

Investment strategy for sustainability issues

Our strategic sustainability objectives are:

- Promote the sustainability of the Fund's real estate;
- Ensure maximum return through the improvement of sustainability characteristics;
- Make the real estate as attractive as possible to potential buyers.

We ensure that the Fund's investors have the opportunity to become stakeholders of a 'light green' fund, i.e., to place their funds in an environmentally friendly product, thereby participating in sustainable projects that simultaneously promote environmental characteristics and provide a risk-adjusted financial return.

We create a sustainable environment by providing good quality and environmentally friendly conditions for lessees, visitors, and customers of the properties we manage. In our relations with lessees, we insist on the so-called 'green lease' requirements, which synchronize our interests with those of our lessees in terms of energy efficiency, resource consumption and other aspects of sustainability.

By promoting the sustainability of real estate, we make them interesting for buyers who, by purchasing the Fund's real estate, can get a valuable asset with a good return in their portfolio.

When investing and managing the Fund, we focus on the following environmental characteristics related to real estate:

- Energy efficiency;
- CO₂ emissions;
- Waste sorting;
- Resource consumption.

Each of these characteristics, its impact on the value and return of the real estate and the opportunities to improve them, is carefully considered when adopting investment decisions and managing the acquired real estate. Improving these characteristics reduces the expenses of the real estate, makes it more modern and increases the real estate's return over the long term.

The Fund's specific goal is to acquire B-category real estate, improve them, promote their sustainability, and turn them into properties with a good return. Our goal is to improve each of the above-mentioned characteristics, making real estate environmentally friendly, sustainable, convenient for lessees and as attractive as possible for buyers. Therefore, we make our investment choices not based on the sustainability status of the real estate before its purchase, but on how and to what extent we can develop it by managing the object after its purchase.

When the Fund makes its investments, significant attention is given to the environmental risks that may affect the acquirable real estate and therefore the Fund's overall return (for more details please see "Integration of sustainability risks in the investment decision-making process").

Note:

** Investments in real estate are made through 100% Fund owned SPV's (Special Purpose*

Vehicles), with them directly buying the chosen real estate. SPV's are used as a tool for placement of investments and risk separation and are not to be considered beneficiary companies. Consequently, the Fund does not develop policy or other documentation on relations with beneficiary companies, including engagement policies.

*** Fund manager management and employee compensation is not related to the achievement of sustainability goals and long-term value creation. Consequently, the Fund does not develop compensation policy.*