

Press release

AXA IM Alts secures A\$100 million investment from the CEFC to deliver affordable housing in Australia's largest cities

AXA IM Alts, a global leader in alternative investments with €185 billion of assets under management^[1], has today announced that it has secured a A\$100 million (c.€60 million^[2]) investment from the Clean Energy Finance Corporation (CEFC) into its Australian build-to-rent (BTR) affordable housing strategy. The CEFC's investment will bring total equity commitments raised for the strategy to A\$320 million (c. €191 million), enabling AXA IM Alts to further advance its objective of delivering high-quality, sustainable and affordable homes across Australia's major metropolitan areas.

This strategy will initially target the development of up to 3,000 apartments, with over half designated as affordable housing for key workers in employment hubs across cities such as Sydney, Melbourne, and Brisbane. Its first development in Westmead (Western Sydney) commenced in December 2022 and, with construction well advanced, is expected to complete in late 2025. This three-building project will offer 397 units, with capacity to house close to 1,000 residents, offering much needed affordable accommodation for essential workers such as healthcare professionals, teachers, and emergency response staff.

The strategy will leverage AXA IM Alts' long term experience in managing its extensive global residential property portfolio, which forms part of the over A\$182 billion in real estate assets it manages, including developments. The portfolio includes c.A\$37 billion in residential assets across over 1,000 properties, providing more than 55,000 units of accommodation. With this, AXA IM Alts manages a global affordable housing portfolio valued at over A\$4 billion, comprising more than 160 assets and more than 13,000 units, demonstrating the firm's commitment to addressing housing affordability on a global scale. ^[2]

The strategy's developments will be fully electrified and powered by 100% renewable energy. Future projects will focus on achieving minimum 5-star Green Star Buildings certification and an average 7.5-star NatHERS home energy rating. This approach underscores AXA IM Alts' commitment to delivering both social and environmental impact, while also targeting long-term value for investors and the community.

The CEFC's investment further strengthens AXA IM Alts' competitive position in the Australian affordable housing market. By leveraging the global expertise of AXA IM Alts and the local knowledge of St George Community Housing (SGCH), the partnership will create a replicable model to expand affordable housing supply nationwide, helping Australia meet its decarbonisation goals while addressing critical housing shortages.

Antoine Mesnage, Head of Australia at AXA IM Alts, said: "The CEFC's investment is an important milestone in the continued success of our Australian affordable housing programme and our wider global residential strategy, which we intend to grow alongside new capital partners. It also reflects our shared approach to addressing the shortage of good quality, sustainable housing stock for key workers in Australian cities. We have strong ambitions to continue to expand this residential strategy in Australia, allowing our clients to benefit from AXA IM Alts' global expertise and local knowledge in the sector. The support of established and like-minded institutional investors such as the CEFC, as well as the strong pedigree and operational expertise in affordable housing of our operational partner St George Community Housing, will be invaluable to helping us achieve that growth. The Westmead project, our strategy's first investment, is expected to complete in 2025 and will aim to enable essential workers to live in good quality, institutionally managed accommodation closer to their place of employment. We seek to replicate this model at scale across Australia, with an initial focus on Sydney, Melbourne and Brisbane, and we have a number of pipeline

opportunities identified to grow and diversify the portfolio further. Additionally, in supporting the transition to a decarbonised economy, we are targeting market-leading environmental and social credentials across the assets that aim to deliver strong ESG and impact outcomes, and long-term value to our investors as well as the local community.”

CEFC CEO, Ian Learmonth said: “To effectively reduce emissions in the property sector, sustainability needs to be at the heart of all developments. Tenants can face challenges in implementing energy efficiency and emissions reduction measures in their rental properties. This new strategy is an important step in an equitable energy transition, taking an integrated approach to leverage global best practice and drive clean energy outcomes to provide benefits to tenants, and more broadly to help to address housing supply and affordability. This investment brings the benefits of sustainability to an important segment of Australia’s residential sector, at scale. Making homes more resilient, healthy and comfortable by lifting sustainability standards helps meet our current and future housing needs as we move towards net zero emissions and unlocks the advantages of sustainable living for more Australians.”

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Sources 1: AXA IM Alts data (unaudited) as of 30 September 2024

Source 2: Euro / AUD conversion as at end of December 2024

Source 3: AXA IM Alts data (unaudited) as of 30 September 2024

Press Contacts

AXA IM Alts

Jocelyne Tamssom, Head of Communications

Pauline Mauvenu, Communication Manager

Tel: +33 1 44 45 96 62

PressOfficeAXAIMAlts@axa-im.com

FTI Consulting Inc.

Richard Sunderland, Richard Gotla, Ollie Harrison, Josie Tyers

Tel: +44 20 3727 1000

AXAIMAltsRA@fticonsulting.com

About AXA IM Alts

AXA IM Alts is a global leader in alternative investments with €185 billion of assets under management^[1] comprising c.€81 billion of primarily private real estate, €92 billion of private debt and alternative credit, as well as c.€12 billion in Infrastructure and private equity. We take a 360° approach to real estate & infrastructure investing with over €126 billion of assets under management in direct opportunities, held indirectly through debt and listed equities and via long term private equity investments into operating platforms. ESG is fully integrated into our investment decision making processes with our responsible investment approach anchored by the three key pillars of decarbonisation, resilience and building tomorrow. AXA IM Alts employs 980 people located in 17 offices around the world and serves the needs of 600+ clients from Europe, North America, Asia Pacific and Middle East. We are the number one property portfolio and asset manager in Europe, and one of the largest worldwide^[2]. AXA IM Alts is a business unit of AXA Investment Managers.

1. Source: AXA IM Alts data (unaudited) as of 30 of September 2024.

2. Source: Highest-ranked European Real Estate Manager in IPE’s Global Top 150 Real Estate Investment Managers, based on total value of real estate assets under management, November/December 2023. Ranked 9 globally.

About AXA Investment Managers

AXA Investment Managers (AXA IM) is a leading global asset manager offering a diverse range of global investment opportunities in both alternative and traditional asset classes. Through our products we aim to diversify and grow portfolios, while delivering long-term investment performance and value for clients.

AXA IM manages approximately €869 billion in assets^[1], and has €480 billion of ESG-integrated, sustainable or impact assets^[2]. Our purpose is to act for human progress by investing for what matters. As a responsible asset manager, we are committed to integrating ESG principles across our business, from stock selection to our corporate actions and culture.

Part of the AXA Group, a worldwide leader in insurance and asset management, AXA IM employs over 2,800 employees and operates from 23 offices in 18 countries globally^[2].

1. As at the end of September 2024, including non-consolidated entities.

2. As at the end of December 2023.

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