting period. This methodology was chosen to ensure consistency and reliability in reporting.

Non-employee workers of PATRIZIA (headcount)

	2024
Contractors (self-employed and temporary workers from employee leasing)	20
Total non-employees	**20**

S1-8 Collective bargaining coverage and social dialogue

The majority of PATRIZIA's employees are represented at the European level by the European Employee Forum (EEF). The EEF operates in its function as SE works council. However, although the legal remit is Europe excluding UK and Switzerland the EEF represents the interests of all employees. Additionally, specific employee representatives are present at PATRIZIA's locations in Frankfurt and Luxembourg, where they represent the interests of the employees working at these sites.

The overall workforce represented by employee representatives accounts for more than 74% of total employees, reflecting the significant importance of larger office locations within the pan-European region. Furthermore, a part of the workforce in Belgium, Denmark, France, Italy, and Japan is covered by local collective bargaining agreements. The proportion of employees covered by such agreements is approximately 4% overall, which is attributable to the fact that these locations have a considerably smaller headcount compared to other office locations.

PATRIZIA is committed to ensuring the best possible representation of its employees' interests and, therefore, places great emphasis on close collaboration with the respective employee representatives at both the European and local levels.

Countries with collective bargaining coverage and/or subject to social dialogue

	2024		
	Collective Bargaining Coverage		Social dialogue
Coverage Rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl)
0 – 19%	Germany Luxembourg United Kingdom		
20 – 39%			
40 – 59%			
60 – 79%			
80 – 100%			Germany Luxembourg

S1-9 Diversity metrics

Gender distribution (headcount)

	2024	
Management Levels	Female	Male
in Board of Directors	1	4
among Executive Directors	0	6
In level 1 below Executive Directors	8	26
In level 2 below Executive Directors	24	56

Gender distribution (in %)

	2024	
Management Levels	Female	Male
in Board of Directors	**20%**	**80%**
among Executive Directors	**0%**	**100%**
In level 1 below Executive Directors	24%	76%
In level 2 below Executive Directors	30%	70%

Age distribution (headcount)

Age Groups	2024
< 30	119
30 – 50	619
> 50	171

Age distribution (in %)

Age Groups	2024
< 30	13%
30 – 50	68%
> 50	19%

PATRIZIA is committed to promoting gender diversity and equality throughout its organisational structure, also addressing the BoD and Executive Director (ED) level for the legal entity PATRIZIA SE but also on Group level. To this end, the GEC and BoD have established specific target values for the representation of women in leadership roles. These targets apply to the first and second management levels below the EDs of PATRIZIA SE (in accordance with § 76 para. 4 AktG). In addition, the GEC and BoD have set equivalent targets for these management levels across the entire Group.

First management level below EDs - The first management level below the EDs as already defined under S1-5 comprises all employees reporting directly into one of the EDs and who are People Managers. A ”People Manager” is hereby defined as an employee who holds disciplinary responsibility within PATRIZIA, meaning they are formally accountable for managing their direct reports' performance, development, and adherence to company policies. The target to be achieved until 31 December 2028 for the share of women is set at 25%.

Second management level below EDs - The second management level below the EDs as also defined under S1-5 is defined as all employees with people management responsibility (people managers) reporting directly into the first management level below the EDs. The target to be achieved until 31 December 2028 for the share of women for the second management level is set at 30%.

To fulfil the commitment of a diverse and equal workforce, PATRIZIA regularly reviews their gender distribution as part of the annual promotion process to ensure fair and equitable advancement opportunities. To maintain this balance throughout the organisation, the company also evaluates gender representation across different seniority levels, taking into account Business Titles. This approach helps foster a more equitable distribution of talent and leadership, promoting diversity and inclusion across the entire organisation.

By implementing these practices, the company strives to create an inclusive workplace where everyone can thrive and contribute to the organisation’s success.

Additionally, gender balance is actively considered during the hiring process, ensuring that recruitment practices support diversity at all levels.

S1-10 Adequate wages

In accordance with Disclosure Requirement S1-10 – Adequate Wages, it is essential to note that in the majority of countries where PATRIZIA operates, particularly within the European Union, there exist stringent legal requirements regarding minimum wages. Moreover, PATRIZIA competes for skilled talent across all markets. Consequently, PATRIZIA is dedicated to providing market-competitive and performance-based compensation in all regions and thus provides adequate wages to all employees of PATRIZIA Group. To ensure alignment with market standards and competitiveness, the Company selectively conducts benchmarking for specific markets, asset classes, and job profiles or leverages comparative data from executive search firms and consultants regarding salary levels and salary development trends. This commitment is documented internally within the remuneration guidelines of all PATRIZIA’s regulated entities and is also reflected in the minimum wage levels that on average are 64% above benchmarks such as the minimum wage information for all countries in which PATRIZIA operates in and has employees.

Minimum wage within PATRIZIA by country, broken down by countries with more than 50 employees or at least 10% of total employees	in EUR k
Germany	35.7
Luxembourg	46.4
United Kingdom	40.9

S1-11 Social protection

PATRIZIA operates exclusively in countries that provide robust social protection systems. In these countries, all employees are either partially or fully covered by comprehensive state social security programs.

Despite the already high level of state social security in most countries, PATRIZIA also covers to a large extent all employees through Group-wide accident insurance, as far as local market conditions permit. This insurance provides financial support in the event of an accident that leads to either death or a degree of disability.

In addition to accident insurance, the company offers a range of other benefits depending on local market practices. These may include subsidies to state parental allowances, or insurance policies that provide financial assistance to employees in the event of illness. Furthermore, in multiple locations, the company provides pension plans or contributions to retirement schemes, enhancing the long-term financial security of its employees. This ensures that employees receive support not only during their working years but also as they transition into retirement.

S1-12 Persons with disabilities

People with disabilities by country, broken down by countries with more than 50 employees or at least 10% of total employees (UK and Luxembourg excluded as there is no legal obligation to report)

	in %
Germany	1.7

At PATRIZIA, great importance is placed on fostering an open corporate culture that ensures equal opportunities and fair treatment for all employees, regardless of their background or physical condition. PATRIZIA firmly believe that diversity and inclusion are fundamental pillars of PATRIZIA's collective success.

In many countries in which PATRIZIA operates, there are no legal requirements mandating the documentation of an employee's disability status. Nevertheless, PATRIZIA wants to ensure that this valuable information can be integrated into PATRIZIA's operational processes and considerations to create optimal working conditions. Therefore, PATRIZIA offers employees the option to voluntarily provide this information in the Human Capital Management (HCM) system.

In Germany, PATRIZIA's largest location, the company is legally required to report disability status information to the employment agency. For this reason, PATRIZIA documents this information in detail and stores it in both the HCM system and PATRIZIA's payroll system. In the UK, the second-largest location, and Luxembourg the third-largest location, there is no such legal requirement. However, plans are in place for employees to voluntarily provide this information in the HCM system. Additionally in the UK, PATRIZIA collects this information through a medical questionnaire, though it is not officially stored in the system.

Through these measures, PATRIZIA aims to ensure an inclusive and supportive working environment that accommodates the individual needs of employees and promotes equal opportunities for everyone.

S1-13 Training and skills development metrics

All employees at PATRIZIA participate in an annual performance and career development review with only minimal exceptions such as potentially fixed term employees with a defined leaver date. In addition to quantitative goals, PATRIZIA places great importance on qualitative aspects, which are systematically considered and discussed in individual goal-setting agreements and year-end reviews.

Through regular feedback discussions and a transparent performance evaluation process, PATRIZIA ensures that not only measurable KPIs but also factors such as collaboration, personal development, and leadership behaviour are taken into account.

The continuous development of employees, as well as the expansion of their areas of responsibility and tasks, are essential components of the talent strategy. This approach not only supports individual growth but also enables the systematic planning and assessment of career development within the corporate group.

Employees participating in the annual performance and career development review by Gender (in %)

	2024
Male	99%
Female	99%
Total employees	99%

Employees at PATRIZIA have spent on average 305 minutes on training and development activities in 2024. Female employees thereof spent approximately 326 minutes whilst male employees spent approximately 287 minutes.

S1-14 Health and safety metrics

At PATRIZIA, ensuring the health and safety of employees is a top priority. To enhance transparency and accessibility, PATRIZIA has established a dedicated section on the internal intranet focusing on health and safety.

This section provides employees with a comprehensive Wellbeing Guide, offering valuable resources to support their physical and mental well-being. Additionally, PATRIZIA has listed key HR contacts for each location, enabling employees to seek further information about health and safety offerings specific to their region.

Due to the industry-specific nature of the professional activities, working hours predominantly take place in the office. This results in virtually no workplace accidents. Due to non-materiality, these figures do not constitute Key Performance Indicators (KPIs).

PATRIZIA is aware that the competition for talented professionals in the market is very intense. For this reason, the Company provides attractive and modern workplaces that meet the needs of employees. Additionally, the Global Mobile Working Policy

allows employees to work from home. This flexibility furthers and the high standard of the workplace helps to minimize the risk of workplace accidents further.

Through these measures, PATRIZIA not only ensures the safety and well-being of employees but also promote their satisfaction and productivity, ultimately contributing to a positive work environment.

S1-15 Work-life balance metrics

PATRIZIA recognizes the importance of family and therefore grants all employees the right to take leave to fulfil family obligations and thus 100% of PATRIZIA employees are entitled to take family-related leave. Compensation during these periods of absence is generally determined by local legal regulations. As the Company operates mainly in welfare states, employees typically receive financial support during their parental leave. In countries where support is limited or where it is common market practice to maintain salary payments during the initial phase to support mothers and fathers, PATRIZIA offers corresponding programs.

For the year 2024, 12% of all employees took leave for family-related reasons. These reasons include but are not limited to parental leave, maternity leave, as well as child illness days, weddings, or school enrolments. Among female employees, about 14% took leave for family-related reasons, while approximately 10% of all male employees took time off for such.

S1-16 Compensation metrics (pay gap and total compensation)

As of December 31, 2024, the unadjusted gender pay gap at PATRIZIA was 41%. This figure is based on a snapshot analysis and measures the difference in average remuneration between female and male employees as a percentage of the average salary of male employees.
The calculation includes both base salary and variable compensation components:

- Base Salary: Salaries are contractual and intended to reflect an employee's professional experience and organisational responsibility as set out in the employee's job description and terms of employment. Base salaries are fixed, pre-determined, non-discretionary, non-revocable, and not dependent upon performance.
- Variable Compensation: Variable remuneration predominantly consists of both Short-Term Incentive (“STI”) and Long-Term Incentive (“LTI”) awards. The LTI is delivered as either Restricted Share Units (RSUs) or Performance Share Units (PSUs), typically granted to senior management, in particular members of the Group Executive Committee (GEC) and depending on the strategic relevance other senior leaders or regional managers. In some cases, employees with sales targets may be granted an additional variable compensation in the form of a discretionary commission bonus. For this purpose, the Company allocates bonus amounts, which are determined at its reasonable discretion, taking into account the invested capital of certain client groups.

When considering variable compensation in the gender pay gap calculation, target values were used. Specifically, for the STI, the annual target amount was included, while for the LTI, the face value (value at grant date) was taken into account. To ensure comparability, all salaries have been standardized to a full-time equivalent (FTE) basis, and remuneration has been converted into an hourly rate using a consistent working hour assumption.

Further analysis shows that the primary driver of the gender pay gap is the distribution of employees across different seniority levels and salary levels within the Company. In senior positions, where higher salaries are typically earned, the proportion of women was generally below 30%, which significantly influences the unadjusted average salary calculations. This analysis indicates that the gender pay gap is less influenced by differences in pay for men and women in comparable roles and is more reflective of structural disparities in representation within the organisation.
To address gender pay differences, PATRIZIA is committed to implementing measures that support a more balanced gender distribution across all career levels.

As of December 31, 2024, the ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees at PATRIZIA was 26:1. The same remuneration components and employee population used for the gender pay gap analysis were applied in this calculation.
In this context, it is important to highlight – as already described in the gender pay gap analysis – that only a selective part of the overall employee population is eligible for Long-Term Incentives (LTIs). This factor contributes to a higher pay ratio, as LTIs are primarily granted to senior management positions, influencing the overall distribution of total remuneration.

The high remuneration of the top earner is primarily driven by a significant variable component, which is strongly tied to performance criteria that are closely linked to the Company’s economic and financial performance. Compared to the majority of other employees, variable compensation is predominantly granted in long-term instruments. Further details on this can be found in the Company’s remuneration report.

S1-17 Incidents, complaints and severe human rights impacts

In the year 2024 two complaints were reported and handled according to the process outlined in section S1-3. Apart from the before mentioned complaints no incidents as defined by the disclosure requirement S1-17 have occurred during the reporting

period. In particular, no complaints have been filed through workforce grievance mechanisms or with the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of this standard. Furthermore, no fines, penalties, or compensation payments have been incurred in connection with such incidents.

ESRS S2 Workers in the Value Chain

ESRS 2 SBM-2 Interests and views of stakeholders and ESRS 2 SBM 3 Material impacts, risks and opportunities and their interaction with strategy and business model

PATRIZIA's responsibilities concerning sustainability extend beyond the boundaries of the organisation. A significant proportion of environmental and social impacts arise from processes and actions that are overseen and conducted throughout the value chain. PATRIZIA needs to ensure that working conditions, equal treatment & opportunities for all and other work-related rights are not adversely impacted, and that processes and actions are in place.

PATRIZIA operates in developed countries where it is considered that there is low risk of child labour, or of forced labour or compulsory labour among workers in the value chain, and therefore takes proportionate measures in response to supply chain risks and opportunities. The downstream value chain workers who could potentially be materially impacted are the property managers and workers who are involved in real estate developments. As seen in the IRO list below, these value chain workers will benefit from positive impacts such as fair wages, safe environments, job security and the reduction of economic inequality and promotion of social equality. These better working conditions lead to better health and wellbeing for the workers. These conditions can boost productivity and innovation, drive economic growth and create a more equitable and healthy society.

The upstream value chain for PATRIZIA includes activities and inputs that are needed to acquire real estate and infrastructure assets on behalf of clients and allow PATRIZIA to be an effective investment manager. The upstream value chain provides the necessary resources and information for managing potential investments.

Key actors of the upstream value chain include a wide range of investors who provide their capital being invested by PATRIZIA in assets which are subsequently managed by the Company. Market research and analysis play a critical role by gathering and analysing data on market trends, property values, and economic indicators to identify potential investment opportunities. Site selection and acquisition involve identifying and acquiring suitable properties, a process that includes thorough due diligence, legal negotiations, regulatory approvals, and securing finance.

The downstream value chain involves the engagement and management of acquired assets to maximise value for PATRIZIA, this includes monitoring performance, developing assets and implementing strategies to maximise returns. The downstream value chain stakeholders ensure that PATRIZIA can effectively manage all assets under management, maintain client satisfaction and comply with regulatory requirements.

One key phase is property management, where PATRIZIA ensures that comprehensive services are in place for assets. Property managers oversee daily operations, ensuring assets are well-maintained, efficiently functioning, and meeting tenant demands. These services also include energy efficiency and sustainability initiatives. The downstream value chain also includes the development of marketing strategies to attract tenants and finding property managers to oversee tasks such as maintenance and leasing.

Tenants and end users are another vital component, as PATRIZIA develops marketing strategies to attract them or potential buyers. This process involves negotiating lease terms, managing tenant turnover, and optimizing occupancy rates. Tenants range from residential apartment occupants to commercial and industrial space users. Asset management is focused on enhancing asset value through strategic initiatives, such as renovations, retrofits, repositioning properties to align with market demands, obtaining sustainability certifications, and implementing energy efficiency and decarbonisation measures.

Depending on the asset plans, construction, development, or refurbishment can follow, aimed at maximizing the asset's potential. This phase includes hiring contractors, architects, engineers, and urban planners, obtaining approval from local authorities, engaging with local communities, and assessing materials or retrofitting processes. Compliance and sustainability are key factors, as PATRIZIA ensures that assets meet environmental standards and regulations while incorporating sustainable practices in the development or retrofitting process to minimize environmental impact.

Clients and investors are kept informed through detailed performance reports to ensure that assets are delivering expected returns and investor satisfaction. Lastly, disposal and exit strategies involve managing the sale of assets with the aim of maximizing returns. This includes strategic timing, leveraging networks to find suitable buyers, and engaging with property buyers, brokers, and legal professionals. Profits from asset sales are reinvested into the investment cycle, providing returns to investors.

The impacts, risks and opportunities stated below relate to the whole of PATRIZIA's value chain.

Value Chain Impacts, Risks and Opportunities	
Working Conditions	
Positive Impact	By ensuring fair wages, safe environments, and job security, companies can help reduce economic inequality and promote social equity. Better working conditions also lead to improved health and well-being for workers, reducing the burden on public health systems. Additionally, these practices can decrease the prevalence of child and forced labour, allowing for greater educational opportunities and breaking cycles of poverty. Enhanced working conditions foster social stability, as satisfied workers are less likely to engage in unrest. These conditions can boost productivity and innovation, drive economic growth and create a more equitable and healthy society.
Negative Impact	Poor working conditions can lead to economic inequality, as workers face low wages and job insecurity. Health issues arise from unsafe environments and long working hours, placing a burden on public health systems. Additionally, inadequate conditions can increase the prevalence of child and forced labour, perpetuating cycles of poverty and limiting educational opportunities. Social instability may result from worker unrest and strikes, disrupting communities and economies. Environmental degradation is also a concern, as companies neglecting worker welfare often overlook environmental standards.
Risk	Poor working conditions can lead to the increase in costs associated with high turnover of the workforce and therefore availability of adequate replacements.
	Reputational risk from working with partners who do not adhere to best practices or high business standards.
Opportunity	Costs savings and productivity gains from stable workforce.
Equal treatment and opportunities	
Positive Impact	By ensuring that all workers receive fair compensation, safe working conditions, and equal opportunities regardless of their background, companies can help create a more inclusive and equitable workforce. These practices not only improve the well-being and job satisfaction of workers but also contribute to reducing inequality and fostering social cohesion. Ultimately, this leads to a more just and sustainable society.
Risk	Costs associated with reputational damage if working with partners whose practices are below the minimum industry standard.
Opportunity	Improved access to capital associated with reputation of working with partners whose practices exceed minimum industry standard, productivity gains from stable workforce.
Other work-related rights	
Positive Impact	Ensuring that work related rights such as fair compensation, health and safety standards and equal opportunities means that companies can help workers in the value chain secure adequate wages, a work-life balance and job security. This reduces the likelihood of forced labour, child labour, improves the health and well-being of workers in the value chains, and enhances privacy protections. This contributes to a more ethical, equitable and sustainable society.
Risk	Reputational damage if working with partners whose practices are below the minimum industry standard.
Opportunity	Improved access to capital associated with reputation of working with partners whose practices exceed minimum industry standard, productivity gains from stable workforce.

S2-1 Policies related to value chain workers

PATRIZIA has a Supplier Code of Conduct in place to manage all impacts, risks and opportunities related to workers in the supply chain. PATRIZIA is committed to being a company that conducts business responsibly and ethically, and therefore has policies and processes to reflect this commitment. The PATRIZIA Supplier Code of Conduct applies whenever PATRIZIA contracts with a third-party supplier or contractor for the supply of any goods or services and must be strictly complied with. Additionally, the policy applies to PATRIZIA and all legal entities in which PATRIZIA directly or indirectly holds more than 50% of the shares or voting rights. If any contract expressly or by implication amplifies, extends or otherwise varies the provisions of the PATRIZIA Supplier Code of Conduct, then the provisions of that contract will prevail, but only to the extent of any conflict. The following topics are covered in the Supplier Code of Conduct, which directly relates to all the impacts, risks and opportunities mentioned in the table above.

Protection of employees and human rights
- Respect for fundamental and human rights
- Wages and benefits
- Employee standards
- The workplace
- Health and safety
- Modern Slavery
- Equity, diversity and inclusion

Protection of the environment

Data Protection
- Confidentiality and data protection
- Information security

Community involvement

Compliance and ethics
- Legal compliance
- Business ethics and whistleblowing system
- Prohibition on bribery and corruption
- Prevention of money laundering, terrorist financing and sanction breaches
- Antitrust law and trading regulation

- Conflicts of interest

PATRIZIA believes that the implementation of its Supplier Code of Conduct reinforces positive business practices and reduces risk across the industry, by extension of its own principles. To encourage responsible business practices throughout the supply chain, PATRIZIA strives to extend its commitments to its service partners, and strives to treat suppliers fairly, without prejudice and in a collaborative manner. PATRIZIA's Supplier Code of Conduct will enable remedy for human rights impacts due to the code requiring suppliers to comply with minimum wages, benefits, working hours, employee standards, providing a safe work environment and celebrating diversity. By having this code in place and PATRIZIA only engaging with suppliers who are committed to similar standards will help maintain standards and suppliers will implement processes to enable remedy for human rights impacts. The Head of the Investment Division is the most senior level that is accountable for the implementation of the policy. Stakeholders can find the Supplier Code of Conduct on the company website.

Additionally, PATRIZIA has a Modern Slavery Statement which is aligned to the UK and Australian Modern Slavery Acts and covers the polices, approach and procedures in place for the year ending 31 December 2024. PATRIZIA is committed to building a supply chain that respects and protects the fundamental rights of all workers, championing safe and inclusive work environments that are free from discrimination and harmful practices. Expectations from suppliers encompass adherence to human rights principles, fair wages and benefits, abolition of forced labour convention, provision of safe workplaces, prevention of modern slavery and promotion of equity, diversity, and inclusion. As seen in the Employee Standards and Modern Slavery sections of the Supplier Code of Conduct, PATRIZIA upholds commitments to the forced labour convention and abolition of forced labour convention and will not knowingly use unlawful child labour or forced labour in any of it services that it provides, neither will it accept any products or services from suppliers that employ or use any form of forced, bonded, child or compulsory labour.

The Modern Slavery Statement applies to PATRIZIA and all legal entities in which PATRIZIA SE directly or indirectly holds more than 50 % of the shares or voting rights. The Head of the Investment Division is the most senior level that is accountable for the implementation of the policy. The policy will be shared with stakeholders when requested. Through the whistleblowing system, evaluation matrix, sustainability due diligence questionnaire, supplier code of conduct and audits of the supply chain, the statement is monitored. The contents of the Modern Slavery Statement includes the following topics and covers the impacts, risks and opportunities stated in the table above such as other work related rights and working conditions:

PATRIZIA's commitment to modern slavery
- Overview of suppliers
- Governance

Our Policies
- Supplier code of conduct
- PATRIZIA's compliance manual and code of values
- Whistleblowing policy

Approach
- Due diligence
- Audits in the supply chain
- Training

Risk Assessment

As stated in the Supplier Code of Conduct and Modern Slavery Statement, under protection of employees and human rights, PATRIZIA advocates internationally recognised human rights in line with the UN Global Compact (UNGC) and UN Guiding Principles on Business and Human Rights. PATRIZIA insists on behaviours and actions that are consistent with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the ten fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. PATRIZIA has not had any cases of non-respect.

PATRIZIA expects that business partners also respect internationally recognised human rights and conduct their business accordingly. Business partners must maintain a respectful interaction with employees and ensure that their employees treat each other accordingly. Discriminatory conduct must be avoided and objectionable behaviour or any form of sexual harassment is not tolerated. Business partners must ensure that employees are able to exercise the protected basic rights provided by their employer, including the freedom of association of workers.

The negative impact stated above is a systemic impact. Individual incidents can contribute to the negative impact, but they are often symptoms of larger systemic problems within labour practices and economic structures.

S2-2 Processes for engaging with value chain workers about impacts

PATRIZIA's Infrastructure team uses the Sustainability Due Diligence Questionnaire (SDDQ) which awards all infrastructure portfolio companies an overall rating for Environmental, Social and Governance topics. The SDDQ benchmarks a portfolio company, identifies gaps and designs remediation projects. Within the SDDQ a module is dedicated to worker and supply chain management with sub-modules covering and assessing child labour, modern slavery and supply chain management, with the aim of managing actual and potential impacts on value chain workers. After acquisition, the infrastructure team engages with portfolio companies and designs Sustainability Roadmaps to close out the gaps identified at the due diligence stage. Engagement occurs directly with portfolio companies and their employee who is responsible for sustainability measures. As stated, this engagement occurs after acquisition, is a questionnaire and is reviewed yearly. The Head of Sustainable Transformation Infrastructure is the most senior employee that has operational responsibility for ensuring that the engagement happens.

PATRIZIA requires its third-party suppliers and contractors to confirm – on their own behalf and on behalf of their subsidiaries, employees, authorised representatives and subcontractors – that they comply with the requirements set out in the code. Suppliers must acknowledge the Supplier Code of Conduct and confirm compliance, this is done by the suppliers signing the Commitment Letter or by submitting their own Code of Conduct with the same standards.

PATRIZIA then expects suppliers to have processes in place to maintain these standards and be able to provide evidence if required. The Supplier Code of Conduct applies whenever PATRIZIA contracts with a third-party supplier or contractor for the supply of any goods or services and must be strictly complied with. The Central Sustainability Team is responsible for the Supplier Code of Conduct and therefore the Head of Investment Division is responsible for ensuring that engagement with value chain workers occurs.

PATRIZIA operates mostly in OECD countries and engages in a value chain that primarily involves business relationships within sectors where workers are not typically vulnerable to significant impacts or marginalization. As part of the Company's commitment to responsible business practices, compliance is ensured with high labour standards across operations and the supply chain. While the engaged sectors do not predominantly employ vulnerable groups, PATRIZIA still takes steps to ensure that, where applicable, awareness is maintained and that the perspectives of workers who may be particularly vulnerable are addressed, including but not limited to women workers, migrant workers, and workers with disabilities. Through adherence to OECD guidelines and ongoing supplier due diligence, PATRIZIA ensures that fair labour practices and inclusive policies are upheld, minimizing the risk of marginalization within the value chain.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

PATRIZIA strives to establish mutually beneficial relationships with suppliers, based on the same high ethical standards of openness, professionalism, and honesty that is applied to all dealings. All employees at PATRIZIA and third parties have access to a whistleblowing system to report any concerns without fear of retaliation. The system enables a secure and confidential exchange between the whistleblower and compliance team also in an anonymised way via a tool. Further information on the whistleblowing system can be found in ESRS G1 (Business Conduct). Suppliers are made aware of the process through the Supplier Code of Conduct. PATRIZIA does not have specific processes in place to assess that the value chain workers are aware of and trust the whistleblowing channel. The whistleblowing policy includes a section on protection and support for whistleblowers.

Information from the whistleblowing channel will be processed within five working days. The person providing the information will receive an acknowledgement of receipt of the information within seven days via the mailbox. If necessary, further questions will be asked of the person providing the information in order to clarify the situation together as best as possible. If there is sufficient evidence, PATRIZIA will conduct an independent review of the facts and initiate appropriate follow-up measures, such as internal investigations. The person providing the information will receive feedback within three months on how the information was handled and on the current status of the information.

S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action.

PATRIZIA intends to only engage with like-minded suppliers and contractors who are committed to similar standards and who confirm that they comply with the requirements set out in the Supplier Code of Conduct. PATRIZIA asks the supplier to confirm that they have implemented the suitable processes to maintain conformity with the Supplier Code of Conduct. If PATRIZIA learns that the supplier is in breach of material principles of the Code of Conduct, then PATRIZIA endeavours, in cooperation with the supplier, to remedy the breaches where possible and otherwise terminate the contractual relationship if necessary. As PATRIZIA is not yet legally obliged to do so, PATRIZIA has currently refrained from introducing further controls. The two actions below relate to both policies covered in S2-1.

Suppliers acknowledge the principles of the Supplier Code of Conduct by completing and returning the Commitment Letter acknowledging PATRIZIA's minimum expectations confirming they comply with the principles outlined in the PATRIZIA Supplier

Code of Conduct. These actions make sure the Supplier Code of Conduct is complied with and that PATRIZIA is protecting human rights, the actions also ensures that the Supplier Code of Conduct is upheld and that PATRIZIA only engages with like-minded suppliers, therefore addressing the impacts, risks and opportunities such as better working conditions, diversity & inclusion and the abolition of forced or child labour. This actions occurs when PATRIZIA contracts with a third-party supplier or contractor. New suppliers must acknowledge the Supplier Code of Conduct and confirm compliance before any contractual agreements are signed.

In 2024, an evaluation matrix was established to assess new suppliers by the Procurement & Services team. The matrix includes an ESG section and assesses if a supplier has measures to minimize environmental impact of operations of goods and services, if they are involved in community engagement initiatives and if there is evidence of fair labour practices and worker safety. The evaluation matrix does not have a set time horizon, but it will be completed alongside the RFP decisions. The intended positive outcome of this action is to ensure that PATRIZIA partners with suppliers who align with its commitment to sustainability and social responsibility and that human rights/working conditions are upheld. Overall, PATRIZIA considers the polices and controls in place to be sufficient and proportionate to the level of risk in the countries operated in. PATRIZIA sees this action as a remedy of material impacts, risks and opportunities. ‘Outsourced activities, third-party services and suppliers’ is a category included in the risk catalogue. The category includes potential risk examples and a risk description. PATRIZIA does not have any further actions planned for the future in relation to workers in the value chain.

To the best of PATRIZIA’s knowledge, no severe human rights issues or incidents connected to its upstream or downstream value chain have been reported. Should any such issues arise in the future, PATRIZIA will ensure they are promptly disclosed in accordance with regulatory requirements.

PATRIZIA will not be reporting on the current and future financial resources allocated to the action plan due to the topic covering the upstream and downstream value chain.

S2-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

PATRIZIA has not set targets or tracks metrics to manage the risks, impacts or opportunities in the supply chain or value chain. PATRIZIA does not deem it applicable or necessary to have targets in place and does not expect to implement targets in the near future. PATRIZIA does not track the effectiveness of its policies and actions.

ESRS S3 Affected Communities

ESRS S3 SBM 2 Interest and views of stakeholders and ESRS S3 SBM 3 Material impacts, risks and opportunities and their interaction with strategy and business model

PATRIZIA is committed to ensuring that its operations deliver tangible benefits to both tenants and the local community, while proactively addressing any potential negative social impacts. PATRIZIA's purpose is to build communities and sustainable futures. By investing in real estate and infrastructure, PATRIZIA stimulates economic growth, generates employment opportunities, and enhances local infrastructure, thereby bolstering local businesses and elevating the quality of life in the region. Through comprehensive engagement with affected communities, PATRIZIA secures essential local support and gains a deep understanding of the economic, social, and cultural needs of these communities.

For the real estate portfolio, the affected communities are local residents, tenants, local communities, and local businesses. The diverse geographical locations of their real estate portfolio contribute to local economic activity and affect the daily lives of local residents. By expanding retail opportunities for both leisure and essential goods like groceries, they help ensure that local communities have access to necessary supplies, impacting local and regional economies. Additionally, the development and management of residential units help identify risks and, where feasible, increase energy efficiency.

In their commercial portfolio, the installation of electric vehicle charging stations and photovoltaic (PV) panels, where feasible, promotes the use of electric vehicles and supports the generation of renewable energy. This energy can be used onsite or sold back to the grid. These initiatives aim to support environmental sustainability and affect the overall quality of life in these communities.

For the infrastructure portfolio, the affected communities are local residents, surrounding businesses, and local governments. For example, through its infrastructure investments, PATRIZIA is supporting local businesses to deliver essential services to local residents such as waste management, energy production or access to preschools. Investee companies will generally increase local employment and contribute to positive impacts for local governments and residents such as better air quality by promoting the use of electric vehicles or better energy management by rolling out smart city solutions. PATRIZIA operates in urban and co-urban areas in densely populated regions, therefore PATRIZIA's operations do not intersect with indigenous lands or affected indigenous populations. All affected communities are part of the downstream value chain. The affected communities either live in or near assets or are local operators. All affected communities are subject to the material positive impacts. The risk in the table below affects the local residents and tenants and the opportunity refers to all affected communities.

PATRIZIA's DMA affirms affected communities (ESRS S3) as a material topic, with communities economic, social and cultural rights recognised by stakeholders as a material sub-topic for the real estate and infrastructure portfolio. The chapter focuses on the sub-sub-topics of adequate housing, land related impacts, availability of local jobs and public services, and displacement/gentrification. The following outlines the potential risks, opportunities and impacts in PATRIZIA's operations regarding affected communities.

Affected Communities Impacts, Risks and Opportunities

Communities economic, social and cultural rights	
Positive Impact	Providing adequate housing for communities affected by PATRIZIA's AUM and activities.
	Change of use of land for communities affected by PATRIZIA's AUM and activities. Such as schools, greenspace, educational centres or commercial hubs.
	Increased availability of local jobs linked to construction and operation of real estate.
Risk	Costs associated with not safeguarding the rights of affected communities such as reputational or legal risks of negatively impacting access to adequate housing, food, water and affecting security of communities adjacent to investments.
Opportunity	Cost saving from timely permissions and completion of investments, value from creation of economic and social opportunities for affected communities.

S3-1 Policies related to affected communities

Real Estate – PATRIZIA does not have a standalone policy on affected communities. However, this topic is addressed within the Responsible Investment Policy, which highlights PATRIZIA's engagement with local communities to preserve heritage and culture, among other social aspects. As such, it relates to the positive impacts, risks, and opportunities concerning affected communities. PATRIZIA encourages community engagement activities to drive positive change within the communities in which it operates and invests in, whilst striving to limit exposure to hazardous materials and pollutants during construction work and considers the surrounding communities. The Responsible Investment Policy is aligned with internationally recognised standards such as the International Labour Organisation (ILO) and UN Global Compact. There have been no reports or cases of non-respect. Further information on the Responsible Investment Policy can be found in ESRS 2 SBM-1.

Tenants and local communities are also considered in the Fund ESG Policy Matrix for all fund policies. The matrix seeks to develop and operate health & wellbeing programmes, including needs assessments, goal setting and actions plans for improving the health and wellbeing of tenants and local communities, therefore addressing the impacts, risk and opportunity. Please see E1-3 for further information on the Fund ESG Policy Matrix.

PATRIZIA does not have a standalone human rights policy, therefore does not have specific commitments relevant to affected communities. However, PATRIZIA does have measures in place to provide remedy for human rights impacts, this is seen through PATRIZIA conducting a due diligence process of assets (including human rights), a screening process, whistleblowing, monitoring and reporting on assets, which are relevant to affected communities such as tenants. PATRIZIA does not have any specific policies to prevent and address impacts on indigenous people as they have not been identified as affected communities by PATRIZIA. Engagement activities with affected communicates can be found in S3-2.

Infrastructure – The PATRIZIA Infrastructure Responsible Investment Framework (PIRIF), included in the Responsible Investment Policy, states that PATRIZIA conducts ESG assessment frameworks through a due diligence questionnaire, to identify ESG risks and support the inclusion of remedial actions into the business plans through governance and monitoring. This includes impacted communities. Further information on the Responsible Investment Policy can be found in ESRS 2 SBM-1. The PIRIF is in relation to the risk and opportunity for affected communities.

S3-2 Processes for engaging with affected communities about impacts

Real Estate – PATRIZIA engages with affected communities on a case-by-case basis depending on the sector and community. For some standing assets, PATRIZIA has implemented tenant engagement apps to help with management. For residential assets PATRIZIA facilitates spaces for tenants to interact with each other in, such as green spaces, parks, and communal facilities. Whereas for offices, tenant events are organised, and roof terraces made available for the community. The degree of engagement varies dependent on the fund's objectives. For real estate developments, PATRIZIA engages on an ad-hoc basis with local communities.

Responsibility for implementing the engagement is a collaboration between internal and external stakeholders such as local inhabitants, local businesses and municipal offices to name a few. The real estate development team is involved at the initial stages and then responsibility is passed to the asset management team. Engagement occurs throughout the whole investment value chain from acquisition to standing assets.

As previously mentioned, engagement takes place at various stages of the investment value chain. Depending on the stage, sector, and specific project, PATRIZIA collaborates with credible entities such as local governments and residents through the channels outlined above. The most senior role is the asset manager and oversight from the Head of Investment Division.

Infrastructure – During the due diligence phase of potential new acquisitions, PATRIZIA's Infrastructure team uses the Sustainability Due Diligence Questionnaire (SDDQ) which awards all infrastructure portfolio companies an overall rating for Environmental, Social and Governance topics. The SDDQ benchmarks a portfolio company against international standards and best practices, identifies gaps and leads to the design of remediation projects. Within the SDDQ a module is dedicated to stakeholder management with sub-modules covering and assessing stakeholder engagement, community social impact assessment, economic impact assessments and indigenous & cultural matters. After acquisition, and until divestment, the infrastructure team engages with portfolio companies via calls or questionnaires on a quarterly basis and designs Sustainability Roadmaps to close out the gaps identified at the due diligence stage.

For infrastructure assets, PATRIZIA does not directly engage with affected communities, through legitimate representatives or credible proxies, but relies on engagement programs implemented by the investee companies. Where actual or potential negative impacts have been identified, the communities' perspective, relayed by the asset, informs the design and execution of remedial actions. The operating partners, as senior members of the Asset Management function, are responsible for the holistic monitoring and analysis of investee company activities. This can include key stakeholder engagement and management. However, this monitoring and review process is done in a non-executive capacity that does not negate the responsibilities of executive members of the company in such matters.

S3-3 Process to remediate negative impacts and channels for affected communities to raise concerns

Real Estate - PATRIZIA does not have a process in place to remediate negative impacts and does not have a channel for affected communities to raise concerns.

Infrastructure – Each infrastructure asset has typically implemented its own whistleblowing system, these are generally made publicly available and therefore are accessible to local communities. Reports made via the channel are communicated to the PATRIZIA asset management teams and via the yearly data collection campaign. Depending on the asset, the whistleblowing system can be internal and reports will go directly to the designated responsible party within the company, or be set up as a third-party mechanism with review of reports by an independent body.

PATRIZIA confirms the availability of the whistleblowing system for each asset through its yearly data collection campaign. In addition, significant reports are discussed at board level, where directors from the PATRIZIA team sit, allowing to ensure that reports are monitored and addressed in a satisfactory manner.

No formal processes have been set up to assess whether affected communities are aware and trust the whistleblowing system as a way of raising concerns or needs and have them addressed. Where material to the investee company, the infrastructure team will engage directly with the management team to ensure that a process has been set up locally and that community feedback is addressed where necessary.

Similarly, PATRIZIA does not have a policy regarding protection against retaliation for individuals that use the whistleblowing channels, but the infrastructure team will check through the yearly data collection that any existing mechanism is coupled with a whistleblowing policy, which should include provisions for the protection of whistleblowers.

S3-4 Taking action on material impacts on affected communities and approaches to managing material risks and pursuing material opportunities related to affected communities and effectiveness of those actions

On behalf of its clients PATRIZIA invests in cities and developments to create inclusive, safe, resilient and sustainable communities. The company has focused on sustainable communities since its foundation and when PATRIZIA invests or develops assets on behalf of clients, the company aims to fulfil this human need for community and maintain it for the long term. Overall, building communities and sustainable futures is at the core of PATRIZIA and indicates that all PATRIZIA does is take actions to achieve the positive material impacts such as providing adequate housing, changing land use to better communities and therefore creating jobs locally. PATRIZIA will not be reporting on the current and future financial resources allocated to the action plan due to the topic covering the downstream value chain. PATRIZIA has not made a significant effort to obtain and track CapEx and OpEx in relation to this action due to a system not being in place yet to track this, at the time of reporting, PATRIZIA was not looking to have a system in place to track this in the future. At the time of reporting PATRIZIA does not have any further actions planned for the future.

Real Estate – As stated in the Responsible Investment Policy PATRIZIA considers best practice ESG actions on a case-by-case basis, through common minimum standards, which guide the implementation of ESG characteristics across an asset's value chain. Each action stated covers the downstream value chain and will differ on geography depending on where the asset is located. During the acquisition process, actions and engagement with affected communities are screened to ensure positive community support.

The initial action within the first stage investment process is the ESG due diligence, which identifies material ESG-related risks, including those impacting surrounding communities, and establishes relevant measures in business plans if necessary, addressing the risk of costs associated with not safeguarding the rights of affected communities. This includes proving adequate housing, transforming land use for community benefits such as greenspaces or commercial spaces, which increase local job availability liked to the construction and operation of these real estate spaces. The performance of the ESG due diligence does not represent a significant CapEx or Opex in comparison to the asset's value, therefore PATRIZIA does not currently and will not track it in the future.

Another key action during the management phase at the fund level is the consideration of community engagement in PATRIZIA's ESG Fund Level Matrix, aligning with investor preferences and regulatory requirements. The Matrix provides Fund Managers with an ESG policy/strategy template that can be adapted to each fund for ease of adoption. The Matrix includes two assessment questions in relation to communities, which assess if the fund is developing or will operate a health and wellbeing programme to improve health and wellbeing of local communities and tenants, therefore contributing to the positive impacts, risk and opportunity. Fund Managers must complete the matrix when a fund is launched, covering the downstream value chain and varying by geography depending on the fund's location. The matrix does not require significant CapEx or Opex currently or in the future as it is an internal system that is completed by PATRIZIAn's, therefore no further financial resources will be reported on. At the building level, asset management teams then collaborate with property and facility management teams, as well as tenants, including those impacting nearby communities and neighbours, to address the outcome of the ESG Fund Level matrix, if applicable. Communication occurs on an ad-hoc basis through dialogues with relevant stakeholders.

The actions stated below are supplementary actions in relation to real estate affected communities but are not key actions so will not be reported on further in relation to the minimum disclosure requirements.

On a project-by-project basis, if engagement with affected communities has been identified as necessary, management teams actively work to understand and address the subject with relevant stakeholders to mitigate material risks or pursue material opportunities. PATRIZIA then integrates these objectives and timelines into the asset's ESG plan, ensuring they are achieved throughout the investment period, therefore addressing the opportunity of cost savings and value added from the creation of economic and social opportunities for affected communities.

Given the case-by-case implementation, the effectiveness of actions and initiatives is evaluated on an ad-hoc basis in order to track the effectiveness of the corrective actions, as well as prevent any additional negative effects. Based on this, the diverse locations, sectors, and type of tenants within the real estate portfolio, there is no overarching method for evaluating effectiveness. The real estate portfolio is therefore actively developing processes to identify and mitigate ESG risks, including the impact on end-users and surrounding communities. No severe human rights issues and incidents connected to affected communities have been reported.

Infrastructure – The PIRIF (PATRIZIA Infrastructure Responsible Investment Framework) translates the policies and principles applied by PATRIZIA into an extensive Sustainability Due Diligence Questionnaire (SDDQ), developed in-house. The questionnaire identifies ESG-related risks and opportunities and leads to the implementation of associated action plans. The SDDQ ensures adherence to the PIRIF from the initial investment and throughout the holding period.

The initial key action within the investment process is the ESG due diligence which includes an assessment of stakeholder engagement and the associated impacts on target companies via the SDDQ. The next key action is a yearly data collection campaign to update the SDDQ and monitor performance throughout the holding period. KPIs include community health and safety, community development programs and whistleblower reports, therefore relating to the risk and opportunity for affected communities.

Each action stated above covers all of the asset's material operations, as well as the downstream value chain as far as relevant and feasible. Affected stakeholder groups and geographies will differ depending on the asset's industrial sector and location. Neither the initial ESG due diligence nor the yearly data collection campaign required significant CapEx or Opex during the reporting year nor will they do in the future. They are internal processes completed by PATRIZIA employees, with support from selected external specialists where necessary. Therefore, no further financial resources will be reported on.

The actions stated below are supplementary actions in relation to infrastructure affected communities and will vary depending on the asset. Therefore, they are not classified as key actions so will not be reported on further in relation to the minimum disclosure requirements.

After investment actions to mitigate material risks or pursue material opportunities are determined on a deal-by-deal basis. If affected communities' engagement is deemed material, management teams engage in ongoing efforts to establish socially responsible practices. PATRIZIA then includes the targets and deadlines in the sustainability roadmap of the asset to be implemented over the lifetime of the investment. Progress is monitored via quarterly calls with the asset and through an annual data collection campaign, in order to track the effectiveness of the corrective actions, as well as prevent any additional negative effects.

As active asset managers with material equity stakes in investee companies, PATRIZIA manages material impacts through policy, frameworks and board level engagement. Engagement with local stakeholders and where relevant the use of impact studies both inform PATRIZIA's understanding of the external operating environment. For part of the portfolio, external validation of performance and management of material impacts is obtained through a yearly Global Real Estate Sustainability Benchmark (GRESB) assessment.

As a standard community engagement initiative, reasonable consultation with the public is undertaken when obtaining a permit to build a new plant or expand existing operations. Apart from compliance with relevant regulations, some minor 'good neighbour' topics have also been identified and addressed.

Additionally, the Infrastructure portfolio is looking to strengthen the process to identify and mitigate ESG risks, including community impact. It is therefore establishing a social impact assessment to use on new funds. No severe human rights issues and incidents connected to affected communities have been reported.

S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Real Estate – Due to the ad-hoc basis of engagement with affected communities and the varying scope of these engagements, which are defined on a case-by-case basis across diverse sectors and locations, it is currently challenging to establish specific targets for managing material negative impacts, advancing positive impacts, and addressing material risks and opportunities. Therefore, PATRIZIA does not have a target in place related to affected communities. The real estate portfolio is committed to actively improving its processes to better address these issues in the future. PATRIZIA does not track the effectiveness of its policies and actions in relation to the IROs.

Infrastructure – PATRIZIA does not have a target in place in relation to affected communities. PATRIZIA does not plan to implement an overall target in the future, because where a topic is deemed material to an asset, the infrastructure team will look to further engage with the company through the sustainability roadmap and set appropriate targets if necessary. PATRIZIA does not track the effectiveness of its policies and actions in relation to the IROs.

ESRS S4 Consumers and End Users

ESRS S4 SBM-2 Interests and views of stakeholders and ESRS S4 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

PATRIZIA recognises the impact and affect that real estate and infrastructure operations have on clients and end users. By actively engaging and having appropriate actions in place, PATRIZIA understands the needs of clients and aims to establish the best services and products for those clients.

The real estate and infrastructure portfolios serve the basic human needs of communities and society at large, ranging across a variety of end users and clients. PATRIZIA's exposure to clients and end users is primarily concentrated on its residential tenants, who are regarded as the "real end users" of the company's products and services. These tenants directly inhabit and utilize the living spaces provided by PATRIZIA, making them a key component of the company's business model. The satisfaction and well-being of residential tenants are of critical importance, as their experience has a direct impact on occupancy rates and the company's ability to generate rental revenues. Through internal expertise from the sustainability team, PATRIZIA has understood that tenants (end users) particularly the residential tenants are at a greater risk of harm and being negatively affected. The end users that are likely to be materiality impacted, from PATRIZIA's own operations, value chain and business relationships are included in ESRS 2 SBM-3. The end-users, such as tenants, are subject to material impacts by PATRIZIA's own operations and through the value chain. PATRIZIA develops and provides housing for tenants, which can be inherently harmful to people and increase the risk of chronic disease if the correct safety and living conditions are not in place. The tenants can also be negatively impacted by their rights to privacy, personal data protection, freedom of expression and non-discrimination. The end users are also dependent on getting accurate information from PATRIZIA to avoid potentially damaging use of assets. The end users are also vulnerable to health and privacy impacts.

In addition to residential tenants, PATRIZIA manages a broad range of business-to-business (B2B) customers, including corporations, commercial tenants, and institutional investors. These clients utilize PATRIZIA's office spaces, retail properties, and other commercial assets for their own operations. While these customers are not considered end users in the same way as residential tenants, PATRIZIA is committed to maintaining high-quality, well-managed properties to meet their business requirements and sustain long-term partnerships.

PATRIZIA's commitment to delivering high standard living and working environments (including access to information, adequate health and safety requirements, security and protection) is aligned with its strategic objectives. By providing high-quality spaces and excellent service, the company aims to maximize tenant satisfaction, minimize vacancies, and enhance rental income, ensuring a strong and sustainable revenue stream.

PATRIZIA's DMA indicated that Consumers and End Users (ESRS S4) is recognised as a material topic by stakeholders for the real estate and infrastructure portfolio, with information related impacts (the material sub-sub topics are privacy and access to information), personal safety (the material sub-sub topic is health and safety) and social inclusion (the material sub-sub topic is non-discrimination) as material sub-topics. PATRIZIA's DMA also included tenant engagement and health and wellbeing of tenants as material topics, these are incorporated in this chapter. To note that PATRIZIA refers to consumers as clients in this Group Non-Financial Statement. The following indicates the assumed and potential clients and end user-related, risks, opportunities and impacts in PATRIZIA's operations.

Consumer and End User Impacts, Risks and Opportunities

Information related impacts for consumers and/or end users	
Positive Impact	Respecting the privacy of end users and businesses builds trust, this then leads to cooperative communities.
Risk	Reputational or legal risk from not giving sufficient access to quality information and respecting privacy of consumers and end users this can then lead to a decrease of value or revenue due to the loss of tenants.
Opportunity	When tenants have access to accurate information, it builds trust between them and the business, and allows them to make informed decisions. This transparency can lead to stronger relationships, higher satisfaction levels and therefore tenants are more likely to be retained and attract similar tenants.
Personal safety of consumer and/or end users	
Positive Impact	By providing safe and healthy living conditions for all, it helps reduce social and economic disparities and also leads to healthier populations. This can decrease the burden on the healthcare systems, improve quality of life and help reduce inequality.
Risk	Reputational or legal risk from not respecting the safety and health of consumers and end users, which leads to the decrease of value or revenue due to loss of tenants.
Opportunity	Increase of value or revenue due to better tenant retention and recruitment.
Social inclusion of consumers and/or end users	
Opportunity	By PATRIZIA developing affordable housing projects, it leads to social inclusion being fostered by engaging with tenants and creating communal spaces. This can also lead to the increase of revenue and value of projects due to better tenant retention.

S4-1 Policies related to consumers and end-users

PATRIZIA does not have a standalone end-user policy. As a supplementary policy, the material topic is included in the Responsible Investment Policy which states that PATRIZIA strives to engage with end users while respecting their privacy and providing accurate information regarding the assets they occupy to address ESG related matters.

PATRIZIA does not have a standalone human rights policy, however, the Responsible Investment Policy which covers end-users, is aligned with the International Labour Organisation (ILO) and the UN Global Compact (UNGC). The Responsible Investment Policy is aligned and states PATRIZIA's commitment to behaving and acting in ways that are consistent with the ILO Core Conventions and adheres to national and local laws regarding human rights. PATRIZIA has robust processes and mechanisms in place to monitor and ensure compliance with the ILO and the UNGC and to provide remedy. These specific mechanisms and measures include a due diligence process (including human rights), a screening process, whistleblowing mechanism, training and awareness programmes, monitoring and reporting. These measures help in identifying and addressing any potential human rights and labour rights issues in the value chain, including end users. PATRIZIA does not engage with end users in terms of human rights. PATRIZIA is also a signatory to the UN Global Compact which ensures that the ten principles are integrated into PATRIZIA, including human rights and labour rights. There have been no cases of non-respect for the ILO or UNGC reported involving end uses.

Real Estate – End users are considered in the Fund ESG Policy Matrix for all fund policies. The matrix seeks to highlight end user and community engagement to build trust and cooperative communities, safe and healthy living conditions while fostering social inclusion through communal spaces, which can increase revenue and project value. These efforts mitigate reputational or legal risks and enhance tenant retention and recruitment. Please see E1-3 for further information on the Fund ESG Policy Matrix.

PATRIZIA refers to tenant engagement and collaboration on ESG matters within the Responsible Investment Policy. This policy is then supplemented with PATRIZIA's commercial and residential green lease frameworks and other tenants' engagement tools and processes. These elements highlight the commitments of both the tenants and PATRIZIA to sustainably manage the properties while addressing the needs of the tenants. Further information on the Responsible Investment Policy can be found in ESRS 2 SBM-1. The policy relates to all the impacts, risks and opportunities.

Infrastructure - Policy requirements regarding end users are embedded in the PATRIZIA Infrastructure Responsible Investment Framework (PIRIF), included in the Responsible Investment Policy. The policy states that PATRIZIA conducts ESG assessment frameworks through a due diligence questionnaire, to identify ESG risks and support the inclusion of remedial actions into the business plans through governance and monitoring. This includes material clients and end users. Further information on the Responsible Investment Policy can be found in ESRS 2 SBM-1. The policy relates to the IROs for information related impacts and personal safety of clients.

S4-2 Processes for engaging with consumer and end-users about impacts

Real Estate - PATRIZIA's tenant engagement strategy employs a sectoral approach, in which the majority of residential occupiers are sent an annual engagement survey and are provided with tenant guideline information at the start of the tenancy. For commercial tenants, there are two distinct types of engagement, tenants are either approached through a survey or engaged in dialogue. Depending on the sector, PATRIZIA engages with either the legitimate representatives directly or the with credible proxies. For all sectors, PATRIZIA aims to engage with tenants annually through various channels, wherever feasible.

The above-mentioned standard approach is relatively new and is currently being implemented across PATRIZIA's managed real estate portfolio. The aim is to supplement the existing organic interactions with tenants and to foster their further adoption across other assets in the portfolio over the coming years. These interactions have historically occurred on an ad-hoc basis through events, annual and semi-annual meetings, and engagement platforms/apps. The goal is to develop quantifiable metrics to measure tenant commitment and satisfaction.

Due to the diverse engagement approaches, tenant structures, and variety within the real estate AUM, the personnel responsible for managing end-user engagement will vary on an asset-by-asset level, steered by either asset management or fund management. PATRIZIA ensures that feedback and results from these engagements are communicated to the relevant internal and external stakeholders to address the outcomes and actions of the engagement.

Given the recent standardization of tenant engagement within the portfolio and the unique engagement requirements at each asset, PATRIZIA is currently unable to report on the overall effectiveness and outcomes of portfolio-wide engagement.

Infrastructure - PATRIZIA's Infrastructure team uses the Sustainability Due Diligence Questionnaire (SDDQ) which awards all infrastructure portfolio companies an overall rating for Environmental, Social and Governance topics. The SDDQ benchmarks a portfolio company against international standards and best practices, identifies gaps and leads to the design of remediation projects. The SDDQ covers stakeholder mapping and engagement to ensure that meaningful engagement is carried out with all relevant stakeholders, including customers and end users.

For infrastructure assets, PATRIZIA does not directly engage with clients and end-users, through legitimate representatives or credible proxies, but relies on engagement programs implemented by the investee companies. Where actual or potential negative impacts have been identified, the end users' perspective, relayed by the assets, informs the design and execution of remedial actions.

PATRIZIA on an ad-hoc basis helps portfolio companies to build surveys to send to clients and end users. Surveys are not sent directly from PATRIZIA, but results are tracked and used by PATRIZIA and portfolio companies to understand and engage with clients and end users. This survey will be sent on a case-by-case basis. Similarly, the personnel responsible for managing end user engagement will depend on the portfolio company. PATRIZIA ensures that feedback and results from the engagement are addressed and inform the company's strategy and objectives. The operating partners, as senior members of the Asset Management function, are responsible for the holistic monitoring and analysis of investee company activities. This can include key stakeholder engagement and management. However, this monitoring and review process is done in a non-executive capacity that does not negate the responsibilities of executive members of the company in such matters.

Given that each portfolio company has a specific end user profile and engagement strategy, PATRIZIA cannot report on overall portfolio engagement effectiveness and outcomes.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Real Estate – Tenants always have points of contact to raise concerns. Tenants can contact the PATRIZIA asset managers to report any negative impacts, however, tenants are encouraged to contact the Property Managers in the first instance. If so, property managers will have meetings with PATRIZIA and report any negative impacts that tenants have raised that could not be solved by the property manager.

It is not deemed necessary for PATRIZIA to have a formal whistleblowing process for tenants due to contact points being available. Therefore, there is no formal process to assess if end-users and clients are aware of and trust the methods for raising concerns or needs and having them addressed.

Additionally, since PATRIZIA does not have a whistleblowing process for tenants due to the availability of contact points, there is no policy in place regarding protection against retaliation for individuals who use whistleblowing channels

Infrastructure - Through the due diligence process at acquisition, PATRIZIA will check if a portfolio company has a whistleblowing channel in place, available to all stakeholders. If a process does not exist, this will be added to the sustainability roadmaps. PATRIZIA will not be in charge of assessing and monitoring the process as it will be under the portfolio companies' jurisdiction, however, PATRIZIA will track and see if any whistleblowing incidents have been raised.

No formal processes have been set up by PATRIZIA to assess whether end-users and clients are aware and trust the whistleblowing system as a way of raising concerns or needs and have them addressed.

Similarly, PATRIZIA does not have a policy regarding protection against retaliation for individuals that use the whistleblowing channels, but the infrastructure team will check through the due diligence assessment and yearly data collection that any existing mechanism is coupled with a whistleblowing policy, which should include provisions for the protection of whistleblowers.

S4-4 Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions and approaches

Real Estate – PATRIZIA does not have actions in place regarding end users. PATRIZIA is in the initial stages of developing a tenant engagement strategy, which will help the material opportunities be pursued. The strategy will include actions and guidelines for tenants and how specific content will be built aimed at promoting sustainable and efficient building occupation. This strategy aims to build trust and cooperative communities while respecting the privacy of end users and providing building-related accurate information, which in turn enhances tenant retention and satisfaction.

Infrastructure - The PIRIF (PATRIZIA Infrastructure Responsible Investment Framework) translates the policies and principles applied by PATRIZIA into an extensive Sustainability Due Diligence Questionnaire (SDDQ), developed in-house. The questionnaire identifies ESG-related risks and opportunities and leads to the implementation of associated action plans. The SDDQ ensures adherence to the PIRIF from the initial investment and throughout the holding period.

The initial key action within the investment process is the ESG due diligence, which includes an assessment of stakeholder engagement, community social impact and economic impact on target companies via the SDDQ. The next key action is a yearly

data collection campaign to update the SDDQ and monitor performance throughout the holding period and ensure that gaps identified at the due diligence stage are closed out.

Each action stated above covers all of the asset's material operations, as well as the downstream value chain as far as relevant and feasible. Affected stakeholder groups and geographies will differ depending on the asset's industrial sector and location. Neither the initial ESG due diligence nor the yearly data collection campaign required significant CapEx or Opex during the reporting year nor will they do in the future. They are internal processes completed by PATRIZIA employees, with support from selected external specialists where necessary. Therefore, no further financial resources will be reported on. These planned actions will ensure the material opportunities are pursed.

The actions stated below are supplementary actions in relation to infrastructure affected communities and will vary depending on the asset. Therefore, they are not classified as key actions so will not be reported on further in relation to the minimum disclosure requirements.

After investment actions to mitigate material risks or pursue material opportunities are determined on a deal-by-deal basis. As active asset managers with material equity stakes in investee companies, PATRIZIA manages material impacts through policy, frameworks and board level engagement. Engagement with local stakeholders and where relevant the use of impact studies both inform PATRIZIA's understanding of the external operating environment. For part of the AUM, external validation of performance and management of material impacts is obtained through a yearly GRESB assessment.

As a standard community engagement initiative, reasonable consultation with the public is undertaken when obtaining a permit to build a new plant or expand existing operations. Apart from compliance with relevant regulations, some minor 'good neighbour' topics have also been identified and addressed.

Additionally, the Infrastructure AUM is looking to strengthen the process to identify and mitigate ESG risks, including community impact. It is therefore establishing a social impact assessment to use on new funds.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Real Estate – A qualitative target is part of PATRIZIA's mid-term pathway goals in regards to end users. The goal states that PATRIZIA should establish an effective tenant engagement strategy by 2025, which aligns to the Responsible Investment Policy as it states that PATRIZIA should engage with key stakeholders to collaborate on ESG matters, such as tenants. The target is applicable to the downstream value chain for all PATRIZIA's geographies. This target will help implement PATRIZIA's impacts, risks and opportunities as PATRIZIA will engage with tenants and create communal places, build trust between tenants and PATRIZIA leading to higher satisfaction rates, leading to high cooperative communities and less reputational or legal risks. PATRIZIA is in the process of developing the tenant engagement strategy and has developed tools to track the engagement in the future. The target is not related to environmental matters and is not scientific based. Stakeholders were not involved in setting this target and no credible proxies are applicable to use. The target has not changed in terms of assumptions, limitations, sources or process. Due to the target being qualitative, PATRIZIA has not set methodology or assumptions for the target and there is no performance to track.

PATRIZIA has not set any targets in relation to the ESG Policy Matrix. PATRIZIA does not track the effectiveness of this respective policy.

Infrastructure - PATRIZIA does not have a target in place in relation to clients and end users. PATRIZIA will not implement an overall target in the future, because where a topic is deemed material to an asset, the infrastructure team will look to further engage with the company through the sustainability roadmap and set appropriate targets if necessary.

PATRIZIA's client satisfaction reviews conducted for each portfolio company will be included in the annual KPI review, allowing PATRIZIA to see if process and actions are in place, without setting a specific target, therefore tracking the effectiveness of the policies and actions in regard to end users. The defined level of ambition will be dependent on the KPI and the portfolio company.

ESRS G1 Business Conduct

ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

In reference to the role of administrative, management, and supervisory bodies, please see Section ESRS 2 GOV-1 – the role of the administrative, management and supervisory bodies of the report, where the responsibilities of the Board of Directors, the Group Executive Committee and further management bodies are described in detail.

The Compliance department is led by the Head of Compliance who reports directly to the Chief Operating Officer, who is part of the Group Executive Committee.

The Compliance team deals with compliance-related matters within PATRIZIA, is responsible for the implementation and further development of its Compliance Management System ("CMS") and all compliance-related precautions. The Compliance team advises PATRIZIA employees on compliance-related matters.

ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

At PATRIZIA, employees act with integrity and a sense of responsibility, which is also expected from all business partners. PATRIZIA is a reliable partner for clients, third-party service providers and the communities in which the Company operates.

PATRIZIA's DMA indicated that business conduct (ESRS G1) is a material topic, and the material sub-topics are protection of whistleblowers, management of a relationship with suppliers including payment practices and corruption and bribery. This chapter covers PATRIZIA SE as a corporate.

The following indicates the assumed and potential business conduct impacts, risks and opportunities for PATRIZIA.

Business Conduct Impacts, Risks and Opportunities

Protection of whistleblowers	
Positive Impacts	Encouraging transparency, accountability, and ethical behaviour across industries and institutions. Including the whistleblowing system, access to information annually in PATRIZIA reports, and clear communication with stakeholders on whistleblowing systems and the Code of Values.
Management of relationships with suppliers including payment practices	
Positive Impact	By fostering collaborative and long-term relationships with suppliers, businesses drive economic growth, and it leads to more stable supply chains. Collaboration leads to innovation and efficiency, which boosts productivity and enables essential services to remain available.
Negative Impact	Poor management of suppliers, including unfair payment practices can cause economic instability and exploitation of workers as well as it undermines fair trade and ethics.
Risk	Reputational and legal risk from not adhering to best business practices in managing the relationship with suppliers may affect the supply chain, leading to operational disruptions, resulting in higher operational costs, penalties for missed deadlines or lost revenue.
Opportunity	Cost savings due to PATRIZIA having a reliable supply chain that signs a supplier code of conduct and reinforces positive business practices. Therefore, resulting in enhanced profitability, improved operational efficiency and the creation of a competitive advantage.
Corruption and bribery	
Positive Impact	By companies publicly stating if they have had any corruption and bribery conflicts or exposure it fosters a more transparent and fair society, leading to economic growth and enhanced trust in institutions globally.
Risk	Reputational and legal risk as well as damage from not adhering to best business practices, anti-corruption and anti-bribery rules and practices.
Opportunity	Capitalising on opportunities created by a culture free from corruption and bribery. Opportunities include an enhanced reputation and trust from stakeholders, regulatory compliance preventing legal issues, fines and establishing a culture free from corruption as well as a potential for increased investments from investors looking for companies with ethical practices.

G1-1 Business conduct policies and corporate culture

PATRIZIA is committed to high ethical standards and expects the same from its employees and third-party service providers. A Code of Values and a Compliance Manual is in place and contains extensive regulations and standards relating to fundamental values and basic rules. Further information on the Code of Values and the Compliance Manual can be found in S1-1. The Code of Values and Compliance Manual ensure compliance and consistency with global and applicable laws, such as the United Nations Convention against Corruption and that PATRIZIA avoids unlawful or unethical behaviour and potential damages. Employees must respect all corporate governance and compliance standards and protocols in the Compliance Manual and Code of Values which include whistleblowing, and how to conduct dealings with business partners and third parties and anti-bribery and corruption topics.
The Code of Values applies to all employees at PATRIZIA. All new employees must complete a signed certification to indicate adherence to the rules and principles in daily business as well as drive a strong compliance culture.

The Compliance Manual includes a policy pertaining to whistleblowing. A key action to address the positive impact related to the protection of whistleblowers is the ability for employees as well as third parties to use the whistleblowing system. Employees as well as third parties can use PATRIZIA's digital whistleblowing system, also anonymously, to send information about possible or actual violations of laws or regulations. There is no time horizon for which this action will be completed, it is an ongoing live system. There is low CapEx or OpEx required for the implementation of the whistleblowing system. The system enables a secure and confidential exchange between the whistleblower and Compliance via an anonymised mailbox. Each report undergoes thorough investigation. Throughout the handling process, utmost confidentiality and equitable treatment of the whistleblower are upheld. Furthermore, there is the option to send information via letter. Information about the digital whistleblowing system and contact details can be found on the internal PIN page and the external PATRIZIA website: https://www.patrizia.ag/en/our-company/compliance/. In order to protect anonymity and uphold integrity in the whistleblowing process, the whistleblowing portal is managed entirely by a third-party service provider comprised of experienced investigators. Employees do not receive specific training on the whistleblowing policy. PATRIZIA is in accordance with the applicable law transposing Directive EU 2019/1937 of the European Parliament and of the Council as the whistleblowing policy has an internal reporting channel to ensure confidentiality, the policy includes a protection and support clause to ensure there is no retaliation, employees are made aware of the policy via the internal system and in the employee handbook, there is a clear investigation and action procedure and the outcomes of the process are given to the whistleblower. PATRIZIA does not have a target in relation to the protection of whistleblowers as it is not deemed applicable. PATRIZIA does not track the effectiveness of the whistleblowing system.

PATRIZIA takes a zero-tolerance approach to fraud and corruption and will in no way tolerate attempts by business partners to inappropriately influence PATRIZIA employees in business dealings through gifts and other benefits. It is expected that business partners will comply with statutory prohibitions regarding bribery and corruption as well as competition law. PATRIZIA will also not provide business partners with the impression that PATRIZIA staff are receptive to inappropriate gifts or other benefits.

PATRIZIA does not use the definition 'functions-at-risk'. However, if PATRIZIA was to assess the departments which are most likely to experience risks such as corruption and bribery, these are the sales department, Investor Relations, Legal and Compliance, Asset Management and the Accounting Team.

G1-2 Management of relationships with suppliers

PATRIZIA is dedicated to conducting its procurement activities with the highest standards of ethics and integrity. This is seen through the Procurement policy, which helps contribute to the impacts, risk and opportunity for management of relationships with suppliers including payment practices. The Procurement policy provides guidance to PATRIZIA staff over procurement activities, describes an agreed system of delegation of authority, establishes a procurement process, makes sure the right outcome is achieved when purchasing goods and services and secures adherence to the procurement principles and provides an ethical behaviour. The policy is binding for all PATRIZIA employees and can be found on the Company intranet. The Chief Operating Officer is the most senior level in the organisation accountable for the implementation of the policy.

Staff members are expected to act in ways that upholds the Procurement policy principles and are perceived as such. This commitment is reflected in the company's approach to supplier management, where potential and existing suppliers, including SMEs, are treated with equality and fairness. PATRIZIA ensures that no personal gain is sought or received, and maintains strict confidentiality around sensitive information, including contract prices. The Company emphasises professionalism, transparency, and impartiality in all supplier interactions, including SMEs, avoiding any conflicts of interest. All suppliers and tenderers, including SMEs, are given equal access to information and opportunities, and PATRIZIA ensures that all procurement decisions are justifiable, with feedback readily available. This framework fosters trust and accountability in supplier relationships, supporting ethical partnerships and sustainable outcomes.

A key action contributing to the management of relationships with suppliers including payment practices is the use of the evaluation matrix. The Procurement & Services team have established an evaluation matrix when assessing new suppliers. The matrix includes an ESG section and assesses if a new supplier has measures to minimise environmental impact of operations of goods and services if they are involved in community engagement initiatives and if there is evidence of fair labour practices and worker safety. This matrix indicates that social and environmental criteria is taken into account for the selection of new suppliers. PATRIZIA does not have significant CapEx or OpEx for this action as it is an internal system conducted by PATRIZIA colleagues, therefore PATRIZIA will not report on the current and future financial resource allocations. PATRIZIA does not have targets set in relation to this action as it is not deemed appropriate to set a target. PATRIZIA does not track the effectiveness of the policy or actions.

Another key action contributing to the management of payment practices impact, risk and opportunity, is PATRIZIA's standardised and ERP-based invoicing process in place that captures the purchase order-related invoice with all relevant details, including payment conditions and ensures that payments are aligned with procurement agreements. Invoices are captured in the procurement tool and sent to the requestor for approval in the invoice approval system. Contingent on the acceptance of goods & services, the approver can release the invoice for payment. Once Accounting receives the invoice approval through the procurement tool, the invoice is settled in line with the agreed payments terms. The invoice process employs a four-eye

principle in all steps. Payment runs are conducted on a regular basis in order to pay all suppliers, including SME's, on time within the given payment conditions. PATRIZIA does not have significant CapEx or OpEx for this action as it is an internal system, therefore PATRIZIA will not report on the current and future financial resource allocations.

G1-3 Prevention and detection of corruption and bribery

PATRIZIA has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships. If an incident occurs or an employee is suspect of a breach the respective Line Manager is notified as soon as possible. The Compliance Manual and Code of Values outlines rules that must be adhered too on corruption and bribery.

A key action contributing to the impact, risk and opportunity for corruption and bribery is compliance training. Compliance training is conducted to prevent misconduct through the Global Compliance Training Plan. A Compliance Induction Training is given to all new PATRIZIA employees at the start of hire date. Employees are trained on corruption and bribery upon onboarding and are regularly reminded of provisions that are contained in the PATRIZIA Compliance Manual and Code of Values on bribery and corruption. PATRIZIA employees are told about the whistleblowing when joining the company through the employee handbook and available communication channels and are required to reach out to PATRIZIA Compliance (directly or on an anonymous basis via an external Whistleblowing facility) and inform of any suspicious activity that may represent a breach of policy, laws or regulations. All compliance rules and regulations are published on the Compliance section of the internal intranet. PATRIZIA does not use the definition "functions-at-risk", therefore will not provide the percentage of functions-at-risk covered by training programmes. All employees receive an induction training, regardless of their position. No differentiation is made between at-risk and non-at-risk functions. PATRIZIA is unable to provide the CapEx and OpEx of future and current financial resource allocations. Members of PATRIZIA Administrative, Supervisory and Management bodies are trained on and held to the same standards as the rest of PATRIZIA's personnel. A particular cohort of C-Level executives are also required to submit regular confirmation statements on adherence to Compliance policies, including Bribery and Corruption. In addition, PATRIZIA's Head of Compliance is an independent position reporting to the PATRIZIA Chief Operating Officer (COO). Members of the Board of Directors have the right and authority to request information and documents from the Head of Compliance.

Compliance regularly provides a Compliance report to senior management. PATRIZIA's Board of Directors has the prerogative to require information from Compliance at any time to fulfil its supervisory duties. Compliance has the authority to conduct investigations and engage independent external advisors when necessary. Compliance works as an in-house independent advisor on prevention and detection of corruption and bribery, develop, implements and enforces relevant policies and procedures and is not a part of the chain of management.

G1-4 Incidents of corruption and bribery

As stated in the Code of Values and Compliance Manual, PATRIZIA has a zero-tolerance approach to bribery and corruption within its own operations and value chain. In 2024 PATRIZIA did not have any incidents or convictions for violation of anti-corruption and anti-bribery laws and did not receive any fines for violation of anti-bribery and anti-corruption laws. PATRIZIA assumes that all employees are responsible for their own corruption free conduct, which can be a limitation to this metric. Investigations and surveillance methods are only used where there is relevant indicators or incidents reported by employees and require confirmation from the Compliance Officer. The measurement of the metric is not validated by an external body. This contributes to the material positive impact, risk and opportunities stated under corruption and bribery. PATRIZIA will measure this on a yearly basis, therefore the baseline year is the previous year measured instead of having a set baseline year and the baseline value is zero. There are no methodologies or assumptions used to define the target. The target is not an environmental matter or based on scientific evidence. Stakeholders were not involved in setting the target. There have been no changes in the target's methodologies, assumptions or limitations.

G1-6 Payment practices

In order to ensure timely payment according to the individual conditions, PATRIZIA employs a system-based invoicing process that is designed to facilitate timely payments to its suppliers. This automated process ensures efficiency and accuracy, helping to reduce the risk of delays and promoting a fair and reliable payment schedule, relevant for all suppliers including SMEs.

The average number of days between invoice date and payment date was 16 days for the financial year 2024.

To PATRIZIA's knowledge, there are no outstanding legal proceedings related to late payments. The analysis of the average payment days metric is based on the assumption that they are paid invoices from third party suppliers and that invoices paid via direct debit are excluded. The days are calculated payment date minus invoice date. The metric is not validated by an external body other than the assurance provider.

PATRIZIA does not have standard payment terms and does not group suppliers by category. As PATRIZIA does not have this, the percentage of payments aligned with standard payment terms cannot be provided. Payment terms are determined individually with each contractor, depending on various factors such as the specific contractor and the legal or regulatory

requirements of the jurisdiction involved. This approach ensures flexibility and compliance with local regulations while addressing the unique conditions of each contractual relationship.

5 Economic report

5.1 Economic environment

Real estate markets: In 2024 prime yields recovered in an environment of initial interest rate cuts, after yield decompression and value corrections dominated the real estate markets in the previous year. Transaction activity in Europe remained subdued in the past year. A slight recovery in transaction volumes was observed in both the residential and logistics sectors. While the change in yields affected all sectors, there were also clearer differences between the sectors and between different asset qualities, which take account of the fundamental attractiveness of income. In the office and retail sectors in particular, demand is increasingly almost exclusively focussed on a certain segment of the market, with market polarisation becoming apparent in terms of the quality of space, the location, and the subsector.
Source: PATRIZIA House View, ECB, Oxford economics, CBRE, RCA

Re-Infra markets: The Re-Infra market, as a convergence of real estate and infrastructure markets, focuses on areas with growth potential, such as the development of data centres, decarbonisation solutions such as solar roofs and battery storage, and electric vehicle charging at real estate sites. The expected demand for these solutions is very high worldwide. As these investments typically have infrastructure characteristics, they are to some extent linked to inflation-linked cash flows.

Infrastructure markets: The year 2024 continued where 2023 left off and was another difficult environment for infrastructure fundraising with US$ 95bn being raised in 2024 (2023: US$ 94bn). Europe broadly maintained its ground in capital raising in 2024 compared to 2023, driven by the continued favourable conditions for renewable and energy transition investment opportunities. More investors have turned to APAC than in recent years, indicating that investors no longer see the region as a high-risk environment. Despite the continued weakness in capital raising, US$ 300bn in transactions were recorded in 2024, moderately below the US$ 325bn recorded in transactions in 2023. Investments in renewable energies (onshore wind/solar) were the dominant player in 2024 by number of deals – making up approximately 45% of the infrastructure market.
Source: Preqin Private Capital Infrastructure Q4 2024 Quarterly Update and Infralogic transaction data 2024

5.2 Comparison of financial year 2024 - actual and forecasted business development

Guidance during the year 2024

With the publication of preliminary figures for FY 2023 on 28 February 2024, PATRIZIA for FY 2024 expected Assets under Management (AUM) to be in a range of between EUR 54.0 - 60.0bn, EBITDA to be in a range of between EUR 30.0 - 60.0m, equivalent to an EBITDA margin of between 11.0 - 19.2%. PATRIZIA was entering the year 2024 with cautious optimism. At this time, the macro-economic environment remained a challenge for the majority of the Group's clients, especially in the real estate investment sector. Client investment activity was expected to pick up only in course of FY 2024 assuming a normalisation of interest rate volatility and increased activity in the transaction markets, once potential buyers and sellers would agree on new price levels following the change in interest rate environment.

Achievement of guidance

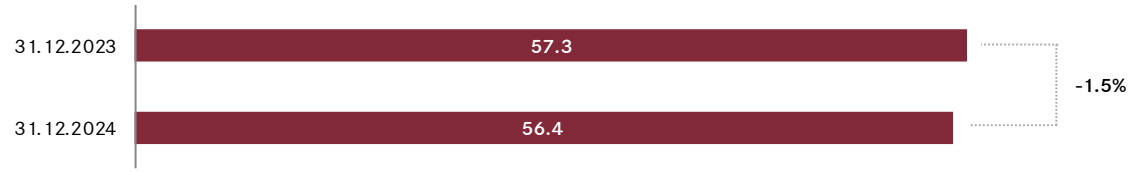
In FY 2024, PATRIZIA achieved both the EBITDA guidance range of between EUR 30.0 - 60.0m and the guidance range for the EBITDA margin of between 11.0 - 19.2% with an EBITDA of EUR 46.5m and an EBITDA margin of 17.5% compared to the communicated guidance. AUM at year's end came in at EUR 56.4bn, which also was within the forecasted range of EUR 54.0 - 60.0bn.

5.3 Business performance and development of financial performance indicators

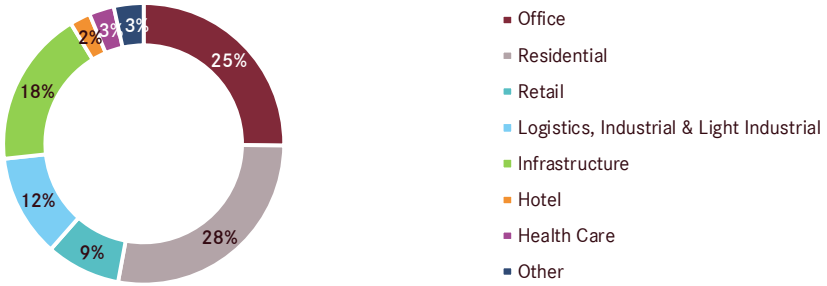
Assets under Management

As at 31 December 2024, PATRIZIA managed **Assets under Management (AUM)** of EUR 56.4bn, compared to EUR 57.3bn as at the previous year's reporting date. In total, AUM declined by EUR 0.9bn or -1.5% in the reporting period, which was mainly driven by valuation effects.

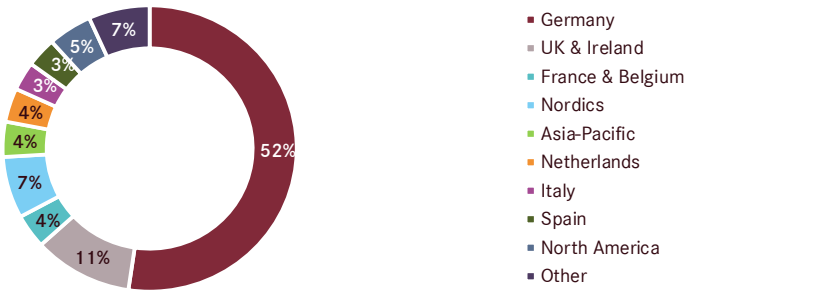
Assets under Management (EUR bn)



Assets under Management as at 31 December 2024 | Sectoral distribution

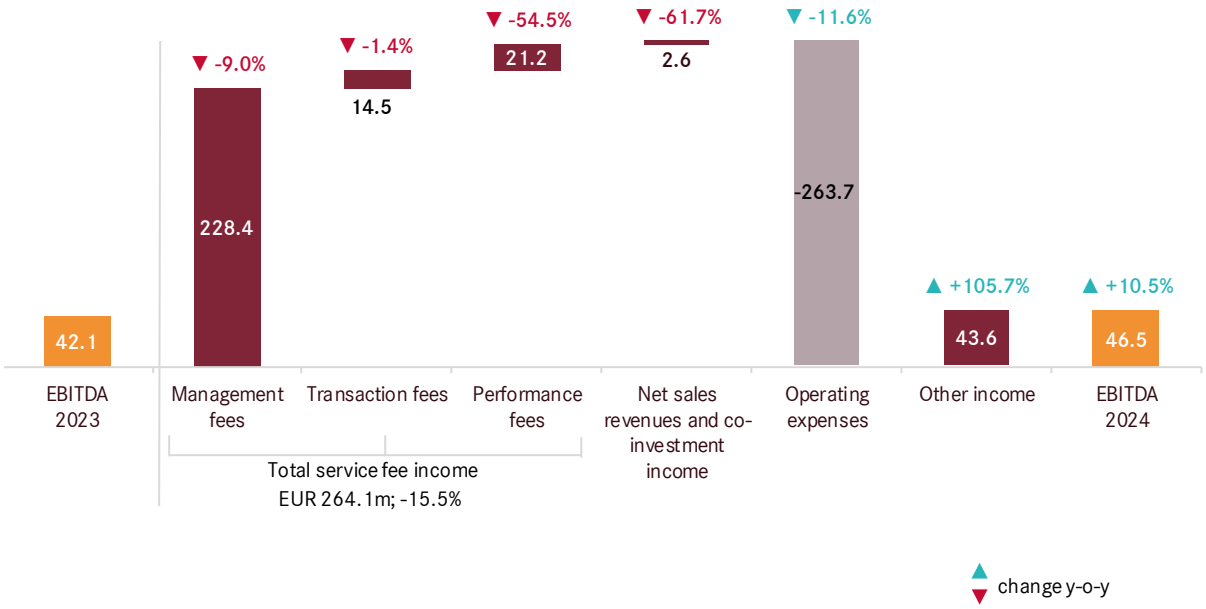


Assets under Management as at 31 December 2024 | Geographical distribution



EBITDA

Composition of EBITDA (EUR m)



[1] 2023 Restatement due to error correction

EBITDA is the key management parameter of the Group and can be derived directly from the IFRS income statement.

PATRIZIA has achieved an EBITDA of EUR 46.5m in the financial year 2024 (2023[1]: EUR 42.1m), which is equivalent to an increase of 10.5% compared to the previous year.

Thus, the EBITDA guidance range of EUR 30.0 - 60.0m was achieved.

[1] Restatement due to error correction

Detailed reconciliation to EBITDA

EUR k	2024	2023[1]	Change	Table in the current report
Management fees (excluding result from participations)	221,002	242,204	-8.8%	Reconciliation of total service fee income
Shareholder contribution for management services (in result from participations)	7,389	8,896	-16.9%	Reconciliation of total service fee income
Management fees	**228,392**	**251,100**	**-9.0%**	
Transaction fees	**14,507**	**14,706**	**-1.4%**	**Reconciliation of total service fee income**
Performance fees (excluding result from participations)	6,101	26,700	-77.1%	Reconciliation of total service fee income
Performance fees (in result from participations)	15,124	19,908	-24.0%	Reconciliation of total service fee income
Performance fees	**21,226**	**46,609**	**-54.5%**	
Total service fee income	**264,124**	**312,415**	**-15.5%**	**Reconciliation of total service fee income**
Revenues from the sale of principal investments	9	0	/	Revenues
Cost of materials	-948	-1,622	-41.5%	Consolidated income statement
Income from the sale of investment property	62	0	/	Consolidated income statement
Rental revenues	9,269	5,232	77.2%	Revenues
Revenues from ancillary costs	338	332	1.9%	Revenues
Net sales revenues	**8,729**	**3,942**	**121.5%**	
Earnings from companies accounted for using the equity method	-11,996	-3,507	242.1%	Consolidated income statement
Remaining result from participations	5,837	6,277	-7.0%	Consolidated income statement & Reconciliation of total service fee income
Co-Investment result	**-6,160**	**2,771**	**-322.3%**	
Net sales revenues and co-investment income	**2,569**	**6,712**	**-61.7%**	
Staff costs	-150,936	-175,745	-14.1%	Consolidated income statement
Other operating expenses	-82,639	-88,872	-7.0%	Consolidated income statement
Cost of purchased services	-16,496	-17,039	-3.2%	Consolidated income statement
Impairment result for trade receivables and contract assets	-142	-201	-29.3%	Consolidated income statement
Reorganisation expenses	-13,502	-16,324	-17.3%	Consolidated income statement
Operating expenses	**-263,715**	**-298,180**	**-11.6%**	
Other operating income	36,527	17,361	110.4%	Consolidated income statement
Other revenues	4,440	3,260	36.2%	Revenues
Reorganisation Income	2,598	563	361.4%	Consolidated income statement
Other income	**43,566**	**21,184**	**105.7%**	
EBITDA	**46,544**	**42,131**	**10.5%**	

[1] Restatement due to error correction

In the 2024 reporting year, **total service fee income** was 15.5% below previous year's level at EUR 264.1m (2023: EUR 312.4m). The individual components of total service fee income are explained below:

Management fees: All services provided by PATRIZIA are remunerated in form of fees. Management fees include remuneration for investment management services such as asset, fund and portfolio management and are broadly recurring. Management fees of EUR 228.4m were recognised in the financial year 2024 (2023: EUR 251.1m). The y-o-y change of -9.0% reflects a slight decrease in the assets under management due to valuation effects as well as lower fees from real estate development services and debt advisory for clients.

Transaction fees: PATRIZIA receives transaction fees for the execution of acquisition and disposal transactions. These fees remained almost stable at a low level due to limited market activity with EUR 14.5m in the current financial year (2023: EUR 14.7m; -1.4%). In this context, acquisitions accounted for EUR 9.5m (2023: EUR 10.7m; -11.2%) and disposals for EUR 5.0m (2023: EUR 4.0m; 25.2%).

Performance fees: PATRIZIA receives performance fees if defined target investment yields are met or exceeded. In 2024, performance fees of EUR 21.2m were achieved (2023: EUR 46.6m; -54.5%). In the consolidated income statement, these fees are reported partly as revenues (EUR 6.1m; 2023: EUR 26.7m; -77.1%) and partly as income from participations (EUR 15,1m; 2023: EUR 19,9m; -24.0%). The decline in performance fees also relates to the challenging market environment.

In the 2024 reporting year, PATRIZIA generated EUR 2.6m in **net sales revenues and co-investment income**, compared to EUR 6.7m in the same period of the previous year. Net sales revenues contributed EUR 8.7m (2023: EUR 3.9m). The increase is mainly due to higher rental income from properties in temporarily consolidated funds, which were first consolidated in Q3 2023. The co-investment result amounted to EUR -6.2m (2023: EUR 2.8m). Thereof, the result from participations amounted to EUR 5.8m (2023: EUR 6.3m). Increased negative earnings from companies accounted for using the equity method of EUR -12.0m (2023: EUR -3.5m) had an offsetting effect. These temporarily consolidated financial investments were disposed of at the end of the year as part of the deconsolidation of the holding fund and had a subsequent positive impact on other income.

Operating expenses decreased by 11.6% to EUR 263.7m (2023: EUR 298.2m). The decrease reflects an overall progress of the cost reduction programme as well as a lower headcount. The other operating expenses decreased to EUR 82.6m (2023: EUR 88.9m, -7.0%) and the staff costs declined by -14.1% to EUR 150.9m (2023: EUR 175.7m). In the current reporting period, negative one-off effects of EUR 1.4m for a potential indemnity due to a tax penalty in one of the funds managed by PATRIZIA and the profit and loss adjustment of a first-time consolidation in the amount of EUR 1.8m were recognised in other operating expenses. The reorganisation expenses declined to EUR 13.5m (2023: EUR 16.3m; -17.3%) and relate to the adjustment of the organisational structure as part of the adjusted mid-term strategy.

Other income increased by 105.7% to EUR 43.6m (2023: EUR 21.2m). The increase can be mainly explained by the release of liabilities recognised in profit or loss and income from the deconsolidation of temporarily consolidated funds. Further detail is set out in chapter 5.4.2.

EBITDA margin

The **EBITDA margin** compares the EBITDA of the financial year with the sum of total service fee income and net sales revenues and co-investment income.

Due to the adjusted cost base and a significant increase in other income, the EBITDA margin increased year-on-year to 17.5% (2023: 13.2%) despite a decline in service fee income. The EBITDA margin guidance range of 11.0 – 19.2% was achieved.

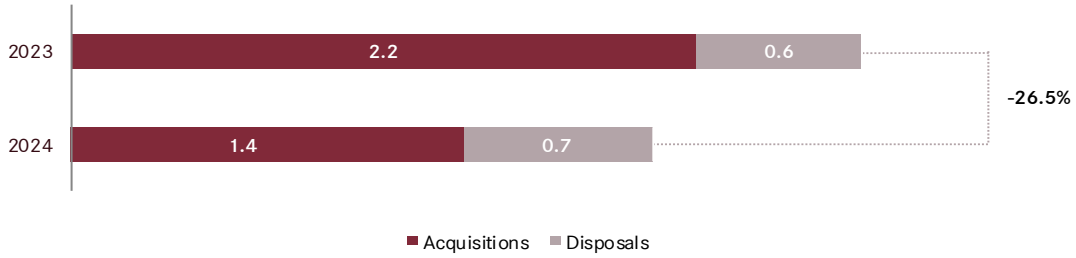
EBITDA margin

	2024	2023[1]	
EBITDA margin	17.5%	13.2%	4.3 PP

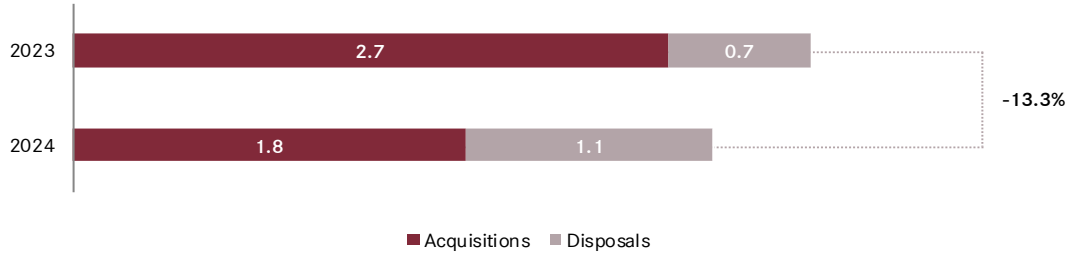
PP = percentage points
[1] Restatement due to error correction

Further KPIs

Transaction volume based on signed transactions (EUR bn)

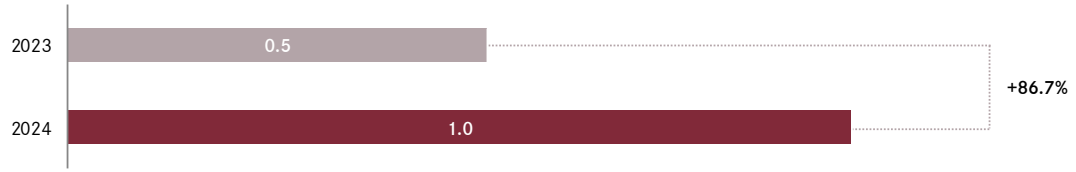


Transaction volume based on closed transactions (EUR bn)



Despite the overall low market activity PATRIZIA remained an active investor for its clients in infrastructure and real estate, deploying capital of EUR 1.8bn (closed acquisitions). On the opposite, closed realizations for clients amounted to EUR 1.1bn bringing the total transaction volume to EUR 2.9bn (2023: EUR 3.4bn).

Equity raised (EUR bn)



Investments in Real Assets have become more attractive again in view of stabilising market fundamentals and overall decreasing interest rates. Client demand increased throughout the year 2024 resulting in significantly higher fundraising activity with equity raised nearly doubling to EUR 1.0bn (2023: EUR 0.5bn). Compared to fundraising levels seen before 2023, the overall activity was still comparably low. Hence, the amount of open equity commitments available for investments via managed funds came down to EUR 1.3bn as at 31 December 2024 driven by utilisation of existing committed capital.

5.4 Economic situation

5.4.1 General statement by the Executive Directors

The challenging market environment continued to negatively impact PATRIZIA's business activities in the 2024 financial year. The majority of global clients continued to have a low demand for investments in real assets in 2024 if compared to previous years' levels.

Although the transaction market for real estate and infrastructure slowed down over the course of the year 2022 and 2023 due to increased geopolitical risks, high inflation and rising interest rates, PATRIZIA in 2024 was able to offer attractive products in different types of use as well as risk classes and markets due to its international platform and globally diversified clients. This is reflected in a general robustness of AUM and the high proportion of recurring management fees in total service fee income.

PATRIZIA's strong balance sheet and financial situation continue to provide a good basis for the successful implementation of its strategy 2030.

Assets under management (AUM) moderately decreased by 1.5% year-on-year to EUR 56.4bn, mainly driven by negative valuation effects, which eased in the fourth quarter of 2024. The general robustness of AUM is attributable to PATRIZIA's broad geographical and sectorial diversification across real estate and infrastructure investments.

The EBITDA of EUR 46.5m is within the published guidance range for the 2024 financial year of EUR 30.0m - 60.0m and was mainly impacted by the challenging market environment as well as reorganisation expenses.

Management fees decreased by 9.0% to EUR 228.4m. The persistently challenging market environment did not lead to a significant upturn in client transaction activity, as a result of which transaction fees remained virtually unchanged with EUR 14.5m. Performance fees also decreased due to the market environment by -54.5% to EUR 21.2m. Total service fee income decreased by 15.5% to EUR 264.1m.

Total service fee income

EUR m	2024	2023	Change
Management fees	228.4	251.1	-9.0%
Performance fees	21.2	46.6	-54.5%
Transaction fees	14.5	14.7	-1.4%
Total service fee income	**264.1**	**312.4**	**-15.5%**

Operating expenses decreased by 11.6% to EUR 263.7m. This was mainly due to reduced staff costs especially due to lower variable personnel expenses. The reduction in other operating expenses had a positive effect on operating expenses overall and is in line with PATRIZIA's focus on cost efficiency.

Other income more than doubled to EUR 43.6m, in particular due to other operating income resulting from the deconsolidation of subsidiaries as well as by the release of liabilities recognised in profit or loss. Further detail is set out in chapter 5.4.2

The net profit attributable to shareholders of the parent company came in at EUR 12.9m in FY 2024 and returned to positive territory after EUR -5.8m in the previous year.

Dividend payment

In 2024, a dividend of EUR 0.34 per share was paid out in cash for the financial year 2023, which corresponds to an increase of 3.0% compared to the previous year. The unappropriated profit in accordance with the German Commercial Code (HGB) for the financial year 2023 of EUR 261.6m was used in part to pay out the dividend and the remaining amount was carried forward. The resolution passed by the Annual General Meeting on 12 June 2024 resulted in a cash dividend payment of EUR 29.3m to shares entitled to dividends. Based on the dividend per share, the total amount of the dividend exceeded the share of the 2023 IFRS consolidated net profit attributable to the shareholders of the parent company of EUR -5.8m (figure for 2023 corrected). The payout ratio was hence considerably higher compared to the net profit. The dividend was paid out on 17 June 2024.

5.4.2 Results of operations of the Group

EBITDA

In the 2024 financial year, PATRIZIA generated an EBITDA of EUR 46.5m.

A detailed reconciliation of the development of the operating income can be found in the table below:

Reconciliation of EBITDA

EUR k	2024	2023[1]	Change
Total operating performance	292,255	309,795	-5.7%
Cost of materials	-948	-1,622	-41.5%
Cost of purchased services	-16,496	-17,039	-3.2%
Staff costs	-150,936	-175,745	-14.1%
Other operating expenses	-82,639	-88,872	-7.0%
Impairment result for trade receivables and contract assets	-142	-201	-29.3%
Result from participations	28,350	35,082	-19.2%
Earnings from companies accounted for using the equity method	-11,996	-3,507	242.1%
EBITDAR	**57,448**	**57,892**	**-0.8%**
Reorganisation result	-10,904	-15,761	-30.8%
EBITDA	**46,544**	**42,131**	**10.5%**

[1] Restatement due to error correction

The following section discusses the individual components of EBITDA in greater detail in the order in which they are reported in the consolidated income statement.

Total operating performance

Total operating performance reflects PATRIZIA's operating performance more comprehensively than revenues, which also include other operating income. PATRIZIA's total operating performance decreased by -5.7% to EUR 292.3m in 2024 after EUR 309.8m in the previous year.

Reconciliation of total operating performance

EUR k	2024	2023[1]	Change
Revenues	255,667	292,434	-12.6%
Other operating income	36,527	17,361	110.4%
Total operating performance	**292,255**	**309,795**	**-5.7%**

[1] Restatement due to error correction

Revenues

Revenues decreased in the 2024 reporting year from EUR 292.4m to EUR 255.7m (-12.6%).

Revenues

EUR k	2024	2023	Change
Revenues from management services	241,611	283,610	-14.8%
Proceeds from the sale of principal investments	9	0	/
Rental revenues	9,269	5,232	77.2%
Revenues from ancillary costs	338	332	1.9%
Other	4,440	3,260	36.2%
Revenues	**255,667**	**292,434**	**-12.6%**

Revenues from management services decreased in the reporting period by 14.8% year-on-year from EUR 283.6m to EUR 241.6m. However, revenues alone have only limited information value; certain profit and loss items below revenues must also be taken into account in order to fully assess the Group's performance.

Taking into account the income from the Dawonia GmbH co-investment, which is reported in income from participations, **total service fee income** amounted to EUR 264.1m, which corresponds to a decrease of -15,5% on the previous year's figure of EUR 312.4m. The decline in management fees, taking into account income from the Dawonia GmbH co-investment, by -9.0% compared to last year to EUR 228.4m (2023: EUR 251.1m) reflects the slight decline in assets under management due to valuation effects as well as reduced management fees received from service project developments for clients and the absence of client debt structuring fees in comparison to the previous year. Due to the challenging market environment, transaction fees remain at a very low level and have slightly decreased by -1.4% to EUR 14.5m (2023: EUR 14.7m). Furthermore, due to the current market environment, performance fees - including the result of co-investment Dawonia GmbH - decreased by -54.5% to EUR 21.2m (2023: EUR 46.6m).

Reporting income from participations separately results in the following breakdown of total service fee income:

Reconciliation of total service fee income

EUR k	2024	2023	Change
Management fees (excluding result from participations)	221,002	242,204	-8.8%
Performance fees (excluding result from participations)	6,101	26,700	-77.1%
Transaction fees	14,507	14,706	-1.4%
Revenues from management services	**241,611**	**283,610**	**-14.8%**
Performance fees (in result from participations)	15,124	19,908	-24.0%
Shareholder contribution for management services (in result from participations)	7,389	8,896	-16.9%
Total service fee income	**264,124**	**312,415**	**-15.5%**

As in the previous year, **proceeds from the sale of principal investments** was immaterial for the financial performance.

PATRIZIA generated **rental revenues** of EUR 9.3m in the reporting period after EUR 5.2m in the 2023 financial year, mainly due to the properties in temporarily consolidated funds. The increase is mainly due to the first-time consolidation of a logistics property portfolio in Q3 2023.

Revenues from ancillary costs relate to rental ancillary costs and amounted to EUR 0.3m in the period under review (2023: EUR 0.3m).

Other essentially comprises transaction costs that are charged on to the corresponding investment vehicles. In the 2024 financial year, this item increased to EUR 4.4m compared to EUR 3.3m in the same period of the previous year.

Changes in inventories

Changes in inventories consist of the carrying amount of principal investments sold from inventories (-) and the capitalised cost of materials assigned to inventories (+). The accounting effects of the sale as well as the maintenance and construction costs of properties held for sale are recognised in profit or loss under changes in inventories. In 2024 and 2023 no changes in inventories were posted.

Other operating income

Other operating income increased to EUR 36.5m in the financial year 2024 (2023: EUR 17.4m), mainly due to the increase in income from discontinued obligations and the effect from the deconsolidation of subsidiaries.

The increase in income from discontinued obligations is mainly due to the reversal of provisions for litigation risks as a result of a settlement and the reversal of liabilities from variable salary components and bonuses.

Income from the deconsolidation of subsidiaries amount to EUR 15.2m in the financial year 2024 (2023: EUR 1.1m). The increase of this item is primarily due to the income from the deconsolidation of PATRIZIA European Infrastructure Fund III, a temporarily held infrastructure fund, in the amount of EUR 14.0m.

The decrease in the position “Other” to EUR 2.0m (2023: EUR 9.8m) is mainly due to the reversal of tax provisions (2023: EUR 4.7m) and the profitable sale of PATRIZIA´s share in the tech company control.IT Unternehmensberatung GmbH (2023: EUR 1.1m) in the comparative period.

Cost of materials

Cost of materials includes construction and maintenance work for principal investments that are typically capitalised and must be considered in conjunction with changes in inventories. Cost of materials decreased by 41.5% year-on-year from EUR 1.6m to EUR 0.9m.

Cost of purchased services

Cost of purchased services in the amount of EUR 16.5m (2023: EUR 17.0m) essentially comprises the purchase of fund management services for external label funds in the amount of EUR 16.4m (2023: EUR 16.6m) for which mainly PATRIZIA Immobilien Kapitalverwaltungsgesellschaft mbH is the service capital management company. The reduction of the position “cost of purchased services” is mainly due to less transaction related advisory fees for acquisitions and disposals in the amount of EUR 0.1m (2023: EUR 0.5m).

Staff costs

PATRIZIA employed a total of 887 full-time equivalents (FTE) as at 31 December 2024, compared to 971 in the previous year.

Staff costs

EUR k	2024	2023[2]	Change
Fixed salaries	97,245	101,515	-4.2%
Variable salaries	24,956	44,365	-43.7%
Social security contributions	19,308	21,458	-10.0%
Effect of long-term variable remuneration[1]	-3	-277	-98.9%
Share-based payment	4,460	4,321	3.2%
Other	4,971	4,364	13.9%
Total	**150,936**	**175,745**	**-14.1%**

[1] Valuation changes of the long-term variable remuneration (phantom shares) due to changes in the share price
[2] Restatement due to error correction

Overall, staff costs decreased by 14.1% to EUR 150.9m (2023: EUR 175.7m) - despite general inflation-related salary adjustments - due to the reduction in the number of employees.

With regard to the valuation effects in connection with phantom shares (LTI), there was only a slightly positive effect on personnel expenses in the reporting period compared to the previous year in correlation with the slight decline in the PATRIZIA SE share price in 2024.

In the financial year 2024, expenses of EUR 4.5m (2023: EUR 4.3m) were recognised for the share-based payment agreement (LTI) for executives. Further information on the determination of the fair value of this remuneration component can be found in chapter 7.1.2 of the notes to the consolidated financial statements.

Please refer to section 4.12.2 of the notes to the consolidated financial statements for information on the costs of retirement benefits.

Other operating expenses

Other operating expenses decreased by 7.0% to EUR 82.6m in 2024 after EUR 88.9m in the previous year. This item breaks down as follows:

Other operating expenses

EUR k	2024	2023	Change
Tax, legal, other advisory and financial statement fees	22,454	25,892	-13.3%
IT and communication costs and cost of office supplies	16,083	18,424	-12.7%
Rent, ancillary costs and cleaning costs	4,566	4,974	-8.2%
Other taxes	448	2,269	-80.3%
Vehicle and travel expenses	7,143	8,335	-14.3%
Advertising costs	3,544	4,694	-24.5%
Recruitment and training costs and cost of temporary workers	4,771	6,534	-27.0%
Contributions, fees and insurance costs	4,781	4,811	-0.6%
Commission and other sales costs	669	698	-4.1%
Costs of management services	2,999	3,068	-2.3%
Indemnity/reimbursement	1,375	169	715.9%
Donations	554	803	-31.0%
Cost from the deconsolidation of subsidiaries	8	31	-73.2%
Other	13,244	8,171	62.1%
Total	**82,639**	**88,872**	**-7.0%**

Tax, legal, other advisory and financial statement fees in the amount of EUR 22.5m (2023: EUR 25.9m) decreased mainly due to lower other advisory costs as a result of the cost-cutting programme initiated in 2023.

Tax, legal, other advisory and financial statement fees include, among other things:

- Costs in connection with personnel-related advisory in the amount of EUR 1.6m (2023: EUR 2.5m)
- Audit fees in the amount of EUR 2.5m (2023: EUR 2.0m)
- Project-related consulting services in the context of digitalization as well as costs of initial testing, acquisition and use of new technologies in the amount of EUR 0.5m (2023: EUR 1.1m)
- Tax advisory fees in the amount of EUR 1.7m (2023: EUR 1.1m)
- Costs in connection with the acquisition and integration of M&A transactions in the amount of EUR 0.1m (2023: EUR 0.1m)

IT, communication, office supplies, recruitment, training and temporary employment, vehicle and travel and advertising costs were reduced primarily by PATRIZIA's focus on cost efficiency.

The donations include donations to charitable organisations such as the PATRIZIA Foundation. In 2022 the management had decided to support charitable organisations annually with up to 1% of the Group’s EBITDA.

The position “Other” increased mainly due to an adjustment of EUR 1.8m to a first-time consolidation recognized in profit or loss.

Impairment losses for trade receivables and contract assets

This item includes impairment losses for other trade receivables and other assets in the amount of EUR -0.1m (2023: EUR -0.2m).

Result from participations and earnings from companies accounted for using the equity method

PATRIZIA generated a result from participations of EUR 28.4m in 2024 (2023: EUR 35.1m, -19.2%). The positive contribution mainly relates to the Dawonia co-investment, totaling to EUR 25.7m (2023: EUR 32.0m).

Earnings from companies accounted for using the equity method generated EUR -12.0m (2023: EUR -3.5m). The decrease is mainly due to the negative performance of an at-equity investment in a temporarily consolidated fund that was deconsolidated at the end of the year.

The result from participations and earnings from companies accounted for using the equity method represent the investment income from co-investments and, for Dawonia GmbH, management and performance fees as well. The result from participation of Dawonia GmbH is used in addition to the explanation of the result from participations for the explanation of the total service fee income (see also previous explanation for revenue).

Result from participations

EUR k	2024	2023	Change
Dawonia GmbH	25,736	32,027	-19.6%
Seneca	240	1,683	-85.8%
TRIUVA	22	21	4.8%
Closed-end funds business	297	133	122.7%
Other	2,054	1,217	68.8%
Result from participations	**28,350**	**35,082**	**-19.2%**
Earnings from companies accounted for using the equity method	**-11,996**	**-3,507**	**242.1%**
Total	**16,354**	**31,575**	**-48.2%**

Net reorganisation result

Reorganisation expenses of EUR 13.5m relate to the adjustment of the organisational structure as part of the new Strategy 2030 and mainly comprise personnel expenses. The reorganisation expenses of EUR 16.3m in the previous year resulted from a previous review of the cost base and also mainly comprised personnel expenses.

The income from reorganisation relates to the release of unused reorganisation provisions.

Net profit/ loss for the period

In the 2024 financial year, PATRIZIA's net profit for the period amounted to EUR 2.4m (2023: net loss EUR -15.6m). The share of net profit attributable to the shareholders of the parent company amounted to EUR 12.9m after a loss of EUR -5.8m in the previous year due to the significantly negative amount attributable to non-controlling interests.

Reconciliation of net profit/ loss for the period

EUR k	2024	2023[1]	Change
EBITDA	**46,544**	**42,131**	**10.5%**
Depreciation, amortisation and impairment	-28,342	-50,526	-43.9%
Results from fair value adjustments to investment property	-7,028	1,529	-559.8%
Earnings before interest and taxes (EBIT)	**11,174**	**-6,866**	**-262.7%**
Finance income	12,056	13,445	-10.3%
Financial expenses	-17,276	-11,632	48.5%
Other financial result	-1,985	-2,396	-17.2%
Result from currency translation	-557	-3,801	-85.4%
Financial result	**-7,763**	**-4,385**	**77.0%**
Earnings before taxes (EBT)	**3,411**	**-11,251**	**-130.3%**
Income taxes	-1,031	-4,386	-76.5%
Net profit/ loss for the period	**2,379**	**-15,637**	**-115.2%**
Attributable to shareholders of the parent company	*12,867*	*-5,809*	*-321.5%*
Attributable to non-controlling interests	*-10,488*	*-9,828*	*6.7%*

[1] Restatement due to error correction

The following section discusses the relevant items of the reconciliation of net profit/ loss for the period.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment increased to EUR 28.3m (2023: EUR 50.5m) and mainly consisted of amortisation of fund management contracts (see chapter 4.3 in the notes to the consolidated financial statements for further information) and licences of EUR 11.0m (2023: EUR 17.0m), impairment of inventory in the amount of EUR 0.0m (2023: EUR 16.9m), amortisation of rights of use of EUR 10.8m (2023: EUR 10.6m) and amortisation of software and depreciation of equipment of EUR 5.4m (2023: EUR 4.8m).

The decrease is mainly due to the impairment of inventory real estates amounted to EUR 16.9m in the previous year, which did not reoccur this year.

Results from fair value adjustments to investment property

Results from fair value adjustments to investment property amounted to EUR -7.0m (2023: EUR 1.5m) due to market driven fair value adjustments.

Financial result

Financial income slightly decreased to EUR 12.1m after EUR 13.4m in 2023 and essentially relates to the interest income from cash and term deposits.

Financial income was offset by financial expenses of EUR 17.3m (2023: EUR 11.6m), including in particular interest for bonded loans, loans for the financing of temporarily consolidated funds, changes in interest rates of pension obligations and interest from the compounding of employee liabilities.

The other financial result in the amount of EUR -2.0m (2023: -2.4m) mainly includes expenses regarding the revaluation of financial assets.

The result from currency translation amounted to EUR -0.6m as at 31 December 2024 (2023: EUR -3.8m). It is composed of realised currency effects of EUR 1.4m (2023: EUR 4.2m) and non-cash currency effects of EUR -0.8m (2023: EUR -0.4m).

Income taxes

Tax expenses amounted to EUR 1.0m in the 2024 financial year after EUR 4.4m in the previous year. The expense comprises in particular current income taxes for the current year (EUR -6.8m) and deferred taxes (EUR 5.7m). Tax expenses for the previous year comprised in particular current income taxes (EUR -7.8m) and deferred taxes (EUR 3.4m).

5.4.3 Financial position of the Group

PATRIZIA´s balance sheet remains well positioned with a net equity ratio of 68.6% and available liquidity of EUR 118.2m, compared to EUR 291.0m at the end of 2023, the balance sheet remains strong, both enabling PATRIZIA to seize market opportunities as they arise, even in a subdued market environment.

At the level of PATRIZIA SE, the free liquidity of the Group companies is pooled (cash pooling) and disbursed as cash pool loans in accordance with and in the event of liquidity requirements of the individual Group companies. The individual cash flows are legally classified as loans granted or loan repayments and can be compared with a current account. The interest rates for this purpose are regularly calculated with the aid of a software on the basis of comparable yield curves and are assigned a risk-adequate margin.

PATRIZIA's key asset and financial data at a glance

EUR k	31.12.2024	31.12.2023[2]	Change
Total assets	1,729,543	1,886,740	-8.3%
Equity (excl. non-controlling interests)	1,084,232	1,121,088	-3.3%
Equity ratio	**62.7%**	**59.4%**	**3.3 PP**
Cash and cash equivalents	149,359	340,181	-56.1%
+ Term deposits	35,730	10,497	240.4%
- Bank loans	-201,184	-164,571	22.2%
- Bonded loans	-69,000	-158,000	-56.3%
= Net cash (+) / net debt (-)	-85,094	28,108	-402.7%
Net equity ratio[1]	**68.6%**	**71.7%**	**-3.1 PP**

[1] Net equity ratio: Equity (excl. non-controlling interests) divided by total net assets (total assets less financial liabilities covered by cash and cash equivalents)
[2] Restatement due to error correction.
PP = Percentage points

Total assets

The Group's total assets decreased to EUR 1.7bn as at 31 December 2024 (31 December 2023: EUR 1.9bn). The decline is mainly due to the deconsolidation of temporarily consolidated funds, whereby in particular a loan that functions as an investment solution in the private debt market, two at-equity-accounted participations and the corresponding equity of non-controlling shareholders of external fund investors were disposed of. Total assets decreased due to the scheduled repayment of the current portion of the bonded loan in the amount of EUR 89.0m.

Equity

Equity (excluding non-controlling interests) stayed almost stable with EUR 1.1bn (31 December 2023[1]: EUR 1.1bn). This is, among other things, due to the subsequent measurement of participations and entitlements to performance fees in accordance with the IFRS 9 accounting standard, which reduced the equity by EUR -29.8m. Furthermore, the dividend payment to shareholders in the financial year for the financial year 2023 that amounted to EUR 29.3m had a negative impact on equity. The current year result of EUR 12.9m had a positive offsetting effect.

Please see the statement of changes in equity for further information on changes in equity.

[1] Restatement due to error correction

An overview of all PATRIZIA's participations, Assets under Management and invested capital can be found in the following table.

PATRIZIAs capital allocation as at 31 December 2024

	Assets under Management EUR m	Invested capital (fair value) EUR m		Invested capital (at cost) EUR m	Participations in %
Third-party business	**45,701.3**	**0.0**			
Co-Investments and Warehousing	**10,668.0**	**839.7**		**470.3**	
Real estate - residential	**5,106.8**	**555.2**		**186.1**	
thereof Dawonia GmbH	4,975.8	152.7	[1]	51.7	5.1
thereof Dawonia profit entitlements		275.5	[1]	0.0	0.1
Real estate - balanced	**2,608.6**	**93.4**		**97.6**	
Real estate - commercial	**877.9**	**77.7**	[1]	**72.5**	
Infrastructure	**2,023.4**	**108.1**		**107.9**	
Venture capital	**17.7**	**4.1**		**5.2**	
Private equity	**33.6**	**1.2**		**1.0**	
Other balance sheet items		**396.6**	[2]		
Tied-up investment capital	**56,369.3**	**1,236.2**			
Available liquidity		118.2			
Total investment capital	**56,369.3**	**1,354.4**			
of which debt (bonded loans - PATRIZIA Group corporate financing)		69.0			
of which debt (financing for temporarily consolidated assets and portfolios)		201.2			
of which equity PATRIZIA (without non-controlling interests)		1,084.2			

[1] After deduction of deferred taxes according to IFRS 9
[2] Including goodwill and fund management contracts

PATRIZIA selectively invests Group equity in partnership with its institutional clients, in the form of co-investments, of which Dawonia GmbH is the largest co-investment. In addition, PATRIZIA uses equity to temporarily consolidate assets and portfolios with the aim of later contributing them to funds financed by clients.

PATRIZIA holds a stake in a residential real estate portfolio via Dawonia GmbH. With around 27,000 flats, Dawonia is one of the largest housing companies in Munich and southern Germany. For 80 years, Dawonia has been planning, developing, building and managing apartments which are in high demand, particularly in urban growth regions. The company therefore is very well positioned in this market segment. Around 80% of the housing stock is concentrated in the 20 largest locations in southern Germany, i.e. in conurbations such as Munich and the surrounding area, as well as Nuremberg, Erlangen, Regensburg and Würzburg. Dawonia is now also active outside Bavaria, for example in Hesse.

Furthermore, PATRIZIA holds an interest in OSCAR Lux Carry S.C.S ("Dawonia Carry" – see table above), which entitles PATRIZIA to a variable profit share in connection with the Dawonia investment. The investor consortium and PATRIZIA have agreed to extend the investment phase of the fund mid-term and are in constructive dialogue about a further extension. Against this background, a decision on the possible retention or sale of the 5.1% stake in Dawonia GmbH is still expected mid-term accordingly.

In the financial year 2024, further seed investments were made in line with strategy, particularly in the area of infrastructure.

Capital structure

Financial liabilities

The Group's financial liabilities decreased from EUR 322.6m as at 31 December 2023 to EUR 270.2m as at 31 December 2024.

The final outstanding tranche of the bonded loans taken out in 2017 financial year matures in 2027 and is presented accordingly as non-current bonded loans (EUR 69.0m).

Bank loans of EUR 201.2m are mainly loans for real estate properties consolidated within the Group.

Financial liabilities developed as follows:

Financial liabilities

EUR k	31.12.2024	31.12.2023	Change
Non-current bonded loans	69,000	69,000	0.0%
Current bonded loans	0	89,000	-100.0%
Non-current bank loans	155,584	164,571	-5.5%
Current bank loans	45,600	0	/
Total financial liabilities	**270,184**	**322,571**	**-16.2%**

A detailed maturity profile of the financial liabilities (financial liabilities used as part of the key assets and financial data for calculating net cash / net debt as well as the net equity ratio: bank, mortgage and bonded loans) as well as other financial liabilities and lease liabilities can be found in chapter 4.1.11 of the notes to the consolidated financial statements.

Liquidity

PATRIZIA has available liquidity of EUR 118.2m as at 31 December 2024 compared to EUR 291.0m at the end of 2023.

Available Liquidity

EUR k	31.12.2024	31.12.2023
Cash and cash equivalents	149,359	340,181
Term deposits	35,730	10,497
Liquidity	**185,090**	**350,679**
Regulatory reserve for asset management companies	-49,517	-47,190
Transaction related liabilities and blocked cash	-5,824	0
Liquidity, PATRIZIA cannot freely access	-11,563	-12,467
Available liquidity	**118,185**	**291,022**

Liquidity amounts to EUR 185.1m in total as at 31 December 2024 (31 December 2023: EUR 350.7m). The decrease is mainly due to the activity within one of the temporary consolidated funds that acquired a participation in a company accounted for using the equity method, a scheduled redemption of the current bonded loan tranche, payment of the earn-out liabilities as well as the dividend payment to the shareholders for the financial year 2023. As at 31 December 2024, a total of EUR 35.7m is invested in term deposits.

PATRIZIA cannot freely dispose of its available liquidity in total. Cash and cash equivalents of EUR 49.5m in total must be permanently retained for asset management companies and closed-ended funds to comply with the relevant regulatory requirements. Furthermore, liquidity in the amount of EUR 11.6m is tied up in consolidated companies, which PATRIZIA cannot freely access.

As at 31 December 2024, the Company´s available liquidity remains solid. On this basis and based on the Group´s liquidity planning, it can be assumed that the company will always remain solvent.

Consolidated cash flow statement

Cash flow from operating activities amounted to EUR 12.6m in the reporting year, compared to EUR 71.3m in the year 2023. The change compared to the previous year mainly results due to working capital effects, regarding the items “Changes in inventories, receivables and other assets not attributable to investing activities” as well as “Changes in liabilities that are not attributable to financing activities” as well as “Distributed income from participations”. The payment of contingent personnel liabilities resulting from a company acquisition (“earn-out” agreement) in the amount of EUR 27.5m had a significant effect on the item “Changes in liabilities not attributable to financing activities”.

Cash flow from investing/disinvesting activities resulted in a cash outflow of EUR -238.0m in the reporting year (2023: EUR -10.3m) and is mainly due to payments for investments in companies accounted for using the equity method, payments for the acquisition of participations, payments for the development of investment property, payments for investments in other intangible assets, software and equipment, payments for the acquisition of securities and short-term investments.

The **cash flow from financing activities** amounts EUR 32.1m, compared to EUR -70.6m in the previous year. Main components of financing activities in the year 2024 included loan repayments in the amount of EUR -97.7m, dividend distribution for the financial year 2023 in the amount of EUR –29.3m. On the other hand, new loans in the amount of EUR 102.9m were taken out as well as payments were received from increase of capital stock in the amount of EUR 66.6m related to fundraising for temporarily consolidated funds (non-controlling interests).

The **cash-effective change** in cash and cash equivalents amounted in total to EUR -193.4m (2023: EUR -9.6m) resulting in a decrease of cash and cash equivalents from EUR 340.2m at the end of 2023 to EUR 149.4m as at 31 December 2024.

Abridged consolidated statement of cash flow for the period from 1 January to 31 December 2024

EUR k	2024	2023[1]
Cash flow from operating activities	12,574	71,280
Cash flow from investing/divesting activities	-238,015	-10,344
Cash flow from financing activities	32,078	-70,571
Change in cash and cash equivalents	-193,363	-9,635
Cash and cash equivalents as at 01.01.	**340,181**	**349,518**
Effects of changes in foreign exchange rates on cash and cash equivalents	904	298
Effects of changes in consolidated group on cash and cash equivalents	1,637	0
Cash and cash equivalents as at 31.12.	**149,359**	**340,181**

[1] Restatement due to error correction

5.4.4 Notes to the HGB annual financial statements of PATRIZIA SE (parent company)

The financial situation of the parent company PATRIZIA SE is largely determined by the activities of the Group's operating companies.

Results of operation

As the management holding company for the operating companies, PATRIZIA SE generated **revenues** of EUR 43.5m (2023: EUR 47.0m; -7.4%), which mainly resulted from management fees charged to subsidiaries. The item **other operating income** decreased to EUR 10.2m in 2024 (2023: EUR 20.3m; -49.6%) and consists primarily of income from the reversal of provisions of EUR 5.6m (2023: EUR 3.5m) and income from exchange rate fluctuations of EUR 1.3m (2023: EUR 0.4m). No intercompany receivables were written up in 2024 (2023: EUR 15.3m).

Cost of materials increased to EUR 0.4m (2023: EUR 0.1m). **Staff costs** decreased by 10.4% to EUR 35.3m (2023: EUR 39.4m), mainly due to the decrease of variable salary components. The number of employees changed in the reporting period to 163 (2023: 184) full-time employees (excluding apprentices) and 60 (2023: 58) part-time employees. **Amortisation of intangible assets and depreciation of property, tangible assets as well as other operating expenses** increased by EUR 35.1m (54.2%) to EUR 100.0m (2023: EUR 64.9m). The **income from participations, amortisation of financial assets and profit and loss** agreements improved by EUR 59.8m to EUR 21.3m (2023: EUR -38.5m). This was mainly due to impairment losses on investments in subsidiaries amounting to EUR 50.6m (2023: EUR 119.1m) and a lower balance from profit and loss transfers EUR 75.7m (2023: EUR 80.4m). **Net interest expense** decreased by EUR 4.3m to EUR -4.0m (2023: EUR 0.3m). This was primarily due to lower interest income from cash investments. The tax expense decreased by EUR 0.3m to EUR 1.8m (2023: EUR 2.1m).

This results in a **net loss** for the reporting year 2024 of EUR -66.3m (2023: net loss EUR -77.3m) at PATRIZIA SE according to HGB. Together with the profit carried forward of EUR 232.3m and the offsetting of the difference between the calculated value and the share price for the transfer of treasury shares of EUR 2.9m forms the unappropriated profit. **Unappropriated profit** decreased from EUR 261.6m in 2023 to EUR 168.9m in 2024.

PATRIZIA SE is expected to develop positively in the 2025 financial year. For further information, please refer to the Group's guidance report (chapter 8).

Financial position

Based on its function as a management holding company, PATRIZIA SE balance sheet is dominated by financial assets and receivables from affiliated companies.

The total assets decreased from EUR 1.1bn to EUR 0.8bn as at 31 December 2024. Major driver was the scheduled repayment of the current portion of the bonded loan in the amount of EUR 89.0m. This also impacted the available liquidity of the company. As at 31 December 2024, PATRIZIA SE liquidity amounted to EUR 41.2m (31 December 2023: EUR 249.3m) and was attributable to cash balances held at bank. On this basis and based on the Group´s liquidity planning, it can be assumed that the company will always remain solvent.

The equity ratio stood at 51.9% as at 31 December 2024 (31 December 2023: 48.5%).

Abridged consolidated balance sheet of PATRIZIA SE

EUR k	31.12.2024	31.12.2023
Fixed assets	427,721	572,481
Current assets	413,427	519,737
Prepaid expenses	3,841	3,870
Total assets	**844,990**	**1,096,088**
Equity	438,972	531,269
Provisions	66,437	145,216
Liabilities	338,978	418,880
Accrued expenses and deferred income	603	723
Total equity and liabilities	**844,990**	**1,096,088**

Abridged income statement of PATRIZIA SE

EUR k	2024	2023	Change
Revenues	43,518	46,973	-7.4%
Other own work capitalised and other operating income	10,243	20,327	-49.6%
Cost of materials (cost of purchased services)	-364	-50	627.9%
Staff costs	-35,260	-39,364	-10.4%
Amortisation of intangible assets and depreciation of property, tangible assets as well as other operating expenses	-100,014	-64,859	54.2%
Income from participations, amortisation of financial assets and profit and loss transfer agreements	21,299	-38,532	-155.3%
Net interest expense	-3,953	261	-1,617.4%
Taxes	-1,756	-2,092	-16.1%
Loss for the year	**-66,287**	**-77,336**	**-14.3%**
Profit carried forward	232,291	343,072	-32.3%
Purchase and transfer of treasury shares	2,923	-4,128	-170.8%
Unappropriated profit	**168,927**	**261,609**	**-35.4%**

6 Other disclosures

6.1 Acquisition-related disclosures

The aim of all regulations is to fulfil the legal requirements applicable to the Company for capital market-oriented companies.

Composition of share capital, share classes

The Company's share capital amounts to EUR 92,351,476 divided into 92,351,476 shares. These are no-par value bearer shares; there are no other share classes. The Company held 6,122,608 treasury shares as at 31 December 2024. The Company's share capital shown in the consolidated balance sheet amounts to EUR 86,228,868 accordingly. Further details can be found in chapter 4.11 of the notes to the consolidated financial statements.

Restrictions on voting rights or the transfer of shares

Each share grants the holder one vote. There are no restrictions on voting rights. Restrictions on the transfer of shares only exist insofar as individual shares transferred in connection with employee remuneration schemes or company acquisitions to third parties by PATRIZIA SE subject to the condition that they may not be sold within a defined lock-up period. The Executive Directors are not aware of any corresponding shareholder agreements. Treasury shares do not entitle the Company to voting rights.

Direct or indirect interest in the Company's share capital of more than 10%

As at 31 December 2024 Wolfgang Egger (Germany), member of the Board of Directors and Executive Director of PATRIZIA SE, held an interest of 54.47% in the Company's share capital (31 December 2023: 52.60%), the majority of which was held via First Capital Partner GmbH (Gräfelfing, Germany), in which he directly and indirectly holds a 100% equity interest via we holding GmbH & Co. KG (Gräfelfing, Germany).

Shares with special rights conferring powers of control

There are no shares with special rights that confer powers of control.

Controls in respect of voting rights for shares held by employees

There are no controls in respect of voting rights for shares held by employees.

Appointment and dismissal of members of the Board of Directors and Executive Directors, amendments to the Articles of Association

The appointment and dismissal of members of the Board of Directors is governed by section 28 and section 29 of the SE Implementation Act (SEAG) in conjunction with article 43 (3) of the SE Council Regulation and is supplemented by section 7 of the Company's Articles of Association, which contains clarifications on the appointment and term of office of substitute members. The appointment and dismissal of Executive Directors is governed by section 40 SEAG and supplemented by section 13 of the Company's Articles of Association, which permits removal from office at any time by simple majority, regulates the sole responsibility of the Board of Directors to issue Rules of Procedure for the Executive Directors and allows for the appointment of one or two chairpersons and one or two deputy chairpersons. Amendments to the Articles of Association shall be made in accordance with section 51 SEAG in conjunction with section 19 of the Company's Articles of Association.

Authorisations of the Management Board, Supervisory Board, the Board of Directors and Executive Directors to issue and buy back shares

By resolution of the Annual General Meeting on 25 May 2023, the Executive Directors were authorised until 24 May 2028 (inclusive) to acquire treasury shares pursuant to section 71 (1) no. 8 of the German Stock Corporation Act (AktG) in an amount of up to a total of 10% of the then existing share capital; this corresponds to 9,235,147 shares. The authorisation may be exercised in whole or in part, once or several times and in pursuit of one or more objectives by the Company and its Group companies or by third parties acting on behalf of the Company and its Group companies. The Executive Directors are free to choose whether to purchase the shares on the stock exchange, by means of a public purchase offer extended to all shareholders of the Company, by means of a public invitation to submit offers for sale or through the use of derivates. The purchased shares may be subsequently used for all legally permissible purposes; in particular, they may be withdrawn, sold in exchange for cash or non-cash contributions, transferred as part of employee participation programmes or used to meet subscription or conversion rights.

The following resolutions were passed for PATRIZIA AG prior to the conversion into PATRIZIA SE becoming effective on 15 July 2022 and were also confirmed for PATRIZIA SE by resolution of the Annual General Meeting on 1 June 2022. In the process, the authorisation of the Management Board with the approval of the Supervisory Board was replaced by an authorisation of the Board of Directors.

By resolution of the Annual General Meeting on 14 October 2021, the Management Board of the Company was authorised, with the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions on or before 13

October 2026 (inclusive) by up to a total of EUR 17,470,295.00 by issuing up to 17,470,295 new no-par value registered shares in return for cash contributions and/or contributions in kind (Authorised Capital 2021/I). The Management Board is authorised, with the consent of the Supervisory Board, to disapply shareholders' statutory pre-emption rights in certain cases. The full authorisation derives from section 4 (4) of the Articles of Association.

The Annual General Meeting on 14 October 2021 also authorised the Management Board, with the consent of the Supervisory Board, to increase the Company's share capital by up to a total of EUR 1,000,000.00 by 13 October 2026 (inclusive) by issuing up to 1,000,000 new no-par value registered shares against cash contributions for the purpose of issuing them to employees of PATRIZIA AG and its affiliated companies, excluding the members of the Management Board and Supervisory Board of the Company as well as the Management Board, Supervisory Board and other officers of affiliated companies (employee shares) on one or more occasions (Authorised Capital 2021/II). The full authorisation derives from section 4 (5) of the Articles of Association.

Furthermore, the Management Board by resolution of the Annual General Meeting on 14 October 2021 was authorised, with the consent of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants and/or profit participation rights with conversion or option rights and/or conversion or option obligations and/or participating bonds (or a combination of these instruments) on one or more occasions until 13 October 2026 (inclusive) in a total nominal amount of up to EUR 500,000,000.00 with or without a limited term and to grant or impose upon the creditors of Bonds conversion or option rights and/or conversion or option obligations to subscribe for a total of up to 18,470,295 new registered no-par value shares of the Company with a pro rata amount of the share capital of up to EUR 18,470,295.00 in total in accordance with the respective terms and conditions of the Bonds. Details can be found in section 4 (6) of the Articles of Association.

Significant agreements by the Company contingent upon a change of control following a takeover bid

There are no significant agreements contingent upon a change of control following a takeover bid.

Compensation agreements between the Company and the Executive Directors or employees in the event of a takeover bid

There are no compensation agreements with the Executive Directors or employees in the event of a takeover bid.

6.2 Combined Corporate Governance Statement – disclosures in accordance with section 289f HGB and section 315d HGB (German Commercial Code)

On 9 April 2025 the Board of Directors intend to issue a Corporate Governance Statement in accordance with section 289f HGB and section 315d HGB (German Commercial Code) and to make it publicly available on the Company's website without delay: https://ir.patrizia.ag/en/corporate-governance/.

German Corporate Governance Code – disclosures in accordance with section 161 AktG (German Stock Corporation Act)

On 5 March 2025 the Board of Directors adopted the Declaration of Compliance with the recommendations of the "Government Commission of the German Corporate Governance Code" in accordance with article 9 (1) lit. c) ii) Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) ("SE Regulation"), section 22 (6) SEAG (SE Implementation Act) in conjunction with section 161 AktG (German Stock Corporation Act). Since the last Declaration of Compliance and the updated declaration dated 7 July 2024, PATRIZIA has complied with and is complying with the recommendations in the version of 28 April 2022, published in the Federal Gazette (Bundesanzeiger) on 27 June 2022 ("GCGC 2022"), with only a few exceptions. The current and all previous Declarations of Compliance are permanently available to the public on the PATRIZIA website at: https://ir.patrizia.ag/en/corporate-governance/.

Remuneration Report

The Remuneration Report 2024 is available to the public on the PATRIZIA website at: https://ir.patrizia.ag/en/news-publications/annual-reports/.

6.3 Related party transactions

The Executive Directors presented a Dependency Report to the Board of Directors with the following closing statement: “As Executive Directors of the Company, we hereby declare that, according to the circumstances known to us at the time when the legal transactions listed in the Dependency Report were carried out, the Company received appropriate consideration for each legal transaction. There were no measures subject to reporting requirements in the financial year.”

Extensive information on related party transactions can be found in chapter 7.2 of the notes to the consolidated financial statements.

7 Development of risks and opportunities

7.1 Characteristics of the risk management system and the internal control system

7.1.1 Management of risks and opportunities

Entrepreneurial decisions are fundamentally based on risks and opportunities. In order to be able to successfully achieve the entrepreneurial goals, risks and opportunities must be constantly reviewed and considered so that risks can be consciously taken on this basis. The internal control system and risk management system include the management of risks and opportunities relating to achieving business goals, the correctness and reliability of internal accounting as well as external reporting, and compliance with the laws and regulations relevant to PATRIZIA.

Overall responsibility for risk management and the internal control system lies with PATRIZIA's Board of Directors. Implementation has been delegated to the Executive Directors, who are supported by PATRIZIA's internal Risk Management function. The monitoring and ongoing development of the risk management system is the responsibility of the Risk Management function. The internal control system and the Risk Management function are supplemented by the Compliance Management function and the Internal Audit function. The Board of Directors and the Executive Directors have looked at the appropriateness of the risk management system and have evaluated its effectiveness.

The Board of Directors and the Executive Directors have identified opportunities for improvement and the internal control system continues to be subject to constant further development and adjustment.

PATRIZIA's risk management constantly aims to further develop and adapt its processes. Developments in the organisation are being reflected in the risk management system, which is adapted to those developments where necessary. Opportunity management is handled in parallel to risk management. The aim is also to collect relevant information about opportunities and their potential direct and indirect financial upside at an early stage and pursue and manage them to sustainably secure and increase enterprise value.

7.1.2 Internal Control System

PATRIZIA has defined its Internal Control System to operate a three lines of defence approach (employees in all business units as first line, independent departments setting policies and controlling as second line and independent internal audit as third line) with monitoring oversight from the Executive Directors as well as its delegated sub-committees. The Internal Control System comprises the set of activities undertaken by and within PATRIZIA to achieve defined business and control objectives. These are applied across all business functions and lines of business. The controls are aimed at supporting the effectiveness of the Company and its business activities. These controls help also to review the effectiveness of the applicable processes, procedures and regulations and ensure their coherence within the Company. They also identify potential actions to address any deficiencies.

The PATRIZIA Internal Control System is an iterative process that encompasses general elements related to Control Activities and the Risk Management Framework. Specific controls are implemented, particularly around Group and entity level in financial reporting, IT and risk management. It comprises the five components below.

Internal Control System of PATRIZIA

Risk Management, Internal Audit and the Compliance Management System are also key constituent elements of the overall Internal Control System.

7.1.3 Risk Management

A Group-wide risk management system ensures has the aim that risks are systematically identified, recorded, managed and communicated both internally and externally when deemed necessary. The aim of the risk management system is to proactively collect relevant information about potential and actual risks and their direct and indirect financial consequences for PATRIZIA at an early stage in order to manage them and sustainably secure enterprise value. This also includes sustainability aspects, which are continuously developed on the basis of regulatory requirements.

As part of the corporate governance program, PATRIZIA has established a Group-wide Risk Management function that bundles activities relating to risk management. This assigns responsibility for the further development of suitable risk management processes to a central unit. The processes implemented as part of the risk management system include risk identification mechanisms with the participation of all key business areas, early risk detection and indicator systems, risk-bearing capacity analysis and regular risk reporting to the Executive Directors, the Audit Committee and the Board of Directors of PATRIZIA SE. The risk owner concept within PATRIZIA's risk management is designed to ensure best interaction between operational functions and the monitoring functions. PATRIZIA has also set up a committee structure to provide the management with support. The consideration of potential risks and future opportunities is of particular relevance. The committee structure ensures that all important parties are informed and involved in due time and thus forms a central element of risk identification and management. The main committees at the Board of Directors and Executive levels are as follows:

At the Board of Director level

- Nomination and Remuneration Committee
- Audit Committee

At the Executive level

- Group Executive Committee
- Business Leadership Team
- Global Operating Committee
- Products & Clients Committee
- Group Investment Committee
- Risk Committee
- Ad-hoc Committee
- Environmental, Social and Governance (ESG) Committee
- Equity, Diversity & Inclusion (ED&I) Council

The establishment of Risk Management functions in PATRIZIA's regulated Group companies follows separate legal requirements and supervisory regulation and is carried out by those companies in accordance with applicable laws and regulations. The Group Risk Management department of PATRIZIA and the regulated entities are in permanent cooperation. This supports the exchange of knowledge between Risk Management functions at all levels and ensures the efficient consideration of PATRIZIA's core risks.

The Accounting and Corporate Financial Planning & Analysis departments report Group financial data on a regular basis to the Executive Directors, the Board of Directors and Risk Management. The reporting helps to identify potential risks at an early stage and to initiate relevant countermeasures.

Within the framework of risk management, the identified risks are considered in a differentiated manner according to possible occurrence scenarios and evaluated at Group and entity level by estimating the probability of occurrence and the potential loss. This is used to determine the necessary actions to manage and if needed limit the impact of the respective risks by operational countermeasures e.g., process changes and, where deemed necessary, accounting related precautions such as the recognition of provisions, etc. In principle, the risk assessment considers the risk effect over one year and is aligned with PATRIZIA's fiscal year and thus the budget period. The identified and assessed risks are taken into account in a risk-bearing capacity calculation at the Group level. The identified significant risk areas, the results of the risk-bearing capacity calculation as well as the results of the implemented risk indicator system are included in the periodic reporting of the Risk Management function to the Audit Committee of PATRIZIA SE.

PATRIZIA's risk management process is designed to identify, record and monitor relevant risk positions and to define and implement suitable control measures. The primary objective is to create comprehensive transparency regarding the current risk situation and thus enable risk-oriented decisions to be made. In order to achieve this, it is crucial that the Risk Management function maintains direct contact with all operational areas and that the operational areas themselves are integrated into the risk management procedures. In this way, a continuous exchange of knowledge takes place within the Group and enables the early identification of potential risks and the initiation of appropriate countermeasures in time.

7.1.4 Internal Audit

Key business processes and the corresponding internal controls are subjects to regular Internal Audits performed by the Internal Audit function implemented within the main regulated and unregulated Group entities. The Internal Audit function prepares and – if necessary – updates a three-year-audit plan in a risk-oriented approach considering the type, scope, complexity and risk content of the business activities. In the scheduled audits of operating and business processes, Risk Management, Compliance, and the Internal Control Systems, the Internal Audit assesses the functionality, effectiveness, efficiency and appropriateness of those.

The Internal Audit Reports are presented to the Executive Directors and the Audit Committee. The implementation status of the audit findings is monitored throughout the year and reported to the above-mentioned management bodies.

In accordance with Art. 9 ff. SE VO and Section 317 (4) of the German Commercial Code (HGB), the risk early warning system in accordance with Section 91 (2) Stock Corporation Act (AktG) is also audited by the auditor of PATRIZIA SE. The alignment of PATRIZIA's risk management organisation with the three lines of defence model forms the basis for stable corporate governance.

7.1.5 Compliance Management System

Sincerity and integrity rank among the essential corporate principles at PATRIZIA. This includes acting in the interests of investors, demonstrating diligence, honesty, expertise, fairness and safe-guarding market integrity. From PATRIZIA's perspective, it is crucial that all the Company's activities meet the applicable legal and regulatory requirements governing its licenses and operations. Compliance aims, in PATRIZIA's self-interest, to prevent penalties, administrative fines, liability and purely financial losses, reputational damage and intervening measures from supervisory authorities resulting from law infringements.

At PATRIZIA, the term "compliance" refers to all the precautionary measures taken to comply with laws, regulations, contracts, industry standards, and other sources of law that have a binding effect for PATRIZIA. Compliance also extends to adhering with basic ethical rules and company specific requirements. It involves taking suitable organisational measures to identify and sanction any breaches, while promoting a culture of integrity and accountability.

PATRIZIA's corporate principles rules, regulations and values are articulated in the PATRIZIA Guiding Principles that form part of the PATRIZIA Code of Values. These also include the leadership guidelines and what is known as the "four-leaf clover" framework: "Performance pays", "Trust that works both ways", "Doing what we say" and "Saying what we think". These principles are supplemented by the Code of Values, Compliance Manual additional internal policies and procedures, and applicable statutory provisions.

The compliance management system is overseen by the Head of Compliance for PATRIZIA. The Head of Compliance reports directly to the Chief Operating Officer (COO) for compliance matters.

The compliance measures include in particular:

- risk analyses to identify and evaluate compliance risks
- a set of compliance rules for PATRIZIA, which specifically includes policies in relation to e.g.
    - Corruption and bribery prevention
    - Managing breaches of duty and criminal conduct
    - Addressing conflicts of interest
    - Adhering to public limited company law and the capital market regulations
    - Standards for interaction with business partners
    - Guidelines for invitations, gifts, donations, sponsoring and memberships and
    - Prevention of money laundering and terrorism financing
- regular compliance training and communications on initiatives to foster awareness and understanding of regulatory obligations and
- an anonymous whistleblower system accessible to internal and external parties to report suspected violations of laws, policies and regulations.

In addition, PATRIZIA's established Compliance culture ensures that Compliance is a built-in key element of the PATRIZIA "DUEL" megatrends:

1. **D**igitalisation: Leveraging digital tools enhances compliance monitoring and reporting, ensuring adherence to data protection and cybersecurity regulations.
2. **U**rban Transition: Monitoring and adjusting to evolving urban development regulations supports sustainable and innovative urban projects.
3. **E**nergy Transition: Adhering to environmental regulations facilitates investments in renewable energy and energy-efficient projects.
4. Modern **L**iving: Monitoring changes in living habits, trends and preferences ensures that PATRIZIA can adapt to new housing standards and, for example, comply with tenant rights regulations, while providing quality living assets.

By integrating these enhanced compliance measures, PATRIZIA not only mitigates risks but also capitalises on opportunities to lead in sustainable and innovative investment strategies.

7.1.6 Internal control and risk management system with regard to the accounting process - disclosures in accordance with Sections 289 (4) and 315 (4) HGB

The central risk of accounting and financial reporting is that the Group's Annual and Quarterly Financial Statements may contain inaccurate representations. In order to avoid sources of error, PATRIZIA has set up an internal control system (ICS) for the accounting process. It is designed to provide sufficient security for the reliability of financial reporting and the preparation of the Group's Annual and Quarterly Financial Statements in accordance with regulatory and capital market requirements. Nevertheless, the ICS cannot guarantee absolute security. Errors in accounting can therefore occur in individual cases but are analysed immediately in order to improve the process. The Executive Directors of PATRIZIA SE sign the Responsibility Statement on a quarterly basis. In doing so, they confirm that the accounting standards have been complied with and that the figures represent the actual net assets, financial position and results of operations. The annual budget is the starting point of the controlling process as a central component of the ICS, which is based on the targets set by the Board of Directors and the Executive Directors and the expectations for operational business development. This serves as a guideline for the budget of the entire Group and the upcoming business year. For the current business year, regular updates, forecasts and projections are prepared based on the actual results achieved compared to the budget and the identified opportunities and risks.

The accounting process also comprises measures for the timely recording of all business movements and positions in the accounting and financial statements of the Company and the Group. It examines changes in legislation and accounting standards and their effects on the Group's accounting and annual financial statements. The implementation of the dual control principle, deployment of sufficiently qualified employees and adequate IT systems are intended to ensure compliance with legal and organisational requirements in accounting-related processes. The basis for the ICS is formed by guidelines on segregation of duties and independent approval processes, which are supported by standardised control and reconciliation processes. Approvals are described and archived. Measures are in place to ensure that the management report complies with standards.

Accounting for all operating companies in Germany as well as a number of other European subsidiaries is organised in a central service centre based in Germany. In addition, two local Finance Hubs exist in Denmark and in the UK. The accounting for selected Asian entities is carried out by local service providers under the supervision of the central function. The accounting process follows consistent Group-wide requirements within a central, largely SAP based IT environment. The data is consolidated in the Group Reporting & Consolidation department. The employees involved in the preparation of the Financial Statements are qualified accordingly and the responsibilities and controls within the preparation process are clearly defined.

The effectiveness of the accounting related ICS is assessed as part of the preparation of the Financial Statements. Accounting is also included in the audit plan of the Internal Audit department. The focus on Corporate Governance contributes overall to the further stabilisation and optimisation of existing processes including the ICS for accounting. PATRIZIA management in FY 2024 worked on a further improvement of the accounting ICS.

7.2 Significant risk and opportunity categories

As part of PATRIZIA's risk management process, risks are continuously identified, assessed, evaluated, and aggregated. The aggregated, assessed risks are included in PATRIZIA SE's risk-bearing capacity analysis (please also refer to chapter 7.4). PATRIZIA further classifies the following elements towards its risks and opportunities assessment and closely aligns with the overall corporate business strategy. At the end of 2024, no potential significant risks were identified that would exceed the risk tolerance and thus also the risk-bearing capacity of the Company for the below stated risk elements.

7.2.1 Market risks and opportunities in the economic environment

This chapter details the market risks and opportunities that are described from the perspective of PATRIZIA's strategic market areas and PATRIZIA's corporate strategy.

Real estate market

Risks: Looking ahead to the new year, the market continues to face some macroeconomic risks. This includes several risk categories that PATRIZIA considers under the umbrella market risk, namely inflation risks and interest rate risks which are interconnected and affect the market pricing. Furthermore, there are liquidity risks and counterparty risks connected to those as well. An unexpected rebound in inflation in 2025 or more persistent inflation than expected could pose a risk to the global economy, leading to fewer-than-expected rate cuts by central banks. Today's markets are pricing in these rate cuts, as shown by government bond futures curves. A reversal of this trend could make it more difficult to (re)finance real estate and affect the relative attractiveness of real estate as an asset class. On the other hand, a "hard landing" is still possible, which could lead to further damage to the economy, impacting tenants and hurting the income stability of real estate investments. In addition, risks remain elevated in an environment of growing geopolitical tensions and may have a negative impact on economic development, with the resulting effects on the real estate markets. A deteriorating macroeconomic environment could also lead to a higher number of defaulted tenants, thus negatively impacting the funds. Those risks would affect the performance of the underlying asset of the real estate and thus the interconnected valuations and related fees of the Company. Further, additional repricing or unexpected rate developments could hamper the market liquidity and hence the Company income could deviate from the mid-term targets.
Source: PATRIZIA House View, ECB, Oxford economics, RCA

Opportunities: While markets are currently pricing in further rate cuts in 2025, a faster pace of expected rate cuts could provide upside potential in real estate markets by pushing prices higher or faster, creating an overall more positive market environment than expected. Even though geopolitical risks are expected to remain high, an unexpected easing in individual regions offers upside potential for economic growth with the resulting effects on real estate markets. This could lead to more liquid market environment and higher than expected total service fee income for the Company.
Source: PATRIZIA House View, ECB, Oxford economics, RCA

Infrastructure market

Risks: The infrastructure sector will see similar combinations of market risk factors, namely inflation risks and interest rate risks which are interconnected and affect the market pricing. However, the key risk within the infrastructure asset class derives/stems from older assets becoming obsolete which is an operational risk and could lead to deviation in PATRIZIA's market and growth strategy. The infrastructure sector continues to benefit from global mega-trends: the need for energy transition from both a decarbonisation and geopolitical perspective; continued development of digital infrastructure; the impact on social infrastructure from urbanisation and demographic change; and the global need for better infrastructure in the water and natural resource sectors. These trends encompass risks for some infrastructure assets especially carbon intensive assets, but also great opportunities to fulfil the need for development of new infrastructure assets. It is key when assessing new investments and developing asset management strategies for existing assets, that long term sustainability factors and plans are put in place. The implementation of these sustainability plans reduces the risks of assets becoming stranded. Further, this sector would also be prone to market risk factors such as higher interest rates which typically cause valuation headwinds for long duration investments such as infrastructure assets. A key attribute of core infrastructure assets is inflation resilience, resulting from pre-negotiated revenue contracts or a regulatory pricing formula with inflation indexation, which have inbuilt step-ups at set periods of time based on prevailing inflation rates. From the corporate point of view, the key risk within the infrastructure asset class is from assets becoming stranded that could lead to asset de-valuations and hence could negatively influence total service fee income as well as the reputation of the Company.

Opportunities: An infrastructure subsector that is in demand is data centres driven by AI and the need for increased processing power. This trend is expected to persist for several years, as AI becomes more integrated into business processes and society. Inflation has reduced over recent years, but higher relative interest rates persist. This is impacting the infrastructure sector in several ways. However, as explained above, due to the long duration nature of the infrastructure investments and pricing of contracts with inbuilt inflation indexation, such assets show inflation resilience and are therefore correlated to inflation, providing a natural hedge for investors. This has meant that valuations of such infrastructure assets have generally held up well. The stability in performance and investment returns may increase the attractiveness of the infrastructure subsector for investors, resulting in higher-than-expected management and performance fees for the Company.

Re-Infra market

Risks: Re-Infra as a convergence of real estate and infrastructure sectors will see similar macro-economic and market risk factors as real estate and infrastructure. However, Re-Infra is likely to focus on areas of significant growth driven by the DUEL megatrends in areas such as datacentre development and decarbonisation solutions for the built environment, which will have significant ongoing capital needs that is likely to drive investor interest in Re-Infra products of the Company. However, non-performance of fund raising, and related business activities could lead to negative development in such investments. Furthermore, the rate cuts are interconnected with the interest rate risks that also influence the fluctuation in asset prices in the market. As such, the risk of fewer rate cuts than expected could dampen attractiveness of such investments. From a corporate point of view, this would bear the risk that the demand for these assets and investments is falling and that could lead to negative deviation in the Company's income and planning from mid-term targets.

Opportunities: As noted, Re-Infra is expected to focus on areas of growth, such as datacentre developments, decarbonisation solutions such as solar rooftops and battery storage, and EV charging in real estate locations. The expected demand for these solutions is very significant globally. Datacentre demand for example has been amplified by the rise of artificial intelligence (AI) and quantum computing. As these investments typically have infrastructure characteristics, this will include some exposure to inflation linked cashflows; hence will benefit in a scenario where inflation remains higher for longer. This could lead to more positive investor interest in these products, and positive valuation pressure that could result in higher-than-expected total service fee income for the Company.

7.2.2 Strategic, operational and legal risks and opportunities

The following risks and opportunities are described from the perspective of the Group and also predominantly affect PATRIZIA SE.

PATRIZIA tracks various risks under the umbrella of strategic, operational and legal risks including but not limited to Organisational, Processes, IT, Human Resources, Strategic and Legal & Compliance risks that are further described below.

General operational risks in the business model: PATRIZIA's revenues to a large extent depend on the generation of management fees, transaction fees and performance fees. Opportunities and risks of the managed funds – as described in chapter 7.2.4 below - therefore influence the earnings of the Group.

Transaction fees and performance fees are generated primarily at the time of acquisition or disposal of real assets within the managed funds or originating/unwinding of fund structures. Management fees primarily depend on the value of assets under management, the net asset value of the managed funds or the level of service developments carried out on behalf of clients. A challenging market environment such as the macro-economic conditions and rebound of inflation and rate hikes as explained in the market opportunities and risks in chapter 7.2.1 could lead to a lower value of assets under management as well as to lower client activity and hence lower acquisitions and disposals of real assets within the managed funds. This can have a significant impact on the level of management fees, transaction fees and performance fees generated in a business year. The following risks are further described from the perspective of the operational risks and also could predominantly affect the Company.

Operational risks in organisational and business processes: This refers to the risk that business processes are conducted insufficiently or erroneously resulting from inadequate or failed internal processes and systems. PATRIZIA counters such operational risks with organisational structures, procedural instructions and process documentation. To minimise risks, PATRIZIA continuously reviews processes, systems and control mechanisms. Processes which are predominantly manual are systematically analysed with the aim to increase the degree of automatisation and to improve embedded controls. This risk could comprise of administrative risks referring to fund management, accounting, distribution, reporting and regulatory reporting that could lead to failure in operations and could have an impact on other operating expenses in a business year.

Impairment of Goodwill and other intangible assets: Goodwill and other intangible assets form a part of operational risks and are subject to at least annual impairment tests at PATRIZIA. The determination of the recoverable amount in the impairment assessment requires estimates, necessitating management to make subjective judgments and assumptions. These estimates and assumptions could result in significant differences to the amounts reported if underlying circumstances were to change. Goodwill acquired through past acquisitions represents a significant part of PATRIZIA's assets. Impairments of goodwill and other intangible assets may lead to the recognition of impairment losses that do not, however, result in cash outflows. This could considerably impact PATRIZIA's financial results and share price. The financial plans on which the impairment test is based are reviewed regularly. Any deviations from the plan lead to measures to ensure sufficient profitability.

IT security and cyber risks: The cyber and IT security threat landscape has significantly changed, and threat levels are again increasingly rising. Main reasons for this are the general political situation and military crises, but also the increasing professionalisation and automation of attack capabilities. Further, a significant increase in the number of phishing attempts, spam emails and impersonation attacks through all possible communication channels is noticed. Cybercrime and ransomware attacks are at an all-time high and hence are the most significant cyber risks.

PATRIZIA maintains an Information Security Management System (ISMS) based on the international security standard ISO/IEC 27001, which comprises all security policies and processes required by this standard, including information security risk management and IT security policies. Any disruption in the operation of IT systems has an impact on business operations. Significant data loss and breaches of data protection requirements could result in serious financial damage, but also have a negative impact on the public's perception of the Company. To ensure the availability of business applications, all systems have been operated redundantly in two physically separate data centers. In addition, the ERP (Enterprise Resource Planning) systems are also operated in parallel and mirrored. These measures prevent failures and ensure a significant reduction in downtime and recovery times in the event of an emergency. Other protective measures including identity management, restrictive authorisation, additional network-based access restrictions, and supplementary anti-malware mechanisms reduce the risk of damage from viruses, trojans and ransomware (malware – especially extortion software). Cloud services are also being increasingly used and as required are adequately integrated into the existing security mechanisms. Regular information activities and training to raise staff awareness (e.g., on topics such as phishing, social engineering or CEO fraud - but also on the requirements of the General Data Protection Regulation, GDPR) round off the system-based protection and security precautions. Another component of the security concept is the two-factor authentication for remote dial-in – especially in view of the intensive mobile use of the infrastructure.

In addition to the existing preventive measures, PATRIZIA has introduced and launched a SOC (Security Operations Centre) and a SIEM system (Security Information and Event Management) together with an external cybersecurity service provider. This allows for the early detection and analysis of suspicious system behaviour and security incidents, as well as the introduction of appropriate countermeasures if necessary. This is complemented by regular technical reviews, such as penetration tests, vulnerability scans and recovery tests.

To prevent the technical loss of company data and to ensure the reliability of IT operations, data backups are carried out regularly. Annual emergency tests with changing focal points are intended to ensure that in the event of a crisis, organisation and technology mesh and systems and data can be made available again in accordance with the service levels. The measures described have proven to be effective.

Reliable and effective information security strengthens trust in PATRIZIA, both internally and, even more importantly, externally.

Human Resources

Risks: Failure to retain or recruit key staff would expose the Group to the risk of losing market expertise and jeopardise its competitive position. As part of the operational risk consideration, the Human Resources team constantly partners with the Group's Senior Leadership team to ensure personnel strategies and processes are sufficiently enabling the delivery of the Group's business ambition requirements. This support can typically be seen delivered - to raise a few examples - via:

- succession planning
- development and maintenance of the critical skillset for the wider PATRIZIA organisation, for example through the continued identification and hiring of new talents, organisational restructuring, annual budgeting and pay reviews
- workplace culture and leadership building, for example through the leadership team onsite events, junior professional rotation programs and qualitative/cultural objective settings
- Compliance and legal alignment, such as adhering to evolving labour laws and employment regulations to mitigate risks of legal liabilities
- Employee engagement and retention, such as implementing robust feedback mechanisms and offering tailored development programs to address attrition risks and ensure alignment with the Company's strategic goals.

Opportunities: Ongoing opportunities to further refine Human Resources (HR) operations to support PATRIZIA's business ambitions and people agenda will always be present, and the Company is targeting at these areas of opportunities. Strengthening succession planning can ensure greater leadership continuity, while enhancing skill development and talent acquisition can address evolving business needs. Continued focus on culture-building offers the chance to foster deeper collaboration and inclusivity, and proactive compliance efforts can mitigate emerging legal risks. Prioritising employee engagement through tailored development programs and robust feedback systems can reduce attrition and drive alignment with strategic goals. Additionally, optimising HR processes and documentation presents an ongoing opportunity to enhance efficiency and risk management.

Strategic risks: Strategic risks may arise from reputational factors, PATRIZIA's ability to ascertain megatrends relevant to the industry, political decisions or changes in the regulatory framework. They can also include transition risks which are business-related risks that follow e.g societal and economic shifts towards a low-carbon and more climate-friendly future (please also refer to chapter 7.4). Strategic risks may result in underperforming on targets for key performance indicators such as EBITDA, EBITDA margin or the level of assets under management. During the year, execution of business strategy is regularly monitored to assess the performance against strategic objectives and to seek to ensure PATRIZIA remains on track to achieving targets in a changing market environment.

Strategic Opportunities: PATRIZIA published its adjusted corporate strategy in 2024 and it aims to become a EUR 100bn AUM smart Real Assets player in 2030 by leveraging its strong position in Germany and accelerating growth internationally in five key growth areas: Living, Value-add Strategies, Re-Infra & Smart City Solutions, European Infrastructure, and its Independent Advantage Investment Partners platform. This is an opportunity for PATRIZIA as it aims to leverage its strong position in Germany with attractive real asset offerings and continue to grow internationally with a focus on its large scalable discretionary flagship funds in real estate and infrastructure alongside creating a new "Re-Infra" asset class that combines the two.

Co-investments and warehousing: Via co-investments and temporary warehousing, PATRIZIA invests its own equity in the fund equity or the equity/debt of certain assets. PATRIZIA pursues either a long-term strategic rational with those participations or acts opportunistically intending to secure those assets before injecting them in funds. This is on the one hand an important factor especially for the value-add strategies and infrastructure as both belong to the current growth drivers of the business. On the other hand, the own equity invested is subject to the asset related risks described below.

The largest balance sheet position in this area is the strategic Dawonia co-investment, as described in chapter 5.4.2 Economic situation – Participations of this report. The Dawonia co-investment as well as warehousing are subject to upside/downside valuation risks and can be positively/negatively influenced by the change in value of its underlying portfolio. The same applies to the capitalised Dawonia-related exit performance fee claims, also booked under participations in PATRIZIA's balance sheet.

Legal risks: PATRIZIA's regulated legal entities operate in a highly regulated environment, potentially exposed to litigations and liability and other costs, the amounts of which may be substantial and difficult to estimate, as well as to legal and regulatory sanctions and reputational harm. Individual companies are involved in various court proceedings and arbitration proceedings as a result of their business operations. Sometimes claims are also asserted against them out of court. By monitoring contractual obligations and involving local legal experts in contractual matters and changes in the law, PATRIZIA can minimise any legal risks. Appropriate provisions have been made for potential losses from pending proceedings so that negative effects are minimised. Serious legal risks that would be material for the future development of the Company are currently not observed.

Compliance risks: PATRIZIA's regulated legal entities operate in a highly regulated environment, where Compliance risks are inherent, potentially exposed to litigations and liability and other costs, the amounts of which may be substantial and difficult to estimate, as well as to legal and regulatory sanctions and reputational harm. To mitigate risks, PATRIZIA engages local legal experts for guidance on regulatory changes and maintains a robust compliance management system. Compliance risks may arise from failing to comply with requirements set out in laws and regulations. PATRIZIA has adopted enhanced Compliance measures to tackle Compliance risks, including dedicated Compliance teams, regular audits and assessments, employee training programs, and comprehensive reporting frameworks.

Compliance opportunities: On the opportunity side, the strong compliance ruleset that PATRIZIA implemented enhances trust among investors, regulators, and business partners. By embedding compliance into its corporate culture, PATRIZIA positions itself as a responsible and reliable company within the real estate and infrastructure sectors. This reputation supports long-term growth, facilitates smoother regulatory approvals, and attracts like-minded investors. Furthermore, proactive compliance measures align with broader trends in corporate governance and sustainability and support the competitive positioning. Maintaining adherence to license-specific obligations ensures operational continuity and protects PATRIZIA's standing in regulated markets.

Tax risks: Due to possible uncertainties in the tax assessment of business transactions, there are tax risks for the companies of PATRIZIA Group. If necessary, opinions from external tax consulting firms were obtained to confirm the tax treatment of the relevant cases. From the corporate point of view, this risk could affect the cost and budget planning and hence the profit and income planning of the Company.

Insurance coverage: PATRIZIA as a Group as well as the general market environment in which it operates are constantly evolving. Therefore, both PATRIZIA's own assets and the assets of investors managed by PATRIZIA are exposed to a constantly evolving range of risks. To mitigate these risks, PATRIZIA ensures insurance cover is procured to protect these assets as well as personnel. A review of the insurance cover is performed annually as a minimum and risk assessed for where changes in cover are required. The changes in the market environment in recent times have also resulted in insurance providers changing their risk appetite and raising their premiums. To mitigate for this, PATRIZIA has adopted Group Policies which help to benefit from economies of scale and help the brokers/insurance providers to better understand the risk profile to enable optimal pricing and coverage. From the corporate point of view, this risk could affect the cost planning and the reputation of the Company.

7.2.3 Financial risks and opportunities

PATRIZIA tracks various risks under the umbrella of financial risks including but not limited to market driven elements such as interest rate, exchange rates, financing and liquidity related risks that are further described with opportunities below.

Interest rates

Risks: This covers refinancing-related topics. An entity may have to refinance loan facilities during its lifetime. There is a risk that the interest rate for such a refinancing loan exceeds the originally forecast interest rate. In such cases, the scenarios of continuing high or increasing interest rates would impact both, the cost of debt for refinancing PATRIZIA on Group level and for the funds it manages. Interest rate risks are avoided or minimised by agreeing fixed interest rates for all existing Financial liabilities on company level (e.g. for the Group's bonded loan) and by active liquidity and interest rate management for funds.

Opportunities: Potential positive impact on the Group's deposits due to higher interest rates. Thanks to PATRIZIA's broad banking network, the Group has access to attractive investment products that are in line with market conditions.

Exchange rates

Risks: Most of the Group's subsidiaries and property companies are located in the European Monetary Union (Eurozone) and are hence not subject to currency risks. Foreign branches and subsidiaries which carry out investment management mandates as well as acquisitions and disposals for the funds and invest within the scope of co-investments and warehousing outside the European Monetary Union, are an exception. As the investments in these companies and the granting of shareholder loans are pursued in the respective national currency, the subsidiaries and property companies are subject to the risk of fluctuating exchange rates. With increasing expansion outside of the Eurozone, this position could increase further in the future. Foreign exchange gains and losses resulting from the translation of these items could influence the financial result of the Group. The Group's overall currency risk is regularly monitored and assessed in order to promptly identify any need for action and to be able to initiate countermeasures such as currency hedging.

Opportunities: PATRIZIA's geographic diversification into markets outside the Eurozone provides numerous opportunities in connection with the Company's currency exposure. By spreading its currency positions, PATRIZIA can reduce the risk of a one-sided dependency on the Euro while benefiting from positive exchange rate movements in different regions. A diversified currency reserve from international currencies could have a stabilising effect on the Company's overall balance sheet and strengthen its financial resilience.

Financing

Risks: This includes several risk categories that PATRIZIA considers under the umbrella of financing and credit risk, namely corporate debt financing and loan term risks which are also interconnected with warehousing and strategic investments of the Company. Due to the solid balance sheet structure and good equity and liquidity position, debt financing on Group level can be easily realised within PATRIZIA's business model. A part of the debt financing relates to temporary warehousing activities. The risk of PATRIZIA not having access to debt capital for any such new strategic investments or Mergers & Acquisition activities is currently regarded as low. Together with existing liquid assets and its financial strength, PATRIZIA is able to respond to capital requirements of new investments at any time. Potential strategic investments are generally financed at property or portfolio level. An equity covenant has been agreed in the existing German Schuldscheindarlehen (bonded loan), compliance with which is monitored on an ongoing basis. In some cases, covenants have been agreed in the loan agreements for the property and portfolio financing of the managed fund structures, compliance with which is also monitored on an ongoing basis. As a result of the contractual structure of the agreements the Company sees no direct risks for PATRIZIA from these ratios.

Opportunities: Thanks to its extensive network of national and international banks, PATRIZIA has access to a broad range of corporate-level debt capital products in the market. Furthermore, the successful placement of a bonded loan in 2017 showed that PATRIZIA is also seen as an attractive partner on debt capital markets. The majority of the bonded loan has meanwhile been repaid. This could create opportunities where the Company can get financing options at attractive rates and roll over financing can be achieved as per company plannings. PATRIZIA was granted a up to EUR 100m revolving credit facility (RCF) by a bank at the beginning of FY 2025, increasing financial flexibility further.

Liquidity

Risks: This risk refers specifically to the risk of being unable to meet financial obligations at the Company level and is interconnected with operational liquidity and re-financing requirements. As at 31 December 2024, PATRIZIA Group had sufficient bank balances and cash and cash equivalents at hand as well as short-term investments available to cover its operating liquidity requirements and for meeting refinancing requirements. In order to minimise a possible counterparty risk, the investments of Group liquidity are distributed among more than 40 financial institutions. The maximum investment volume per bank is EUR 40m. These banks must have at least an S&P rating of BBB+. In addition, PATRIZIA expects further liquidity surpluses from the operating business, which is expected to be used in the investment planning with matching maturities. PATRIZIA optimises and manages Group-wide liquidity as part of a cash pooling process. Early warning indicators and comprehensive rolling planning also serve as a preventative measure and ensure that unexpected liquidity requirements can be met. From the corporate point of view, a low liquidity leads to several other associated risks as the entire business might be affected.

Opportunities: In the event of any liquidity shortfall, PATRIZIA can access the capital market and other debt capital products at any time due to its strong equity base and high level of unencumbered assets on the balance sheet. This enables the Company to meet its financial obligations and avoid any reputational risks at corporate level.

7.2.4 Risks and opportunities of the managed funds

The following risks are described from the perspective of the AIFMs, Assets & Funds and related strategic investments. However, these risks could also have a potential effect on PATRIZIA's business goals. PATRIZIA manages various risks covering financial, investment and strategic, operational and legal risks. These could also exist at fund and asset levels and could also be related to operations, assets under management and acquisition and disposals related risks which are further described together with the opportunities below.

Operational risks in relation to fund business: PATRIZIA provides a range of different services for its clients. And thus is potentially exposed to third party services and supplier risks. Regulated fund management activities play a significant role in this as the regulated entity has to make sure that the requirements that are valid for its own business organisation are also adhered to by the external party. This could also include appropriate contracting and ongoing monitoring of outsourced activities. This gives rise to operational risks, which are expressed in particular in possible claims for compensation by the investment assets managed on a fiduciary basis, e.g., due to management errors. PATRIZIA's legal entities tasked with fund management regularly act as trustees and manage the invested client capital in their exclusive interest and steers measures to control such risks. The framework conditions for these activities are regularly specified in contractual agreements. These contractual agreements are re-negotiated in case a fund lifetime is extended. This can lead to different absolute levels of management fees or a different composition of fees being generated. In case of larger flagship funds, changes in contractual agreements could have a material impact on total service fee income. Further risks may occur from a failure to retain fund specific key team members. To minimise risks, PATRIZIA continuously reviews policies, processes and systems. PATRIZIA mitigates operational risks with organisational structures, procedural instructions and process documentation. These risks could affect the Fund and Asset Management and has the potential to affect Client Relations and Transactions thus affecting the revenue stream of the Company.

Operational opportunities in relation to fund business: A well-managed organisation including policies, processes and systems could generate opportunities such as improved efficiency and reliability leading to higher client satisfaction and client relations.

Assets under management

Risks: This section refers to the Market pricing and transaction – including acquisition and disposal – risks that may occur whenever the asset is either managed in existing funds or sold as per planning. Thus, in the fund structures set up by PATRIZIA and its AIFMs, there are risks from the above stated risks that could affect the total service fee income, which depends on the value of the real estate and infrastructure assets under management, as well as the prices in acquisitions and disposals and the income and capital return achieved by the funds. These are subject to market risks and -opportunities in the economic environment as described in chapter 7.2.1. Total service fee income can be negatively influenced by the reduction in value and income of real assets, rental defaults as well as a reduced transaction volume in relevant markets. However, PATRIZIA serves a large number of different funds and can access a diverse range of suitable assets in Europe and abroad and thus uses diversification to mitigate the inherent idiosyncratic risks.

Also, as an investment manager, PATRIZIA is responsible for managing and optimising its clients' assets. Inadequately performed services could lead to dissatisfaction among clients or financial claims up to and including the loss of mandates and burden the Group's earnings situation. PATRIZIA has prepared its business model to identify these risks early from continuous client interaction and it aims to limit the financial impact from any potential dip in growth via comprehensive review of the Group's cost base. Further, political decisions and unrest might affect the business strategy or expectations of the clients of PATRIZIA. The geopolitical tensions in Europe and internationally have led to a sharp rise in inflation and rising interest rates since March 2022 and this had a significant negative impact on transaction activity in the markets, both on the buy and sell side. The "core" strategies were particularly affected. Such risks could affect the total service fee income levels and hence the Group's profit levels. However, for the "value-add" investors, such situations create opportunities in return and are described as below.

Opportunities: PATRIZIA has suitable vehicles for the above-mentioned value-add investments that are already available or are in the process of being launched. The infrastructure asset class is less affected by the developments as described above and currently offers investment opportunities in areas such as the energy transition and digitalisation of cities. The expansion of the private client segment (retail investors and wealth management) is opening up new business opportunities for PATRIZIA. This could lead to attracting a new investor segment to PATRIZIA, enhancing our reputation as a smart "real asset" player in the global market in line with the Group's corporate strategy.

Acquisitions and disposals of real assets

Risks: This risk is related to the process of conducting investments, including the entire due diligence process and thus is also interconnected with transaction process. The trend of strong demand for real estate has weakened since 2022. In this challenging market environment, there is a risk that disposals of real assets may not be realised at the intended price and that there is a risk of discounts. This risk can be reinforced by other factors such as described below. Rising interest rates, rising inflation and rising construction costs combined with macroeconomic risks from geopolitical crises have made many investors significantly more risk averse. Meeting ESG criteria has become an indispensable component of the selection and investment process. The office investment segment is not only being reconsidered from an ESG perspective, but also in terms of New Work and Working-From-Home. Although the European transaction volumes have started to recover from its 10 years low in 2023, the national and international investors have become significantly more selective and risk-averse in their investments in the European real estate markets. This means that it remains challenging for PATRIZIA to acquire suitable assets with risk-adjusted returns for its clients in a significantly more selective market. However, even in this market environment PATRIZIA has succeeded in using its experience and market knowledge to acquire attractive real assets and portfolios for its clients, partially by approaching sellers directly and bypassing competitive situations. The expansion of the products offered to clients into the infrastructure sector provided an additional diversification advantage. These risks have the potential to affect the investment and hence the total service fee income level and business planning at the Company level.

Opportunities: The ongoing strategic development of PATRIZIA's platform is intended to provide additional, broader access to attractive investment opportunities. PATRIZIA should thus be seen not only across Europe, but increasingly also internationally as a reliable and professional partner in the trustworthy and rapid implementation of large individual and portfolio investments. This could lead to an increase in the investor base and that could further enhance the revenue and total service fee income at the corporate level.

Fund raising, redemptions

Risks: Rising interest rates and macro-economic developments are challenges for the real estate markets. Consequently, liquidity especially in the real estate markets has declined noticeably since March 2022 and is only slowly returning. Economic and geopolitical uncertainty as well as rising interest rates resulted in a challenging fund-raising environment and increased redemption risks from existing investors. The latter is in general not due to fund performance. It is the result of an overall portfolio allocation towards real estate which is often at or above target levels due to the strong correction on bond and equity markets, especially in 2022. Such developments affect the liquidity situation at both the fund management and the Company level. Nonetheless, generally declining interest rates lead to decreasing redemption risks. Overall, high portfolio allocations towards real assets remain a challenge, especially if rising interest rates reduce possible leverage effects and simultaneously increase the attractiveness of investments in fixed income.

Opportunities: With more balanced allocations to real estate at the end of 2024, several investors get interested in real assets and particular real estate again. Combined with the correction in valuation, a situation in which some funds are challenged with redemptions and a significant number of developers still struggling with their financing, attractive buying opportunities are emerging for investors/managers with in-depth asset management and repositioning capabilities. Compared to the low-rate period, ticket sizes are generally smaller and re-ups with existing managers are preferred. This aligns with PATRIZIA's strategy and enabling it to become a key player in the market.

In effect, the current situation presents an opportunity for PATRIZIA's business managing investments in real estate and infrastructure. As one of the market leaders in Europe with a broad product range, PATRIZIA is well positioned to face current market challenges and provide compelling investment solutions based on the emerging opportunities to existing and new clients. Infrastructure, living, and logistics are the sought-after segments by investors globally. With more than 500 institutional clients now investing through PATRIZIA – from savings banks to insurance companies and from pension funds to sovereign wealth funds – PATRIZIA will benefit from that. Consequently, this could present an opportunity at company level to add more new clients and deepen existing client relationships.

Financing (Fund Management)

Risks: As part of the services to its clients, PATRIZIA also procures debt financing services to the funds it manages. This service is fundamentally exposed to financing risks in the event of a deterioration in market conditions. 2024 was still significantly impacted by the aftershock of high interest rates and elevated inflation rates as well as higher regulatory requirements toward financing partners. This has been reflected in increased liquidity costs and higher net margins from our financing partners. In addition, financing partners have been more reluctant to lend and focus more on low-risk products with conversative debt levels or loan-to-value profiles. Scenarios of continuing high interest rates, lower rental revenues and/or pressure on asset valuations would impact the cost of debt for refinancing and therefore could negatively affect the performance of the managed funds and increase risks linked to liquidity within the funds. A further weak market environment could have an impact on access to liquidity and thus influence new investment opportunities for PATRIZIA's clients. PATRIZIA maintains active

relationships with more than 250 financing partners, hence has a well-diversified access to debt which partially mitigates financing risks.

Opportunities: Thanks to the excellent network of connections with more than 250 national and international banks, PATRIZIA can identify the best-in-class financing for your funds from a large number of financing partners. In addition to traditional banks, the Company regularly liaise with alternative financing partners (debt funds, mezzanine lenders, etc.) resulting in a good overview of all debt products being utilisable as required. Active dialogue with financing partners means that PATRIZIA is always up to date on current market changes and trends.

Valuation risks: The value of the real estate and infrastructure assets under management is subject to a variety of factors. A challenging market environment characterised by above mentioned conditions and further factors leads to a higher volatility on asset valuations which can ultimately influence the value of assets under management. PATRIZIA has implemented measures of active asset management and fund management to mitigate and manage identified risks but also to leverage on opportunities presented. This risk could lead to drops in market values at the asset level and that could also impair the income received from management fees for the Company.

7.3 Overall view of the ESG risks and Opportunities

ESG risks encompass a myriad of environmental, social and corporate governance events or conditions that can actually or potentially have a material adverse impact on other relevant risk types. The integration of ESG risk factors in investment decision making and governance processes leads to a broader understanding of risks and opportunities than traditional risk management alone.

For the last several years, PATRIZIA disclosed sustainability details in line with the Non-Financial Reporting Directive (NFRD) which included recommendations on climate-related risks and opportunities aligned with the Task Force on Climate-related Financial Disclosures (TCFD). In this reporting year, PATRIZIA reported in partial application of the Corporate Sustainability Reporting Directive (CSRD).

PATRIZIA has undertaken a double materiality assessment (DMA) to identify the impacts, risks, and opportunities of material topics and includes the mitigating actions, targets and policies in the Group Non-Financial Statement. An overview of the impacts, risks and opportunities for each of the nine material topics identified through the DMA can be found in the table ESRS 2 SBM-3 within chapter 4 of the Group Non-Financial Statement.

ESG Risks: This relates to risks arising out of ESG topics that can influence market value of the assets at fund level: such as physical climate risks which can damage certain investments due to exposure to increased extreme weather events. Transition risks can impact assets (i.e. lower valuations due to higher CO_2 prices for buildings with insufficient insulations). The material topics within the Group Non-Financial Statement and respective ESG risks identified through the DMA include climate change, pollution, water resources, biodiversity and eco-systems, circular economy & resource use, for the environmental section and company workforce, value chain workforce, affected communities, consumers & end-users for the social section and business conduct in the governance section. Assets that are significantly affected by ESG topics such as climate change, resource use or working conditions etc. may become less attractive to investors, which would adversely impact asset value and hence the strategic investment objectives at the corporate level.

Throughout the interim holding period of non-strategic co-investments and warehousing, ongoing due diligence is undertaken, including internal reporting on related risks and engagement with investee companies or assets, such as monitoring through a comprehensive sustainability due diligence questionnaire. ESG risks and mitigation strategies are systematically reviewed and challenged during periodic Fund Reviews. This risk could affect the transactions and fee income levels and risks could relate to reputation and market positioning of the Company.

ESG Opportunities: The above-mentioned DMA assessment also plays a major role in identifying the ESG opportunities for some of the material topics within the Group Non-Financial Statement. The material topics with ESG opportunities are - climate change, circular economy &resource use, the value chain workforce, company workforce, affected communities, consumers & end users and business conduct. The opportunities from these ESG topics could solidify positive asset transactions & sales, reduce reputational or legal risk at the Company level and add value for investors.

Further information on sustainability risks and opportunities for each material topic can be found in the Group Non-Financial Statement. Each of the ESRS chapters discloses the relevant policies, actions, and targets to mitigate risks and enhance opportunities.

7.4 Overall view of risks and opportunities

Risk aggregation and risk-bearing capacity: As part of PATRIZIA's risk management process, existing risks are continuously identified, assessed, evaluated, and aggregated. The aggregated, assessed risks are included in PATRIZIA's risk-bearing capacity analysis, the results of which are subsequently brought to the attention of both the Executive Directors and the Board of Directors of PATRIZIA SE. The basis for the risk-bearing capacity calculation is the calculation of a theoretical default risk, which is based on the Company's earnings and balance sheet figures. The theoretical default risk is not linearly related to the earnings and balance sheet ratios used. The Company's risk-bearing capacity is defined as the maximum risk potential which, in the Company's opinion, would sustainably impair the Company's refinancing on the capital market if it were to occur and is expressed as the upper limit of the theoretical default risk. It thus defines the limit of risks that can be borne overall and therefore do not yet endanger the Company's existence. PATRIZIA has also defined a risk tolerance limit, which is also expressed as a theoretical default risk and is set below the upper limit of the risk-bearing capacity. Finally, as part of the risk-bearing capacity calculation, the potential effects of existing risks on the theoretical default risk are determined and compared to the risk tolerance and risk-bearing capacity.

At the end of 2024, no potential significant risks were identified that would exceed the risk tolerance and thus also the risk-bearing capacity of the Company. The calculated theoretical probability of default is within the defined limits of the risk-bearing capacity. The probability of risks which pose a risk to the continued existence of the Company is considered to be low. Nevertheless, the risk situation overall has deteriorated compared to the previous year. Based on the information available and the medium-term planning for key investments, there is no indication as of 31 December 2024 that the existing risk situation could endanger the future development or continued existence of PATRIZIA stand-alone and PATRIZIA Group.

The main opportunities for PATRIZIA lie in expanding the current product and client base, increasing the share of scalable products (flagship funds), as well as sourcing strategic investments that includes Mergers & Acquisition and other alternative investment opportunities. The Client Division (responsible for fund raising and client services) develops new products and investment structures for clients. Strategic growth opportunities are identified and systematically pursued by the Group Executive Committee of PATRIZIA SE and the Strategic Investments team. In addition, opportunities are seen in the DUEL-megatrends that include Digital Transition, Urban Transition, Energy Transition and Living Transition which are equally pursued to ensure continued growth and strategic development as well as ongoing operational optimisation.

8 Guidance

8.1 Expected development of results of operations and assumptions concerning target attainment in 2025

PATRIZIA considers the 2025 financial year to be a milestone in achieving the long-term growth target of more than EUR 100bn in Assets under Management in 2030. As economic challenges recede and interest rates gradually fall, the Company expects to enter a new investment cycle with a noticeable upturn in fundraising for real estate and infrastructure investments.

Accordingly, PATRIZIA forecasts a gradual improvement in client activity with a stronger willingness to invest in real assets in the second half of 2025. The valuation pressure on real assets – especially in the real estate sector – is likely to slow down and ease. Overall, the company expects further stabilisation in 2025. In addition, the entry into a lower interest rate environment should have a positive impact on the risk-return ratio for its customers and thus lead to a revival of activities in the transaction markets.

In 2025, PATRIZIA will continue to successfully exploit market opportunities for its institutional, semi-professional and private investors in the form of attractive real estate and infrastructure fund products. On this basis, PATRIZIA expects a slight increase in Assets under Management (AUM) for the financial year 2025, with a corresponding positive impact on recurring management fees. PATRIZIA expects AUM to close in a range between EUR 58.0 - 62.0bn at the end of 2025.

EBITDA for the financial year 2025 is expected in a range between EUR 40.0 – 60.0m. Compared to the EBITDA of the financial year 2024 of 46.5m, the Company forecasts an improved underlying earnings quality of its core business. The Company intends to achieve this through a gradual increase in total service fee income and further cost efficiency. While the result in the financial year 2024 was significantly positively influenced by non-recurring effects, the outlook does not include any significant one-off effects from reorganisation expenses (2024: EUR 13.5m) and other operating income (2024: EUR 43.6m).

The Company has set itself the long-term goal of increasing recurring profitability and in 2025 is focusing on improving cost efficiency through strict cost discipline and further enhancing internal process efficiency.

The EBITDA margin is accordingly expected to be in a range between 15.2 – 20.8% (2024: 17.5%) in the financial year 2025.

The details of the guidance for the financial year 2025 are shown in the following table.

Guidance FY 2025

		2023[1]	2024	Guidance 2025
Assets under Management	EUR bn	57.3	56.4	58.0 - 62.0
EBITDA	EUR m	42.1	46.5	40.0 – 60.0
EBITDA margin	%	13.2	17.5	15.2 - 20.8

[1] Restatement due to error correction

PATRIZIA SE is included in the guidance for the Group as a Company or as a sole proprietorship.

8.2 Expected development of net assets and financial position

PATRIZIA does not currently expect any significant changes in the Company's and Group's net assets and financial position in the year 2025. PATRIZIA also expects to have sufficient liquidity in the year 2025.

8.3 Dividend policy

For the past financial year 2024, the Board of Directors of PATRIZIA SE will – based on a proposal by the Company's Executive Directors – propose to shareholders to use the unappropriated profit according to HGB of EUR 168.9m to pay out a dividend per share of EUR 0.35 and to carry forward the remaining amount to new account. This reflects the seventh consecutive increase in dividend per share, equivalent to an increase of 2.9% compared to the previous year.

The Company strives to offer steadily growing dividends to its shareholders throughout market cycles, backed by its strong balance sheet and financial flexibility. Long-term, PATRIZIA aims to distribute more than 50% of the Group's annual net profit attributable to shareholders in the form of dividends. The application of the dividend policy for future years is subject to the Group's balance sheet strength, profitability, available liquidity and the general market environment.

8.4 Management's overall assessment of the outlook for 2025

Start of a new investment cycle in financial year 2025

PATRIZIA considers the financial year 2025 to be a milestone in achieving the long-term growth target of more than EUR 100bn in Assets under Management in 2030. As economic challenges recede and interest rates gradually fall, the Company expects to enter a new investment cycle with a noticeable upturn in fundraising for real estate and infrastructure investments.

Accordingly, PATRIZIA forecasts a gradual improvement in client activity with a stronger willingness to invest in real assets in the second half of 2025. The valuation pressure on real assets is likely to slow and ease. Overall, the Company expects further stabilisation in 2025. In addition, the entry into a lower interest rate environment should have a positive impact on the risk-return ratio for its customers and thus lead to a revival of activities in the transaction markets.

PATRIZIA will continue to successfully exploit market opportunities for its institutional, semi-professional and private investors in the form of attractive real estate and infrastructure fund products in 2025.

The guidance for financial year 2025 and any statements concerning subsequent years take into account all events that could affect PATRIZIA's business development that were known when the consolidated financial statements and the combined management report were prepared.

Augsburg, 7 April 2025

The PATRIZIA Executive Directors

Dr Asoka Wöhrmann
CEO

Martin Praum
CFO

James Muir
Head of Investment Division

Dr Konrad Finkenzeller
Head of Client Division

Wolfgang Egger
Founder

This report contains certain forward-looking statements that relate in particular to the business development of PATRIZIA, the general economic and regulatory environment and other factors to which PATRIZIA is exposed. These forward-looking statements are based on current estimates and assumptions by the Company made in good faith and are subject to various risks and uncertainties that could render a forward-looking statement or estimate inaccurate, or cause actual results to differ from the results currently expect.

Financial Statements

Balance Sheet

as at 31 December 2024

Assets

EUR	31.12.2024	31.12.2023
A. Fixed assets		
I. Intangible assets		
1. Self-created software	0.00	28,329.40
2. Licences acquired against payment	4,927,294.61	6,514,554.75
II. Property, plant and equipment		
1. Operating and office equipment	7,025,298.38	7,452,793.74
2. Assets under construction	425,243.93	0.00
III. Financial assets		
1. Shares in affiliated companies	380,093,821.11	516,715,200.39
2. Participating interests	28,491,388.62	35,011,711.31
3. Loans to companies in which participations are held	0.00	0.00
4. Other loans	6,758,305.93	6,758,305.93
	427,721,352.58	**572,480,895.52**
B. Current assets		
I. Receivables and other assets		
1. Trade receivables	105,241.12	367,915.80
2. Receivables from affiliated companies	320,107,997.81	246,768,519.33
3. Receivables from companies in which the company has a participating interest	487,828.72	0.00
4. Other assets	21,534,202.42	13,279,223.09
II. Cash and cash equivalents	71,191,567.56	259,321,419.24
	413,426,837.63	**519,737,077.46**
C. Prepaid expenses and deferred charges	3,841,495.38	3,870,051.43
Balance sheet total	**844,989,685.59**	**1,096,088,024.41**

Equity and liabilities

EUR	31.12.2024	31.12.2023
A. Equity		
I. Subscribed capital		
1. Subscribed capital	92,351,476.00	92,351,476.00
2. Treasury shares	-6,122,608.00	-6,507,043.00
Issued capital (conditional capital € 18,470,295.00; previous year € 18,470,295.00)	**86,228,868.00**	**85,844,433.00**
II. Capital reserves	183,311,440.70	183,311,440.70
III. Retained earnings		
Legal reserves	505,000.00	505,000.00
IV. Balance sheet profit	168,926,514.90	261,608,546.41
Thereof profit carried forward € 232,290,731.29 (previous year € 343,072,412.65)		
	438,971,823.60	**531,269,420.11**
B. Provisions		
1. Accruals for pensions and similar obligations	644,923.00	699,122.00
2. Tax provisions	4,307,369.07	3,596,546.77
3. Other provisions	61,484,239.52	140,920,074.80
	66,436,531.59	**145,215,743.57**
C. Liabilities		
1. Trade payables	657,115.80	275,204.04
2. Liabilities to affiliated companies	263,603,245.66	252,199,323.46
3. Liabilities to companies in which the company has a participating interest	10.00	0.00
4. Other liabilities	74,717,876.68	166,405,164.91
of which from taxes € 4,622,672.43 (previous year € 6,444,213.00)		
of which social security € 6,386.96 (previous year € 16,721.29)		
	338,978,248.14	**418,879,692.41**
D. Accrued expenses and deferred income	603,082.26	723,168.32
Balance sheet total	**844,989,685.59**	**1,096,088,024.41**

Income statement

for the period from 1 January to 31 December 2024

EUR	2024	2023
1. Sales revenue	43,517,754.87	46,973,074.27
2. Other operating income	10,242,691.11	20,326,502.57
3. Cost of materials		
Cost of purchased services	-364,405.54	-50,063.85
4. Personnel expenses		
a) Wages and salaries	-31,310,525.38	-35,309,252.73
b) Social security, pension and other benefit costs	-3,949,304.17	-4,054,550.98
thereof for pensions € 319,328.41 (previous year € 424,169.43)		
5. Depreciation and amortisation of intangible and tangible fixed assets	-3,627,468.41	-3,998,843.44
6. Other operating expenses	-96,386,068.67	-60,860,004.22
7. Income from participations	3,274,267.98	3,882,345.77
of which from affiliated companies € 3,222,795.79 (previous year € 3,222,795.79)		
8. Income from profit transfers	80,011,745.90	83,903,603.04
9. Other interest and similar income	10,415,254.75	15,097,798.46
of which from affiliated companies € 4,024,094.19 (previous year € 5,939,543.36)		
of which income from discounting provisions € 618,093.48 (previous year € 31,620.67)		
10. Depreciation on financial assets and securities held as current assets	-57,712,839.56	-122,839,592.22
11. Interest and similar expenses	-14,368,203.56	-14,837,292.33
of which to affiliated companies € 10,414,368.93 (previous year € 11,618,125.70)		
of which expenses from compounding provisions € 1,235,884.10 (previous year € 15,860.39)		
12. Expenses from loss transfers	-4,274,112.10	-3,477,945.31
13. Taxes on income and profit	-1,755,576.06	-2,091,734.06
14. Loss for the year	**-66,286,788.84**	**-77,335,955.03**
15. Profit carried forward	232,290,731.29	343,072,412.65
16. Offsetting of the difference between the accounting value and the acquisition costs when acquiring or transfer treasury shares	2,922,572.45	-4,127,911.21
17. Balance sheet profit	**168,926,514.90**	**261,608,546.41**

NOTES
for the financial year 2024

1 Mandatory information according to § 264 Abs. 1a HGB

Company:	PATRIZIA SE
Registered office:	Augsburg
Register court:	Amtsgericht Augsburg
Commercial register number:	HRB 37716

2 General information

The annual financial statements were prepared in Euro in accordance with the accounting regulations of the German Commercial Code (HGB), the relevant provisions of the German Stock Corporation Act (AktG) and the SE Act (SEG). PATRIZIA SE is a capital market-oriented company within the meaning of section 264d of the German Commercial Code (HGB) and is therefore considered a large corporation within the meaning of section 267 of the German Commercial Code (HGB).

As the parent company, PATRIZIA SE prepares consolidated financial statements for the largest and the smallest group of companies in accordance with IFRS. The annual and consolidated financial statements are published in the company register. The consolidated financial statements are also available on the Company's website.

3 Accounting and valuation principles

Intangible assets are recognised at acquisition or production cost less scheduled straight-line depreciation.

Depreciable property, plant and equipment recognised at acquisition or production cost less scheduled straight-line depreciation. Depreciation takes into account the normal useful life. Permanent impairments in value are recognised through an extraordinary depreciation to adjust the value down to the lower fair value.

Financial assets are recognised at cost, which also includes incidental costs and subsequent acquisition costs. In the case of shares in affiliated companies and participations, the lower fair values are recognised if an impairment is expected to be permanent. For the impairment assessment, the respective carrying amount of the participation is examined on the balance sheet date on the basis of a detailed analysis of the net assets, financial position and results of operations as well as corporate planning or, from a predetermined threshold value, on the basis of a recognised valuation method within the meaning of IDW RS HFA 10 for indicators of impairment. If the reason for an impairment no longer applies, the impairment charge is reversed up to a maximum of the historical acquisition cost. Loans to companies in which a participating interest is held and other loans are capitalised at the lower of cost or fair value if the impairment is expected to be permanent.

Receivables and other assets are recognised at nominal value. All identifiable risks are adequately taken into account through appropriate individual value adjustments. If the reason for an individual valuation ceases to apply, the impairment loss is reversed up to a maximum of the nominal value.

Cash and cash equivalents are recognised at nominal value as of the balance sheet date.

Expenses prior to the balance sheet date are recognised under prepaid expenses if they represent expenses made for a specific period after the balance sheet date.

Deferred taxes are calculated for temporary differences between the commercial and tax valuations of assets, liabilities and prepaid expenses. At PATRIZIA SE, not only the differences from its own balance sheet items are included, but also those that exist at tax group companies. In addition to the temporary accounting differences, tax loss carryforwards are also taken into account. Deferred taxes are calculated on the basis of the combined income tax rate for PATRIZIA SE's tax group, which is currently 32.10%. The combined income tax rate comprises corporation tax, trade tax and solidarity surcharge. In particular, the balance sheet items participations and pension provisions result in a difference between the commercial balance sheet

and the tax balance sheet which, together with a loss carryforward, leads to a deferred tax asset. The company does not recognise deferred tax assets due to the option in section 274 (1) sentence 2 of the German Commercial Code (HGB).

Subscribed capital is recognised at nominal value.

Treasury shares are recognised at their nominal value. In accordance with section 272 (1a) of the German Commercial Code (HGB), the accounting value of treasury shares is deducted from the item "Subscribed capital". The difference between the accounting value and the acquisition cost or share price by transfer of treasury shares reduces the balance sheet result. Incidental acquisition costs are recognised as expenses for the financial year.

Provisions for pensions and similar obligations are measured using the projected unit credit method. The actuarial valuation is carried out by Funk Vorsorgeberatung GmbH for all pension commitments. Biometric calculations are based on the 2018 G mortality tables by Klaus Heubeck, applying an actuarial interest rate of 1.90% p.a. in accordance with section 253 (2) sentence 2 of the German Commercial Code (HGB). The valuation is based on three different benefit plans, the pension trend is 2.00% and the salary trend is 3.00%. The use of the discount rate for pension obligations in accordance with section 253 (2) sentence 1 of the German Commercial Code (HGB) results in a difference of EUR -8k (31 December 2023: EUR 12k) that is barred from distribution in accordance with section 253 (6) of the German Commercial Code (HGB).

Tax provisions for trade tax and corporation tax are calculated on the basis of expected profit and trade earnings.

Other provisions are recognised at the settlement amount required according to prudent business judgement. The provisions take into account all recognisable risks and uncertain obligations. Provision for anticipated losses are also recognised at the settlement amount deemed necessary to cover expected losses from pending transactions based on prudent commercial judgement. Provisions with a remaining term of more than one year are discounted in accordance with section 253 (2) of the German Commercial Code (HGB) at an average market interest rate for the past seven years determined by the Deutsche Bundesbank in accordance with the German Regulation on the Discounting of Provisions (RückAbzinsV) and recognised at their present value. Income and expenses from compounding or discounting are recognised separately under "Other interest and similar income" or "Interest and similar expenses" in accordance with section 277 (5) of the German Commercial Code (HGB).

Liabilities are recognised at the settlement amount.

Income prior to the balance sheet date is recognised under deferred income if it represents income for a specific period after the balance sheet date.

Assets and liabilities denominated in foreign currencies are translated at the average spot exchange rate on the balance sheet date in accordance with section 256a of the German Commercial Code (HGB). Losses from exchange rate changes are recognised in profit or loss as at the balance sheet date. Income from foreign currency valuation is recognised in profit or loss for assets and liabilities with a settlement date of less than one year.

The income statement was prepared using the total cost method in accordance with section 275 (2) of the German Commercial Code (HGB).

Revenue is generally recognised after services have been rendered and invoiced. Otherwise, income and expenses are recognised on an accrual basis.

There have been no changes to the accounting and valuation principles compared to the previous year.

4 Notes and information on individual items of the balance sheet

4.1 Fixed Assets

The breakdown of the investment items shown in the balance sheet and their development in the financial year are presented in the statement of changes in fixed assets (Appendix 1 to the Notes).

As at 31 December 2024, no amounts blocked from distribution were reported for internally generated software within the meaning of section 268 (8) of the German Commercial Code HGB (31 December 2023: EUR 28k).

Depreciation is based on the expected useful life and ranges between three and ten years for intangible assets and between three and thirteen years for office furniture and equipment.

The information on the company's shareholdings pursuant to section 285 No. 11, 11a and 11b of the German Commercial Code (HGB) can be found in the list of shareholdings as at 31 December 2024 attached to these Notes (Appendix 2 to the Notes).

Shares in affiliated companies in the amount of EUR 380,094k (31 December 2023: EUR 516,715k) mainly decreased in the financial year 2024 due to impairment losses, the disposal of an affiliated company and include a correction in accordance with IDW HFA RS 6 in the amount of EUR 57,838k on PATRIZIA PTY LTD, which is reflected as a negative addition in the statement of changes in fixed assets.

The participations mainly relate to shares in the PATRIZIA German Residential Fund IV, Augsburg, investment fund (participation rate: 43.01%; 31 December 2023: 43.01%). The investment fund, which focuses on residential real estate in Germany, made a distribution of EUR 51k (2023: EUR 92k) in the fiscal year 2024. The unit certificates have a market value of EUR 27,531k (31 December 2023: EUR 35,513k) at the end of the financial year and therefore correspond to the carrying amount written down in the financial year 2024. The unit certificates can be returned to the capital management company with a notice period of 5 months.

Loans amounting to EUR 6,758k (31 December 2023: EUR 6,758k) consist of a fully reserved loan to a company in which a participating and an interest-bearing convertible loan, the repayment of which is to be made through the acquisition of new shares in the amount of EUR 6,758k (31 December 2023: EUR 6,758k). The remaining term for both loans is less than one year.

4.2 Receivables

Receivables with a total balance of EUR 320,701k (31 December 2023: EUR 247,136k) consist of trade receivables in the amount of EUR 105k (31 December 2023: EUR 368k) and receivables from affiliated companies in the amount of EUR 320,108k (31 December 2023: EUR 246,768k) resulting from financial transactions within the PATRIZIA Group in the amount of EUR 267,268k (31 December 2023: EUR 204,223k) and current account transactions in the amount of EUR 52,840k (31 December 2023: EUR 42,545k). Receivables from companies in which participations are held are recorded in the amount of EUR 488k (31 December 2023: EUR 0k). Receivables with a remaining term of more than one year amount to EUR 13,770k (31 December 2023: EUR 28,357k).

4.3 Other assets

Other assets in the amount of EUR 21,534k (31 December 2023: EUR 13,279k) mainly consist of tax overpayments EUR 20,629k (31 December 2023: EUR 9,654k) and interest receivables in the amount of EUR 156k (31 December 2023: EUR 1,488k). As in the previous year, other assets have a remaining term of up to one year.

4.4 Equity

4.4.1 Subscribed capital

As of the balance sheet date, the company's share capital amounts to EUR 92,351k (31 December 2023: EUR 92,351k) and is divided into 92,351,476 (31 December 2023: 92,351,476) registered no-par value shares (shares with no par value), each with a notional share of EUR 1.00 in the share capital.

By resolution of the Annual General Meeting on 25 May 2023, the Executive Directors were authorised until 24 May 2028 (inclusive) to acquire treasury shares pursuant to section 71 (1) no. 8 of the German Stock Corporation Act (AktG) in an amount of up to a total of 10.00% of the then existing share capital until 24 May 2028 (inclusive); this corresponds to 9,235,147 shares. The authorisation may be exercised in whole or in part, once or several times and in pursuit of one or more objectives by the Company and its Group companies or by third parties acting on behalf of the Company and its Group companies. The Executive Directors are free to choose whether to purchase the shares on the stock exchange, by means of a public purchase offer extended to all shareholders of the Company, by means of a public invitation to submit offers for sale or through the use of derivatives. The purchased shares may be subsequently used for all legally permissible purposes; in particular, they may be withdrawn, sold in exchange for cash or non-cash contributions, transferred as part of employee participation programmes or used to meet subscription or conversion rights.

The following resolutions were passed for PATRIZIA AG prior to the conversion into PATRIZIA SE becoming effective on 15 July 2022 and were also confirmed for PATRIZIA SE by resolution of the Annual General Meeting on 1 June 2022. In the process, the authorisation of the Management Board with the approval of the Supervisory Board was replaced by an authorisation of the Board of Directors.

By resolution of the Annual General Meeting on 14 October 2021, the Management Board of the Company was authorised, with the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions on or before 13 October 2026 (inclusive) by up to a total of EUR 17,470,295.00 by issuing up to 17,470,295 new no-par value registered shares in return for cash contributions and/or contributions in kind (Authorised Capital 2021/I). The Management Board is authorised, with the consent of the Supervisory Board, to disapply shareholders' statutory pre-emption rights in certain cases. The full authorisation derives from section 4 (4) of the Articles of Association.

The Annual General Meeting on 14 October 2021 also authorised the Management Board, with the consent of the Supervisory Board, to increase the Company's share capital by up to a total of EUR 1,000,000.00 by 13 October 2026 (inclusive) by issuing up to 1,000,000 new no-par value registered shares against cash contributions for the purpose of issuing them to employees of PATRIZIA AG and its affiliated companies, excluding the members of the Management Board and Supervisory Board of the Company as well as the Management Board, Supervisory Board and other officers of affiliated companies (employee shares) on one or more occasions (Authorised Capital 2021/II). The full authorisation derives from section 4 (5) of the Articles of Association.

Furthermore, the Management Board by resolution of the Annual General Meeting on 14 October 2021 was authorised, with the consent of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants and/or profit participation rights with conversion or option rights and/or conversion or option obligations and/or participating bonds (or a combination of these instruments) on one or more occasions until 13 October 2026 (inclusive) in a total nominal amount of up to EUR 500,000,000.00 with or without a limited term and to grant or impose upon the creditors of Bonds conversion or option rights and/or conversion or option obligations to subscribe for a total of up to 18,470,295 new registered no-par value shares of the Company with a pro rata amount of the share capital of up to EUR 18,470,295.00 in total in accordance with the respective terms and conditions of the Bonds. Details can be found in section 4 (6) of the Articles of Association.

4.4.2 Capital reserves

The premiums received for the issuance of new shares in the past continue to be reported in the capital reserves. The capital reserves remain unchanged at EUR 183,311k at the end of the financial year 2024.

4.4.3 Retained earnings

The retained earnings only include the legal reserve.

4.5 Treasury shares

As at 31 December 2024, PATRIZIA SE held a total of 6,122,608 shares or 6.63% of the share capital. In the financial year 2024, 384,435 shares or 0.42% of the share capital were transferred as part of purchase price obligations.

The treasury shares are composed as follows:

Treasury shares

	Number of shares in units	Price per share in EUR[1]	Total value in EUR
Status as of 01.01.2024	**6,507,043**		**101,967,814.19**
Transfer of shares	-384,435	8.60	-3,307,007.45
Balance as at 31.12.2024	**6,122,608**		**98,660,806.74**

[1] Average price per share in EUR from several share transfers

4.5.1 Balance sheet profit

Balance sheet profit

EUR	31.12.2024
Loss for the year	-66,286,788.84
Profit carried forward	232,290,731.29
Offsetting of the difference between the accounting value and the transfer value of treasury shares	2,922,572.45
Balance sheet profit	**168,926,514.90**

4.5.2 Summary

As of the balance sheet date, total equity is composed of the following items:

Equity

EUR	31.12.2024
Subscribed capital	86,228,868.00
Capital reserves	183,311,440.70
Retained earnings	505,000.00
Balance sheet profit	168,926,514.90
Total equity	**438,971,823.60**

4.6 Provisions

Provisions for pensions and similar obligations amount to EUR 645k (31 December 2023: EUR 699k).

Tax provisions were mainly recognised for expected additional tax payments from tax audits in the amount of EUR 3,132k (31 December 2023: EUR 85k), for trade tax in the amount of EUR 593k (31 December 2023: EUR 765k) and for corporate income tax in the amount of EUR 582k (31 December 2023: EUR 2,747k).

Other provisions totaling EUR 61,484k (31 December 2023: EUR 140,920k) mainly include amounts for uncertain liabilities in the amount of EUR 42,354k (31 December 2023: EUR 119,061k), personnel expenses of EUR 12,091k (31 December 2023: EUR 11,042k), outstanding invoices of EUR 4,555k (31 December 2023: EUR 5,548k), provisions for indemnification obligations of EUR 63k (31 December 2023: EUR 63k) and provisions for reorganisation costs of EUR 2,421k (31 December 2023: EUR 5,202k).

The provisions for uncertain liabilities mainly include subsequent performance-related purchase price payments in the amount of EUR 34,924k (31 December 2023: EUR 112,570k), which was contractually determined using provisional figures. The term of the subsequent performance-related purchase price payments in the amount of EUR 16,368k (31 December 2023: EUR 5,729k) is less than one year and in the amount of EUR 18,556k (31 December 2023: EUR 106,841k) between one and five years. Included as well as a provision are impending losses for a put option in the amount of EUR 7,430k (31 December 2023: EUR 5,635k).

The provisions for personnel expenses mainly include amounts for short-term bonuses in the amount of EUR 4,999k (31 December 2023: EUR 6,259k), amounts for long-term bonuses of EUR 1,184k (31 December 2023: EUR 1,651k) and amounts for share-based payments of EUR 5,044k (31 December 2023: EUR 2,177k).

The provisions for long-term bonuses totaling EUR 1,184k (31 December 2023: EUR 1,651k) are made up of several payment tranches with different maturities ranging between one and five years.

The Company developed an adjusted mid-term strategy 2030 and successfully streamlined its organizational setup in 2024 to become the go-to manager for smart Real Asset solutions. The new organizational set-up with the creation of an integrated Investment Division is designed to drive cross-divisional collaboration and accountability and strengthening the Company's execution focus and performance culture. As part of this restructuring, a provision for reorganisation costs of EUR 2,421k (31 December 2023: EUR 5,202k) was recognised.

The provisions for share-based payment have a remaining term of more than one year.

4.7 Liabilities

Liabilities to affiliated companies in the amount of EUR 263,603k (31 December 2023: EUR 252,199k) result from financial transactions within the PATRIZIA Group in the amount of EUR 258,720k (31 December 2023: EUR 245,712k) and current account transactions of EUR 4,883k (31 December 2023: EUR 6,487k) with affiliated companies. As in the previous year, liabilities to affiliated companies have a remaining term of up to one year.

Other liabilities in the amount of EUR 74,718k (31 December 2023: EUR 166,405k) consist mainly of liabilities from bonded loans in the amount of EUR 69,000k (31 December 2023: EUR 158,000k), liabilities from advance VAT payments in the amount of EUR 3,916k (31 December 2023: EUR 5,362k), interest liabilities of EUR 919k (31 December 2023: EUR 1,790k) and liabilities from wage and church tax still to be paid for salaries for the month of December 2024 of EUR 683k (31 December 2023: EUR 1,047k).

EUR 69,000k (31 December 2023: EUR 158,000k) of the liabilities from bonded loans have a remaining term of between one and five years in the amount of EUR 69,000k (31 December 2023: EUR 69,000k). A scheduled repayment in the amount of EUR 89,000k was made in the financial year 2024. The liabilities from the bonded loans are not collaterized. As in the previous year, the remaining other liabilities have a remaining term of up to one year and are also not collaterized.

5 Notes to the income statement

5.1 Sales revenue

Sales mainly relate to income from intragroup services and were generated in the following countries:

Revenues by country

	2024 EUR k	2024 in %	2023 EUR k	2023 in %
Germany	31,611	72.64%	37,735	80.33%
United Kingdom	3,980	9.15%	3,165	6.74%
Luxembourg	3,332	7.66%	1,851	3.94%
Remaining countries	4,595	10.55%	4,222	8.99%
Total	**43,518**	100.00%	**46,973**	100.00%

5.2 Other operating income

Other operating income in the amount of EUR 10,243k (2023: EUR 20,327k) mainly consists of the reversal of provisions in the amount of EUR 5,574k (2023: EUR 3,522k), the write-up of a participation in the amount of EUR 1,487k (2023: EUR 0k), gains on the disposal of assets in the amount of EUR 1,011k (2023: EUR 203k) and income from currency translation in the amount of EUR 1,326k (2023: EUR 448k). A write-up of an intercompany receivable in the amount of EUR 15,285k was recognised in the financial year 2023.

5.3 Other operating expenses

Other operating expenses of EUR 96,386k (2023: EUR 60,860k) include expenses which shall not be shown under other line items of the P&L in accordance with statutory provisions. They include expenses for operating costs in the amount of EUR 15,555k (2023: EUR 16,700k), administrative expenses of EUR 13,863k (2023: EUR 18,142k), sales expenses of EUR 6,345k (2023: EUR 6,988k) and other operating expenses of EUR 60,623k (2023: EUR 19,030k). The increase in other operating expenses is mainly due to higher impairments of intercompany receivables in the amount of EUR 30,119k (2023: EUR 64k) and expenses in connection with variable purchase price components in the amount of EUR 16,062k (2023: EUR 0k).

Other operating expenses include expenses from currency translation in the amount of EUR 2,326k (2023: EUR 1,302k) and an effect from the valuation of the put option in the amount of EUR 1,796k (2023: EUR 2,938k).

5.4 Amortisation of financial assets and securities held as current assets

The write-downs on financial assets and marketable securities in the amount of EUR 57,713k (2023: EUR 122,840k) result from unscheduled depreciation on shares in affiliated companies of EUR 50,623k (2023: EUR 119,089k) and participating interests in the amount of EUR 7,090k (2023: EUR 3,126k).

6 Further information

6.1 Contingent liabilities

Sparkasse Schwaben-Bodensee has guarantees for PATRIZIA SE in the amount of EUR 42k as at 31 December 2024 (in the event of possible utilisation by various Group companies, 31 December 2023: EUR 42k). The utilisation is unsecured.

In addition, there is a guarantee framework agreement with R+V Versicherung for EUR 19,950k (31 December 2023: EUR 19,950k) for PATRIZIA SE and various subsidiaries is in place, of which EUR 2,023k (31 December 2023: EUR 1,517k) had been utilised as at 31 December 2024. The guarantee facility is unsecured.

PATRIZIA SE has a guarantee framework agreement for EUR 5,000k (31 December 2023: EUR 5,000k) with Zürich Versicherung. As at 31 December 2024, this was utilised to the amount of EUR 1,200k (31 December 2023: EUR 1,200k) for various Group companies. The guarantee facility is unsecured.

Société Générale SA has guarantees for PATRIZIA SE in the amount of EUR 377k as at 31 December 2024 (utilisation by a Group company, 31 December 2023: EUR 377k). The utilisation is unsecured.

Based on the liquidity and planned earnings situation of the companies concerned, it is not expected that the aforementioned contingent liabilities will be utilised.

As at the balance sheet date, PATRIZIA SE has an irrevocable payment undertaking to PATRIZIA WohnModul I SICAV-FIS in the amount of EUR 3,262k (31 December 2023: EUR 0k). The payment obligation is not expected to be utilized.

In the course of the relaunch of closed-end real estate funds for private and semi-professional investors by PATRIZIA GrundInvest Kapitalverwaltungsgesellschaft mbH, PATRIZIA SE has assumed guarantees totaling EUR 50,000k (31 December 2023: EUR 54,500k) vis-à-vis the financing institutions to secure the respective interim equity financing. As at 31 December 2024, a total of EUR 45,600k (31 December 2023: EUR 42,200k) of these loans, which are secured by the guarantee commitment of PATRIZIA SE, had been utilised.

Based on the experience gained from previous fund placements and the demand for PATRIZIA GrundInvest's fund products, it is not currently expected that the contingent liabilities of PATRIZIA GrundInvest Kapitalverwaltungsgesellschaft mbH will be utilised.

As at the balance sheet date, PATRIZIA SE has contractual payment obligations from pending transactions in the amount of EUR 15,923k (31 December 2023: EUR 97,018k), which could possibly be utilised.

Furthermore, PATRIZIA SE has granted temporary commitments to subsidiaries for financial support.

Commitments granted as at 31.12.2024

Company name	Issued on	Valid by	Liability amount	Currency
1. PATRIZIA ACTIVOS INMOBILIARIOS ESPAÑA S.L.	10.10.2019	Valid until revocation	163,981.00	EUR
2. PATRIZIA Multi Managers Holding A/S	19.02.2024	18 months and 1 day from signing completion 2023	10,000,000.00	EUR
3. PATRIZIA PIM Limited Liability Partnership	18.04.2024	18 months and 1 day from signing completion 2023	20,000,000.00	GBP
4. PATRIZIA PTY LTD	25.04.2024	18 months and 1 day from signing completion 2023	10,000,000.00	AUD
5. PATRIZIA Singapore Pte. Ltd.	07.05.2024	18 months and 1 day from signing completion 2023	2,000,000.00	SGD
6. Hannover Real Estate Investment Mgmt. Ltd.	31.05.2024	18 months and 1 day from signing completion 2023	500,000.00	GBP
7. PATRIZIA P.I.M. (REGULATED) LIMITED	31.05.2024	18 months and 1 day from signing completion 2023	15,000,000.00	GBP
8. PATRIZIA PIM LIMITED	31.05.2024	18 months and 1 day from signing completion 2023	5,000,000.00	GBP
9. PATRIZIA APAC INFRASTRUCTURE COMMITMENT (SCOTS) LP	31.05.2024	18 months and 1 day from signing completion 2023	500,000.00	GBP
10. PROJECT URBAN (SCOTS) LP	09.07.2024	18 months and 1 day from signing completion 2023	4,000,000.00	GBP
11. PATRIZIA EUROPEAN PROPERTY III (SCOTS) LP	09.07.2024	18 months and 1 day from signing completion 2023	7,000,000.00	SGD
12. PATRIZIA EUROPE LIMITED	09.07.2024	18 months and 1 day from signing completion 2023	1,000,000.00	GBP
13. PATRIZIA PERIPHERAL EUROPE GP LLP	09.07.2024	18 months and 1 day from signing completion 2023	20,000.00	GBP
14. PATRIZIA PROPERTY HOLDINGS LIMITED	09.07.2024	18 months and 1 day from signing completion 2023	10,000,000.00	GBP
15. PATRIZIA RIMBAUD (SCOTLAND) LP	09.07.2024	18 months and 1 day from signing completion 2023	40,000.00	GBP
16. PATRIZIA MONTCLAIR (SCOTLAND) LP	22.08.2024	18 months and 1 day from signing completion 2023	10,000.00	GBP
17. PATRIZIA SPITFIRE CARRY LLP	22.08.2024	18 months and 1 day from signing completion 2023	10,000.00	GBP
18. PATRIZIA JAPAN RESIDENTIAL (SCOTS) LP	01.09.2024	18 months and 1 day from signing completion 2023	3,500,000.00	GBP
19. PATRIZIA TRANSEUROPEAN PROPERTY VII (SCOTS) COINVEST LIMITED PARTNERSHIP	01.09.2024	18 months and 1 day from signing completion 2023	8,100,000.00	GBP
20. PATRIZIA UK LIMITED	11.09.2024	18 months and 1 day from signing completion 2023	11,000,000.00	GBP
21. PATRIZIA GQ LIMITED	11.09.2024	18 months and 1 day from signing completion 2023	1,900,000.00	GBP
21. PATRIZIA Acquisition Holding Delta GmbH	19.09.2024	18 months and 1 day from signing completion 2023	367,500.00	EUR
23. PATRIZIA (Middle East) Ltd	25.09.2024	18 months and 1 day from the date of incorporation	200,000.00	USD
24. PATRIZIA Japan KK	10.10.2024	31 October 2024	2,865,000,000.00	JPY

The risk of a utilisation of the commitments in the companies is deemed to be classified as low due to the liquidity and planned earnings situation.

6.2 Transactions not included in the balance sheet and other financial obligations

As of the balance sheet date, PATRIZIA SE had financial obligations from the conclusion of maintenance and leasing contracts in the amount of EUR 11,406k for 2025, EUR 26,554k for 2026 to 2029 and EUR 18,129k for 2030 and later.

The use of our office buildings included in the above financial obligations is based on operating leases. This also helps to reduce the capital commitment and leaves the investment risk with the lessor. The payment obligations from rental agreements amount to EUR 42,235k.

6.3 Executive Directors

As at 31 December 2024

Dr Asoka Wöhrmann

Executive Director, CEO
First appointed: 2 May 2023
Appointed until: open-ended

Responsibilities
Strategic Development of PATRIZIA SE, Corporate M&A, Capital Allocation & Investments, Communication, Human Resources, Collaboration with Board of Directors, Transformation & Business Development, Internal Audit, Legal,
Region Germany, Austria, Switzerland (DACH)

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Christoph Glaser

Executive Director, COO
First appointed: 15 July 2022 (previously already a member of the Managing Board of PATRIZIA AG since 1 April 2022)
Appointment ended on: 31 December 2024

Responsibilities
Operations Enablement & IT, Fund Services, Risk Management, Procurement & Services, Insurance, Compliance,
Region Europe excl. Germany, Austria, Switzerland (DACH)

Memberships in domestic supervisory boards to be formed by law:

- Member of the Supervisory Board, Dawonia Real Estate GmbH & Co. KG, Grünwald

Martin Praum

Executive Director, CFO
First appointed: 1 August 2024
Appointed until: open-ended

Responsibilities
Performance Management, Corporate Finance (incl. Treasury), Corporate Reporting & Planning, Accounting, Tax, Investor Relations (incl. Capital Markets Compliance), Cost Management

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

James Muir

Executive Director, Head of Investment Division
First appointed: 1 August 2024
Appointed until: open-ended

Responsibilities
Real Estate, Infrastructure, Investment Solutions, Investment Strategy & Research, Sustainability

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Dr Konrad Finkenzeller

Executive Director, Head of Client Division
First appointed: 1 August 2024
Appointed until: open-ended

Responsibilities
Clients, Marketing, Products

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Wolfgang Egger

Executive Director, Founder
First appointed: 15 July 2022 (previously on the Management Board of the predecessor companies since 6 November 2002)
Appointed until: open-ended

Responsibilities
Strategic Client Relationships, Capital Deployment Strategy, Region Asia-Pacific (APAC)

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

6.4 Board of Directors

As at 31 December 2024

Uwe H. Reuter

Chair, independent member of the Board of Directors
Member of the Nomination and Remuneration Committee
Member of the Audit Committee (Audit Expert)
First appointed: 15 July 2022
Appointed until: Annual General Meeting 2025

Occupation: Member of various Boards of Directors and Supervisory Boards

Memberships in domestic supervisory boards to be formed by law:
Supervisory mandates within the VHV Group:
- VHV a.G., Chairman of the Supervisory Board
- VHV Holding AG, Chairman of the Supervisory Board

Supervisory mandates in subsidiaries of the VHV Group:
- VHV Allgemeine Versicherung AG, Member of the Supervisory Board
- VHV digital services AG, Deputy Chairman of the Supervisory Board
- VHV International SE, Deputy Chairman of the Supervisory Board

Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group:
Supervisory mandates in subsidiaries of the VHV Group:
- VHV solutions GmbH, Deputy Chairman of the Supervisory Board
- VHV digital development GmbH, Deputy Chairman of the Supervisory Board

Jonathan Feuer

Deputy Chair, independent member of the Board of Directors
Chair of the Audit Committee (Accounting Expert)
First appointed: 15 July 2022
Appointed until: Annual General Meeting 2025

Occupation: Private Equity Investor

Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group:
- Stiftung Fürst Liechtenstein III, Non-Executive Board Member
- Stiftung Fürst Liechtenstein, Non-Executive Board Member

Wolfgang Egger

Member of the Board of Directors
Chair of the Nomination and Remuneration Committee
First appointed: 15 July 2022
Appointed until: Annual General Meeting 2025

Occupation: Executive Director (Founder) of PATRIZIA SE

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Saba Nazar

Independent member of the Board of Directors
First appointed: 15 July 2022
Appointed until: Annual General Meeting 2025

Occupation: Managing Director and Chair of the Global Financial Sponsors Group, BofA Securities

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Dr Asoka Wöhrmann

Member of the Board of Directors
Member of the Nomination and Remuneration Committee
First appointed: 12 June 2024
Appointed until: Annual General Meeting 2025

Occupation: Executive Director (CEO) of PATRIZIA SE

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Members who departed during the year

Axel Hefer

Independent member of the Board of Directors
Member of the Audit Committee (Accounting Expert)
First appointed: 15 July 2022
Departed as of: 12 June 2024

Occupation: Chief Operating Officer, Tipico Group Ltd

No memberships in domestic supervisory boards to be formed by law or comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group.

Marie Lalleman

Independent member of the Board of Directors
Chair of the Nomination and Remuneration Committee
First appointed: 15 July 2022
Departed as of: 12 June 2024

Occupation: Independent Board Member and Senior Advisor to CEOs & C-Suite

Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group:

- Independent Non-Executive Director, member of the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee, Trainline plc (listed company, London Stock Exchange)
- Independent Non-Executive Director, Chairwoman of the Nomination & Corporate Governance Committee, CRITEO (listed company, Nasdaq)

Philippe Vimard

Independent member of the Board of Directors
Member of the Nomination and Remuneration Committee
First appointed: 15 July 2022
Departed as of: 12 June 2024

Occupation: Global Business and Technology Leader, Independent Board Member

Memberships in comparable domestic and foreign supervisory bodies of commercial enterprises outside the Group:

- Independent Non-Executive Director, Nordhealth AS, Finland (listed company)
- Independent Non-Executive Director, Chair of the Remuneration Committee, Schibsted, Norway (listed company)
- Independent Non-Executive Director, Member of the Audit Committee, Alma, France
- Independent Non-Executive Director, Member of the Nomination and Remuneration Committee, Payfit, France
- Independent Non-Executive Director, Indy, France
- Independent Non-Executive Director, Skello, France

6.5 Remuneration of the Executive Directors and the Board of Directors

The Board of Directors received fixed remuneration totaling EUR 724k in the financial year (2023: EUR 720k). In addition, travelling and incidental expenses are reimbursed.

Remuneration granted as a whole (excluding former members of the Management Board)

	2024			2023		
	Target Remuneration in EUR k[2]	Remuneration granted in EUR k	Remuneration granted in % of total remuneration	Target Remuneration in EUR k[2]	Remuneration granted in EUR k	Remuneration granted in % of total remuneration
Fixed remuneration	2,440	2,440	41 %	1,633	1,633	12 %
Fringe benefits[1]	67	67	1 %	40	40	0 %
Fixed pay total	**2,507**	**2,507**	**42 %**	**1,674**	**1,674**	**13 %**
One-time-payment	0	0	0 %	0	0	0 %
Short-term variable remuneration (STI)	3,416	2,397	40 %	2,287	772	6 %
Delivered in cash	2,164	1,665	28 %	1,431	689	5 %
Delivered as Deferral (Share-Based over four years)	1,252	732	12 %	856	83	1 %
Long-term variable remuneration (LTI)						
LTI 2023 - 2025	0	0	0 %	634	634	5 %
LTI 2024 - 2026	997	997	17 %	0	0	0 %
Shareholder Value Long-term Incentive (SVL)						
SVL 2023 - 2028	0	0	0 %	10,195	10,195	76 %
Variable pay total	**4,413**	**3,394**	**57 %**	**13,116**	**11,601**	**87 %**
Delivered in cash	2,164	1,665	28 %	1,431	689	5 %
Delivered as Share-Based instrument	2,249	1,730	29 %	11,684	10,912	82 %
Subtotal	**6,920**	**5,901**	**99 %**	**14,789**	**13,274**	**100 %**
Service cost (Pension contributions)	83	83	1 %	62	62	0 %
Total remuneration	**7,003**	**5,984**	**100 %**	**14,851**	**13,336**	**100 %**

[1] The item primarily contains benefits for insurance premiums and the use of a company car or car allowance.
[2] Pro rate temporis

Remuneration paid out as a whole (excluding former members of the Management Board)

	2024		2023	
	in EUR k[2]	in %	in EUR k[2]	in %
Fixed remuneration	2,440	74 %	1,633	85 %
Fringe benefits[1]	67	2 %	40	2 %
Subtotal	**2,507**	**76 %**	**1,674**	**87 %**
One-time payment	0	0 %	0	0 %
STI in cash				
STI in cash (For FY2022)	0	0 %	0	0 %
STI in cash (For FY2023)	689	21 %	0	0 %
STI Deferral (in phantom shares)[3]				
Tranche 2020-2022	0	0 %	157	8 %
Long-term variable remuneration (LTI)				
LTI 2020-2022	0	0 %	39	2 %
LTI 2021-2023	0	0 %	0	0 %
Total	**3,196**	**97 %**	**1,870**	**97 %**
Service cost (Pension Contributions)	83	3 %	62	3 %
Total remuneration	**3,278**	**100 %**	**1,932**	**100 %**

[1] The item primarily contains benefits for insurance premiums and the use of a company car or car allowance.
[2] Pro rate temporis
[3] Long-term variable STI deferral for 2021 - 2023 re-structured and thus not applicable due to adjustment for board members to apply a four year deferral

In addition, the former Management Board member Arwed Fischer received a pension payment of EUR 6k in the year 2024 (2023: EUR 6k). The former Management Board members received total remuneration grants of EUR 0k (2023: EUR 2,872k) and received total remuneration payments of EUR 236k in 2024 (2023: EUR 3,409k).

In the reporting year, the Executive Directors were granted 129,390 share awards in the form of performance share units (2023: 383,126) with a fair value of EUR 1,157k (2023: EUR 1,321k) as part of share-based remuneration.

6.6 Number of employees

In 2024, PATRIZIA SE had an annual average of 163 (2023: 184) full-time employees (excluding apprentices) and 60 (2023: 58) part-time employees.

6.7 Auditor's fee

The PATRIZIA Group auditor is BDO AG Wirtschaftsprüfungsgesellschaft.

The audit services relate to the audit of the annual and consolidated financial statements of PATRIZIA SE and the summarised management report. The auditor provided other assurance services for PATRIZIA SE, primarily in connection with the audit of the remuneration report and the non-financial Group statement. Other services include fees for support services in connection with an enforcement procedure.

Information on the auditor's fee in accordance with section 285 no. 17 of the German Commercial Code (HGB) for services to PATRIZIA SE is included in the notes to the financial statements of the PATRIZIA Group.

6.8 German Corporate Governance Code

On 5 March 2025 the Board of Directors adopted the Declaration of Compliance with the recommendations of the “Government Commission of the German Corporate Governance Code” in accordance with article 9 (1) lit. c) ii) Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (“SE Regulation”), section 22 (6) SEAG (SE Implementation Act) in conjunction with section 161 AktG (German Stock Corporation Act). Since the last Declaration of Compliance and the updated declaration dated 7 July 2024, PATRIZIA has complied with and is complying with the recommendations in the version of 28 April 2022, published in the Federal Gazette (Bundesanzeiger) on 27 June 2022 (“GCGC 2022”), with only a few exceptions. The current and all previous Declarations of Compliance are permanently available to the public on the PATRIZIA website at: https://ir.patrizia.ag/en/corporate-governance/.

6.9 Events after the end of the reporting period

The tariffs announced by US President Trump have led to increased uncertainty on the financial markets. The extent to which this will result in opportunities or risks for PATRIZIA's business model as an investment manager for real assets cannot be conclusively assessed at the time of preparation. There were no further events after the balance sheet date with an impact on the asset, financial and earnings situation.

6.10 Other information pursuant to section 160 of the German Stock Corporation Act (AktG)

PATRIZIA SE had the following information on shareholdings subject to notification pursuant to section 160 (1) no. 8 of the German Stock Corporation Act (AktG) as at 31 December 2024:

PATRIZIA SE announced on 29 August 2022 that as a result of the acquisition of treasury shares its share of the voting rights in PATRIZIA SE exceeded the threshold of 5.00% on 26 August 2022 and amounted to 4,624,224 voting rights or 5.007% of the voting rights on this date.

Allianz Global Investors GmbH, Frankfurt am Main, Germany, informed us on 14 December 2020 that its share of the voting rights in PATRIZIA AG fell below the threshold of 5.00% on 9 December 2020 and amounted to 4,606,758 voting rights or 4.99% of the voting rights on this date.

Union Investment Privatfonds GmbH, Frankfurt am Main, Germany, informed us on 15 February 2023 that its share of voting rights in PATRIZIA SE, held directly or indirectly, fell below the threshold of 5.00% of the voting rights on 14 February 2023 and amounted to 4,612,694 voting rights or 4.99% of the voting rights on this date.

On 25 August 2011, Mr Wolfgang Egger, Germany, has informed us according to Article 21, section 1 of the WpHG that via shares his voting rights on PATRIZIA Immobilien AG (ISIN: DE000PAT1AG3; WKN: PAT1AG), based in Augsburg, Germany, have exceeded the 50.00% limit of the voting rights on 24 August 2011. The shareholding amounted to 51.548% on this day. This corresponds to 26,871,953 voting rights. The voting rights are in their entirety attributable to Wolfgang Egger pursuant to section 22 (1) sentence 1 no. 1 WpHG. The attributed voting rights are held via the following companies controlled by Wolfgang Egger:

- WE Verwaltungs GmbH, Gräfelfing, Germany
- WE Vermögensverwaltung GmbH & Co KG, Gräfelfing, Germany
- First Capital Partner GmbH, Gräfelfing, Germany
- Immobilienportfolio IPO Berlin GmbH, Berlin, Germany

WE Verwaltungs GmbH, based in Gräfelfing, Germany, has informed us according to Article 21, section 1 of the WpHG that via shares its voting rights on PATRIZIA Immobilien AG (ISIN: DE000PAT1AG3; WKN: PAT1AG), based in Augsburg, Germany, have exceeded the 50.00% limit of the voting rights on 24 August 2011 and now amount to 51.548%. This corresponds to 26,871,953 voting rights. The voting rights are fully attributable to WE Verwaltungs GmbH pursuant to section 22 (1) sentence 1 no. 1 WpHG. The attributed voting rights are held via the following controlled companies:

- WE Vermögensverwaltung GmbH & Co KG, Gräfelfing, Germany
- First Capital Partner GmbH, Gräfelfing, Germany
- Immobilienportfolio IPO Berlin GmbH, Berlin, Germany

On 25 August 2011, we holding GmbH & Co KG, based in Gräfelfing, Germany, have informed us according to Article 21, section 1 of the WpHG that via shares its voting rights on PATRIZIA Immobilien AG (ISIN: DE000PAT1AG3; WKN: PAT1AG), based in Augsburg, Germany, have exceeded the 50.00% limit of the voting rights on 24 August 2011 and now amount to 51.548%. This corresponds to 26,871,953 voting rights. The voting rights are in their entirety attributable to we holding GmbH & Co KG pursuant to section 22 (1) sentence 1 no. 1 WpHG. The attributed voting rights are held via the following controlled companies:

- First Capital Partner GmbH, Gräfelfing, Germany
- Immobilienportfolio IPO Berlin GmbH, Berlin, Germany

On 25 August 2011, First Capital Partner GmbH, based in Gräfelfing, Germany, has informed us according to Article 21, section 1 of the WpHG that via shares its voting rights on PATRIZIA Immobilien AG (ISIN: DE000PAT1AG3; WKN: PAT1AG), based in Augsburg, Germany, have exceeded the 50.00% limit of the voting rights on 24 August 2011 and now amount to 51.548%. This corresponds to 26,871,953 voting rights. 4.679% are attributable to First Capital Partner GmbH pursuant to section 22 (1) sentence 1 no. 1 WpHG. This corresponds to 2,439,000 voting rights. The attributed voting rights are held via the controlled subsidiary Immobilienportfolio IPO Berlin GmbH with registered office in Berlin, Germany. Furthermore, 1.581% are attributable to First Capital Partner GmbH pursuant to section 22 (1) sentence 1 no. 1 WpHG. This corresponds to 824,381 voting rights. The attributed voting rights are held via the controlled subsidiary ROI Real Estate Opportunity Invest GmbH, based in Augsburg, Germany.

6.11 Proposal for the appropriation of earnings

For the past financial year 2024, the Board of Directors of PATRIZIA SE will – based on a proposal by the Company's Executive Directors – propose to shareholders to use the unappropriated profit according to HGB of EUR 168.9m to pay out a dividend per share of EUR 0.35 and to carry forward the remaining amount to new account. This reflects the seventh consecutive increase in dividend per share, equivalent to an increase of 2.9% compared to the previous year.

The Company strives to offer steadily growing dividends to its shareholders throughout market cycles, backed by its strong balance sheet and financial flexibility. Long-term, PATRIZIA aims to distribute more than 50% of the Group's annual net profit attributable to shareholders in the form of dividends. The application of the dividend policy for future years is subject to the Group's balance sheet strength, profitability, available liquidity and the general market environment.

Appendix 1 to the Notes

Development of fixed assets

	Acquisition costs				Depreciation					Book values	
EUR	01.01.2024	Addition	Disposal	31.12.2024	01.01.2024	Addition	Disposal	Writeup	31.12.2024	31.12.2024	31.12.2023
I. Intangible assets											
1. Internally generated software	2,722,705.11	0.00	0.00	2,722,705.11	2,694,375.71	28,329.40	0.00	0.00	2,722,705.11	0.00	28,329.40
2. Licences acquired against payment	29,919,645.66	165,006.62	-1,041,605.41	29,043,046.87	23,405,090.91	1,752,266.21	-1,041,604.86	0.00	24,115,752.26	4,927,294.61	6,514,554.75
Total intangible assets	**32,642,350.77**	**165,006.62**	**-1,041,605.41**	**31,765,751.98**	**26,099,466.62**	**1,780,595.61**	**-1,041,604.86**	**0.00**	**26,838,457.37**	**4,927,294.61**	**6,542,884.15**
II. Tangible assets											
1. Office furniture and equipment	17,761,221.56	1,459,952.57	-1,201,903.05	18,019,271.08	10,308,427.82	1,846,872.80	-1,161,327.92	0.00	10,993,972.70	7,025,298.38	7,452,793.74
2. Assets under construction	0.00	425,243.93	0.00	425,243.93	0.00	0.00	0.00	0.00	0.00	425,243.93	0.00
Total tangible assets	**17,761,221.56**	**1,885,196.50**	**-1,201,903.05**	**18,444,515.01**	**10,308,427.82**	**1,846,872.80**	**-1,161,327.92**	**0.00**	**10,993,972.70**	**7,450,542.31**	**7,452,793.74**
III. Financial assets											
1. Shares in affiliated companies	735,289,926.90	-61,361,080.95[1]	-24,636,972.97	649,291,872.98	218,574,726.51	50,623,325.36	0.00	0.00	269,198,051.87	380,093,821.11	516,715,200.39
2. Participating interests	38,137,541.36	10.00	-917,989.00	37,219,562.36	3,125,830.05	7,089,514.20	0.00	-1,487,170.51	8,728,173.74	28,491,388.62	35,011,711.31
3. Loans to companies in which participations are held	625,000.00	0.00	0.00	625,000.00	625,000.00	0.00	0.00	0.00	625,000.00	0.00	0.00
4. Other loans	10,725,162.31	0.00	0.00	10,725,162.31	3,966,856.38	0.00	0.00	0.00	3,966,856.38	6,758,305.93	6,758,305.93
Total financial assets	**784,777,630.57**	**-61,361,070.95**	**-25,554,961.97**	**697,861,597.65**	**226,292,412.94**	**57,712,839.56**	**0.00**	**-1,487,170.51**	**282,518,081.99**	**415,343,515.66**	**558,485,217.63**
Total	**835,181,202.90**	**-59,310,867.83**	**-27,798,470.43**	**748,071,864.64**	**262,700,307.38**	**61,340,307.97**	**-2,202,932.78**	**-1,487,170.51**	**320,350,512.06**	**427,721,352.58**	**572,480,895.52**

[1] The negative addition includes a correction in accordance with IDW RS HFA 6 to PATRIZIA PTY LTD in the amount of EUR 57,838k.

Appendix 2 to the Notes

List of Shareholdings of PATRIZIA SE

As at 31 December 2024

Fully consolidated subsidaries

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
Germany							
PATRIZIA Augsburg Kapitalverwaltungsgesellschaft mbH	Augsburg	EUR	direct	100.00	2.964	0	1;2
PATRIZIA Institutional Clients & Advisory GmbH	Augsburg	EUR	direct	100.00	4.485	0	1;2
LB Invest GmbH	Hamburg	EUR	indirect	100.00	18	-3	2
PATRIZIA Immobilien Kapitalverwaltungsgesellschaft mbH	Hamburg	EUR	indirect	94.90	10.151	0	1;2
PATRIZIA Deutschland GmbH	Augsburg	EUR	direct	100.00	2.137	0	1;2;4
PATRIZIA GrundInvest Kapitalverwaltungsgesellschaft mbH	Augsburg	EUR	direct	100.00	3.000	0	1;2
PATRIZIA GrundInvest Co-Invest GmbH	Augsburg	EUR	indirect	100.00	-88	-105	2
Mondstein 402. GmbH	München	EUR	direct	100.00	1.438	1.008	2
PATRIZIA Frankfurt Kapitalverwaltungsgesellschaft mbH	Frankfurt am Main	EUR	indirect	94.00	21.579	0	2;9
PMG - Property Management Gesellschaft mit beschränkter Haftung	Frankfurt am Main	EUR	indirect	100.00	255	7	2
STORAG Etzel Komplementär GmbH	Frankfurt am Main	EUR	indirect	100.00	51	6	2
PATRIZIA Acquisition Holding alpha GmbH	Augsburg	EUR	direct	100.00	6.736	210	2
PATRIZIA Acquisition Holding delta GmbH	Augsburg	EUR	direct	100.00	10.631	0	1;2;4
PATRIZIA Acquisition Holding epsilon GmbH	München	EUR	direct	100.00	19.564	0	1;2;4
PATRIZIA Acquisition Holding beta GmbH	Augsburg	EUR	direct	100.00	25	0	1;2;4
PATRIZIA Real Estate Corporate Finance und Service GmbH	Augsburg	EUR	direct	100.00	111	1	2
PATRIZIA Projekt 170 GmbH	Augsburg	EUR	direct	100.00	23.684	0	1;2;4
PATRIZIA Projekt 180 GmbH	Augsburg	EUR	direct	100.00	10.072	0	1;2;4
PATRIZIA Projekt 260 GmbH	Augsburg	EUR	direct	100.00	45	0	1;2;4
PATRIZIA Alternative Investments GmbH	Augsburg	EUR	direct	100.00	53	0	1;2;4
Stella Grundvermögen GmbH	Augsburg	EUR	direct	100.00	7.689	0	1;2;4
Alte Haide Baugesellschaft mit beschränkter Haftung München	Augsburg	EUR	indirect	100.00	9.439	0	1;2;4

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
Wohnungsgesellschaft Olympia mbH	Augsburg	EUR	direct	100.00	211	5	2
F 40 GmbH	Augsburg	EUR	indirect	100.00	5.782	776	2
Projekt Wasserturm Grundstücks GmbH & Co. KG	Augsburg	EUR	indirect	45.90	1.574	-74	2
Projekt Wasserturm Bau GmbH & Co. KG	Augsburg	EUR	indirect	51.00	2.945	-111	2
Projekt Wasserturm Verwaltungs GmbH	Augsburg	EUR	indirect	51.00	75	1	2
PATRIZIA European Real Estate Management GmbH	Gräfelfing	EUR	indirect	100.00	378	8	2
PATRIZIA Projekt 600 GmbH	Augsburg	EUR	indirect	100.00	16.816	0	1;2;4
PATRIZIA Projekt 710 GmbH	Augsburg	EUR	direct	100.00	83.483	7.297	2
Carl Carry Verwaltungs GmbH	Gräfelfing	EUR	direct	100.00	45	0	2
PATRIZIA Carry GmbH & Co. KG	Gräfelfing	EUR	indirect	100.00	5.847	168	2
Carl A-Immo Verwaltungs GmbH	Augsburg	EUR	direct	100.00	187	5	2
Pearl AcquiCo Zwei GmbH & Co. KG	Augsburg	EUR	direct	100.00	57.054	3.290	2
Hafencity Plot 108 GmbH	Augsburg	EUR	indirect	100.00	125	2	2
PATRIZIA GrundInvest Beteiligungs GmbH & Co. KG	Augsburg	EUR	indirect	100.00	-1.948	-155	2
PATRIZIA GrundInvest Beteiligungs 2 GmbH & Co. KG	Augsburg	EUR	indirect	100.00	-1.077	-329	2
PATRIZIA German Residential Fund IV	Augsburg	EUR	direct	43.27	75.425	-6.481	6;8
PATRIZIA Real Estate 50 GmbH	Augsburg	EUR	indirect	100.00	1.713	1.328	2
PATRIZIA Real Estate 60 GmbH	Augsburg	EUR	indirect	100.00	1.022	698	2
PATRIZIA REAL ESTATE 10 GmbH	Augsburg	EUR	indirect	100.00	36	19	2
United Kingdom							
PATRIZIA UK LIMITED	London	GBP	direct	100.00	12.762	517	2
PATRIZIA PROPERTY HOLDINGS LIMITED	London	GBP	direct & indirect	94.90	-6.985	-10.814	2
PATRIZIA EUROPE LIMITED	London	GBP	indirect	100.00	-370	61	2
PATRIZIA PROPERTY ASSET MANAGEMENT	London	GBP	indirect	100.00	7.978	-346	2
PATRIZIA PIM LIMITED	London	GBP	indirect	100.00	5.321	-2.053	2
PATRIZIA PROPERTY INVESTMENT MANAGERS LLP	London	GBP	indirect	100.00	21.846	-6.573	2
PATRIZIA P.I.M. (REGULATED) LIMITED	London	GBP	indirect	100.00	6.495	-14.997	2
BRICKVEST IM LTD.	London	GBP	indirect	100.00	-599	-124	3
PATRIZIA INFRASTRUCTURE LTD	London	GBP	indirect	100.00	3.707	1.870	2
PATRIZIA PLUS GP LLP	London	GBP	indirect	100.00	2.206	-602	2
PATRIZIA FARUM GP LLP	London	GBP	indirect	100.00	2.005	-580	2
KINLAND UK CO-INVESTMENT GP LLP	London	GBP	indirect	100.00	320	9	2
PAT PIM 1 IRELAND DESIGNATED ACTIVITY COMPANY	Dublin	EUR	indirect	100.00	-16	-7	2
PAT PIM 2 IRELAND DESIGNATED ACTIVITY COMPANY	Dublin	EUR	indirect	100.00	-16	-7	2

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PATRIZIA PANEUROPEAN GP LLP	London	GBP	indirect	100.00	0	-14	2
PATRIZIA PERIPHERAL EUROPE GP LLP	London	GBP	indirect	100.00	0	-12	2
PATRIZIA MONTCLAIR (SCOTLAND) LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	100.00	938	941	2
PROJECT URBAN (SLP) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA EUROPEAN PROPERTY III (SCOTS) LP	Edinburgh	GBP	indirect	74.39	1.194	-172	2
PATRIZIA TRANSEUROPEAN PROPERTY VII (SCOTS) COINVEST LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA TRANSEUROPEAN PROPERTY VII (SCOTS) COINVEST LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	69.92	-1.525	-1.290	2
TRANSEUROPEAN PROPERTIES (SLP) VII LLP	Edinburgh	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTY (SCOTS) VII LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	76.40	-10	-10	2
PATRIZIA JAPAN RESIDENTIAL (SCOTS) LP	Edinburgh	GBP	indirect	100.00	-105	-32	2
PATRIZIA APAC INFRASTRUCTURE COMMITMENT (SCOTS) LP	Edinburgh	GBP	indirect	100.00	-281	-69	2
PATRIZIA GQ LIMITED	Swindon	GBP	indirect	100.00	322	-25	2
Luxembourg							
PATRIZIA Investment Management S.à r.l.	Luxemburg	EUR	direct	100.00	21.672	-2.120	2
PATRIZIA Carry Co-Invest GP	Luxemburg	EUR	indirect	100.00	12	0	2
PATRIZIA EIF II GP S.à r.l.	Luxemburg	EUR	indirect	100.00	77	45	2
PATRIZIA Infrastructure Debt Partners (General Partner) S.à r.l.	Luxemburg	EUR	indirect	100.00	-26	68	2
PATRIZIA Luxembourg S.à r.l.	Luxemburg	EUR	indirect	100.00	16.012	21.195	2
PATRIZIA RE Management HoldCo S.à r.l.	Luxemburg	EUR	indirect	100.00	13.789	34.134	2
Alliance Real Estate HoldCo S.à r.l.	Luxemburg	EUR	indirect	100.00	543	-96	2
PATRIZIA Ivanhoe 10 S.à r.l.	Luxemburg	EUR	indirect	100.00	10.568	233	2
Sustainable Future Ventures Founder I SCSp	Luxemburg	EUR	indirect	92.99	5.243	14	2
PATRIZIA REAL ESTATE 20 S.à r.l.	Luxemburg	EUR	indirect	100.00	9.634	5.689	2
PATRIZIA RE Management S.C.S.	Luxemburg	GBP	indirect	100.00	54	2.858	2
Seneca Topco S.à r.l.	Luxemburg	EUR	indirect	100.00	2.262	190	2
First Street Topco 1 S.à r.l.	Luxemburg	GBP	indirect	100.00	71	-21	2
TransEuropean Property (Lux) VIII Co-Invest SCSp	Luxemburg	EUR	indirect	100.00	-13	-9	2
TransEuropean Property (Lux) VIII Co-Invest GP S.à r.l.	Luxemburg	EUR	indirect	100.00	-8	-12	2
PATRIZIA TransEuropean Living Co-Invest GP S.à r.l.	Luxemburg	EUR	indirect	100.00	12	0	7
Sudermann S.à r.l.	Luxemburg	EUR	indirect	100.00	275	4	2
PATRIZIA Value Add Opportunities S.A. SICAV-RAIF	Luxemburg	EUR	indirect	68.65	-208	-1.112	3
PATRIZIA VAO HoldCo S.à r.l.	Luxemburg	EUR	indirect	100.00	438	-422	3
PATRIZIA VAO Deutschland 1 S.à r.l.	Luxemburg	EUR	indirect	100.00	1.740	-918	3

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PATRIZIA VAO Deutschland 2 S.à r.l.	Luxemburg	EUR	indirect	100.00	1.644	-1.134	3
PATRIZIA TransEuropean Property VIII SCSp	Luxemburg	EUR	indirect	100.00	31.825	1.578	2
PATRIZIA TransEuropean Property VIII Holding S.à r.l.	Luxemburg	EUR	indirect	100.00	1.391	-397	2
Denmark							
PATRIZIA DENMARK A/S	Kopenhagen	DKK	direct	100.00	63.057	17.485	2
PATRIZIA Multi Managers Holding A/S	Kopenhagen	DKK	direct	100.00	30.718	141	2
PATRIZIA Global Partners A/S	Kopenhagen	DKK	indirect	100.00	21.516	4.287	2
BMK 3 ApS	Kopenhagen	DKK	indirect	100.00	1.156	135	2
SPF III GP ApS	Kopenhagen	DKK	indirect	100.00	62	-2	2
SPF III MPC I GP ApS	Kopenhagen	DKK	indirect	100.00	-9	-8	2
PMM V GP ApS	Kopenhagen	DKK	indirect	100.00	377	50	2
PMM Global V Feeder GP ApS	Kopenhagen	DKK	indirect	100.00	44	1	2
ADVANTAGE Investment Partners A/S	Kopenhagen	DKK	indirect	100.00	19.968	9.316	2
Advantage Club GP ApS	Kopenhagen	DKK	indirect	100.00	138	88	2
Advantage PE 2019 A GP ApS	Kopenhagen	DKK	indirect	100.00	72	32	2
ADVANTAGE Private Equity 2020 I GP ApS	Kopenhagen	DKK	indirect	100.00	61	21	2
ICP 2020 GP ApS	Kopenhagen	DKK	indirect	100.00	52	12	2
ADVANTAGE Private Equity Holding ApS	Kopenhagen	DKK	direct	100.00	42.853	343	2
Advantage Club GP II ApS	Kopenhagen	DKK	indirect	100.00	40	0	2
Other countries							
PATRIZIA PTY LTD	Barton	AUD	direct	100.00	2.240	-4.419	2
EMIF HOLDINGS PTY LTD	Barton	AUD	indirect	100.00	704	332	2
PATRIZIA Hong Kong Limited	Hong Kong	HKD	direct	100.00	10.458	519	2
PATRIZIA Japan KK	Tokyo	JPY	direct	100.00	-2.870.447	-615.220	2
PATRIZIA CANADA INSTITUTIONAL CLIENTS & ADVISORY INC.	Toronto	CAD	direct	100.00	226	134	2
PATRIZIA Singapore Pte. Ltd.	Singapur	SGD	direct	100.00	-2.888	-1.286	2
PATRIZIA Property Inc.	Wilmington	USD	direct	100.00	919	128	2
PATRIZIA (Middle East) Limited	Abu Dhabi	USD	direct	100.00	217	17	2
PATRIZIA Sweden AB	Stockholm	SEK	direct	100.00	30.835	13.028	2
PATRIZIA Finland Oy	Helsinki	EUR	direct	100.00	1.021	78	2
PATRIZIA IRELAND LIMITED	Dublin	EUR	direct	100.00	514	301	2
PATRIZIA PROPERTY INVESTMENT MANAGERS FRANCE SAS	Paris	EUR	direct	100.00	4.774	-809	2
PATRIZIA Netherlands B.V.	Amsterdam	EUR	direct	100.00	19.715	-103	2
PATRIZIA ACTIVOS INMOBILIARIOS ESPAÑA S.L.	Madrid	EUR	direct	100.00	4.618	655	2

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PB Mallen 17 AB	Sundsvall	SEK	indirect	100.00	-25.922	-1.053	2
PB Glaskronan 1 AB	Sundsvall	SEK	indirect	100.00	-73.755	-617	2
PB Glaskolven 3 AB	Sundsvall	SEK	indirect	100.00	-45.320	-1.042	2
PB ÖM AB	Sundsvall	SEK	indirect	100.00	-37.982	-250	2
PB Säkringen 1 AB	Sundsvall	SEK	indirect	100.00	1.025	150	2
PB Goliath Nyköping AB	Sundsvall	SEK	indirect	100.00	1.952	779	2
PB Arnö AB	Sundsvall	SEK	indirect	100.00	3.127	-1.179	2
PB Gumsbacken 3 AB	Sundsvall	SEK	indirect	100.00	-11.070	-540	2
PB Kopparn 14 AB	Sundsvall	SEK	indirect	100.00	-33.398	-1.793	2
PB Grepen 3 AB	Sundsvall	SEK	indirect	100.00	-15.955	-269	2
PB JV Holdings AB	Sundsvall	SEK	indirect	97.50	75.037	-1.338	2
PB HoldCo 1 AB	Stockholm	SEK	indirect	100.00	37.225	7.054	2

Non-consolidated subsidaries of minor importance

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
Germany							
PATRIZIA GrundInvest Fonds-Treuhand GmbH	Augsburg	EUR	indirect	100.00	43	5	2
TRIUVA Angerhof und Zeil 94 Verwaltungs GmbH	Frankfurt am Main	EUR	indirect	100.00	82	8	6
PATRIZIA GrundInvest Value Add Plus GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	100.00	163	-3	3
United Kingdom							
PATRIZIA GRB (GENERAL PARTNER) LIMITED	London	GBP	indirect	100.00	0	0	3
PATRIZIA PORTUGUESE PROPERTY PARTNERSHIP (GENERAL PARTNER SCOTLAND) LIMITED	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA PORTUGUESE PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED	London	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTIES (SLP) IV LIMITED	Edinburgh	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTIES (GENERAL PARTNER) IV LIMITED	London	GBP	indirect	100.00	0	0	3
PATRIZIA UK VALUE SLP (SCOTLAND) LIMITED	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA TRANSEUROPEAN PROPERTIES (GENERAL PARTNER) V LIMITED	London	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTIES (SLP) V LIMITED	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE EUROPE (GENERAL PARTNER) LIMITED	London	GBP	indirect	100.00	0	0	3
ROCKSPRING SINGLE CLIENT FUND (GENERAL PARTNER) LIMITED	London	GBP	indirect	100.00	0	0	3
PATRIZIA UK VALUE SLP (SCOTLAND) L.P.	Edinburgh	GBP	indirect	100.00	0	0	3

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PATRIZIA MONTCLAIR SLP (GP) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE CLIENT II (GENERAL PARTNER) LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE CLIENT II SLP (GENERAL PARTNER) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTIES (SLP) VI LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA TRANSEUROPEAN PROPERTIES (GENERAL PARTNER) VI LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA PERIPHERAL EUROPE SLP (GENERAL PARTNER) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA UK VALUE 2 SLP (GENERAL PARTNER) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA UK VALUE 2 (GENERAL PARTNER) LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA GRB (GP2) LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE EUROPE (GP2) LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA TRANSEUROPEAN PROPERTIES (GP2) V LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE CLIENT (GP2) LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA RIMBAUD SLP (GP) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA SPREE (GP) LIMITED	London	GBP	indirect	100.00	0	0	3
TRANSEUROPEAN PROPERTIES (GP2) IV LLP	London	GBP	indirect	100.00	0	0	3
PATRIZIA SINGLE CLIENT III SLP (GENERAL PARTNER) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA APAC INFRASTRUCTURE COMMITMENT (GENERAL PARTNER) LLP	Edinburgh	GBP	indirect	100.00	0	0	3
PATRIZIA EVEREST GP LLP	London	GBP	indirect	100.00	0	0	7
Other countries							
Water Infrastructure Australia Pty Ltd	Barton	AUD	indirect	100.00	0	0	2
PATRIZIA HANOVER REAL ESTATE INVESTMENT MANAGEMENT LIMITED	St Helier	GBP	indirect	100.00	25	0	2
Patrizia Single Client III (General Partner) S.à r.l.	Luxemburg	EUR	indirect	100.00	-4	111	3
Project Urban Feeder GP S.à r.l.	Luxemburg	GBP	indirect	100.00	-38	-25	3
Carl Offshore Limited	St Peter Port	GBP	direct	100.00	0	0	2
Carl Two Offshore Limited	St Peter Port	GBP	direct	100.00	0	0	2
PATRIZIA Transeuropean Properties (General Partner) VII S.à r.l.	Luxemburg	EUR	indirect	100.00	-116	19	10
PO-SH Europe Residential Investment GP S.à r.l.	Luxemburg	EUR	indirect	100.00	14	0	2
PATRIZIA Infrastructure Invest SCA	Luxemburg	EUR	indirect	100.00	30	0	7
PATRIZIA Infrastructure Invest GP S.à r.l.	Luxemburg	EUR	indirect	0.01	12	0	7;11
PATRIZIA TransEuropean Living SCSp	Luxemburg	EUR	indirect	99.00	0	0	7

Associated companies accounted for using the equity method

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PATRIZIA WohnModul I SICAV-FIS	Luxemburg	EUR	direct	10.10	17.537	-406	3
ASK PATRIZIA (GQ) LLP	Manchester	GBP	indirect	50.00	360	-16	2
Evana AG	Saarbrücken	EUR	indirect	16.45	0	-2.783	3
Cognotekt GmbH	Köln	EUR	indirect	35.67	-1.342	-134	2
PATRIZIA MBK FUND MANAGEMENT PTY LTD	Sydney	USD	indirect	50.00	2.612	-308	3
Sustainable Future Ventures Limited	London	GBP	indirect	50.00	1.146	-539	3

Other investments

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
Germany							
Carl HR GmbH & Co. KG	München	EUR	direct	3.61	1	0	2
Berliner Volksbank eG	Berlin	EUR	direct	0.00	1.200.349	38.621	3
PATRIZIA Projekt 430 GmbH	Augsburg	EUR	direct	5.10	-4.259	-16	2
PATRIZIA Projekt 440 GmbH	Augsburg	EUR	direct	5.10	-1.944	-89	2
PATRoffice Real Estate GmbH & Co. KG	Gräfelfing	EUR	indirect	6.25	12.284	-55	2
PATRIZIA GrundInvest Campus Aachen GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.08	35.955	-459	3
PATRIZIA GrundInvest Stuttgart Südtor GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.04	72.452	-6.191	3
PATRIZIA GrundInvest Kopenhagen Südhafen GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.10	44.373	-2.378	3
PATRIZIA GrundInvest München Leopoldstraße GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.29	50.610	-2.426	3
PATRIZIA GrundInvest Mainz Rheinufer GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.03	92.865	3.262	3
Projekt Feuerbachstraße Verwaltung GmbH	Frankfurt am Main	EUR	indirect	30.00	32	0	3
Dawonia Real Estate GmbH & Co. KG	Grünwald	EUR	indirect	0.10	33	0	10
Dawonia GmbH	Grünwald	EUR	indirect	5.10	25	0	10
PATRIZIA GrundInvest Garmisch-Partenkirchen GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.29	15.850	-593	3
PATRIZIA GrundInvest Dresden GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.07	30.763	-1.839	3
PATRIZIA GrundInvest Die Stadtmitte Hofheim am Taunus GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.07	23.404	-133	3
TRIUVA Garbe Logistik Europa	Frankfurt am Main	EUR	indirect	0.26	225.961	1.475	3;6;8
PATRIZIA GrundInvest Frankfurt Smart Living GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.09	20.443	-972	3
PATRIZIA GrundInvest Objekt Mainz Rheinufer GmbH & Co. KG	Augsburg	EUR	indirect	5.10	43.696	3.318	3
PATRIZIA GrundInvest Objekt Dresden GmbH & Co. KG	Augsburg	EUR	indirect	5.10	23.243	63	3
PATRIZIA GrundInvest Objekt Hofheim GmbH & Co. KG	Augsburg	EUR	indirect	5.10	20.153	-340	3
PATRIZIA GrundInvest Objekt Berlin GmbH & Co. KG	Augsburg	EUR	indirect	5.10	49.249	1.629	3
PATRIZIA GrundInvest Berlin Landsberger Allee GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.03	70.690	3.379	3
PATRIZIA GrundInvest Die Stadtmitte Mülheim GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.05	39.721	-2.059	3
PATRIZIA GrundInvest Objekt Mühlheim Die Stadtmitte GmbH & Co. KG	Augsburg	EUR	indirect	5.10	25.475	-313	3
PATRIZIA GrundInvest Europa Wohnen Plus GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.52	40.204	-1.662	3
PATRIZIA GrundInvest Hamburg Schloßstraße GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.14	15.998	506	3
Carl A-Immo GmbH & Co. KG	München	EUR	direct	12.50	0	0	2
PATRIZIA GrundInvest Objekt Hamburg Schloßstraße GmbH & Co. KG	Augsburg	EUR	indirect	5.10	10.628	225	3
PATRIZIA GrundInvest Objekte Augsburg Nürnberg GmbH & Co. KG	Augsburg	EUR	indirect	10.10	39.729	879	3

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
PATRIZIA GrundInvest Helsinki GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.32	43.506	1.371	3
STORAG Etzel GmbH & Co. geschl. InvKG	Frankfurt am Main	EUR	indirect	0.00	231.197	-39	6
PATRIZIA GrundInvest Augsburg Nürnberg GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.04	44.438	-474	3
PATRIZIA GrundInvest Erfurt Stadtmitte GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.09	18.899	-133	3
PATRIZIA GrundInvest Objekt Erfurt GmbH & Co. KG	Augsburg	EUR	indirect	10.10	18.194	35	3
PATRIZIA GrundInvest Heidelberg Bahnstadt GmbH & Co. geschlossene Investment-KG	Augsburg	EUR	indirect	0.53	40.372	-1.147	3
PATRIZIA GrundInvest Objekt Heidelberg GmbH & Co. KG	Augsburg	EUR	indirect	10.10	39.075	-54	3
United Kingdom							
PATRIZIA EUROPEAN PROPERTY II (SCOTS) LP	Edinburgh	GBP	indirect	15.35	2.248	2.215	2
TRANSEUROPEAN PROPERTY (SCOTS) VI LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	5.61	0	0	3
PATRIZIA PERIPHERAL EUROPE (SCOTLAND) LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	16.00	0	0	3
PATRIZIA UK VALUE 2 (SCOTLAND) LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	32.20	0	0	3
PATRIZIA RIMBAUD (SCOTLAND) LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	24.82	382	385	2
TRANSEUROPEAN PROPERTY (SCOTS) V LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	5.06	1.962	1.918	2
FIRST STREET DEVELOPMENT LIMITED	Manchester	GBP	indirect	10.00	6.517	6.516	3
PATRIZIA PANEUROPEAN PROPERTY LIMITED PARTNERSHIP	London	EUR	indirect	0.05	528	-101	3
THE ROCKSPRING GERMAN RETAIL BOX FUND L.P.	London	EUR	indirect	0.24	8.371	-823	3
TRANSEUROPEAN PROPERTY LIMITED PARTNERSHIP IV	London	EUR	indirect	0.36	2.951	242	3
PATRIZIA TRANSEUROPEAN PROPERTY V LIMITED PARTNERSHIP	London	EUR	indirect	0.64	3.296	-746	3
PATRIZIA UK VALUE 2 LIMITED PARTNERSHIP	London	GBP	indirect	0,65	121	1.677	3
NPS EUROPEAN PROPERTY II LP	London	EUR	indirect	0.73	14	-32	3
PATRIZIA TRANSEUROPEAN PROPERTY VI LIMITED PARTNERSHIP	London	EUR	indirect	0.99	245.180	-41.525	3
CHARLIE BERLIN LP	London	EUR	indirect	0.99	1.150	-126	3
ROCKSPRING PERIPHERAL EUROPE LIMITED PARTNERSHIP	London	EUR	indirect	0,18	651	-8	3
HBOS FSPS EUROPEAN PROPERTY LIMITED PARTNERSHIP	London	EUR	indirect	0.00	331.544	-32.946	3
NPS REAL ESTATE PROJECTS LIMITED PARTNERSHIP	London	GBP	indirect	0.00	109	-81	3
PI LABS III LP	London	GBP	indirect	2.92	35.417	-772	6
PATRIZIA SPITFIRE CARRY LLP	London	GBP	indirect	11.10	124	124	2
SCIF Investor Vehicle LLP	London	EUR	indirect	1.00	500.796	-13.855	3
BRICKVEST MARKETS LTD	London	GBP	indirect	100.00	0	0	12
PROJECT URBAN (SCOTS) LIMITED PARTNERSHIP	Edinburgh	GBP	indirect	9.00	-1.012	-563	3
Luxembourg							
PATRIZIA Lux TopCo S.à r.l. en liquidation volontaire	Luxemburg	EUR	indirect	10.00	-523	0	2
Carl Lux SCS	Luxemburg	EUR	direct	0.01	6	0	2
Opportunitäten Europa 1 S.à r.l.	Luxemburg	EUR	indirect	5.10	2.556	-26	10
Opportunitäten Europa 2 S.à r.l.	Luxemburg	EUR	indirect	5.10	837	24	3

Name of the company	Domicile	Currency	Relation to PATRIZIA SE	Shares in equity %	Equity in currency (in k)	Net result in currency (in k)	Footnote
Opportunitäten Europa 3 S.à r.l.	Luxemburg	EUR	indirect	5.10	609	116	3
Opportunitäten Europa 4 S.à r.l.	Luxemburg	EUR	indirect	5.10	90	18	3
Opportunitäten Europa 5 S.à r.l.	Luxemburg	EUR	indirect	5.10	-669	124	3
Opportunitäten Europa 6 S.à r.l.	Luxemburg	EUR	indirect	5.10	-851	1	10
Opportunitäten Europa 7 S.à r.l.	Luxemburg	EUR	indirect	5.10	-745	331	3
Opportunitäten Europa 8 S.à r.l.	Luxemburg	EUR	indirect	5.10	979	751	3
Opportunitäten Europa 9 S.à r.l.	Luxemburg	EUR	indirect	5.10	-3.440	-68	3
Opportunitäten Europa 10 S.à r.l.	Luxemburg	EUR	indirect	5.10	-3.101	89	3
Opportunitäten Europa 11 S.à r.l.	Luxemburg	EUR	indirect	5.10	-1.390	-6	3
Seneca Holdco SCS	Luxemburg	EUR	indirect	5.10	44.272	8.063	3
OSCAR Lux Carry SCS	Luxemburg	EUR	indirect	0.10	1.707	1.202	2
PATRIZIA TransEuropean Property VII SCSp-RAIF	Luxemburg	EUR	indirect	1.00	913.455	-107.861	3
Augusta Wohnen S.à r.l.	Luxemburg	EUR	indirect	2.00	1.361	-7.975	3;6
PATRIZIA Europe Residential Plus	Luxemburg	EUR	indirect	0.03	247.122	-20.351	3
PATRIZIA EuroLog Fund SCSp	Luxemburg	EUR	indirect	0.00	565.794	-139.936	3
PATRIZIA PanEuropean Property SCS	Luxemburg	EUR	indirect	0.12	528.494	-100.918	3
NPS EUROPEAN PROPERTY III SCSP, SICAV-RAIF	Luxemburg	EUR	indirect	0.99	361.551	-11.014	3
PATRIZIA Sustainable Communities I SCSp-RAIF	Luxemburg	EUR	indirect	0.97	44.629	-2.192	3
PATRIZIA EIF II Team Commitment Partner	Luxemburg	EUR	indirect	35.84	4.816	479	3
PATRIZIA Infrastructure Debt Partners I SCSp	Luxemburg	EUR	indirect	0.00	99.285	1.718	3
PATRIZIA EIF II Carried Interest Partner	Luxemburg	EUR	indirect	36.05	1	0	3
PATRIZIA SCIF Carried Interest Partner	Luxemburg	EUR	indirect	42.00	0	0	3
Sustainable Future Ventures Fund I SCSp	Helsinki	EUR	indirect	17.80	18.458	-4.186	3
PATRIZIA European Infrastructure Fund III SCSp	Luxemburg	EUR	indirect	58.30	37.791	-2.534	3
Other countries							
MERRION S.A.	Brüssel	EUR	indirect	0.00	1.542	378	2
Opportunitaeten Europa 12 Limited	Dublin	EUR	indirect	5.10	-6.982	-126	2;6
SPITFIRE (JCO) LIMITED	St Helier	EUR	indirect	1.33	3.205	68	3
WS HOLDCO, PBC	Wilmington	USD	indirect	2.29	14.681	-1.408	10
Real Tech Ventures I ILP	Sydney	AUD	indirect	3.39	3.881	60	10
Camber Creek Fund III, LP	Wilmington	USD	indirect	1.99	247.831	-20.439	10
PATRIZIA JAPAN RESIDENTIAL LP	Singapur	GBP	indirect	2.00	4.367	-230	3
Advantage PE 2021 A K/S	Copenhagen	USD	indirect	8,06	15.237	199	3
APAC Sustainable Infrastructure Fund Pte. Ltd.	Singapore	USD	indirect	25.52	11	-2.760	6

[1] As a result of the existing control and profit transfer agreements. The results are adopted by PATRIZIA / [2] Provisional financial statements / [3] Previous financial statements figures / [4] Use of Section § 264 Abs. 3 HGB resp. § 264b HGB / [5] General Partner as per § 285 Nr.11a HGB / [6] Deviating financial year / [7] Opening balance amounts / [8] Special fund according to Capital Investment Code / [9] As a result of the existing control and profit transfer agreements. The results are adopted by PATRIZIA Projekt 710 GmbH / [10] Annual accounts 2022 / [11] Control due to potential voting rights / [12] In liquidation

2024 - Currency translation into EUR

Currency	Closing rate 31.12.2024	Average exchange rate 2024
AUD	1.68	1.64
CAD	1.49	1.48
CHF	0.94	0.95
DKK	7.46	7.46
GBP	0.83	0.85
HKD	8.07	8.45
HUF	411.35	395.31
JPY	163.06	163.82
KRW	1,532.15	1,475.40
PLN	4.28	4.31
SEK	11.46	11.43
SGD	1.42	1.45
USD	1.04	1.08

2023 - Currency translation into EUR

Currency	Closing rate 31.12.2023	Average exchange rate 2023
AUD	1.63	1.63
CAD	1.46	1.46
CHF	0.93	0.97
DKK	7.45	7.45
GBP	0.87	0.87
HKD	8.63	8.46
HUF	382.80	381.85
JPY	156.33	151.99
KRW	1,433.66	1,412.88
PLN	4.34	4.54
SEK	11.10	11.48
SGD	1.46	1.45
USD	1.11	1.08

Declaration of the Executive Directors

The Executive Directors of PATRIZIA SE are responsible for the preparation, completeness and accuracy of the individual financial statements and the combined management report of the company and the Group.

The Executive Directors approved the financial statements for submission to the Board of Directors on 7 April 2025.

The Board of Directors has the duty of examining the individual financial statements and declaring whether it approves the individual financial statements.

The individual financial statements were prepared in accordance with the German Commercial Code (HGB).

Augsburg, 7 April 2025

Dr. Asoka Wöhrmann
CEO

Martin Praum
CFO

James Muir
Head of Investment Division

Dr. Konrad Finkenzeller
Head of Client Division

Wolfgang Egger
Founder

Responsibility statement by the Executive Directors

of PATRIZIA SE (Annual Financial Statement)

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the combined management report of the Company and the Group includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Augsburg, 7 April 2025

The Executive Directors

Dr Asoka Wöhrmann
CEO

Martin Praum
CFO

James Muir
Head of Investment Division

Dr Konrad Finkenzeller
Head of Client Division

Wolfgang Egger
Founder

Independent Auditor's Report

To PATRIZIA SE, Augsburg

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

AUDIT OPINIONS

We have audited the annual financial statements of PATRIZIA SE, Augsburg, which comprise the balance sheet as at 31 December 2024, the statement of profit or loss for the financial year from 1 January 2024 to 31 December 2024 and notes to the financial statements, including the presentation of the recognition and measurement policies.

In addition, we have audited the combined management report (report on the position of the company and the group) of PATRIZIA SE. In accordance with German legal requirements, we have not audited the content of the parts of the combined management report listed in section "OTHER INFORMATION".

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report listed in section "OTHER INFORMATION".

Pursuant to § 322 (3) sentence 1 HGB (German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT" section of our auditor's report. We are independent of the company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

In addition, in accordance with Article 10 (2) letter (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January 2024 to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon, we do not provide a separate audit opinion on these matters.

We have identified the following matters as key audit matters to be disclosed in our auditor's report:

1. Valuation of shares in affiliated companies
2. Recoverability of receivables from affiliated companies

1. VALUATION OF SHARES IN AFFILIATED COMPANIES

Matter

PATRIZIA's annual financial statements include "shares in affiliated companies" totalling EUR 380.1m (previous year: EUR 516.7m) are reported in the annual financial statements of PATRIZIA SE; this corresponds to 45.0 % (previous year: 47.1 %) of total assets or 86.6 % (previous year: 97.3 %) of equity.

Shares in affiliated companies are recognised as financial assets at the lower of cost or fair value if impairment is expected to be permanent. To analyse whether there are any indicators of impairment, the company uses a detailed analysis of the net assets, financial position and results of operations as well as corporate planning.

For shares in affiliated companies with a carrying amount below a defined threshold, the company compares the amortized cost of the shares and the respective pro rata equity of the affiliated company. If the carrying amount of the shares is less than the pro rata equity, the next step is to perform a detailed analysis of the financial position, results of operations and corporate planning of the respective affiliated company to determine whether there is an indication of impairment. If a permanent impairment is assumed, the company calculates the fair value of the shares in affiliated companies as the difference between the amortized cost and the respective pro rata equity. In individual cases, the need for impairment is determined using a recognized valuation method in accordance with IDW RS HFA 10. This resulted in an impairment requirement of EUR 3,930k for the 2024 financial year.

For shares in affiliated companies with a carrying amount above the defined threshold, the company determines the fair value of the shares in affiliated companies in principle with the help of a valuation method recognized under commercial law in the sense of IDW RS HFA 10. If the fair value is lower than the carrying amount, an examination is made as to whether the impairment is likely to be permanent and an extraordinary write-down to the lower fair value is to be recognized. The respective fair value is determined on the basis of a discounted cash flow method, which is highly dependent on the estimates of the managing directors with regard to the expected future cash inflows, the discount rates used, the growth rates and other assumptions, and is therefore subject to considerable uncertainty and discretion. In light of this and due to the complexity of the valuation, the additional uncertainty of the business and earnings development forecast and the fact that small changes in the assumptions and parameters can have a significant effect on the net income, this matter was of particular importance in the context of our audit. For the financial year 2024, an impairment of EUR 46,694k was required.

The Executive Directors' disclosures on shares in affiliated companies are contained in section 3 "Accounting and valuation principles", section 4.1 "Fixed assets" and section 5.4 "Depreciation and amortisation of financial assets and securities held as current assets" of the notes to the financial statements.

Auditor's Response

As part of our audit procedures on the internal control system, we first obtained an understanding of the valuation processes, the identification of impairment indicators and the assumptions made, and analysed the methodology applied. In cases where impairment indicators were identified, we verified the appropriateness of the analysis of the recoverability of significant shares in affiliated companies and verified the resulting classification as recoverable or impaired. Where a permanent impairment was assumed, we checked the valuation parameters and assumptions used by PATRIZIA SE for plausibility. Where a valuation report had been prepared for shares in affiliated companies with a carrying amount above a defined threshold, we first examined the submitted company valuations with the involvement of our valuation specialists to determine whether the fair values had been determined on the basis of a recognized valuation method. We reconciled the forecast of future cash flows during the planning period with the multi-year planning prepared by the managing directors and satisfied ourselves as to the adherence to the planning by analyzing the deviations between planned and actual figures in the past and by questioning the managing directors about the key assumptions of this planning. In addition, we performed a plausibility check based on general and industry-specific market expectations and critically assessed the parameters used in the net present value calculation, such as interest rates, growth rates and assumptions regarding perpetual annuity.

2. Valuation of receivables from affiliated companies

Matter

In the annual financial statements of PATRIZIA SE, "Receivables from affiliated companies" totalling EUR 320.1m (previous year: 246.8m) are reported under the balance sheet item of the same name, accounting for 37.9 % (previous year: 22.5 %) of total assets and 72.9 % (previous year: 46.4 %) of equity.

In its function as the group holding company, PATRIZIA SE has extended both long-term and short-term, regularly revolving funds to finance the operating activities of affiliated companies. These receivables, which are classified as current assets, are measured at the lower of nominal or fair value (lower of cost or market principle). PATRIZIA SE tests the recoverability of the receivables as of the reporting date as part of calculating the impairment loss on shares in affiliated companies based on various indicators such as the respective company's earnings and financial strength. This resulted in an impairment requirement of EUR 30,087k for fiscal year 2024.

The assessment of the Executive Directors with regard to the recoverability of receivables from affiliated companies is subject to uncertainties due to the associated scope for judgement. The risk for the annual financial statements lies in the fact that necessary write-downs are not identified in time or are not carried out in an adequate amount and thus have a significant impact on the annual result and the equity ratio. In light of this, we have classified the recoverability of receivables from affiliated companies as a particularly important audit matter in our audit of the financial statements.

PATRIZIA SE's disclosures on receivables from affiliated companies are contained in Chapter 3 "Accounting and Valuation Principles" and in Chapter 4.2 "Receivables" of the Notes.

Auditor's Response

As part of our audit procedures on the internal control system, we first obtained an understanding of PATRIZIA SE's procedure for testing the recoverability of receivables from affiliated companies. To this end, we verified compliance with the intended processes. In addition, we held discussions with the employees with operational responsibility and satisfied ourselves that there were no defaults on receivables from affiliated companies in the fiscal year. Furthermore, we satisfied ourselves that the short-term receivables from affiliated companies had been settled by the date of the audit. In a next step, we assessed the recoverability of a selection of significant receivables from affiliated companies that had not yet been settled by the date of the audit. With regard to these receivables that were still outstanding at the time of the audit, we critically analyzed the available annual and monthly financial statements and the business plans of the affiliated companies with regard to their earnings and financial strength and critically examined whether the recoverability had been appropriately assessed by the company.

OTHER INFORMATION

The Executive Directors or the Board of Directors are responsible for the other information. The other information includes:

- the group non-financial statement contained in section 4 "Group non-financial statement" of the combined management report
- the separately published corporate governance statement referred to in section 6.2 "Combined corporate governance statement - disclosures pursuant to section 289f HGB and section 315d HGB" of the combined management report
- the separately published remuneration report according to § 162 AktG, to which reference is made in section 6.4 of the combined management report
- the other parts of the annual report with the exception of the audited annual financial statements and combined management report and our audit opinion

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, we have a responsibility to read the other information and, in doing so, consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE BOARD OF DIRECTORS FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Board of Directors is responsible for overseeing the Company's financial reporting process for the preparation of the financial statements and the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of the internal controls relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures of the company.
- evaluate the appropriateness of accounting policies used by the Executive Directors and the reasonableness of estimates made by the Executive Directors and related disclosures.
- conclude on the appropriateness of the Executive Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the company's position it provides.
- perform audit procedures on the prospective information presented by the Executive Directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Directors as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT, PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH § 317 (3A) HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "PATRIZIA_SE_JA_2024.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format ("ESEF for-mat"). In accordance with German legal requirements, this assurance extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and of the combined management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 January 2024 to 31 December 2024 contained in the "REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT" above, we do not express any assurance opinion on the information contained in these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file identified above in accordance with § 317 (3a) HGB and IDW Auditing Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards, which implement the IAASB's International Standards on Quality Management.

Responsibilities of the Executive Directors and the Board of Directors for the ESEF Documents

The Executive Directors of the company are responsible for the preparation of the ESEF documents with the electronic renderings of the annual financial statements and the combined management report in accordance with § 328 (1) sentence 4 No. 1 HGB.

In addition, the Executive Directors of the company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB for the electronic reporting format.

The Board of Directors is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB. We exercise professional judgment and maintain professional scepticism throughout the assurance work. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited combined management report.

Further information pursuant to article 10 of the EU Audit regulation

We were elected as auditor by the annual general meeting on 12 June 2024. We were engaged by the Board of Directors on 12 February 2025. We have been the auditor of the PATRIZIA SE without interruption since the financial year 2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER — USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the assured ESEF documents. The annual financial statements and the combined management report converted to the ESEF format – including the versions to be published in the German Federal Gazette – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents provided in electronic form.

NOTE ON THE SUPLEMENTARY AUDIT

We issue this auditor's report on the annual financial statements and the combined management report as well as on the electronic rendering of the annual financial statements and the combined management report contained in the electronic file PATRIZIA_SE_JA_2024.zip, which was submitted for assurance for the first time and prepared for publication purposes based on our audit completed on 10 April 2025, and our supplementary audit completed on 28 April 2025, which related to the initial submission of the ESEF documents.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Tobias Bordt.

Frankfurt am Main, 10 April 2025 / limited to the assurance of the ESEF documents specified in the note on the supplementary audit: 28 April 2025

BDO AG
Wirtschaftsprüfungsgesellschaft

Eisenhuth
Wirtschaftsprüfer
(German Public Auditor)

Bordt
Wirtschaftsprüfer
(German Public Auditor)