

<p>Policy Statement</p>	<p>Our corporate vision is to be the property investment manager of choice recognised for our investment performance and client focus. This corporate vision and our values are consistent with our objective to fully integrate and embed Environmental, Social and Corporate Governance (ESG) issues across our property investment decision-making and ownership practices, to ensure responsible investment practices. We believe that doing so is a key part of our responsibility towards investors, clients, employees and other stakeholders, as well as those in the wider community.</p> <p>As a signatory to the United Nations Principles for Responsible Investment (UNPRI), we are aligned with an internationally recognised set of guiding principles for responsible investment (see Appendix 1). We are committed to integrating ESG within our operations and to transparent monitoring and disclosure of ESG performance in our investor reports, and via Global Real Estate Sustainability Benchmark (GRESB) and UNPRI, to the wider investment community.</p>
<p>Purpose</p>	<p>The purpose of this policy (the RI Policy) is to define our responsible investment approach. Further guidance accompanying this RI Policy can be found on our website. This RI Policy also describes how we integrate ESG risks and opportunities into our investment decision-making process, pursuant to the EU's Sustainable Finance Disclosure Regulation¹ (SFDR).</p>
<p>Scope</p>	<p>Our responsible property investment objectives are as follows:</p> <p><u>Environment – becoming planet positive</u></p> <p>Savills Investment Management (Savills IM) aims to become planet positive. In the short term this means significantly reducing the environmental impact of the real estate we own and manage for our clients and to strive for climate-resilient investment portfolios. Longer term we seek to become net positive with respect to energy, water, biodiversity and the circular economy and achieve net zero carbon emissions. We ascribe to the 'polluter pays' principle - we believe that those who produce pollution should bear the costs of managing it to prevent damage to human health or the environment. Therefore, we endeavour to work collaboratively with our stakeholders to proactively manage and reduce identified negative environmental impacts. We recognise that, as a property investment manager, it is imperative that we incorporate environmental objectives; these include sustainable fit out and refurbishment, energy, waste, water and carbon monitoring and reduction. We are also committed to engaging with internal and external parties including employees, clients, tenants, project partners and service providers to further integrate positive environmental impact into our business and products.</p> <p><u>Social Equity – support building a fairer society with reduced inequality</u></p> <p>Savills IM strives to improve the social impact of the assets we own and manage for our clients. We also recognise that our business has social obligations to our supply chain, tenant, employees and other stakeholders within our value chain. We believe that the operation of our business should include consideration of the communities in which we operate and the broader society in which we function. We aim not only to meet legislative obligations but exceed these requirements, including where possible proactively engaging in activities that further Savills IM's Diversity and Inclusion and community outreach aims and objectives.</p> <p><u>Responsible Corporate Governance – be fair, transparent and inclusive</u></p> <p>Savills IM believes it is important to be a responsible business and observes fundamental standards of good management and conduct, including actively promoting happy, healthy and inclusive work environments. Our governance obligations also extend to complying with all relevant regulation and best practice approaches to eliminating financial crime, maintaining cyber security and eradicating modern slavery. Savills IM is committed to transparent monitoring and disclosure of ESG aims and asset performance for the wider business and the investment community, through fund reporting and participating in the GRESB survey and annual UNPRI reporting requirements.</p> <p>For each objective, we are committed to ensuring that ESG risks, and opportunities, are taken into account when acquiring new assets and at each appropriate stage in the investment lifecycle.</p>

¹ Regulation (EU) 2019/2088 of the European Parliament of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector

Governance

The integration of ESG risks and opportunities into the investment decision making process is the responsibility of the Investment Advisory Committee, which forms a key part of the governance process, and whose recommendations are provided to, and considered by, the relevant decision making body at each Savills IM group entity. In addition, the Global Risk and Compliance Committee seeks to actively manage and mitigate key business risks.

Progress on identified corporate and fund level action areas is driven by an ESG Committee which meets quarterly and reports to the Savills IM Global Executive Committee, and progress is tracked via an ESG Roadmap, where objectives are agreed and reviewed, and targets set, for continuous improvement, benchmarking and reporting.

The application of the principles of our remuneration policies are considered against, and are consistent with, the integration of sustainability risks as required under Article 5 of SFDR. The manner in which all relevant risks are integrated and applied in the setting of, in particular, variable remuneration are already well defined within each relevant remuneration policy. Savills IM has updated each such remuneration policy to explicitly state that this RI Policy should be part of that consideration, and that the risks, including any assessment of performance risk, should by definition include sustainability risks.

Implementation

Savills IM has undertaken a materiality assessment to identify the most material risks that apply to our strategies. These include mitigating and adapting to climate change, unsustainable use of natural resources through property management and development activities, modern slavery, global pandemics and failing to integrate diversity and inclusion considerations. In order to achieve our responsible investment objectives, identified ESG risks and opportunities are incorporated into all stages of our property investment lifecycle, from acquisition and development, through to management and disposal. Detailed guidance is provided to our investment teams and asset managers on how ESG risks and opportunities should be integrated at every lifecycle stage.

For example:

- All purchases are considered against detailed guidance including environmental and social risks and opportunities, legal and regulatory compliance and green building accreditation.
- On an ongoing basis, we evaluate and manage the impact of ESG risks on investment performance – including depreciation costs or the ability to let or sell a property, for example based on 'asset stranding' from climate change. These elements are managed in a manner appropriate to the relevant risk and return profile.

Through our Investment Advisory Committee, Global Risk and Compliance Committee, ESG Committee and each individual fund manager, the ESG risks of the portfolios and the business are monitored and managed. Our Savills IM Enterprise Risk Management Policy sets out this approach in further detail..

This RI Policy describes Savills IM's approach to responsible investing, including the integration of ESG risks into our investment decision-making process. From time to time, and in limited circumstances, some funds may be managed differently to some or all of the processes set out in this RI Policy, for example where:

- Savills IM is appointed by a client to set up and manage a fund or segregated portfolio in accordance with that client's specific instructions or objectives. Where this is the case, we will work with the client to agree ESG criteria at the outset of the appointment with the aim of ensuring the process in place is as aligned as possible to this RI Policy. Where this is not possible at the outset we will continue to work with the client at every opportunity to influence the investment process and take sustainability risks into consideration; or
- the investment management, or elements of it, are delegated outside of the Savills IM group of companies. Where this is the case, Savills IM carries out due diligence on appointees in relation to their sustainability approach and will seek agreement from those appointees to operate in alignment with this RI Policy where possible.

Approved and adopted by:

Savills IM Global Executive Committee and, in respect of their own decision making remit only, the relevant boards of each Savills IM group entity, in particular Savills Investment Management (Luxembourg) Sàrl, Savills Investment Management KVG GmbH, Savills Fund Management GmbH and Savills Investment Management SGR S.p.A.

Appendix 1: Glossary of Terms

United Nations Principles for Responsible Investment ESG Definitions

<p>Environmental (E) Issues relating to the quality and functioning of the natural environment and natural systems.</p> <p>Topics include: biodiversity loss; greenhouse gas (GHG) emissions, climate change, renewable energy, energy efficiency, air, water or resource depletion or pollution, waste management, stratospheric ozone depletion, changes in land use, ocean acidification and changes to the nitrogen and phosphorus cycles.</p>
<p>Social (S) Issues relating to the rights, well-being and interests of people and communities.</p> <p>Topics include: human rights, labour standards in the supply chain, child, slave and bonded labour, workplace health and safety, freedom of association and freedom of expression, human capital management and employee relations; diversity; relations with local communities, activities in conflict zones, health and access to medicine, HIV/AIDS, consumer protection; and controversial weapons.</p>
<p>Governance (G) Issues relating to the governance of companies and other investee entities.</p> <p>In the listed equity context, topics include: board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, disclosure of information, business ethics, bribery and corruption, internal controls and risk management, and, in general, issues dealing with the relationship between a company’s management, its board, its shareholders and its other stakeholders. This category may also include matters of business strategy, encompassing both the implications of business strategy for environmental and social issues, and how the strategy is to be implemented. In the unlisted asset classes governance issues also include matters of fund governance, such as the powers of Advisory Committees, valuation issues, fee structures, etc.</p>
<p>Responsible Investment (RI)</p> <p>Responsible investment is defined as a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership</p>