DEAN'S

ESG REPORT 2025

LIVING SECTOR AND HOUSING TRENDS

The Living Sector refers to residential solutions that provide accommodation for different life stages and needs, including student housing, senior living, co-living, micro apartments and rental housing.

Global trends such as climate change, demographic shifts, urbanization, and rising living costs are reshaping how people live, study and work, creating an urgent demand for affordable and sustainable housing options.

Forestay Group’s student accommodation strategy supports this transformation by offering modern, accessible and resilient housing solutions in the heart of Budapest.

OUR MISSION

Our MISSION is to provide people – and especially students – with the right kind of accommodation that allows them to unlock their full potential and live life to the fullest.

It is important to emphasize that our mission is not the construction of hybrid buildings in itself. Rather, this is a *means* to achieve our mission.

In this context, ESG is central to our approach:

- Environment (E): We are committed to preserving our environment and society for future generations by creating efficient accommodation solutions, both in terms of layout and energy use.
- Social (S / CSR): We place strong emphasis on the individual and the community, ensuring the right conditions for education, learning, and personal development.
- Governance (G): We have established an effective operational structure, incorporating AI, IT systems, and strategic management.

OUR APPROACH

To achieve this mission, Forestay Group develops innovative student housing and hybrid living concepts in Central and Eastern Europe.

These projects combine:

- **Efficient design** – smart layouts and sustainable energy systems.

- **Community focus** – fostering inclusion, knowledge sharing and wellbeing.

- **Strong governance** – transparent operations, digital solutions, AI and IT-driven management.

The hybrid model is not the goal itself, but an instrument that helps us create modern, sustainable, and student-focused housing solutions.

ESG AS A GUIDING PRINCIPLE

ESG defines the way we think about sustainability – in environmental, social and governance terms.

- **Environment (E)**: preserving resources for future generations, reducing energy use and carbon footprint.
- **Social (S):** supporting education, international mobility, and responsible, tolerant communities.
- **Governance (G):** ensuring professional management, transparent structures, and long-term value creation.

Our ESG commitment is embedded in every project, ensuring that both individuals and society benefit from sustainable and forward-looking housing solutions.

ENVIRONMENTAL RESPONSIBILITY IN ACTION

At Dean's Home Budapest, the "E" in ESG – **Environmental** – is at the heart of our concept.
Through conscious design and technology, we create sustainable housing that reduces environmental impact while improving student life quality.

Key aspects:

- Urban regeneration: transforming a former factory into a vibrant hybrid of student housing and hotel.
- Efficient living: compact layouts and shared spaces result in ~70% less energy use per student.
- Sustainable systems: district heating + heat pump, advanced insulation, and smart building management.
- Certified excellence: our environmental performance is validated by **BREEAM Excellent** and **ÖGNI Gold** certifications.

This project demonstrates how environmental responsibility is not just a principle, but a measurable achievement.

BREEAM CERTIFICATION

BREEAM "Excellent" In use Certification

This outstanding achievement is more than just a certificate – it is proof that Dean's Home Budapest represents a new green direction in urban real estate development.

🌎 Conscious design
🔋 Energy and water efficiency
💚 Healthy indoor environments
🚴 Sustainable mobility solutions

To achieve certification, buildings are assessed across several categories, such as:

•Health and Well-Being (HEA), Energy (ENE), Transportation (TRA), Water (WAT), Resources (RSC), Resilience (RSL), Land Use and Ecology (LUE), Pollution (POL)

To obtain certification, a building must meet the criteria set in each category and achieve a sufficient number of points across all relevant areas. This process supports the creation of environmentally, socially, and economically sustainable buildings that prioritize the well-being of their users while minimizing environmental impact.

BREEAM CERTIFICATION

🌿 HEA – Health & Wellbeing

From a health and wellbeing perspective, we have achieved the following:

✅ **HEA 01** – All workstations have access to natural daylight.

✅ **HEA 02** – At least 80% of the relevant rooms are equipped with appropriate shading.

✅ **HEA 03** – The internal and external lighting levels comply with the levels specified by local standards.

✅ **HEA 04** – Building users are able to adjust the level of lighting.

✅ **HEA 05** – A device is available that minimizes or prevents light flicker.

✅ **HEA 06** – Building users have an adequate view from areas equipped with workstations.

✅ **HEA 07** – Building users are able to control the temperature and ventilation near their workstations.

✅ **HEA 08** – The ventilation system's air inlets and outlets are appropriately positioned to minimize the intake of external pollutants into the building.

✅ **HEA 11** – Outdoor and/or indoor resting areas are available for building users.

✅ **HEA 12** – Multiple features are in place to ensure the building can be used efficiently by all occupants, regardless of age, gender, ability, or potential disability.

✅ **HEA 13** – Drinking water is provided for all building users.

The healthy indoor environment has been achieved through conscious architectural and building engineering solutions.

BREEAM CERTIFICATION

ENE – Energy

In the area of energy efficiency, we have achieved the following:

- ✅ **ENE 02** – 100% of the area is equipped with mechanical ventilation.
- ✅ **ENE 07** – 100% of the area is equipped with LED lighting.
- ✅ **ENE 11**– Internal temperature controls are available in individual rooms or zones.
- ✅ **ENE 16** – The energy consumption of the leased areas can be measured separately.
- ✅ **ENE 18**– The lifts in the building are energy-efficient.
- ✅ **HEA 13** – Drinking water is provided for all building users.

The combination of readiness for renewable energy sources and effective temperature control enables exceptionally sustainable building operation.

BREEAM CERTIFICATION

🚲 TRA – Transport

Supporting sustainable transportation:

✅ TRA 01 – Covered bicycle storage facilities encourage active transportation.

✅ TRA 02 – Excellent access to public transportation

✅ TRA 03 – Pedestrian-accessible services are available near the building

✅ TRA 04 – A separate entrance, roadway, and maneuvering space are provided for delivery traffic, isolated from pedestrian, bicycle, and parking areas

The building is perfectly integrated into the urban transport network, offering sustainable mobility options.

BREEAM CERTIFICATION

💧 WAT – Water

Optimizing water usage:

- ✅ WAT 01 – Water consumption is measured separately for each leased area.
- ✅ WAT 04; 05 – Water usage is reduced in washbasins and showers through the use of aerators.
- ✅ WAT 06 – At least 50% of water-using fixtures are low-consumption.
- ✅ WAT 09 – 100% of water fixtures are equipped with individual shut-off valves.

Water conservation is present not only through technology but also as an educational aspect of the building's operation.

BREEAM CERTIFICATION

🌱 RSC – Resources

Efficient management of resources and waste:

✅ **RSC 01** – A condition survey has been carried out by the building operator within the last five years, and all identified issues have been addressed.

✅ **RSC 02** – Adequate facilities are provided for:

- separating, storing, and collecting waste for optimal reuse and recycling
- operational waste generated by the building operator
- operational waste generated by building users

✅ **RSC 04** – The building's design ensures adaptability to future needs, such as changes in use or function.

Resource efficiency is embedded both in the building's infrastructure and in its operational policies.

BREEAM CERTIFICATION

RSL – Resilience

Preparedness and protection for long-term resilience:

✅ **RSL 01** – A flood risk assessment has been carried out, covering all potential sources. The building is identified as having no or low flood risk.

✅ **RSL 04** – Protection measures include:

- pedestrian traffic protection at all main entrances, public areas, and circulation routes (corridors, elevators, staircases, doors, etc.)
- internal high-exposure surface protection up to at least 1 meter (corridors, delivery routes, kitchen areas)
- preventive measures against vehicle collision within 1 meter of façades and within 2 meters of delivery zones
- accessible walkways that discourage walking through landscaped areas

✅ **RSL 05** – The building is equipped with nationally and internationally certified fire detection and intrusion alarm systems, connected to 24/7 monitoring. A security guard is present on-site 24/7.

Resilience measures safeguard both the building's users and its long-term operation.

BREEAM CERTIFICATION

🌍 **LUE – Land Use and Ecology**

Supporting biodiversity and ecological value:

✅ **LUE 01** – Between 5% and 20% of the property footprint has been planted with greenery.

✅ **LUE 02** – At least two ecological features are incorporated within the landscaped areas.

Ecological design contributes to biodiversity, user well-being, and environmental integration.

BREEAM CERTIFICATION

⚠️ **POL – Pollution**

Minimizing pollution and ensuring safe operation:

✅ **POL 01** – Oil and grease control is ensured through:

- interceptors installed in the drainage system at potential pollution sources
- grease traps/filters integrated into kitchen equipment where required

✅ **POL 02** – Storage and containment facilities are designed to hold at least 110% of the stored hazardous material volume.

✅ **POL 03** – No nitrogen-oxide (NOx) emissions are generated, as heating and hot water are provided through non-combustion systems (e.g., electricity).

✅ **POL 05** – Automated refrigerant leak detection systems are installed on all equipment using refrigerants, with automatic shutdown, refrigerant pumping, and alarm/visual signal.

Pollution prevention is integrated into building design and daily operation, ensuring safe and sustainable performance.

CONTINUOUS IMPROVEMENT FOR A GREENER FUTURE

Beyond large-scale systems, Dean's Home Budapest continuously introduces smaller but impactful initiatives to further reduce environmental impact:

- Smart Energy Integration: connecting the VRV system to the Building Management System (BMS), enabling remote access, faster diagnostics and efficient maintenance.
- Solar Shielding: applying sun protection films on BOH office windows to prevent overheating and reduce cooling demand.
- Water Efficiency: installing low-consumption fixtures and appliances, combined with awareness campaigns (e.g. towel reuse, mindful water use).
- Energy Awareness: running campaigns to promote energy-saving behaviour and preparing efficiency trainings for residents and staff.
- Sustainable Equipment: purchasing low-energy appliances and integrating more ecological structures into the building.

Together, these measures ensure continuous improvement, lower operating costs, and measurable environmental benefits for future generations.

SOCIAL RESPONSIBILITY

The **“S” as Social** in ESG focuses on people and communities – how our developments support education, social interaction and inclusivity both within the student community and in the wider neighbourhood.

- Facilitating higher education and especially promoting international knowledge transfer supports the development of the society
- Property and its communal areas serve as a social hub for students
- Passage opened to public, provides connection with the neighbouring medical university and integrates local citizens to use the facilities of the property
- Regular public events are held in the property e.g. trainings, presentations, student community events

SOCIAL RESPONSIBILITY

CSR activities in 2025

- Organized charitable giving (clothes, non-perishable food, kitchen equipment) for long-term student residents moving out from Dean's. Donations were offered to **Charity Taxi,** organizing community markets for people living in deep poverty in countryside villages. Value of donation: HUF 800.000
- Provided space for charity events organized by **International Semmelweis Student Association (ISSA)** of Semmelweis University. The donations supported:
  - The Malala Foundation, supporting education of young girls in developing countries
  - The Hungarian Food Bank Association
  - Raising money for charity, with all proceeds going toward purchasing sleeping bags for the homeless before winter

SOCIAL RESPONSIBILITY

CSR activities in 2024

- Participated in the ‚It's good to be good' charity fundraiser of the public media, supporting the foundation of the **Semmelweis Development Support Centre** (development of children born prematurely and those living with congenital abnormalities). Value of donation: HUF 200.000
- Offered complimentary accommodation for a group of disadvantaged children, organized by the **Hungarian Baptist Aid**. Value of donation: HUF 800.000

GOVERNANCE

Governance is about professional management, operational transparency and aligning the interests of all stakeholders.

- Highest possible operational efficiency through a professional private operator team and protocols
- IT supported operation: self check-in (to be implemented in 2024), data analytics, property management and reservations systems, building management, etc. shift the workload to high value added jobs
- Public-private cooperation uses the competitive advantages of both sectors: creates a scheme which serves the public, but is maintained by the private sector
- Operational transparency by opening the project for investment for institutions and private individuals through a fund structure
- Inclusive, welcoming and friendly environment
- Alignment of goals between owner and tenants

GOVERNANCE

UN Sustainable development goals: https://sdgs.un.org/goals

EU Policy Whole Life Carbon Roadmap for Buildings: https://globalabc.org/resources/publications/eu-policy-whole-life-carbon-roadmap-buildings

Greenhouse Gas Protocol – Corporate Standard: https://ghgprotocol.org/corporate-standard

Physiological impacts of healthy buildings: https://9foundations.forhealth.org/

The Business case for healthy buildings: https://globalwellnessinstitute.org/wp-content/uploads/2018/12/Business-Case-for-Healthy-Buildings-FINAL.pdf

The image used in this document was Designed by Dooder / Freepik: https://www.freepik.com/.