

INREV



Business Plan **2024 - 2026**

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Introduction

The annual Business Plan is an important source of guidance for INREV's activities through the year, at both an organisation and at a committee level.

Our Business Plan captures valuable input from our members through the annual Member Survey, as well as from key contributors like the INREV Management Board, Committees, Investor Advisory Council, and Fund Manager Advisory Council.

The first section of the Business Plan unveils the key outcomes of our 2023-member survey followed by the key market trends that we feel will have a significant impact to non-listed real estate, its players and as such to INREV.

Then we look at INREV's Mission and Vision which frame our goals and deliverables.

Our aspirations for 2024-2026 are broken down into practical priorities, under INREV's member service divisions and under our internal targets.

Climate change profoundly influences our industry, and our industry, in turn, impacts the climate, as such ESG remains a top issue across all our activities. There will be a strong focus on working with other industry initiatives, providing a platform to discuss and share knowledge to support the wider community with practical guidance and insights on these issues across all areas of our business.

In both the ordinary and extraordinary moments, we're committed to delivering top-notch member services. To achieve this, we're dedicated to attracting and retaining a highly professional, devoted, and diverse INREV team.

The expertise, dedication, and commitment of our members are the driving force behind our accomplishments. With your ongoing support, INREV is set to deliver new heights in the coming year.

Thank you for being the backbone of our success.



Member survey

INREV canvassed the views of its membership in September 2023, through the annual Member Survey. The survey seeks members' views on the success and relevance of INREV's activities and helps us to understand their needs and identify gaps in our current offering.

Given the wide ranges of member services that INREV provides, this years survey allowed respondents to provide feedback on INREV's activities at a general level but also to those member services which the respondent uses and that are most relevant to them.

The survey seeks members' views on the success of INREV's activities, and helps us to understand their needs

Respondents

A total of 511 individuals completed the survey, which is a new record number, up 16% from 2022. More importantly the sample is a good representation of the composition of the overall membership.

Benefits

When asked if membership of INREV has grown their knowledge of the industry, 97% of respondents agreed. Also, 95% of members felt that their membership had enabled them to effectively deal with new and changing opportunities and challenges in today's market.

Increased knowledge 970/0 OF MEMBERS FEEL THEIR MEMBERSHIP HAS GROWN THEIR KNOWLEDGE OF THE INDUSTRY

Well equipped 95% OF MEMBERS FEEL THEIR MEMBERSHIP HAS EFFECTIVELY SUPPORTED THEM TO DEAL WITH TODAY'S CHALLENGES AND OPPORTUNITIES

Slight dip in satisfaction

Respondents rated INREV services as excellent or very good, with an 80% satisfaction rate, this was slightly lower than the previous year. The primary areas that dropped in satisfaction were access to events and the data contribution processes.





ESG in focus, but not sole concern

There is an on-going request from the members for INREV to provide insights and practical guidance on ESG related topics such as the impact on property valuation, performance data and regulations impacting the industry.

While EGS remained high on the agenda there was mounting concern about the current economic and geopolitical challenges that impacts on the industry. Specifically, increased inflation and interest rates and the decreased demand for the office sector.

Diversity: lead by example

When it comes to promoting a more diverse industry, members felt that INREV should first and foremost lead by example, secondly advocate for diversity through research, campaigns and educational efforts, and ensure ongoing diversity at INREV events and training courses.

Publications

Overall readership of INREV research reports dipped slightly, but Investment Intentions remains the top-rated and most appreciated report. This is followed closely by Capital Raising and the popular new Quarterly Market Insights.

INREV also published a variety of topical research reports and short papers: most popular were 'Falling through the cracks: SFDR's impact on real estate' and the 'Mapping ESG' report.

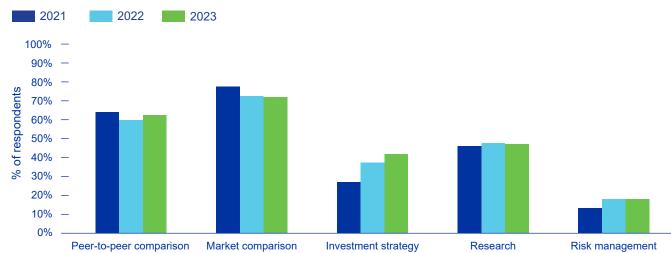
Data

The main reason to use the INREV indices remained unchanged and was for market and peer-to-peer comparison.

With regards to new data, 63% would like to receive residential/living performance data, followed by 50% of respondents who request a debt funds performance index.

The top three best rated indices were the Fund Level Index, followed by the Asset Level Index, then the European ODCE Index. The Global IRR Index was very well rated.

Majority still use Index for market comparison



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Guidelines

The majority, 92%, use or refer to the INREV Guidelines, on par with 2022. Usage of all individual modules increased in 2023. Members remained undecided if the Guidelines should be mandatory.



Reporting and NAV continue to be the most used modules of the Guidelines for the fourth year running, used by 86% and 84% of respondents, respectively.

The two reviewed modules, in January 2022, Governance and Performance Measurement were both used by 15% more members than in 2022.

The new Sustainability module, launched in January 2023 was off to a very good start with 63% of respondents using it.

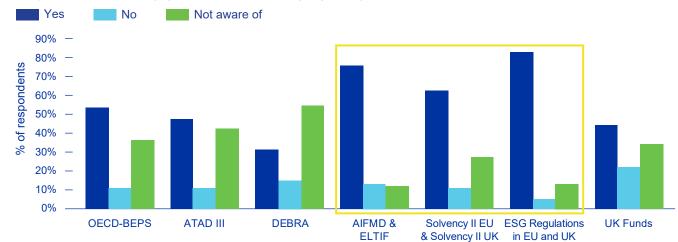
The Due Diligence Questionnaire (DDQ) remains the most popular template while awareness of the SDDS also jumped to 44% from 36% in 2022. A step in the right direction but with room for improvement.

Public Affairs

Members found INREV's engagement on AIFMD & ELTIF, Solvency II and ESG regulations in both the EU and UK most important.

The Tax and Regulatory Country-by-County Guide was considered very or extremely useful by 84% of respondents, up from 68% in 2022.

Did you find INREV's engagement on the following regulatory and tax issues important?



INREV Academy

Those who have attended a training are extremely satisfied, with 98% saying they would recommend it to a colleague. Members would like to see the following topics covered: 1. Artificial Intelligence, 2. Debt and, 3. ESG.

There was a big jump in awareness of the <u>Young</u> <u>Professionals Mentorship</u> programme from 50% in 2022 to 82% in 2023. Also, awareness of the <u>INREV/Henley</u> <u>Certificate</u> increased from 50% in 2022 to 65% in 2023.





INREV Academy

98%

WOULD RECOMMEND AN INREV TRAINING COURSE

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Events

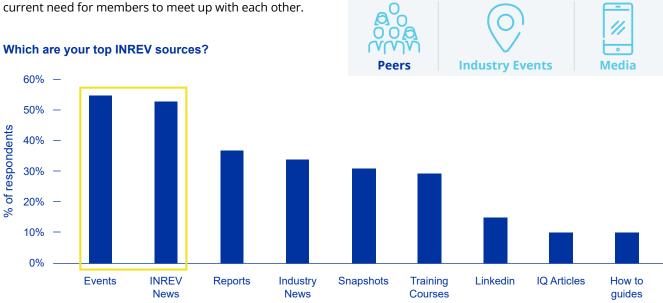
Events continue to be an extremely important service for members, 90% feel that INREV offers events tailored to their specific needs and 98% of members would recommend an INREV event to a colleague.



Communication

INREV News, the weekly newsletter, remains a top way for members to receive information, but for the first-time in a decade events came in on top position, indicating the current need for members to meet up with each other.

The top ways to keep up to date was 1) via peers, 2) attending industry events and 3) following media.



Market trends

Geopolitical and macro-economic developments have always been pivotal factors shaping our strategic approach at INREV. Our mission revolves around serving the interests of our members, and it is paramount that we remain finely attuned to the issues that weigh on their minds.

As we move into 2024, we find ourselves amid a landscape characterised by intensified geopolitical tensions and heightened inflation rates, which have led to increased interest rates and a tightening spread with bond rates. In light of these complexities, we, at INREV, are dedicated to providing our members with clarity, guidance, and a proactive response to the challenges our industry faces.

Our commitment to our members extends beyond mere observation; we actively engage with the issues. We are steadfastly focused on delivering tangible value to our members within this uncertain environment. Our strategic priorities are anchored in the imperative to adapt, innovate, and provide unwavering support as our members navigate the ever-shifting currents of geopolitical and macroeconomic change.

The key market developments that will have a significant impact to our industry and how INREV will address them are outlined on this page.

Dealing with difficult market conditions:

- Acknowledging the market challenges of 2023, including stalled markets and record-low returns.
- Recognising the continued impact of high interest rates on borrowing costs and asset refinancing, potentially affecting market activity.
- Identifying potential growth opportunities in nonlisted real estate debt, offering promising prospects for our investors.

Managing ESG (Environmental, Social, and Governance):

- Emphasising the necessity of reducing our industry's carbon footprint.
- Highlighting INREV's active engagement with policymakers and regulators to navigate the evolving ESG landscape.
- Showcasing our commitment to addressing the supply-demand imbalance in housing markets, particularly through affordable housing initiatives.

Optimising the power of technology:

- Affirming our view that technology, including Al, is an enabler, not a threat, to our industry.
- Recognising technology's role in addressing talent recruitment and retention challenges.
- Underlining the positive correlation between intelligent technology and value/ESG, aligning with our commitment to innovation.

This business plan serves as a testament to our unwavering dedication to adapt, innovate, and effect positive change in the non-listed real estate investment industry. We are enthusiastic about the opportunities that lie ahead and are committed to navigating the challenges with determination and strategic foresight.

While the precise trajectory of geopolitical uncertainties remains uncertain, we maintain cautious optimism that global leaders will work diligently to avert catastrophic impacts on the global economy.

INREV ESG Statement

INREV is committed to promoting the principles of environmental, social, and governance (ESG) within the European non-listed real estate industry and our team. We recognise our individual responsibility to achieve meaningful change and the critical role that the real estate industry plays in shaping a sustainable and equitable future. We are engaged in driving positive change through our own behaviour, advocacy, research and evolving industry standards and data.

We are dedicated to supporting the reduction of the environmental impact of the real estate sector and the transition to a net-zero carbon future. Decreasing greenhouse gas emissions from real estate assets and supporting the industry's shift toward renewable energy sources are critically important for achieving this goal.

Vision and Mission

Vision

To champion the **European** non-listed real estate industry **globally** and build it as a competitive and sustainable asset class for institutional investors.

Mission Statement

INREV works to further transparency and accessibility, promote professionalism and best practice, be the voice of the industry and spread knowledge.



Value drivers supporting strategy

After 20 years INREV's vision and mission still hold strong and drive INREV as a non-profit organisation to support our members with a unique combination of services.

We aim to achieve our **Strategic objectives** in 2024 by focusing on key **Value drivers**, a number of carefully chosen steps designed to create significant value to our members and the industry via our different **Service divisions**.

Together, these service divisions provide leadership in professional standards, research, market information, public affairs, events and education for the entire spectrum of the non-listed real estate industry.

Strategic Objectives 3. Be the go-to source Promote for European platform for globally European non-listed real non-listed real estate industry standards estate industry in and data a global context **Value Drivers** Provide the Represent the highest quality industry in European and European policy global insights and making indices Inspire, educate and inform Ensure an innovative, accessible and secure online platform Grow and strengthen the non-listed real estate community **Service divisions** Public **INREV Professional** Research **Events** Academy Standards and Market Affairs Information

Strategy Map

1. Goals and objectives

Service divisions

Professional Standards

INREV professional standards enables consistency and increases transparency and professionalism of the non-listed real estate investment industry.

Our Guidelines enable investors and managers to excel in their performance and risk management, benefiting from detailed guidance and practical examples. The standardised templates allow managers to share information in a standardised way to increase efficiency and transparency for the investors.

We improve understanding and drive strong adoption of the INREV Guidelines and standardised templates across the globe and promote these to new market entrants.

What we will continue to do:

- Expand insights, case studies and examples to support implementation of the guidelines, increase accessibility and enable comparison against market peers.
- Enhance best practice guidance on ESG issues, including integration of new regulations, social aspects and corporate governance.
- Ensure standards are more globally relevant by working with our strategic global partners to drive convergence where practical and expand reach.
- Continue to drive the global agenda by expanding the Global Definitions Database (GDD), harmonise global performance measurement and reporting standards and ESG best practices globally

Key priorities 2024-2026

- Boost adoption and implementation of the revised INREV Guidelines and standards (DDQs and SDDS) by rolling out a suite of practical examples and continue offering practical guidance
- Review the self assessment tool to improve usability and to reflect the outcome of the Guidelines Revision
- Provide a platform to discuss and share best practices on climate change challenges, net zero pathways and impact investing across the industry. Support other industry initiatives and help our members to understand the full debt of activities with an overview of the key industry ESG initiatives
- Promote the newly introduced ESG SDDS and further expand best practices to incorporate sustainability integration
- Explore governance best practices for operational real estate
- Publish the bi-annual Trends in Investor Reporting' study
- Help the industry to navigate through the fastgrowing offering of technology solutions by creating awareness of the latest technologies and present practical success cases



Investors and managers adopt our Guidelines to excel in their performance and risk management

Research

INREV research is the go-to platform for insights on the European non-listed real estate industry, with a research programme that builds on INREV's extensive proprietary data.

The INREV research programme includes short papers, topical research as well as 7 evergreens surveys:

Global:

- Investment Intentions Survey
- Capital Raising Survey
- Fund Manager Survey

European:

- Funds Termination Study
- Funds of Funds Study
- Debt Study
- Management Fees & Terms (bi-annual) incl. ODCE Management Fees & Terms

What we will continue to do:

- Build on existing global surveys and studies, expanding coverage, applicability and usage.
- Improve the understanding of European non-listed real estate in the global context
- Develop and improve research online analytical tools to allow deeper analysis of INREV survey data which is an integrated part of the IT roadmap project

- Develop a thought leadership series of short papers and articles on ESG trends in real estate investing and on the most relevant industry issues and topic
- Reflect on previous market disruptions, explore lessons learned to understand current challenges and support industry's role in the broader investment market. Promote nonlisted real estate as an asset class in a multiasset portfolio
- Explore megatrends and provide greater transparency in the more alternative / niche segments of the market, such as debt funds and living/residential
- Utilise existing INREV surveys and performance data to allow for deeper analytics insights, attribution analysis and to further expand trend analysis
- Establish the newly launched INREV Consensus Indicator and continue to evolve the Quarterly Market Insights
- Promote the Global Quarterly Market Insights and carry out global research with Global Alliance partners
- Expand the suite of Management Fees & Terms studies with annual ODCE study and launch Global ODCE comparison study
- Explore Management Fees & Terms study for Debt funds
- Facilitate the industry on the innovation and digital transformation through a range of technology papers



Market Information

INREV market information is an independent source of comprehensive non-listed real estate industry data that supports all aspects of the real estate investment process, from asset allocation to performance measurement, and peer-to-peer and market comparisons.

INREV published 12 indices, annual and quarterly:

European:

- INREV Fund Index
- INREV Asset Level Index
- INREV European ODCE Index (quarterly only)
- IRR Index (quarterly only)
- German Vehicles Index

Global:

- GREFI Global Real Estate Fund Index
- Global Investor Index
- Global IRR Index
- Global ODCE Index

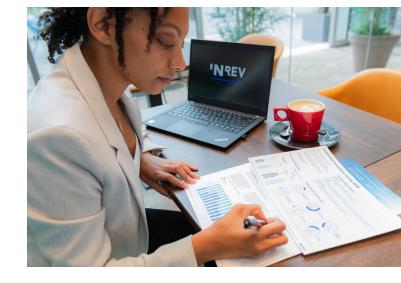
3 databases:

- INREV Vehicles Universe
- Debt Vehicles Universe
- Funds of Funds Universe

What we will continue to do:

- Increase quality, accuracy and completeness of the INREV's suite of market information
- Continue to develop and improve the online analytical tools

- Develop attribution analysis to the Asset Level Index. Expand data analysis and showcase the drivers of performance
- Further enhance utilisation of ODCE Index' financial metrics and extend transparency with asset to fund level attribution and reconciliation analysis
- Provide ESG insights through sustainability KPI metrics linked with the Asset Level Index
- Further enhance and promote INREV
 Universes as the key data source,- dynamically
 maintained and updated
- Work with global partners on expanding utilisation of existing global indices and start discussion on the development of the Global Asset level index
- Develop additional guidance for ODCE index including mark-to-market valuation of debt.
 Organise dedicated Round Tables with ODCE participants to discuss results and other impacting trends
- Explore Residential / Living sub-indices, as well as continuing the discussion around a potential Debt index



Public Affairs

INREV represents members' interests by increasing policy makers' awareness and understanding of the role and importance of real estate investment.

We develop aligned industry responses to proposed regulatory, tax and policy initiatives while taking a leading role on issues affecting our industry among international and national associations.

Leveraging on our presence in Brussels and contacts in London, we provide members with first-hand insights into the development and implementation of regulatory and policy initiatives.

What we will continue to do:

 Keep members informed regarding the practical business impact of regulatory, tax and policy initiatives through briefings, events, round tables focused on specific topics, training courses and publications

We represent members' interests by increasing policy makers' awareness



- Ensure that policy makers in both Brussels and London are aware of the role and importance of non-listed real estate to the European and UK economy and society as they develop regulations, tax measures and policies impacting real estate investment
- Continue to provide input to members on practical aspects of regulatory and policy developments in the EU and UK, including adapting to newly developed or updated regulations, especially in the field of sustainability, tax and fund regulation
- Ensure policy makers understand INREV and real estate industry positions on reports and legislative proposals related to AIFMD II, Solvency III, Shell entities, UK funds and numerous tax- and sustainability-related rule changes. Continue the dialogue around the evolving Sustainable Finance Disclosure Regulation for equity and debt vehicles, EU Taxonomy and UK SDR
- Help members understand and implement new regulatory requirements related to AIFMD II, Solvency III, Sustainable Finance including SFDR Articles 8 & 9, UK funds and numerous tax- and sustainability-related rule changes



Events

INREV offers members high quality conferences, seminars, round-table discussions and briefings tailored to meet their specific needs. As an industry leading body, we provide a content- driven programme delivered by industry leaders and beyond.

Our events are designed to further knowledge, provide opportunities for sharing experience and enhance networking with industry peers across the spectrum of responsibility levels and focus areas.

What we will continue to do:

- Deliver a varied and high-quality events programme, online and on location events with an emphasis on strong content and delivering INREV output
- Guarantee diversity of speakers in the events programme and stay on top of major trends impacting the industry to bring relevant and forward-looking content
- Ensure a high degree of quantitative and qualitative participation, especially by investors
- Continue to offer a structured events sponsorship programme for members to increase exposure

Key priorities 2024-2026



INREV's three flagship events:

- **Annual Conference**
- **Autumn Conference**
- Young Professionals Conference



Re-position our Autumn conference



Include ESG across our events with all its facets, covering impact investing, climate change, transition to net zero, ESG regulatory aspects as well as diversity and well-being



Launch the ESG Conference as our fourth flagship event



Offer targeted events for specific groups of members:

- Young Professionals
- Finance and Tax experts
- Investors



Re-introduce the North American Conference



Reflect our global efforts in our European events programmes



Our wide-range of high quality events further knowledge, provide opportunities to share and network

INREV Academy

The INREV Academy, launched in 2023, is the go-to platform for professionals seeking best-in-class training and qualified development in the non-listed real estate industry.

Within the INREV Academy we deliver best-in-class content, via classroom and online courses and increasingly through eLearning. Our courses focus on a wide range of topics that support the exchange of professional best practice and deepen the knowledge of market participants at all levels.

We also offer the INREV/ Henley Certificate in partnership with the Henley Business School, an education programme that combines practical application with academic rigour.

In addition, the INREV Academy offers a Mentorship programme, fostering connections between young professionals and seasoned industry experts through regular meetings for soft-skill development and (industry) insights.

What we will continue to do:

- Deliver more than 30 courses annually in a blended approach of interactive online and classroom formats
- Further improve the suite of our training offerings to reflect INREV best market practices across the industry
- Run the INREV/Henley programme, including the INREV Academy Day for participants to meet and engage with each other
- Reach out to leading universities across Europe to increase the knowledge and understanding of the non-listed real estate industry by engaging with students at an early stage in their career

Key priorities 2024-2026

- Raise the profile of the newly launched INREV Academy within and outside the INREV community
- Include a strong focus on ESG throughout the entire training programme besides the dedicated ESG courses
- Expand the training offering to meet the continuous increasing demand by running several courses multiple times, such as:
 - The Foundation course to run three times, including the second run of the INREV Summer School edition
 - The ESG Essentials course to run four times and the Advanced ESG course to run twice
 - Run the seven most popular courses twice a year
- All INREV courses will continue to be CPD certified in 2024, allowing members to continually work on their professional development
- Launch of the third edition of the INREVMentorship programme





Topical and highly relevant content advance the skills and knowledge of participants

2. Internal priorities

Marketing and Communications

INREV provides timely, reliable and easily accessible information for our members and the wider industry via a multi-channel approach.

What we will continue to do:

- Promote awareness, increase accessibility and usage of all INREV services and output
- Further increase industry awareness of headline results through engaging content and interactive visuals that allow users to digest information quickly and efficiently
- Broaden reach and penetration of key messages with financial and business media to promote nonlisted real estate as an alternative asset class
- Build and nurture the INREV LinkedIn community to facilitate member discussion, engagement and knowledge exchange
- Implement effective and targeted marketing campaigns to ensure existing and prospective members receive timely and relevant information on topics that directly impact them

Key priorities 2024-2026

- Transform content into more engaging formats, utilising concise and impactful mediums such as infographics, interactive charts, blogs, and podcasts to captivate our audience
- Curate topic specific online resources, articles and campaigns on subjects of high interest to members such as the evolution of non-listed industry, real estate debt and ESG related topics
- Develop the website as a comprehensive resource and information hub, ensuring members can easily access and navigate services while increasing overall awareness
- Expand our community and boost INREV's visibility by involving brand ambassadors in the advocacy program, fostering growth and awareness within the non-listed real estate investment industry
- Reinforce INREV's position as a thought leader, by creating compelling and interesting insights to promote and increase visibility of INREV in and outside of Europe



We provide timely, reliable and easily accessible information for our members

Member Relationship

At INREV we pride ourselves as being the non-listed real estate community and the member relationship programme helps foster this community ensuring that it remains active and connected.

We actively engage with our members to make sure they feel included in this community not only by connecting them with each of INREV's service areas but also with their peers.

We want to make sure our members make optimum use of their membership by increasing their team's knowledge and usage of the benefits and services available to them.

As an investor-led organisation, we specifically provide the space for investor members to connect with each other and openly discuss common issues that affect them directly.

What we will continue to do:

- Further improve the communication channels between members and with the INREV team, while providing information and support resulting from our products and tools
- Organise invitation-only investor meetings to connect local like-minded investors to provide an informal discussion forum
- Reach-out to members individually, listen to their special needs in these unique market circumstances, and work on solutions with the INREV team

Key priorities 2024-2026

- Roll-out power BI analysis across our member services to better understand the usage of the different products and to improve our offering
- Support our members in their daily work through continually developing and improving member services
- Help identify and connect with experts within each member company for example, ESG, tax or finance experts



A growing community with a close, connected rapport

Information Technology

INREV's member services have increasingly turned digital, and data based. Today, INREV delivers its member services through a wide set of data collection and analysis tools.

Through the continuation of the IT roadmap programme, INREV is consolidating its data reporting mechanisms and data storage into a single system. Members will benefit through a significantly reduced reporting burden as well as better data access.

We ensure that the INREV data collection, verification, handling and storage process adheres to the highest standards in information security, governance and complies with new regulations.

Data quality and information security stands at the core of this strategy and INREV's members will automatically benefit from all developments.

INREV is committed to the highest standards in data reporting, governance and security



- Minimise members' reporting burden by providing more efficient methods for data submission
- Consolidate data access through a centralised system to manage data exchange between funds and investors
- Strongly improve efficiency by increasingly automating the indices production and publication process
- Develop a new system for registering and monitoring training and events to meet increased demand
- Increase data accessibility through a data warehouse containing all historically collected survey and index information
- Establish the highest standards of information security through obtaining the ISO27001

 Certification
- Continuously train and develop staff on information security



INREV Team

INREV prides itself in having a very diverse and inclusive team, embodying the principles of equal opportunity. Our commitment extends to prohibiting discrimination based on age, ethnicity, ancestry, gender, national origin, disability, race, size, religion, sexual orientation, socioeconomic background, or any other status prohibited by applicable law. We hold ourselves to the highest standards and expect all team members to contribute to a culture of inclusivity, ensuring that every individual associated with or involved in the work of INREV feels valued and respected.

At the core of our team dynamics is trust, forming the foundation of our relationships. We actively invest in cultivating team spirit through shared experiences like communal lunches, team-building activities, and social gatherings after work. As a professional, friendly and member-oriented organisation, INREV recognises that our strength lies in the knowledge, skills and performance of our dedicated team members. This is the only way INREV can remain innovative and lead the way in the market. That's why INREV invests in the continuous development of its employees.

We place great importance on aligning the entire team with INREV's sustainable ambitions. To this end, we are developing policies and introducing incentives that encourage positive change, ensuring that our collective efforts contribute to a more sustainable future.

The well-being of our team is a top priority. INREV continually reviews and enhances our health and well-being programme, affirming our dedication to the physical and mental health of our team members.

Key priorities



Optimising our most valuable resource:

- Improve staff retention
- Foster continuous learning across all levels: from starters to senior staff, from improvements of content knowledge to leadership skills
- Implement a development traineeship programme for new joiners



Supporting INREV's ESG ambition:

- Roll out our health & well-being programme, including a bike plan to promote sustainable commuting
- Evaluate business travel to reduce our carbon footprint
- Collaborate with suppliers, including hotels to work with local (food) and suppliers to support sustainable practices

Diversity at INREV: progression over the years

Male A Female

Annual Conference Attendees



Conference Speakers

Committees



Fund Manager Advisory Council

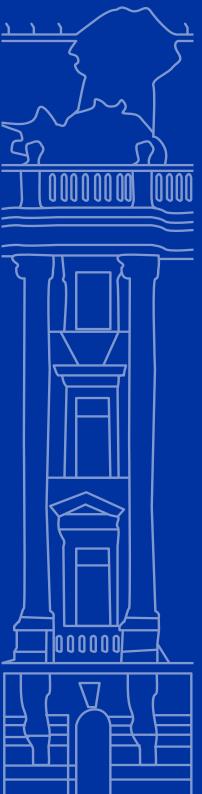
Investor Advisory Council

Management Board



INREV is committed to reducing its carbon footprint





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