

Responsible Investment Policy



A SUSTAINABLE
FUTURE IS A
SOLYD FUTURE

1

Introduction



1. Introduction

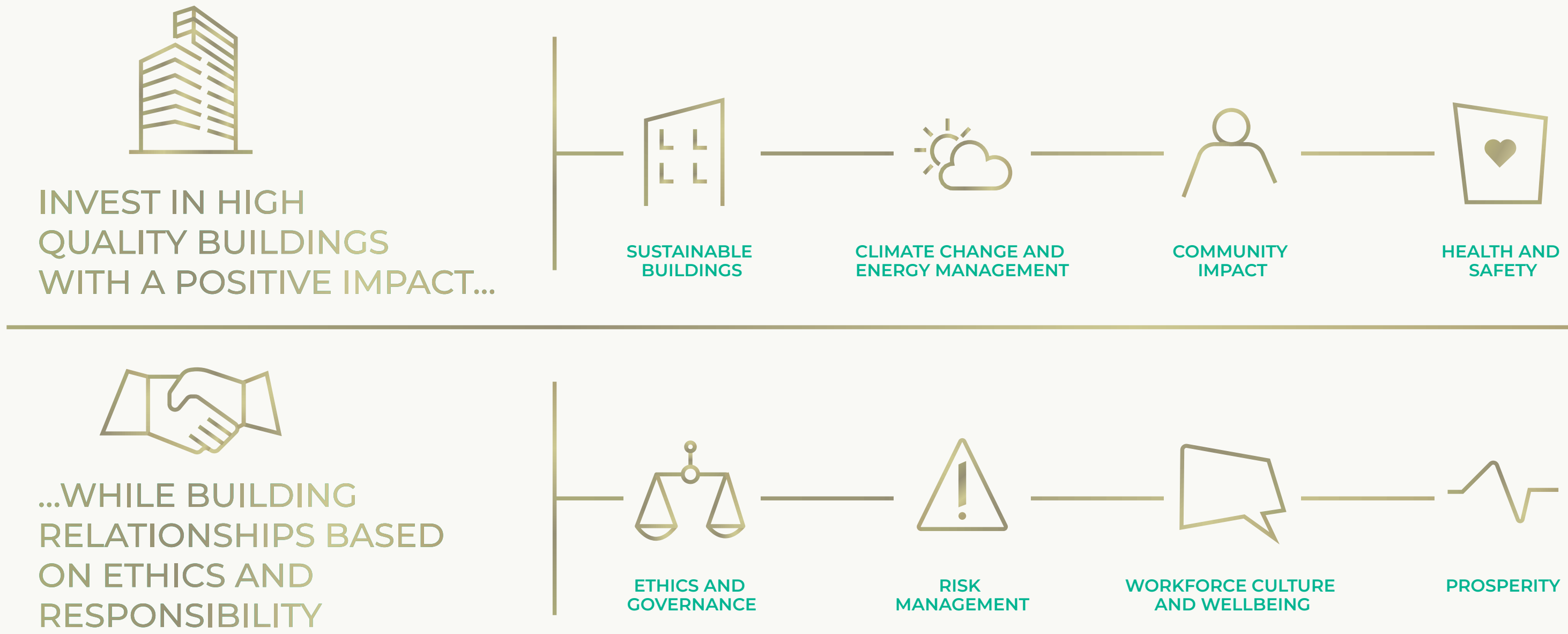
SOLYD Property Developers (SOLYD) is a strong believer in responsible investment, in accordance with the ESG (Environmental, Social and Governance) principles followed by Oaktree Capital Management (OCM), its main shareholder. We trust that in our activity we can create value not only for our shareholders but also for Society as a whole, and as such we incorporate ESG practices in both day-to-day and strategic decisions, at both corporate and project level.

With that purpose in mind SOLYD has been investing strongly in ESG integration into its activities, having hired a dedicated senior Manager to lead this initiative in full alignment with SOLYD's Senior Executive Management Team and working together with an external specialized consultant in the development and implementation of an ESG Action Plan. The SOLYD ESG Action Plan is designed around two major pillars, with four groups each:

This framework forms the basis of SOLYD's Responsible Investment Policy (SRIP). The SRIP uses Responsible Investment criteria in investment decision-making and an ESG-based approach not only in its due diligence process, but also at all stages of each project' lifetime.

SOLYD has already implemented several ESG compliant policies, and its SRIP is fully compatible with these policies and an integral part of its ESG strategy.

The SRIP was developed jointly by SOLYD's Senior Executive Management Team and its Sustainability & Compliance Manager, in close alignment with OCM's own ESG policy, with all members of the organization being fully aware of and active in the application of our Responsible Investment principles. These principles and SRIP also have the approval and full support of OCM.



2

Responsible Investment Guidelines



2.1. Initial framework

SOLYD's Responsible Investment Policy emerges in full alignment with a framework of policies that are already implemented across the organization covering several aspects of governance, transparency, and sustainability, as follows:

- **Policy for the Prevention of Money Laundering and Financing of Terrorism, which requires us to determine the risk profile of investors and target investments.**
- **General Policy on Compliance with Anti-corruption Principles, which provides ethics guidance for all employees.**
- **Security Policies, to safeguard our internal information.**
- **Privacy Policy, for the protection of personal data.**
- **Guidelines to deal with accounts payable and the establishment of contracts with third parties, ensuring alignment with SOLYD's internal policies and ESG guidelines.**
- **Several ESG-aligned HR policies.**

■ **Compliance with the United Nations Principles of Responsible Investment (UN PRI), assuming the following commitments:**

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active investors and incorporate ESG issues into our investment policies and practices.
3. We will seek appropriate disclosure on ESG issues.
4. We will promote acceptance and implementation of the UN PRI within the investment industry.
5. We will work together to enhance our effectiveness in implementing the UN PRI.
6. We will report on our activities and progress towards implementing the UN PRI.



2.2. Integration of ESG factors in our investments

In this section we describe the ESG considerations used in our business, which are aligned with our objective of delivering superior returns to our shareholder and a high-quality product to our customers, while endeavoring to promote the wellbeing of all stakeholders and the sustainability of the environment. These actions can be grouped into time slots, whether they occur in the pre-investment or the post-investment phase.

A. PRE-INVESTMENT PHASE			
Action	Description	Application	Led by
Exclusion	When assessing an investment possibility, we eliminate any opportunities that we believe do not comply with our Responsible Investment approach, be it for environmental, social, governance, or any other reason that goes against our ESG policies.	All investment opportunities analyzed.	Investment Team, with support of the Sustainability & Compliance Team.
Due Diligence	Besides the normal legal, financial, and technical Due Diligence (DD), we also perform a DD on critical ESG issues, such as environmental, health & safety, social and labor issues. In our output we include a commentary and risk rating for each issue, and if possible, any improvements that can be made.	All investment opportunities selected to be submitted to Investment Committee.	Investment team, with support of the Sustainability & Compliance Team.
Impact Calculation	All ESG risk factors identified are fully considered in the financial valuation of the opportunity, be it for future CAPEX requirements, to fix any identified issues or consideration of risk factors for any uncertain events.	All investment opportunities selected to be submitted to Investment Committee.	Investment Team.

2.2. Integration of ESG factors in our investments

B. POST-INVESTMENT PHASE

Action	Description	Application	Led by
Product Design	ESG considerations are taken as soon as project development starts, incorporating measures in the design phase that improve energy and water usage efficiency, and obtaining any certifications that are relevant. We also consider every solution to improve the wellbeing of any user of our assets, not only in the customer unit but also in the building as a whole, including green areas, outside space or gyms and wellness spaces whenever possible.	Every greenfield product that is designed by SOLYD, and in the remaining all possible adaptations are made.	Project & Design and Operations Teams with the collaboration of any outside suppliers engaged.
Community Impact	Each project strives to improve its target community, both within the building and in the catchment area impacted. This includes project specific features and a community impact plan.	Every project in a new location.	Project & Design, Operations and Sustainability & Compliance Teams.

2.2. Integration of ESG factors in our investments

B. POST-INVESTMENT PHASE

Action	Description	Application	Led by
ESG Risk Monitoring	<p>We consistently monitor ESG risk when dealing with any stakeholders, these being the most common practices used:</p> <ul style="list-style-type: none"> a. Supplier selection: we take into consideration the business practices of each potential supplier and immediately exclude those that raise any environmental, social or governance concerns. Our ESG commitment and policies are communicated to all potential suppliers. b. Anti-Money laundering: for every customer, we do a detailed KYC process with the assistance of an independent specialized consultant, to assess the risk of money laundering, political exposure, and other risk factors. c. Environmental and social risk monitoring: during the construction phase we strictly control the works for any possible impact on the environment or the surrounding communities, taking any measures that may be required to limit such impact. d. Arms-length and independence policies: all our engagements and contracts are done at arm's length, and we are not affiliated with any political parties, nor do we make any political contributions. 	Every project managed by SOLYD.	Operations Team and Sustainability & Compliance Team.
ESG Reporting	We report on ESG-related matters in our Annual Report and Website.	Every project managed by SOLYD. The Website and Annual Report include specific ESG chapters.	Sustainability & Compliance Team.

3

Responsibility



3. Responsibility

SOLYD's Senior Executive Management Team is responsible for approval and regular review of the SRIP as well as for oversight and implementation of ESG matters, working in full alignment with the Sustainability & Compliance Manager.



4

Review



4. Review

This SRIP will be reviewed at least every two years but can be updated in the event there are changes in SOLYD's strategy, OCM's expectations, or the legal or regulatory environment, or due to scientific advancements that may impact this SRIP.



5

Communication



5. Communication

The SRIP and any related policies and guidelines will be communicated to all SOLYD employees and service providers, as applicable. The SRIP will also be made available on the SOLYD website.



