
Disclosure in Alignment with Regulation (EU) 2019/2088

Sustainable Finance Disclosure Regulation (SFDR)

Date: September 2021

Version 1.0

1. Integration of sustainability risks in the investment decision-making process

Nox Capital is committed to diligent integration of sustainability risks and climate change related risks and opportunities in the investment decision making process.

Our sustainability strategy and the related sustainability targets are binding for all investment decisions of funds advised, initiated, sponsored or managed by Nox Capital. Our responsible investment guidelines translate the corporate strategy in minimum standards and requirements along the investment decision process. Material sustainability risks and sustainability factors are identified in alignment with established regulatory requirements and industry standards and included in an obligatory due diligence checklist which is applied in every acquisition process for every investment by our funds.

The results of the due diligence are taken into consideration in the investment decision-making process.

2. Description of principal adverse impacts

Our sustainability strategy defines and prioritizes material ESG factors, metrics and principal adverse impacts and embeds them along the investment process. The metrics used to assess the principal adverse impacts are based on the annex of the Sustainable Financial Disclosure Regulation and other established industry standards, such as UN PRI and GRESB. Nox Capital follows an active investment management approach and in order to create the required transparency on sustainability aspects prioritizes the following basic environmental metrics: energy, water, waste, CO2 emissions, EPC levels and green building certifications if applicable.

3. Description of policies to identify and priorities principal adverse impacts

Our sustainability strategy is generally translated into Nox Capital' ESG strategy and fund specific policies. ESG factors, including principal adverse impacts are considered throughout the investment process, from the due diligence phase, to the asset management and the selection of third-party service providers. The selection criteria are in line with regulatory requirements and industry frameworks and guidelines, for example UN PRI.

4. Engagement policies

Our engagement policy, as part of the wider sustainability strategy, ensures collaboration with stakeholders to find solutions that create a positive sustainability impact, staying in constant dialogue with investors, tenants, service providers and surrounding communities to identify their common needs. We set out ethical, environmental and social compliance values to be applied by our service providers.

5. References to international standards

Our ESG and compliance policies, commitments to UN PRI, alignment with UN Global Compact and our supplier code of conduct cement our commitment to internationally recognized standards. Our due diligence checklist in addition to the above is based on the requirements set out in sector specific standards (such as GRESB and INREV Due Diligence questionnaire) while the entity specific reporting as well as corporate reporting on sustainability and ESG is aligned with reporting

frameworks. Nox Capital monitors reporting guidelines and aligns its reporting continuously to align and comply with recognized standards.

Nox Capital has set a corporate target to achieve the objective of the Paris Agreement and achieve carbon neutrality by latest 2050. This objective is embedded as a central element in our sustainability strategy and translated to our fund specific policies.

6. Remuneration policy

Nox Capital has developed a remuneration philosophy with the aim of supporting our business strategy, corporate values and long-term interests. Our remuneration philosophy focusses on rewarding behaviours that generate sustained value for Nox Capital and reinforcing personal accountability to promote a strong risk and control environment. The risk takers are strongly aligned with Nox Capital's investment targets and its principles, including fostering appropriate risk culture as well as compliance with applicable law and regulation.

Our performance management and rewards framework is designed to promote effective risk management, including in particular by:

- Driving sustainable behaviour and therefore holding employees accountable, for actions that may negatively impact business performances and/or sustainability in current or future years; and
- Depending on performance of the fund instruments to facilitate alignment of interests between employees and external investors.