

ESG Report

2020-21

BASECAMP

**Living spaces
for dreamers,
thinkers and
go-getters.**

Preface

In 2021, we learned to live with a virus that we thought had been subdued with the emergence of multiple vaccines. This “new normal” has changed many aspects of society as we knew it before Covid-19 - some for good, some for the bad. Societal, economic, and political upheavals forced us to re-evaluate many aspects of our lives and have given us the opportunity to re-prioritise things.

While many aspects of our lives have returned to pre-pandemic status, some changes we thought were relegated to this have remained a part of our daily routine. For example, keeping distance became the norm. But we also have new collaboration, working, e-learning, engagement, and innovation models that could be adapted globally. This is a chance for each of us to rediscover ourselves as more robust and resilient to a changing external environment.

We have also expanded our collective sensitivity towards the fragile balance between man and the environment. One of the positive aspects of this past year has been the increasing need for people to safeguard the protection of our environment. And a further positive sign comes not only from the relationship between humans and the environment but also between humans themselves. We have begun to be more understanding and empathetic towards each other, respecting the importance of mental health for each of us. We learnt to deal with personal difficulties more openly and transparently, trying not to leave anyone behind. We have begun to have a more open and pragmatic discussion about the role that gender self-identification plays in our lives and what we can really do to increase diversity and inclusion within the societies in which we live. But this progress is still not enough; we must continue a lot to learn and create sustainable change.

The latest Intergovernmental Panel on Climate Change (IPCC) report highlighted that the world is set to reach the 1.5°C level within the next two decades. This represents a powerful and worrying message to societies and corporations, which can influence the course of climate change through their social and economic actions. Basecamp Student, like many other actors, recognises the importance and weight of creating value for the communities we invest in while being mindful of our impact.

Basecamp Student’s customer base is students and young professionals. Their awareness and motivation for creating positive social and environmental change is the engine that drives us every day to raise the level of our operations. As a company, but mainly as an actor with a clear social responsibility, sustainability continues to be one of the most important values throughout our operations. This past year has brought our team together to push this value into action.

This is a little preface to what you will see in the 2020-2021 Basecamp Student ESG Report. We thank all the students who have faithfully and happily stayed at our properties over the past year; we thank their parents and Higher Education Institutions for their trust, the local communities for their support, and all our team members who have continued during a challenging time to deliver on the promise of ethical and sustainable business.

Ermanno Toso Carraro, Data & Sustainability Manager

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Introduction to Basecamp

Foundations



Basecamp Student is a vertically-integrated purpose-built student accommodation (PBSA) provider.

The Basecamp projects are funded by two Private Equity Real Estate (PERE) Funds, the European Student Housing Fund I (hereby also referred to as “ESHF”) & European Student Housing Fund II (hereby also referred to as “ESHF II”).



As a vertically-integrated organisation, Basecamp provides investment advisory services and builds to hold and operate.

Basecamp was founded in 2015 to create value for students, higher education institutions and local communities in the Central and Northern European regions by providing high-quality student accommodation with a rich living experience.



Introduction to Basecamp

Home away from home



Basecamp holds 4,960 beds in operational properties across Germany, Denmark, and Poland.

In the next two years, more than 5,500 beds will be added to the Basecamp portfolio. This will increase the offerings across the university cities where Basecamp operates.

The existing portfolio comprises medium to large-sized properties, with an average number of 492 rooms across the Group's standing investments. All rooms are fully furnished.

Depending on the room category, what mainly varies is the size of the room, its layout, and the presence of a kitchenette in the room.

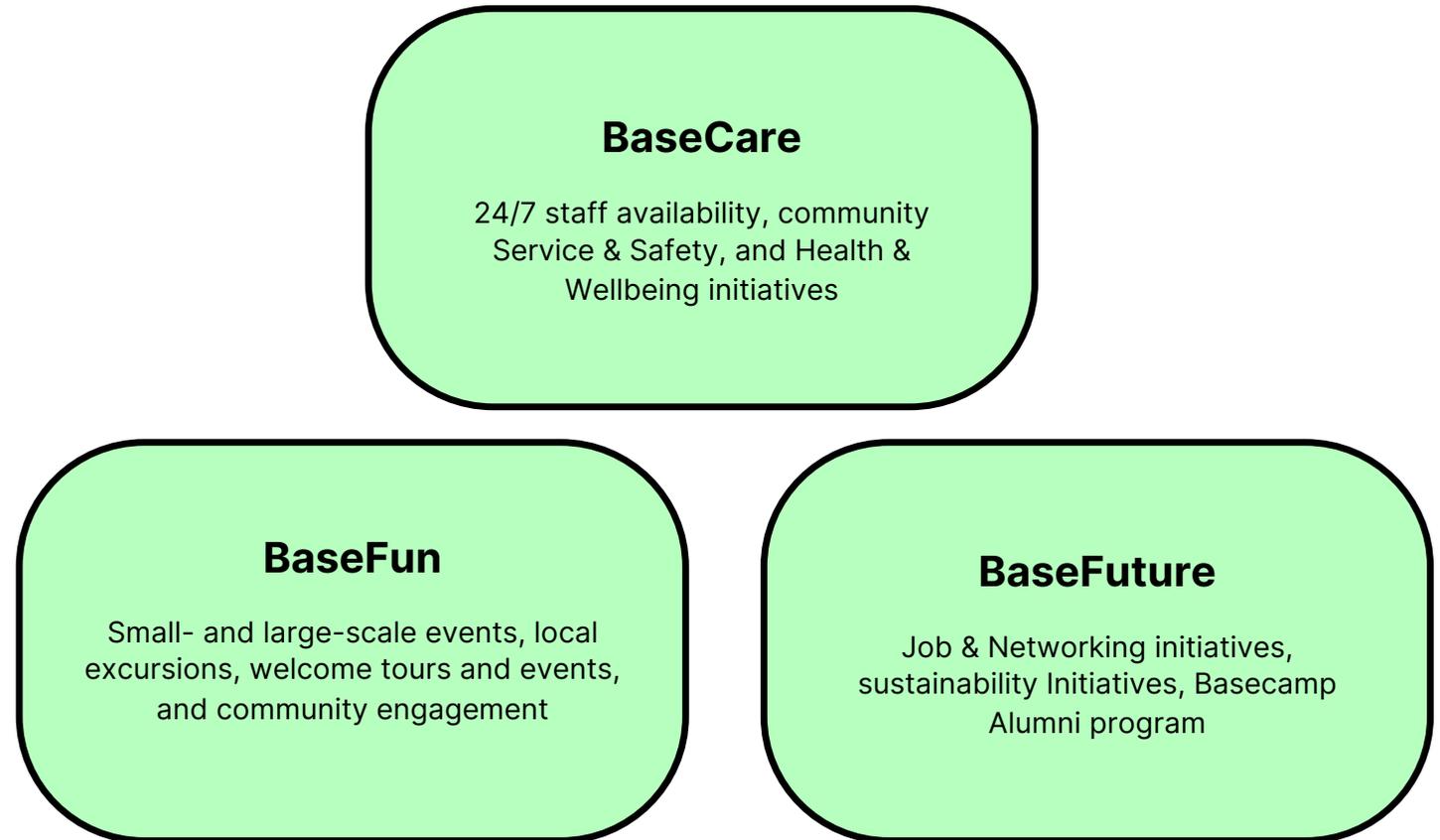
Introduction to Basecamp

BaseLife

Basecamp has strongly invested in its operational strategy known as BaseLife. It represents the true essence of the Basecamp experience. With BaseLife, we bring properties to life.

BaseLife is the result of the vision of Basecamp's founders and the expert ResLife knowledge of the Basecamp Team. These teams create the services offered daily to the students and young professionals who, year after year, choose to live in Basecamp communities.

BaseLife is built on four pillars: BaseCare, BaseFun and BaseFuture. These are an integral part of Basecamp and help create memorable new experiences.



Introduction to Basecamp

Community and care

What makes the Basecamp experience unique is the warm sense of community, care, and inclusion provided by both our staff and Basecamp residents.

We believe community, both inside and outside the Basecamp properties, is the real added value to our stakeholders. While in the past Real Estate was only seen as “space”, we believe innovation and progress have allowed us to see properties as places to make new memorable experiences, expand our horizons, and continuously learn.



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Why ESG matters

Aim of this report

ESG, and more broadly Impact, represent one of the Basecamp core values. We aim to develop high-quality, sustainable purpose-built student housing that enhances future leaders' communities.

With this ESG report, Basecamp aims to disclose non-financial information for the 2021 financial year.

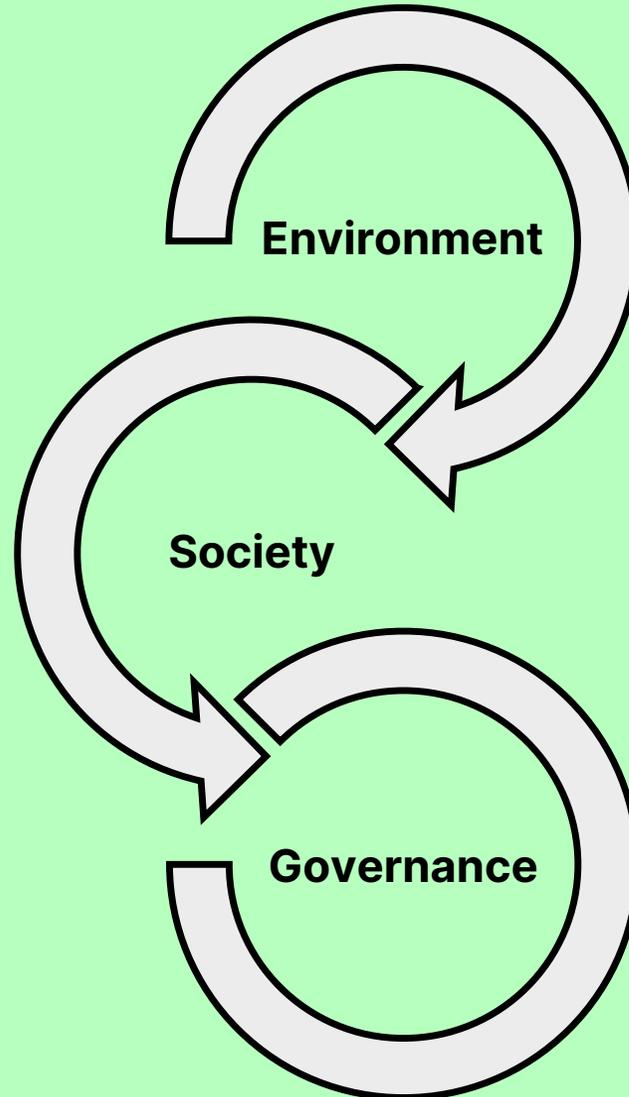
The report provides stakeholders with insights into Basecamp's orientation about environmentally and socially relevant matters and how it fulfils its social responsibility to its customers, employees, higher education institutions, and local communities where it operates.



Why ESG matters

Areas covered

Basecamp categorically condemns any violation of human rights and exploitation of labourers (especially minors) throughout the supply chain. Moreover, we strongly support adopting the most recent and robust Health (physical and mental) & Safety regulations. In addition, we strongly believe in Stakeholder Engagement as a process to increase participation within our business practices. This report shows the number of initiatives we conducted during 2021 and their results.



Basecamp recognises the impact that the current properties and future properties will have. Not only for the local communities but for the total carbon footprint. We do not shy away from this, and we do take responsibility. That is why, through this report, we want to communicate with our stakeholders the different practices we put in place to ensure we have the lowest possible environmental impact.

The governance aspect covered within this report mainly concerns policies, organisational structure, roles and responsibilities, reporting, risk management, and other tools supporting the Basecamp long-term strategy.

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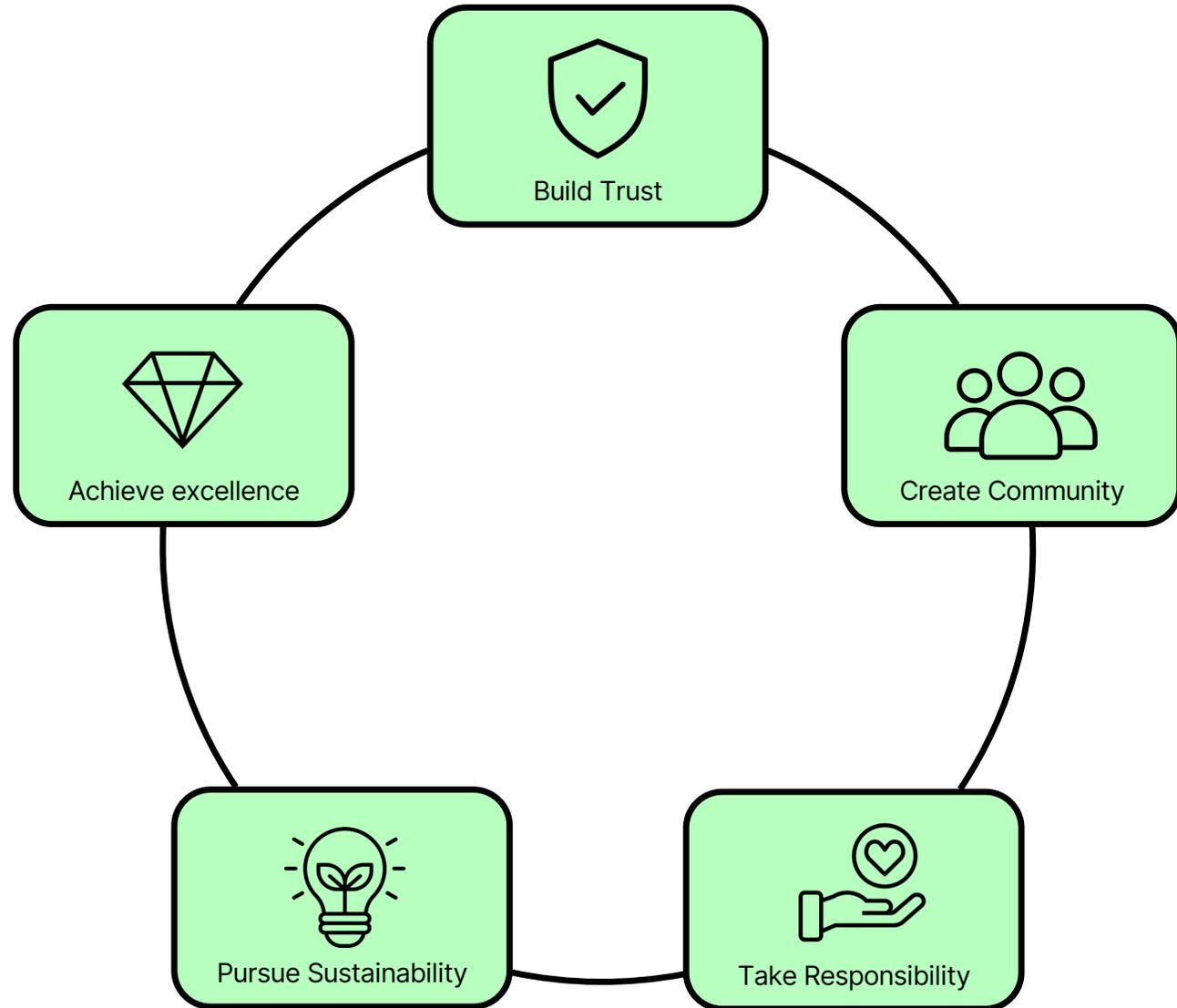
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Core values

The Basecamp core values represent the guiding philosophy to serve our team members, customers, and the broader community. The core values define the Basecamp company culture and are guided by our Executive Management Team.

Among the five core values that every Basecamp team member follows during the day-to-day activities, *Pursuing Sustainability* is one of the cornerstones of our actions.

Moreover, *Taking Responsibility* and *Creating Community* extends to all our stakeholders—including our customers, High Educational Institutions (HEI), local communities, investors, and partners – to emphasise the equal importance of the environment and society.



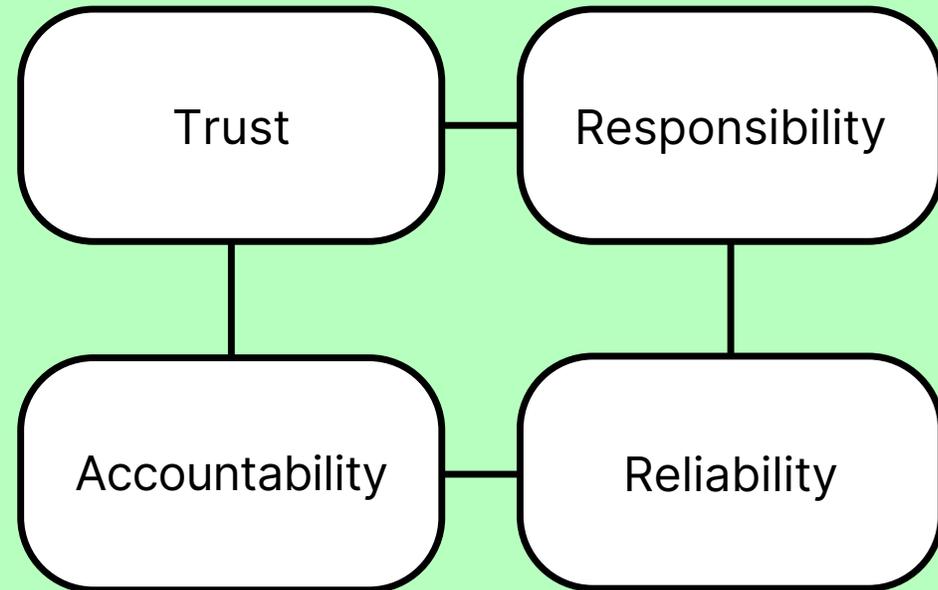
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Structure

From a strategic perspective, the aim of pursuing and achieving excellence in ESG is shown across the three main business functional areas:



Basecamp's internal processes and procedures are constantly reviewed and subject to ambitious high-level requirements. This is reflected in demanding yet fair, business relationships, which we base on:



Strategy

ESG cornerstones

The Basecamp Group's sustainability efforts are closely aligned with the United Nations Sustainable Development Goals (UN SDG), a set of interconnected targets set by the UN.

We strongly support the core essence of the SDGs for what they represent in the common goal of improving the global socio-economic landscape, whilst respecting the environment and preserving it for future generations.

The goals are designed as an agenda to achieve a better, more sustainable future for all. Basecamp Group identified six goals that relate directly to our business and the aforementioned global objectives.

In addition, our strategy closely observes recommendations made by the Task Force on Climate-Related Financial Disclosures (TCFD) as well as the OECD – Guidelines for multination enterprises. The principles expressed by these bodies are expressed and implemented through the governance instruments that will be presented in this report.



Strategy

Goals - Environment

a) **Reduce impact**

Development: Carefully evaluate and select the most efficient designs to use low carbon materials and work cooperatively with local communities and contractors to ensure good construction practices across the whole development process.

Operations: Focus on actively raising awareness, improving communication, and changing behaviour around energy, water, and waste consumption across Basecamp properties and offices.

b) **Increase energy efficiency and reduce operational energy**

Development: Develop new properties to BREEAM Very Good standard or equivalent, to design for performance and maximise the efficiency of assets throughout the life cycle.

Operations: Increase on-site renewable energy production, install high-efficiency fixtures, and gradually shift our energy consumption towards certified renewable power.



Strategy

Goals - Social

From a social impact perspective, Health & Wellbeing and stakeholder engagement are the two cornerstones of our ESG strategy.

The goals for us are to increase health & wellbeing, as well as engagement efforts towards residents, employees, and local communities.

Measure, where possible, the impact of the Basecamp business operations to determine the best mitigation strategies by keeping open communication channels with all relevant stakeholders.

Increasing customer and employee retention as well as evaluating the progress of the decisions taken by the Group through surveys to measure the impact of our engagement and health & wellbeing measures.



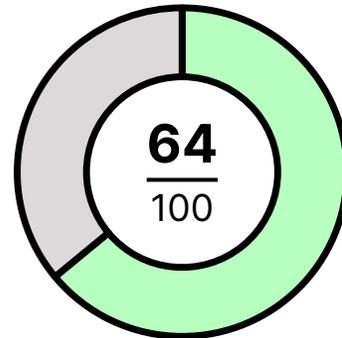
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Goals - Governance

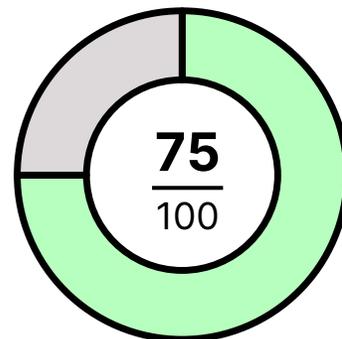
Both ESHF I & II participate in the Global Real Estate Sustainability Benchmark (GRESB). The benchmark collects ESG-related information from all participating entities and assigns a score. In addition, every year, we report on a series of Environmental, Social, and Governance aspects because we believe in the capacity of markets to self adapt themselves to the needs of society, with the help and contribution of governments.

The collection of ESG data is essential to determine a solid baseline for the sector to improve and adopt more sustainable practices. Basecamp believes in the power of disclosure and wants to support this process.

The goal in this respect is to gradually increase ESHF and ESHF II GRESB scores, reflecting our ESG efforts' intrinsic level.



ESHF I 2021



ESHF II 2021



Strategy

Risk Management Framework

In 2021 the Group elevated the risk management framework by aligning to higher frameworks and standards. The team has also expanded its boundaries by creating the Head of Risk Management and Internal Audit and the Data & Sustainability Manager positions.

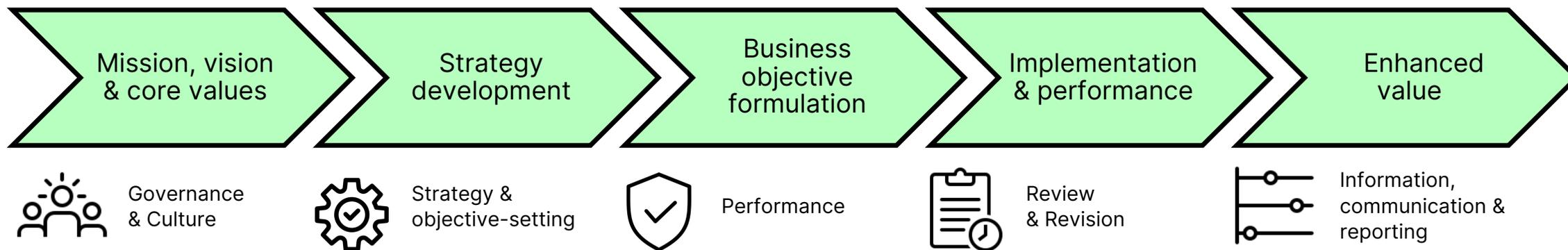
The risk framework adopted by the team aligns with the COSO Risk Framework, which has introduced a long list of ESG metrics in the internal auditing process. This will help identify potential risks and include them in the short, medium and long term business planning.

Specifically, nearly 70 potential metrics were added in the previous year and now make up the ESG risk register. These will support the identification of potential environmental and social risk factors across the Group's business operations.

Environmental and social risks are selected and evaluated according to their respective materiality as per Sustainability Accounting Standard Board (SASB) standards for Real Estate.

After determining the potential risk factors, the Head of Risk Management and Internal Audit constructed seven different questionnaires given to the company's functional heads, and the results picked the 2021 risk map.

Nonetheless, it is essential to state that Climate change and environmental sustainability entered the debate of significant risk factors after the events of the last three years by ranking within the top 5 potential risk factors since the previous year's survey.



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Basecamp 2021 review

Environmental

In 2021, Basecamp helped reduce global real estate emissions by ensuring all new projects were certified to the equivalent of BREEAM Very Good level or higher. Most notably, 100% of the assets developed after 2019 are certified. Moreover, Basecamp has certified the Potsdam and Leipzig properties to LEED Gold for Existing Building Operations and Maintenance.

This target is critical to us because we recognise that real estate strongly impacts the levels of greenhouse gas emissions, which in turn significantly impacts the climate.

Additionally, during the 2021 reporting year, Basecamp began to create a roadmap for the decarbonisation (also known as net-zero) of our assets in the medium term, focusing on achieving these goals by 2030.

Our goal is ambitious, but we are determined to find the most efficient way to save the planet and contribute to more sustainable socio-economic growth, together with all other stakeholders in the European Union.

To achieve net-zero carbon across our business operations, we will need to reduce energy consumption significantly in our existing assets by:

- Improving energy efficiency.
- Generating renewable energy on-site as much as possible.
- Evaluating potential carbon offset strategies.

From an awareness point of view, in 2021, we provided several training sessions to our teams, explaining what sustainable efforts across different functional areas represent.

More precisely, we have created a differentiated training curriculum on the environmental sustainability target's theoretical and practical aspects. We did this according to the various bands of responsibility across our teams and how to ensure that these are met. In the future, the training curriculum will be an integral part of the onboarding process.

More than 30% of our teammates received professional training on the main aspects of our assets' social and environmental impact during the design phase and when they are operational, as well as what strategies can be used to mitigate it.

Basecamp's objective of reducing operational energy consumption and increasing green energy production is primarily met through the assets in the portfolio.

This is particularly reflected in Basecamp Lyngby in Denmark. An example of how we intend to become a leader in the field of sustainability. The property represents one of the best examples of sustainable construction. Its environmental and social impact is minimal.

The local community is pleased with the project. Since the beginning of 2022, when it reached 100% occupancy, the publicly-available green spaces created in and around the property have helped integrate tenants and the local community.

Basecamp 2021 review

Social

To make the working life of our teammates more integrated and participative and to evaluate our performance, Basecamp launched an Employee Survey. This was mainly divided into two parts, the first concerning the degree of satisfaction in the work of our leadership team, while the second focused more on Physical and Mental Health & Wellbeing.

This tool is now being institutionalised and used in conjunction with regular opportunities for management to meet with local teams and is vital for assessing how the experience of working in our teams varies from year to year.

Employees survey highlights:

- ~80% response rate.
- Respondents rated 4.82 out of 5 Basecamp as a great workplace.
- Respondents rated 4.78 out of 5 on their opportunity to use their skills and talents daily at work.

- Respondents rated 4.56 out of 5 Basecamp supporting their work-life balance.
- Respondents rated 5 out of 5 on their feeling of being part of a team and that teammates have their back.
- Respondents rated 5 out of 5 on their feeling of being respected in the workplace.
- Respondents rated 4 out of 5 Basecamp efforts in supporting their physical health and 3.8 out of 5 on their mental health.

Measures were taken in 2021:

- Flexible work schedule according to the employee's needs to support mental health.
- Learning and training opportunities in various areas to improve career growth.
- Restructuring of the organisational structure to ensure more clarity and transparency.



Basecamp 2021 review

Social

The Resident Satisfaction Survey represents one of the most important elements in the delivery of the community experience.

The areas that are mainly analysed through this questionnaire are a general evaluation of the service, the experience, the health & wellbeing conditions perceived by our residents, as well as the relationship with the physical spaces and how these could be improved.

Resident Survey highlights:

- 43% response rate.
- Respondents rated 3.88 out of 5 their Basecamp experience.
- BaseManagers and BaseBuddies highest rated across the survey.
- Respondents rated the highest (i) their feeling of being themselves at Basecamp, (ii) the tolerance that other fellow residents show to each other, and (iii) the positive contribution that Basecamp has on their wellbeing.

- Respondents rated the highest their feeling of safety that Basecamp provides, as well as the possibility that Basecamp offered them to make new friends.
- Respondents rated the highest (i) the quality of their room's spatial design, (ii) the ability of sleeping and studying in their room, and (iii) the amount of storage is provided to them.
- Nearly 1 responded out of 2 participated to a Basecamp event. Of those who attended events, they claim to have participated on average to 7 events. Those who did not participate, report COVID-19 as the main reason.



Basecamp 2021 review

Governance

To support our vision regarding ESG, in 2019 we have institutionalised 13 policies across all companies that comprise the entities European Student Housing Fund I & II.

The ESG Master Policy & Statement contains our main objectives in 6 different aspects: Environment; Health & Safety; Community; Suppliers; Customers; and Staff & People.

We share in the knowledge of Sir Francis Bacon at Basecamp Student in that we believe 'knowledge is power'.

To make sure that the policies are known and observed, we have created a number of professional training opportunities for our team.

Mainly, the two areas of our business that were primarily involved were Development and Operations. The training sessions started with Directors and functional Heads-of, and filtered down to the other team members.

These sessions will be officially integrated into the basic training curriculum for all future team members.

Accompanying this was a corporate-wide effort to create a COSO-based Risk Identification Framework to help our team review and identify possible risk areas in the short, medium and long term.

This was particularly important because during 2021, there were many social and environmental events that brought greater attention to ESG matters.

In 2021, we have seen a strong focus on the Task Force on Climate-related Financial Disclosures (TCFD), as well as a very strong growth in attention and participation to the GRESB reporting - in which Basecamp Student has been participating for a number of years now.



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Diversity and Inclusion

Commitments

Basecamp is committed to encouraging equality, diversity and inclusion among our workforce and eliminating unlawful discrimination.

In providing high-quality accommodation for students and young professionals, Basecamp is also committed to fighting unlawful discrimination against our Basecamp communities or other stakeholders.

We take complaints of bullying, harassment, victimisation and unlawful discrimination seriously by fellow employees, customers, suppliers, visitors, local communities, and other stakeholders.



Diversity and Inclusion

Actions



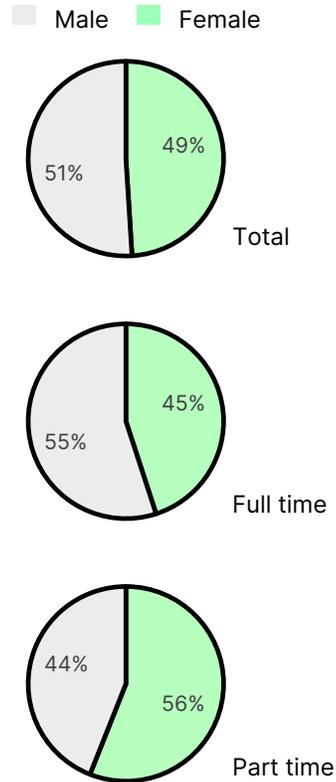
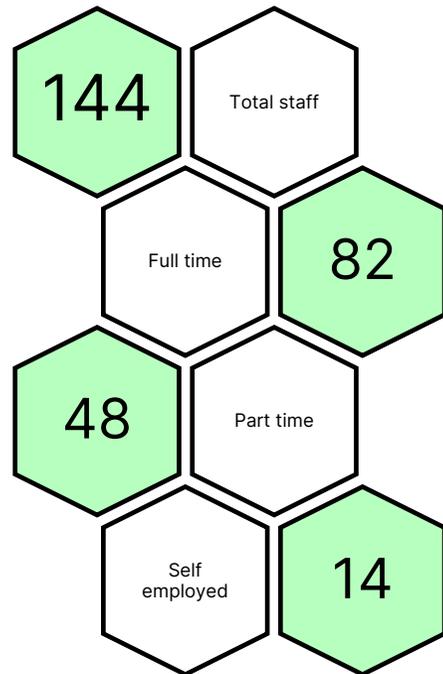
In our ongoing efforts to gather information regarding Diversity & Inclusion and to take steps to align ourselves towards the principles highlighted by the United Nations Sustainable Development Goal 5, Basecamp Student collected and presented the most important information from 2021 to our team.

As part of the Group's Diversity and Inclusion policy, the core principle is that we believe that bringing together a diverse group of people provides value to our business, our investors, and our customers.

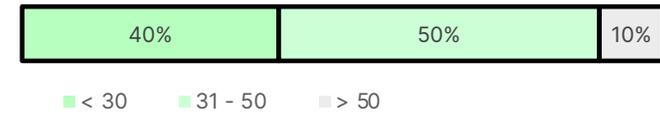
Beyond diversity, we know an inclusive environment allows people to fully leverage their talents which in turn builds a better Basecamp. We also strive to eliminate bias in our workplace to promote a safe, healthy, and welcoming environment.

Diversity and Inclusion

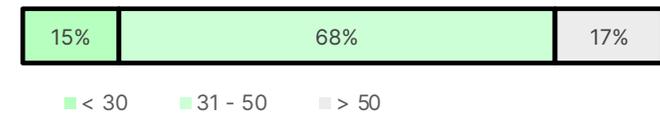
Facts sheet



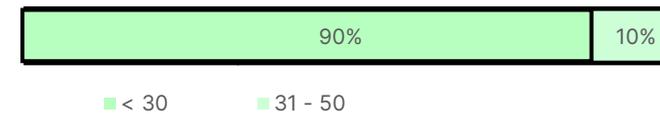
Total age distribution



Full time

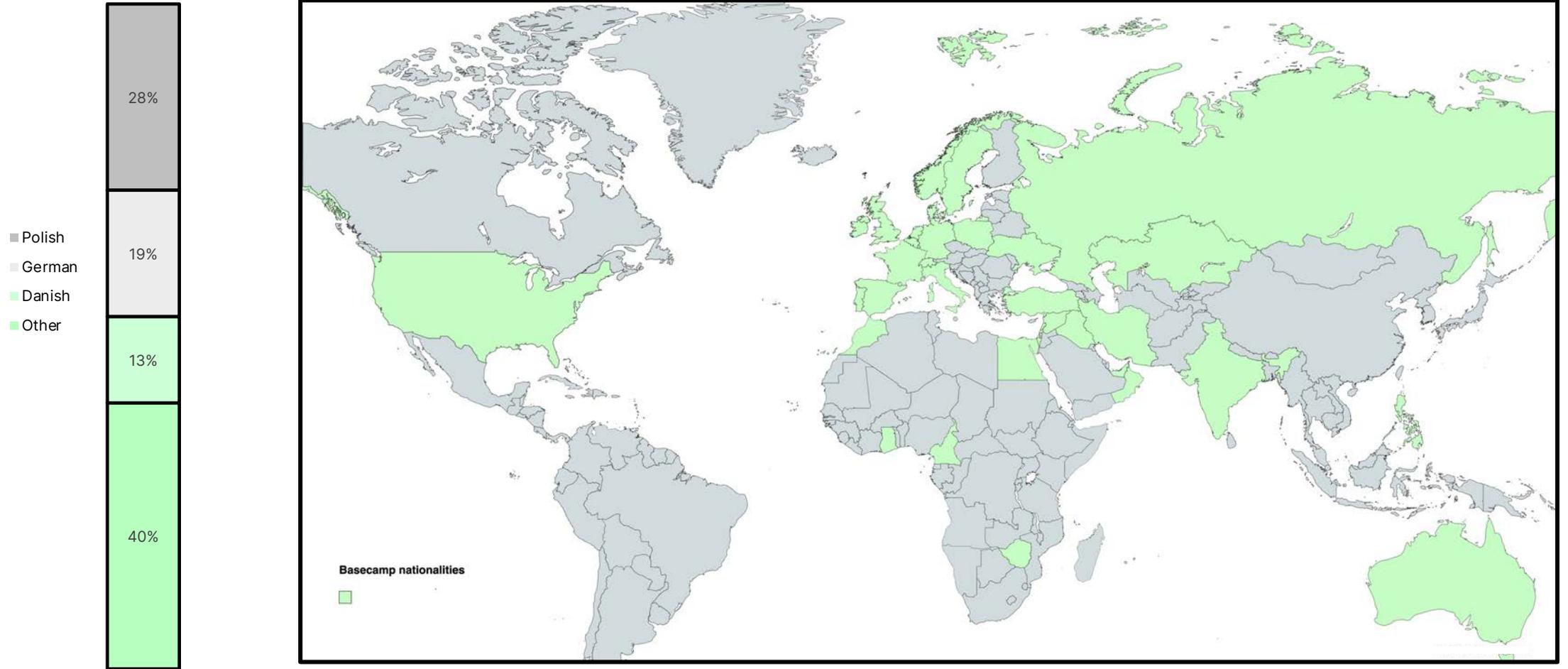


Part time



Nationality

Facts sheet



Gender pay gap

The foundation

To maximise our non-financial disclosure efforts, Basecamp has decided for the first time to conduct a gender pay-gap study within our organisation. Although we are a relatively small team, we felt it was essential to try to take the first step to demonstrate not only to our team members but also to all stakeholders our willingness to embrace the vital challenge of promoting talent and merit while breaking the link with the old, gender-biased view.

Over the years, much has been done to provide a fair opportunity for anyone who wants to join our team. It was crucial for the entire leadership team to provide adequate compensation based on merit and relevant professional experience.

This first analysis, which we completed during the reporting period, allowed us to reflect a lot on what opportunities are available to develop our organisational structure in terms of transparency and equality of opportunity. The analysis was based on the unadjusted pay gap. Unfortunately, this only gives us a rough representation of the compensation difference between genders. Some of the limitations we encountered during the analysis refer to the division of employees according to their seniority or the title assigned. For this reason, we were able to see that there are discrepancies between what seem to be a marked gender pay gap in certain areas and our employees' perception of their compensation compared to their colleagues - which has not been mentioned as an element of concern in the latest Basecamp Employees Survey. It is our goal to continue to improve our reporting efforts.

Bracket	Regional	Corporate
Contributors / Juniors	-5%	28%
Associate / Seniors	15%	-
Managers	12%	11%
Directors / Head of	40%	-26%
Governing Bodies*	-	3%

*Excluding partners.

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Stakeholder engagement and impact case studies

Copenhagen Business School



One of the most compelling examples of stakeholder engagement within Basecamp's business activities was the project developed in cooperation with the Copenhagen Business School Master's course: Consulting for Sustainability.

This project saw a group of students collaborating with us to find some potential solutions to the following problem posed:

- How can Basecamp engage its residents to effectively reduce energy consumption (not only in their rooms but especially in the communal areas) and increase recycling efforts?
- Is it possible to create a competitive business advantage from this?

Involving external stakeholders in this process, who are also potential customers, has encouraged our team to reflect critically on the aspects that could improve the Basecamp experience and our sustainability efforts.

The student group proceeded to conduct numerous interviews with different Basecamp team members to collect helpful information from a financial and operational perspective that would help determine the baseline for the project and potential future improvement areas.

The project lasted approx. four months. The final product consisted of an extensive presentation to which all development and operations directors, including senior management, were invited, as well as a management report of about 50 pages.

Stakeholder engagement and impact case studies

Ecole Hôtelière de Lausanne



Another example of Basecamp Student's strong focus on cultivating relationships with scientific organisations and other related stakeholders is the second project that ran in 2021 with the Ecole Hôtelière de Lausanne (EHL).

The project involved a group of students doing extensive research on the following topic:

Examine how Basecamp Student can evolve its recruitment and talent acquisition strategies to meet the demands of customers and stakeholders (focusing on more client-facing, property-level roles) and identify future trends that may impact talent efforts in the next few years post-Covid-19.

The student group interviewed multiple stakeholders, from EHL industry professionals to Basecamp Student professionals.

The final product was a management report touching on the following topics:

- PBSA market overview
- Hospitality trends
- Talent management
- Employment journey

Within those aspects, the student group analyses how to most effectively integrate health & wellbeing measures and diversity & inclusion principles.

Stakeholder engagement and impact case studies

Sharing is caring

Throughout our properties, Basecamp local teams have created and developed an initiative to reuse items that would otherwise be thrown away.

Specifically, our BaseManagers and BaseBuddies (residents who work part-time at our properties) have created an initiative called Sharing is Caring.

In this initiative, our teams manage the collection of all items our new residents purchase during their stay and prepare them to be reutilised by residents during the next study cycle.

This initiative was also extended to food, as some of our students proactively wanted to reduce food waste at times of high turnover.



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About

This non-financial report gives stakeholders and the public an insight into the Basecamp Student Group's orientation and the approach it takes to aspects of employees, society, environment, human rights and anti-corruption mentioned in the law.

The reporting period is the calendar year 2021. Unless otherwise specified, the information relates either to the entire year or to the reference date of December 31, 2021.

The report is published annually. It applies to the entire Basecamp Student Group and generally includes all sub-companies that are also consolidated in the financial statements.

Basecamp aligned this report to the Global Reporting Initiative (GRI) and the reporting criteria for sustainability reports of the European Public Real Estate Association (EPRA).

For better legibility alone, the simultaneous use of female, male, or neutral language forms is dispensed with in the following, and the generic masculine is used. All personal names apply equally to all genders.

For further details

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BASECAMP