FIRM LEVEL DISCLOSURE

Sustainable Finance Disclosure Regulation (2019/2088) (the "Disclosure Regulation")

Genesta Nordic Capital Fund Management S.à r.l. ("**Genesta**"), Genesta's Luxembourg alternative investment fund manager, makes the following disclosures in accordance with Articles 3(1) and 5(1) of the Disclosure Regulation.

Sustainability Risk Policies

A sustainability risk means "an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment". For Genesta, sustainability risks are risks which, if they were to crystallise, would cause a material negative impact on the value of the portfolios of its funds.

The objective of Genesta's fund management practices is to achieve strong risk adjusted returns in a sustainable manner. The key elements in reaching this are sound and responsible investment and management processes, and strong governance through the entire lifecycle of an investment. We are committed to adhere to our values, corporate governance best practices and ethical business behaviour and we strive to prevent corruption in all its forms.

Investment Decision Making

The Management Company has appointed three committees to give advice and recommendations on its decision-making: The Finance and Investment Committee (FIC), the Valuing and Risk Committee (VaRC) and the Executive Committee (ExCo). The Fund Board has the overall responsibility for the fund's strategy and the implementation of policies and procedures in relation to portfolio management, risk management, fund operations, conflict of interest, investor relations, fund marketing, investment compliance and regulatory compliance. The Fund Board is the highest level of the escalation line for risk, audit and compliance matters.

Policies and Codes Guiding Decision Making

In addition to policies guiding our sustainability work, Genesta's responsible investment practices are guided by the following documents:

- Genesta's Code of Ethics
- Genesta's Code of Conduct
- Best Execution Policy
- Transparency Policy
- Conflict of Interest Policy
- Fraud and Corruption Management Policy
- Fund-specific ESG targets

Sustainability policies and the documents mentioned above cover and are applied in all Genesta's business operations. In addition to these, all Genesta operations are guided by a set of hands-on policies and procedures defining both responsible parties within Genesta and our service providers, and our management approach on matters such as Corporate Governance, Health and Safety, Risk Management and Compliance, and Sustainability throughout the whole investment cycle from acquisition to disposal.

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Investment Cycle

We include ESG-aspects into the investment process from the early beginning and all prospective investments go through a comprehensive due diligence process including evaluation of technical and environmental performance in order to identify the key development areas and potential climate and ESG-related risks. Before any decisions are made, a detailed business plan, that includes development of the ESG-performance, is prepared to assure ESG-matters are incorporated into the property development plan before the acquisition of the property.

Managing Climate Change Related Risks

The consensus within the scientific community is that climate change is a real and serious threat affecting our nature and economy. Climate change may have a significant impact on the financial stability, both directly and indirectly through the actions taken to address it. TCFD[1] recommends dividing climate change related risks into two categories: Physical risks and transition risks.

- Physical risks vary depending on the geographic location. They can be acute, such as increased number of extreme weather events, or chronic like increased precipitation, temperature or rising sea level causing long-term stress to build environment
- Transition risks are societal changes resulting from adaptation and mitigation of climate change. Transition towards low-carbon economy can inflict changes in society such as legislation (carbon and emission taxes or limitations), changes in service and product markets and availability and increased cost of energy and raw materials.

The physical and transition risks are assessed, monitored and mitigated through the following procedures:

- Management of physical risks:
    - Risk assessment during due diligence and annual follow up development measures
    - Sustainable Construction Guide
    - Geographical location and local services.
- Management of transition risks:
    - Strategically always ahead of legislative requirements
    - ESG matter integrated into business operations
    - Continuous improvement of energy efficiency
    - Active stakeholder engagement and green leases.

More information can be found on Genesta Responsible Investment Policy.

Remuneration Policy

Genesta pays staff a combination of fixed remuneration (salary and benefits) and variable remuneration (including bonus). Variable remuneration for relevant staff takes into account compliance with all policies and procedures, including those relating to the impact of sustainability risks on the investment decision making process.

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[1] *Task Force on Climate-Related Financial Disclosures is a set of recommendations for voluntary and consistent climate-related financial risk disclosures in mainstream filings developed by the Financial Stability Board.*

Statement on Principal Adverse Impact on Sustainability Factors:

As a real estate investor, we have a direct impact on the environment through property development and management. Acquiring low performing properties and extending their lifecycle by improving their efficiency and overall condition, we contribute to the targets set in the Paris Climate Agreement for reaching near carbon-neutral built environment and limiting global temperature rise. The choice of energy sources, level of recycling, types of building materials used in construction projects, active engagement and the operation of our buildings are among the key aspects to fight climate change.

Policies to Identify and Prioritise Principal Adverse Sustainability Impacts

Our long-term environmental goals are in line with the targets of the Paris Climate Agreement. To mitigate climate change and reduce our carbon emission, we are committed to reduce energy intensity per square meter on average by 30% by 2030 (compared to 2015) to meet global climate ambitions set out in the Paris Agreement. To meet this goal, we acquire properties that we can develop to perform better and therefore it is essential to analyze gaps and weaknesses in the ESG performance to recognize the development potential.

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Metrics and targets related to responsible investment and climate change mitigation are tailored for each fund and asset separately and disclosed in the annual report. Quarterly investor reporting includes key ESG-metrics and performance.

Principal Adverse Impact on Sustainability Factors

Sustainability impact indicators reported by the funds may include the following aspects:

- Energy consumption
- Water consumption
- GHC emissions
- GHC emissions intensities
- Renewable energy
- Waste

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STAKEHOLDERS ENGAGEMENTS

Environmental awareness of tenants, suppliers and service providers

We aim for a behavioral change among our stakeholders, tenants and business partners. We recognize the need to improve our communication and interaction with tenants; we want to help them to act more sustainably

Providing tenants with feedback data on waste recycling, energy and water consumption

We are aware of the importance to give feedback to tenants about their sustainability performance. Our target is to have automated energy and waste metering in all new assets.

International standards

Genesta signed the UN-supported Principles for Responsible Investment in the end of 2019 and we are committed to the six principles reflecting responsible investment practices.

Genesta produces annually a sustainability report that is publicly available and in line with the Global Reporting Initiative (GRI) Standards and INREV Sustainability Reporting Recommendations.

Funds participate in GRESB reporting after being operational for one full year giving us a framework to holistically assess and steer the sustainability work of the funds while transparently communicate sustainability performance to the investors and other stakeholders.

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