



STONEWEG

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# ESG and Responsible Investment Policy

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October 2024





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## 1. Introduction

Stoneweg is a real estate investment group 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 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 that considering ESG matters will act as an extension of that strategy, and it is in the interest of Stoneweg to integrate responsible investing into the whole investment cycle.

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, on the environment and people, however, should not be ignored. We believe that taking ESG factors into account is essential in the creation of sustainable value for the Group, our investors and our communities. ESG integration can reduce risk and enhance returns by reducing costs, 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. ESG criteria are central to that.

## 2. Policy context

### 2.1 Purpose

This Policy intends to reflect a general framework for the Stoneweg Group's ('Stoneweg', 'we, us, our') approach and commitments to key environmental, social, and governance (ESG) issues, risks, and opportunities within our organization, and regarding Stoneweg's impact externally.

### 2.2 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 all supply chain partners providing services to Stoneweg.

Regarding the structure of the Group, we have adopted Group-level ESG policies covering the ESG topics identified as material, and systematically disseminated them to the strategies when relevant.

### 2.3 Contents

This Policy describes our high-level approach and positions on ESG matters.

### 2.4 Approval and review

The Policy was last updated and reviewed in October 2024. This update reflects our ongoing commitment to transparency and continuous improvement in our environmental, social, and governance practices.

The Policy is reviewed considering legislation, benchmarking, reporting, and organizational changes and developments in sustainability best practices, at least annually. Where material changes are noted, the Policy needs to be reviewed by the Board.



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### 3. Overall ESG approach

#### 3.1 ESG Strategy

Our ESG strategy focuses on **three core commitments** which encompass the areas that have the greatest overlap between what matters to stakeholders and the foundational tenets of the business.



#### Designing a Sustainable Future

Investing in real estate includes inherent environmental challenges, and we aim for each proposed strategy to assess and manage the environmental issues as best as we can taking into account the specificities of the investment product. Whenever relevant, we apply for external certification of the environmental processes applied for the product and we report on the topics towards investors in a transparent and fair manner.



#### Developing People and Communities

Our people are at the heart of our business, and we are committed to ensuring their well-being, and supporting them to develop their skills on an ongoing basis. We are committed to developing and supporting communities through our business strategy and, when relevant, engagement activities.



#### Being a Responsible and Accountable Business

Stoneweg is committed to operating in a responsible and accountable manner. In order to fulfil the role expected of us by society, we integrate strong governance practices and ensure the respect of all those within the Stoneweg value chain. Our operations are supported through sound governance practices combined with a strong internal control framework.


#### 3.2 Our SDG commitment

Stoneweg has set its objectives and commitments based on the UN Sustainable Development Goals (SDGs). The 17 SDGs were agreed upon and set by all UN members in 2015. They represent the UN’s blueprint to address key global challenges, including those related to inequality, climate change, environmental degradation, industrialization, and employment. 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.

In that respect, Stoneweg has identified the following goals:

#### Stoneweg supports the Sustainable Development Goals

SDG	UN goal description	Goals for Stoneweg
	Promote gender equality	Improve gender representation at all levels of the organization, granting all employees equal rights, responsibilities, and opportunities.



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	<p>Ensure availability and sustainable management of water and sanitation for all</p>	<p>Enhance water management efficiency in building operations.</p>
	<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>Maximize the use of clean and renewable energy in buildings and achieve high levels of energy efficiency.</p>
	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>Ensure labor rights are protected through Stoneweg’s HR policy.</p>
	<p>Build resilient infrastructure, promote sustainable industrialization and foster innovation</p>	<p>Invest in new technologies and sustainable buildings with innovative floorspace utilization concepts and offerings.</p>
	<p>Make cities inclusive, safe, resilient and sustainable</p>	<p>Use existing properties more intensively and take a participative approach to new projects and large site transformations which incorporates their utilization by local communities.</p>
	<p>Ensure sustainable consumption and production patterns</p>	<p>Define and monitor sustainability criteria for the entire product life cycle from construction to demolition, identifying opportunities for circularity.</p>
	<p>Develop measures to combat climate change and its effects as a matter of urgency</p>	<p>Reduce resource consumption and implement measures to protect against climate-related risks.</p>
	<p>Partnership for the goals</p>	<p>Collaborate with relevant partners, networks, regulators, and governing bodies to enhance sustainable development initiatives.</p>

Other SDGs may be acknowledged in some of our mandates and funds, depending on their specific strategies.

### 3.3 ESG Material factors

In integrating ESG considerations into Stoneweg’s strategy, we commit to focusing on three key pillars that target environmental stewardship, people and communities, and being a responsible business. We have undertaken a materiality assessment to understand which topics are important to our internal and external stakeholders. We commit to setting 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 full ESG framework comprises 15 categories covering key Stoneweg’s material sustainability responsibilities, risks, and opportunities.



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

**Stoneweg Pillar’s mapping to SDGs**

<p><b>Designing a Sustainable Future</b></p>	Green Buildings & Building Certifications		✓	✓		✓	✓	✓	✓	
	Sustainable Building Materials						✓	✓	✓	
	Energy Management & Efficiency			✓					✓	
	Greenhouse Gas Emissions								✓	
	Climate Adaptation & Mitigation		✓						✓	
<p><b>Developing People and Communities</b></p>	Equality, Diversity & Inclusion	✓								
	Health & Well-being		✓		✓			✓		
	Training & Development					✓				
	Community Engagement					✓	✓	✓		✓
	Volunteering & charitable contributions						✓			✓
<p><b>Being a Responsible and Accountable Business</b></p>	Responsible & Sustainable Supply Chains	✓	✓		✓			✓		
	Human Rights	✓			✓					✓
	Data & Cyber Security					✓				
	Transparency & Accountability									✓
	Anti-Bribery & Corruption				✓					✓

**3.4 Analysis of material issues**

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

The assessment of these issues shall be considered by the investment committee when issuing investment recommendations as well as throughout the full investment lifecycle.

**3.5 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 Group – through management and operational personnel – will set Stoneweg’s ESG goals and objectives. The Group’s performance will be assessed



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against appropriate performance metrics and key performance indicators, which will be overseen and actively monitored by senior management.

Entities within the group may consider partnering with SaaS providers to enhance the collection and analysis of extra-financial data. This collaboration can streamline data management processes, improve accuracy, and provide valuable insights for better decision-making.

### **3.6 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 Group will regularly – at least annually – report on its ESG and sustainability performance. As the Group’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 Group will seek to obtain third-party assurance of non-financial reporting.

## **4. ESG Governance structure**

### **4.1 Group ESG Committee**

In order to ensure appropriate oversight of all ESG efforts and initiatives, this policy provides for the establishment of a Group committee that is specifically tasked with the definition of the ESG strategy and the approval of ESG initiatives and policies. The Group ESG Committee is also responsible for the oversight of the conformity of the Group’s activities with ESG initiatives and policies. It brings together representatives from various Group units and functions in order to have the broadest possible view of the situation.

The Group 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.

### **4.2 Human rights and business ethics**

Stoneweg is dedicated to protecting human rights and ethical practices across our operations and reports. At Stoneweg, we uphold internationally recognized human rights as outlined in the International Bill of Human Rights and the core conventions of the International Labor Organization.

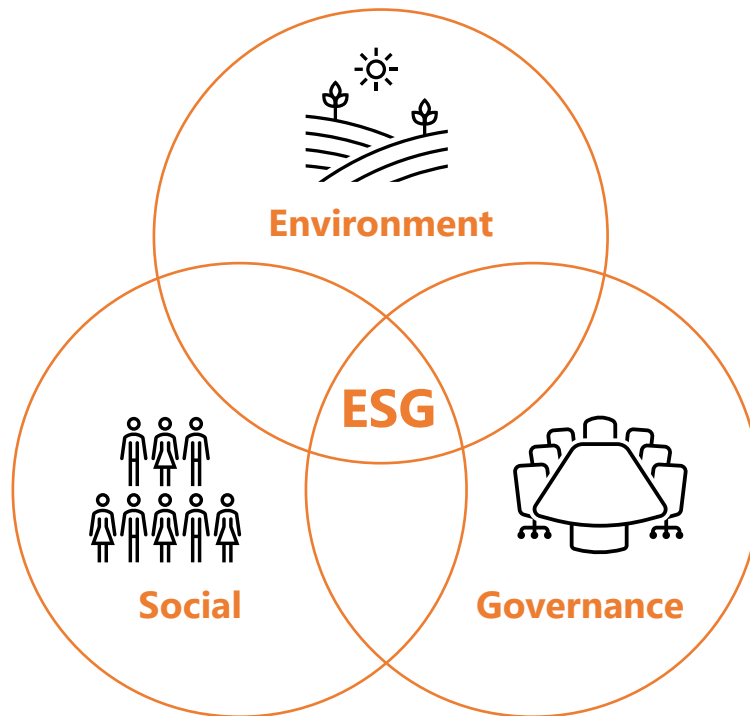
We are dedicated to complying with all relevant laws and implementing robust controls wherever we operate. Our commitment to human rights aligns with our values of creating an enriching workplace, collaborating with our supply chain, and supporting the communities where we operate.



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## APPENDIX

ESG principles guide strategic decisions and allow the assessment of the quality of the ESG policy implemented by the Group. For us, the acronym ESG covers three areas:



### Environmental

Refers to the impact of the Group's activity on the environment. This includes the use of, and interaction with, renewable and non-renewable resources and other environmentally related elements (energy consumption, greenhouse gas emissions, water consumption, air quality, biodiversity, green workplaces, building materials, etc.).

### Social

Refers to the impact of the Group's activity on all stakeholders. It includes respect for human rights, management of human resources, and engagement with local communities, clients, and other stakeholders.

### Governance

Refers to the rules under which the Group and its strategies operate, 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 Group can achieve its objectives and balance the interests of stakeholders.