



STONEWEG

ESG and Responsible Investment Policy



STONEWEG

Introduction

Stoneweg is a real estate investment company established in 2015 and headquartered in Geneva, Switzerland. As an active operator in the real estate investment industry, Stoneweg is committed to integrating Environmental, Social and Governance (ESG) criteria into all of its activities, taking into consideration its responsibility to the environment, its employees, society, and all its stakeholders.

Stoneweg's overarching strategy is based on our ability to detect and take advantage of market conditions; we believe ESG and sustainability will act as an extension of that strategy and it is in the interest of Stoneweg to integrate Responsible Investing into all aspects of our asset selection and development.

Real estate plays a central role in a prosperous society, serving basic human needs such as housing, workspaces, infrastructure for healthcare and transportation of goods. The impact it can have though, on the environment and people, should not be ignored. We believe that taking ESG factors into account is essential in the creation of sustainable value for the company, our investors and our communities. ESG integration can reduce risk and enhance returns by reducing cost and increasing efficiency; reducing risk of fines; reducing externalities; and improving adaptability and resilience. Ultimately, real estate is a long-term investment that requires a long-term view of risk management. Sustainability criteria are central to that.

Scope

This policy applies to Stoneweg Group and all Stoneweg strategies. With regards to Stoneweg's business, the scope will include the management of physical offices, all Stoneweg employees, and any contractors or consultants providing services to Stoneweg.

It is acknowledged that some ESG factors will be relevant to all strategies. However, based on specific and different operational context, not all ESG factors will be relevant to all strategies. Regardless, the principles of integrating ESG outlined within this policy apply to all strategies.

As part of our commitment to ESG we are adopting Group level policies to cover ESG topics which we have identified as material to the business. Detail of these policies will be available on our website.

Our Sustainability Pillars

In integrating ESG considerations into the business' strategy, Stoneweg commits to focus on three key pillars: People and Communities, Environmental Stewardship, and Responsible Business. We have undertaken a materiality assessment to understand which topics are important to our internal and external stakeholders. We commit to set targets against each of these pillars that reflect the outputs from that assessment to ensure that we are improving performance through an effective and meaningful focus on ESG factors that are material to our business and our stakeholders.

Our pillars are outlined below. We have aligned our priorities to the UN Sustainable Development Goals to demonstrate our commitment to addressing key global challenges.

Stoneweg ESG Matrix

		3 GOOD HEALTH AND WELLBEING	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
People and Communities	Equality, Diversity and Inclusion		✓						
	Health and Wellbeing	✓					✓		
	OHS	✓							
	Training and Development				✓				
	Community Engagement	✓			✓	✓	✓		
Environmental Stewardship	Green Buildings and Building Certifications			✓	✓	✓	✓	✓	
	Sustainable Building Materials					✓	✓	✓	
	Energy Management and Efficiency			✓				✓	
	Greenhouse Gas Emissions							✓	
	Climate Adaptation and Mitigation							✓	
Responsible Business	Data and Cyber Security				✓				
	Anti-Bribery and Corruption								✓
	Transparency & Accountability								✓
	Executive Compensation								✓
	Stakeholder Engagement				✓				
	Board Composition								✓
	Risk Management								✓
	Responsible and Sustainable Supply Chains		✓				✓		
	Human Rights		✓						✓



STONEWEG

We will integrate the considerations under each pillar within our business processes, investment decisions and group policies.

Alignment with the Sustainable Development Goals (SDGs)

Stoneweg has set its objectives and commitments based on the UN Sustainable Development Goals (SDGs). The 17 SDGs were agreed and set by all UN members in 2015. They represent the UN's blueprint to address key global challenges, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 goals are all interconnected and particularly aimed at governments. The Paris Agreement, though negotiated in parallel to the SDGs, became one of its goals.

Despite certain of the goals and the targets underpinning them not being directly applicable to businesses and investors, the SDGs have become a powerful framework for all actors, with some investors already reporting against their impact on the SDGs and driving capital to contribute to their achievement. The 169 targets associated with the 17 goals provide helpful indicators for companies in efforts to align and ultimately contribute to tackling some of the most pressing issues facing the world.









In that respect, **Stoneweg selected 8 goals**, among the 17 SDGs, on which our activities can have a real impact and on which we aim to focus our efforts.

UN Sustainable Development Goals (SDGs)





STONEWEG

SDG	UN goal description	Goals for Stoneweg
	Ensure healthy lives and promote well-being. Focus on providing more efficient funding of health systems, improved sanitation and hygiene, and increased access to physicians.	Focus on employees, communities and tenant's wellbeing.
	Promote gender equality	Stoneweg is committed in improving women representation at all levels of the organisation. Granting all employees equal rights, responsibilities and opportunities.
	Ensure access to affordable, reliable, sustainable and modern energy for all	Maximize use of clean and renewable energy in buildings and achieve high levels of energy efficiency
	Built resilient infrastructure, promote sustainable industrialization and foster innovation	Invest in new technologies and sustainable buildings with innovative floorspace utilisation concepts and offerings
	Make cities inclusive, safe, resilient and sustainable	Use existing properties more intensively and take a participative approach to new projects and large site transformations which incorporates their utilisation by local communities
	Ensure sustainable consumption and production patterns	Define and monitor sustainability criteria for the entire product life cycle from construction to demolition
	Develop measures to combat climate change and its effects as a matter of urgency	Reduce resource consumption and implement measures to protect against climate-related risks and dangers
	Build effective, accountable and inclusive institutions at all levels	Ensure transparency and accountability through effective governance

This policy is designed to create explicit and systematic integration of ESG issues in the conduct of our business, ensuring a long-term view of our impact and an effective risk management. This approach is particularly relevant in Real Estate, due to the significant local and long-term impacts of this asset class.

By integrating ESG factors into all levels of our property asset management, our investors also benefit from properties that are sustainable and stable in value.

Our ESG policy is based on two important factors, the **analysis of material issues** in the investment process and **transparency**.



STONEWEG

Analysis of material issues

The integration of ESG factors allows to analyze the material issues inherent in each project and represents an essential aspect of the investment process, in order to identify risk and opportunities.

The assessment of these issues must be considered by the investment committee when making decisions as well as throughout the stages of development. The analysis of material issues will be communicated to the ESG Committee at each stage of the project.

The analysis will include:

- A description for each strategy of how ESG criteria are integrated into the investment process;
- The presentation by investment teams of the evidence regarding ESG criteria integration; and,
- A half-year evaluation of portfolios in relation to the main ESG indicators.

Transparency & Reporting

We strive to provide the highest level of transparency regarding how we integrate ESG factors into our investments. Following the adoption of this policy, the company will regularly – at least annually – report on its ESG and sustainability performance. As the company's strategy is developed, appropriate reporting standards and frameworks will be adopted, including global criteria common to all projects as well as criteria adapted to the specificity of each of them. In time, the company will seek to obtain third party assurance of non-financial reporting.

Data and Metrics

Stoneweg will strive for greater transparency in how performance across non-financial ESG metrics is assessed. A strong data foundation is critical to this process. In line with the pillars outlined, the company – through management and operational personnel – will set Stoneweg's ESG goals and objectives. The company's performance will be assessed against appropriate performance metrics and KPIs, which will be overseen and actively monitored by senior management.

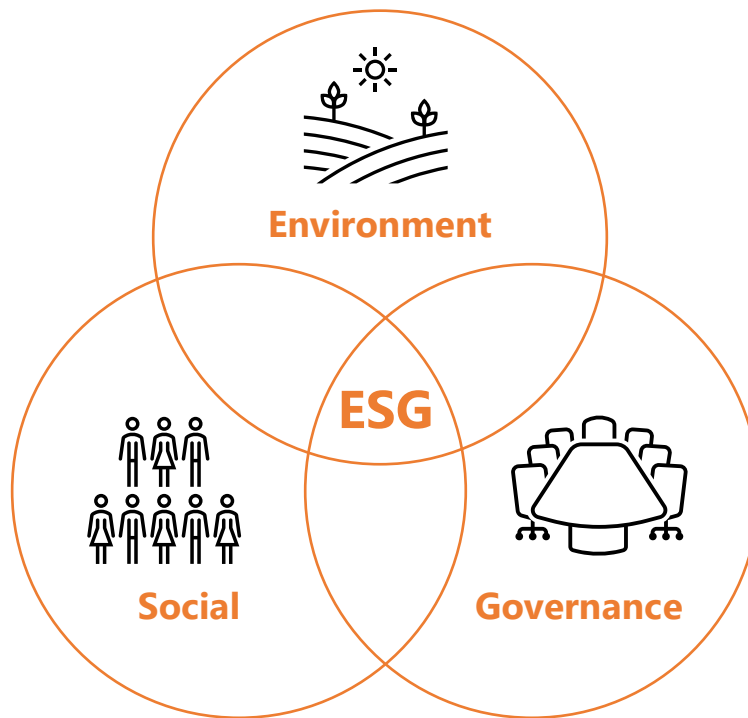
ESG Committee

In order to ensure appropriate oversight of all ESG efforts and initiatives, this policy provides for the establishment of a committee that is specifically tasked with ESG. The ESG committee is responsible for assessing the deployment of our ESG policy at Group level and regularly monitors the initiatives undertaken. It brings together representatives from various Group units in order to have the broadest possible view of the situation.

The ESG Committee is responsible for regularly reviewing the policy (in regard to changes in the responsible investment processes) and managing ESG reporting, in which we will communicate our sustainability progress to stakeholders.

APPENDIX

ESG principles guide strategic decisions and allow the assessment of the quality of the Corporate Social Responsibility (CSR) policy implemented by the Company. The acronym ESG covers three areas:



Environmental

Impact of the company's activity on the environment. This includes the use of, and interaction with, renewable and non-renewable resources (waste management, energy consumption, air quality, water conservation, biodiversity, green workplaces, building materials,)

Social

Impact of the company's activity on all stakeholders. Including respect of human rights, management of human resources, engagement with local communities, clients and other stakeholders.

Governance

The rules under which management, the Group and its strategies operate and which are inherent to the business model and the regulatory framework. The corporate governance framework sets out the rules and procedures that guide effective decision-making and appropriate oversight to ensure the company can achieve its objectives and balance the interests of stakeholders.