

## Media release

Zug, 1 April 2022

### Varia US Properties AG publishes first company ESG report

Jointly with the Annual Report 2021, Varia US Properties has for the first time published an extensive ESG report. The reports presents the current Environmental, Social and Governance (ESG) strategy and goals as well as the corresponding progress the Company achieved in 2021.

Among the main ESG achievements in 2021, Varia US continued to work on its water and energy initiatives, thus reducing consumptions with more LED lights installed, more leaks detected, and more low-flow hardware installed. In addition, Varia US continued to collect and analyze consumption data to prepare its GRESB (a leading rating system for measuring the sustainability performance of real estate companies and real estate funds) application and for general reporting purposes, and partnered with the company ESUSU to offer a direct reporting to credit agencies of ontime payment of rents and utility bills for residents.

Patrick Richard, Executive Member of the Board of Directors of Varia US, comments: “Varia US and its asset manager Stoneweg US are committed to drive investment and management strategies through a sustainability approach. Sustainability must be considered and integrated into all aspects of our work. We see the contribution of our sustainability practices as accumulative. Where there is opportunity, small steps at the beginning will lay the foundation for continuous improvement.”

### ESG strategy aims to achieve four goals

In 2021, Varia US Properties framed its ESG initiatives and worked with the Green Building Initiative (GBI), a US-based NGO that supports ESG implementation programs. With GBI's accompaniment, the Company defined a complete ESG strategy that includes four goals and will also be aligned with 10 out of the 17 United Nations Sustainable Development Goals:

- **Enhance the quality of life of residents**

Through education, communication and information sharing, Varia US intends to consistently and effectively engage and motivate residents and asset/property management teams in understanding and supporting ESG efforts. Main success criteria for measuring the success are meeting the Kingsley Resident Survey Overall Satisfaction Index (an index for measuring resident satisfaction) score across the portfolio by the end of 2022 and maintaining an annual resident retention rate of more than 55% across the portfolio.

- **Integrate sustainability at portfolio level**

Varia US aims to achieve this goal by actively pursuing innovations that support comfort, utility savings, safety, and efficiencies across the portfolio. This should result in lower energy and water utility usage by residents, improved net operating income relative to operating expense savings and

recycling and waste reduction services offered at every property by 2025. In addition, the portfolio's overall "Energy Use Intensity" goal is a 15% reduction by 2025 vs. the 2021 baseline.

- **Implement of a climate resilience program**

Varia US aims to address climate risks from a financial and portfolio perspective, based on the publicly available FEMA NRI model as well as professional, private fee-based climate expertise. The resulting learnings should be incorporated into the portfolio and business strategy and support regular climate risk assessments. In addition, climate-related physical and transition risks shall be examined by 2025 for all assets of Varia US.

- **Achieve accountability, transparency, and trust**

Varia US and its property manager, Stoneweg US, aims to execute a benchmarking and communications program that results in achieving metrics. This will demonstrate leadership in workforce housing value creation worthy of trust and respect by critical audiences. Main success criteria will be being recognized through GRESB in the upper quartile of North American multifamily submitters by 2023, implementing a diversity, equality, and inclusion policy in 2022, and developing an effective charitable engagement program.

Thomas Stanchak, Director of Sustainability at Stoneweg US, concludes: "Our approach to sustainability is driven by demonstrating sound corporate governance; creating a rewarding, challenging and collaborative workplace; making community experiences that are valued by residents and the broader community; and enhancing long-term value of our assets for our investors."

[Varia US' ESG report 2021 is available here for download on the Company's website.](#)

### **Key dates**

Annual General Meeting 29 April 2022

Q1 2022 Update 19 May 2022

Half-year results 2022 29 August 2022

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## **About Varia US Properties AG**

Varia US Properties AG is a Swiss based real estate company exclusively investing in U.S. multifamily housing with a main focus on secondary and tertiary markets. Established in 2015, the Company acquires, holds, transitions and repositions properties in the boundaries of metropolitan regions of the U.S. in order to secure rental income and value growth. More information: [www.variausproperties.com](http://www.variausproperties.com)

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