

Media release

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Varia US Properties: significantly improved GRESB 2023 assessment result provides evidence for the positive impact of its corporate ESG strategy and initiatives

The annual Global Real Estate Sustainability Benchmark (GRESB) assessment is guided by what investors and the real estate industry consider to be material issues in the sustainability performance of asset investments and are aligned with international reporting frameworks, goals and emerging regulations.

GRESB data is used by capital providers and asset managers worldwide to benchmark investments across portfolios and to better understand the opportunities, risks and choices that need to be made as the real estate industry transitions to a more sustainable future.

In 2023, Varia US was evaluated by GRESB for the second time. The 2023 assessment result shows a significantly improved performance in terms of Environmental, Social and Governance dimensions compared to the initial 2022 rating:

- **Benchmark Report Score:** 83/100 (2022: 64/100), Peer Average: 79/100 (2022: 79/100)
- **GRESB Model:**
 - Management Score: 30/30 (2022: 27/30), Benchmark Average: 27/30 (2022: 26/30)
 - Performance Score: 53/70 (2022: 37/70), Benchmark Average: 51/70 (2022: 44/70)
- **ESG Breakdown:**
 - Environmental: 45/62 (2022: 29/62), Benchmark Average: 43/62 (2022: 37/62)
 - Social: 18/18 (2022: 18/18), Benchmark Average: 17/18 (2022: 17/20)
 - Governance: 20/20 (2022: 17/20), Benchmark Average: 19/20 (2022: 18/20)
- **Peer Comparison:** Ranked 4th out of 10 (2022: 8th out of 11), USA, Residential, Multi-Family, Listed

The 2023 GRESB assessment result is, among others, based on the continuous efforts of Varia US to improve the quality and the efficiency of its properties, which should positively impact the operating costs and supports a higher market valuation of the assets in the long-term. This was achieved by gathering four sustainable building certifications “Green Globes” as well as eight “Energy Star” building performance certifications in 2022. To further support ESG efforts, Stoneweg US, on behalf of Varia US, also joined the United Nations-supported Principles for Responsible Investment (PRI) in spring 2023 as a signatory and begin to report accordingly.

In 2023, Varia US started the installation process of solar projects at two of its investments, one in Tucson (AZ) at one in Fayetteville (NC). In addition, the Company implemented a programmatic Heating, Ventilation, and Air Conditioning system replacement pilot with significantly more energy efficient heat pump systems in Tucson and Phoenix (AZ). This pilot seeks to pair building performance data collection with its extensive building attribute inventory to make strategic predictive improvements that support the Company’s environmental goals and improve the expense proposition by reducing the friction from replacement by attrition as well as economize at scale.

Thomas Stanchak, Director of Sustainability at Stoneweg US, the Company's asset manager, comments: *"We are very pleased that we were able to significantly improve our 2023 assessment result compared to the previous year. This demonstrates that our ESG strategy is effective and has a positive impact. The good result is also a great motivation for the entire team to continue to work diligently toward our longterm ESG goals. With respect to peer ranking, the improvement from being 8th out of 11 in 2022 to 4th out of 10 in 2023 is setting a trajectory for our position as a frontrunner."*

Tom Idzal, Head of Americas at GRESB, adds: *"We are impressed with the progress Varia US made in our 2023 assessment compared to last year. Advancing an organization's overall position on sustainability can be challenging in the residential, multi-family space, yet Varia US has achieved excellent results. Varia US truly contributes in a very valuable way to sustainable American workforce apartment communities."*

The full "GRESB Real Estate Benchmark Report 2023" as well as further information about the ESG strategy and initiatives of Varia US Properties are available on the Company's website at www.variausproperties.com/esg-vision-strategy/. More insights about GRESB can be found on www.gresb.com.

Key dates

Q3 2023 Update	27 November 2023
Annual Report 2023	28 March 2024
Ordinary General Meeting 2024	24 April 2024

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About Varia US Properties:

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

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