



ESG-Engagement Policy

REAL EXPERTS.
REAL VALUES.

EMPIRA

ESG Engagement Policy Statement

Introduction

Empira believes that the consistent application of Environmental, Social and Governance (“ESG”) considerations and principles are paramount in the management of real estate in general. This is further evidenced by our long-term commitment as a signatory to the UN Principles for Responsible Investment as of 31 August 2018. Empira is acting both as an equity and as a debt investor and we strive to be a trusted partner and active owner in all our endeavours.

This policy statement stands as a testament to Empira’s commitment to integrate and apply these ESG principles covering the complete real estate investment life cycle and specifically outlines Empira’s group-wide approach with respect to engagement during the investment life cycle.

This policy is applicable to the following entities including all subsidiaries: Empira Investment Solutions S.A., Empira Asset Management AG, and Empira Financial Solutions AG.

Through proactive engagement, collaborative endeavours, and striving for continuous improvement, our overarching objective is to engender long-term value for our esteemed stakeholders, while simultaneously fostering the welfare of the communities we serve and safeguarding the environment we collectively call home.

This document emphasizes specifically our engagements with all relevant stakeholders to foster our environmental, social and governance goals and targets for our real estate portfolio and especially for the ESG compliant sustainable funds.

Goals and Objectives of the ESG Engagement Policy

As a fully vertically integrated real estate investment manager and developer, Empira seeks to generate best in class management of financial as well as environmental, social, and governance opportunities for our stakeholders.

We are a signatory of the "UN Principles for Responsible Investment ("UN PRI")," affirming our commitment to the fundamental tenets advocated by this global initiative. Our belief in the paramount importance of good stewardship and active ownership aligns seamlessly with the principles set forth by UN PRI. These principles serve as a guiding framework that not only safeguards the long-term sustainability of our investments but also establishes standards of conduct that aim to protect and enhance returns for our esteemed investors. By adhering to these principles, we strive to uphold our fiduciary responsibilities while contributing to a more sustainable and responsible investment landscape.

We are incorporating ESG topics into investment analysis and decision-making processes in a structured way focusing ESG compliant sustainable funds. We are active owners and incorporate ESG issues into our ownership policies and practices, through direct engagement, direct governance rights such as board representation and in executing our proxy voting responsibilities with respect to ESG considerations.

This ESG Engagement Policy should be read in conjunction with our other ESG-related policies, such as our ESG investment policy and sustainability policy, to ensure a cohesive approach.

Empira ESG focus matters

We engage with stakeholders and companies on a range of Empira ESG focus matters, mainly:

- Identification and realization of decarbonization of the managed real estate portfolio
- Mitigating effects of climate change through resilient real estate
- Contributing to the energy transformation
- Fostering social inclusion in local communities through active engagement

Responsibilities of Empira's ESG Engagement

We proactively support our partners in adopting our best practices by providing them with relevant resources, specialized training, and our profound expertise. Through this collaborative approach, we effectively manage material environmental, social, and governance (ESG) factors, execute targeted initiatives, and diligently measure our progress towards achieving sustainable outcomes.

The responsibility for implementing this policy rests with our senior management and overseeing with the Empira Group's board of

	<p>directors. The Group's management committee directly coordinates the engagement activities. It may refer specific topics to the ESG Board, chaired by Empira Group's CEO.</p> <p>Periodically, we publicly report on our engagement activities in appropriate formats, e.g. on our website or in specific reports.</p>
<p>Relevant Stakeholders</p>	<p>In our role as custodians of our clients' investments, we consistently foster close engagement with all relevant stakeholders to not only ensure diligent monitoring of investments but also to promote exemplary management of financial, environmental, social, and governance risks and opportunities.</p> <p>Empira's more relevant stakeholders include our:</p> <ul style="list-style-type: none"> ▪ investors ▪ financing partners ▪ borrowers ▪ real estate contractors ▪ planners and architects ▪ tenants and ▪ the communities we are investing in.
<p>Empira's ESG -Engagement Process</p>	<p>We will comply with all applicable laws, regulations, and industry standards related to ESG engagement, ensuring ethical conduct and respect for human rights.</p> <p>In addition to Empira's ESG focus matters, engagement topics are primarily selected based upon materiality, i.e. issues that are likely to significantly affect a real estate asset's long-term value. Such matters may include but are not limited to the governance, the business strategy, reporting and transparency issues or sustainability topics, e.g. climate change that are deemed likely to create or to increase financial risks, .</p> <p>By actively participating in this process, we aim to uphold the highest standards of performance and responsibility, safeguarding the interests of our clients while fostering sustainable practices that benefit both the real estate assets we invest in and the broader community.</p> <p>We regularly engage with our investors, stakeholders such as asset and property managers, owner's representation, contractors and planners as well as industry representatives on ESG matters. ESG matters are discussed in quarterly board meetings. Our commitment to our ESG focus areas is monitored by a centralised ESG Officer at Empira Group level and reported to the different entities and teams.</p> <p>Through a close monitoring of our investments and projects we regularly screen ESG aspects of the assets through our own research and business analysis and the services of research providers.</p>