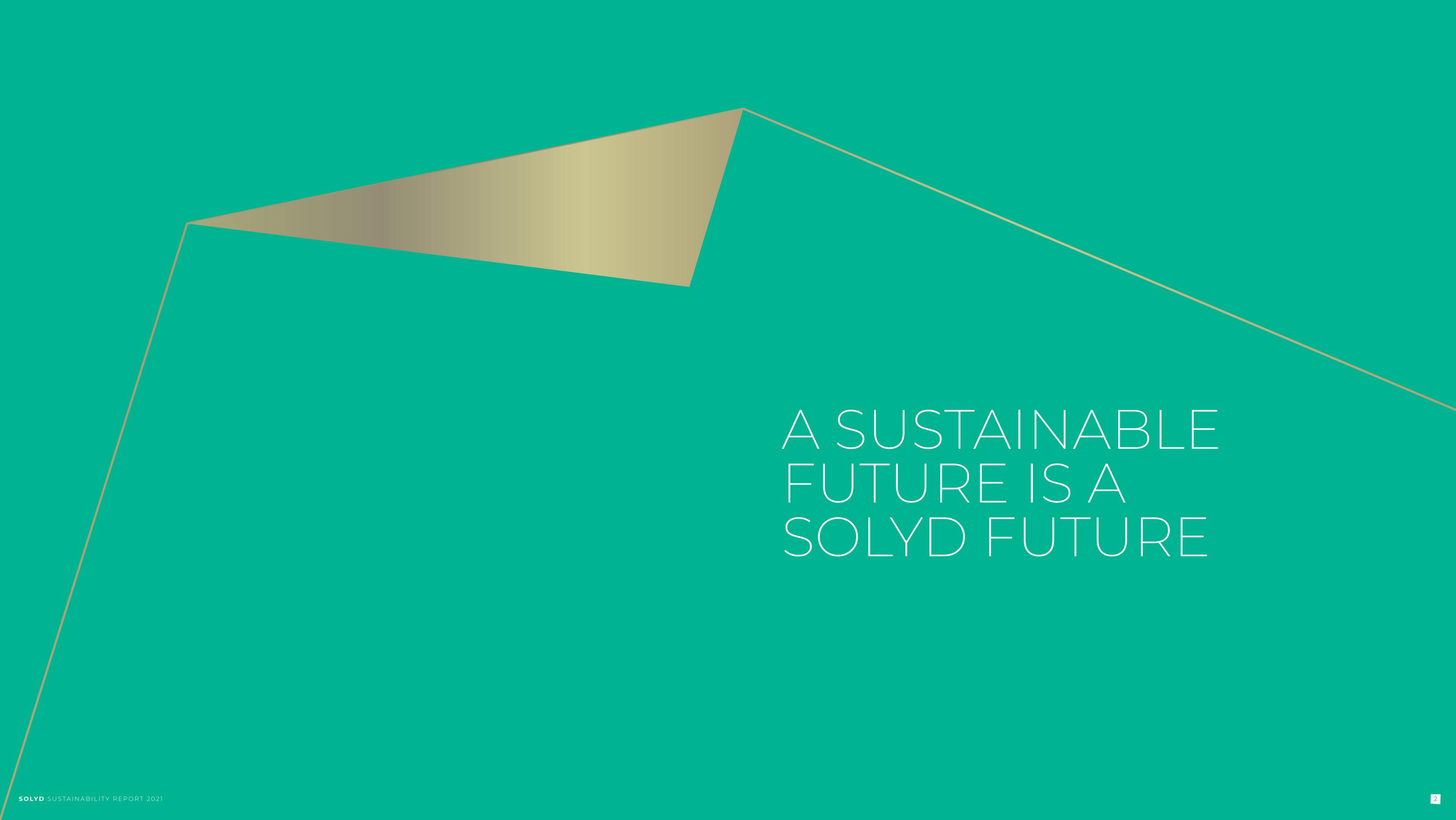


Sustainability Report 2021



A SUSTAINABLE
FUTURE IS A
SOLYD FUTURE

ABOUT THIS REPORT

SOLYD Property Developers (hereafter referred to as SOLYD) is a leading real estate developer operating in the Portuguese market, namely in the Lisbon Metropolitan Area, set up under a partnership between Estoril Capital Partners (ECP) and funds managed by Oaktree Capital Management's European Principal Group (Oaktree).

This document, SOLYD's first Sustainability Report, shares our sustainability journey, namely the steps we took in 2021 towards achieving several milestones, including our Responsible Investment Policy, our Corporate Social Responsibility Program as well as our strategy to integrate ESG (Environmental, Social and Governance) into our business, in order to ensure a meaningful positive impact and the long-term sustainability of our company.

Throughout this report, we demonstrate our approach and commitment to the sustainability issues that matter most to us and to our stakeholders.

The identification of material topics and the definition of the ESG Integration Strategy in 2021 marks an evolution in SOLYD's business strategy. We assume that internalizing sustainability matters in our business and working on these issues alongside the value chain and the different stakeholders, is central to our activity, as we become an active agent in promoting transparency and best practices. Since this report is a first approach to the topic, it does not include quantitative indicators yet. As we rollout our action plan for 2022 and onwards, this will be a natural evolution.

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1

Message from the Senior Executive Management Team



Over the past two years, we have faced many challenges and paradigm shifts that changed our lives, both personally and professionally, but also in our business. In this context, we had the opportunity to revisit our purpose, vision, and mission. At the same time, the delicate balance that our planet needs became even clearer, arousing in us a sense of urgency to tackle climate change on a global scale.

Today we are more convinced of the need to act immediately, with increased awareness that the path to achieve economic recovery must be through sustainable development, with a long-term economic vision, respecting the planet as well as the different communities and people.

Europe's agenda to become the first climate-neutral continent by 2050 implies that greenhouse gas emissions will have to be reduced by at least 55% by 2030 and net zero emissions ensured by 2050. Companies in the real estate sector play a significant role in limiting greenhouse gas emissions, as buildings are responsible for around 40% of the total energy consumed in Europe, and for around 36% of energy-related greenhouse gas emissions. In this context, real estate sector related companies' growth and performance depend on their approach to sustainability and on how they contribute with solutions to address environmental and social challenges in the communities where they operate.

Being aware that the potential for change in the real estate sector is significant, we seek to find more efficient and innovative solutions that consume fewer resources and mitigate our environmental impact. Simultaneously, we seek to become an agent of positive change, not only through our development projects but also by engaging with the communities where we operate, effectively improving people's lives, with their families and in their work.

Our work is materialized in this report, where we unveil SOLYD's first sustainability report, thus formalizing a journey that began in 2015. Our aim is to become a top-of-mind real estate developer, in a conscious and responsible way, and to respond to our stakeholders needs.

We are committed to understanding how SOLYD impacts society and vice-versa, and truly believe we are able to develop projects in a more sustainable way, thus contributing to the United Nations Sustainable Development Goals. We look forward to executing our action plan for 2021-2023 and, consequently, to improve our position in terms of ESG maturity. We believe that by being transparent we are reducing risk.

Having ESG dimensions integrated into our corporate strategy, namely applied to assets' life cycle, and truly integrating them into business activities, has gone from optional to critical, with a clear impact on our long-term value creation.



GONÇALO CADETE
Managing Partner
& Co-Founder



JOÃO PAULA SANTOS
Managing Partner
& Co-Founder



JOÃO PINHO CARDÃO
Managing Partner
& Co-Founder



TIAGO BELO
Managing Partner

2

SOLYD Property Developers



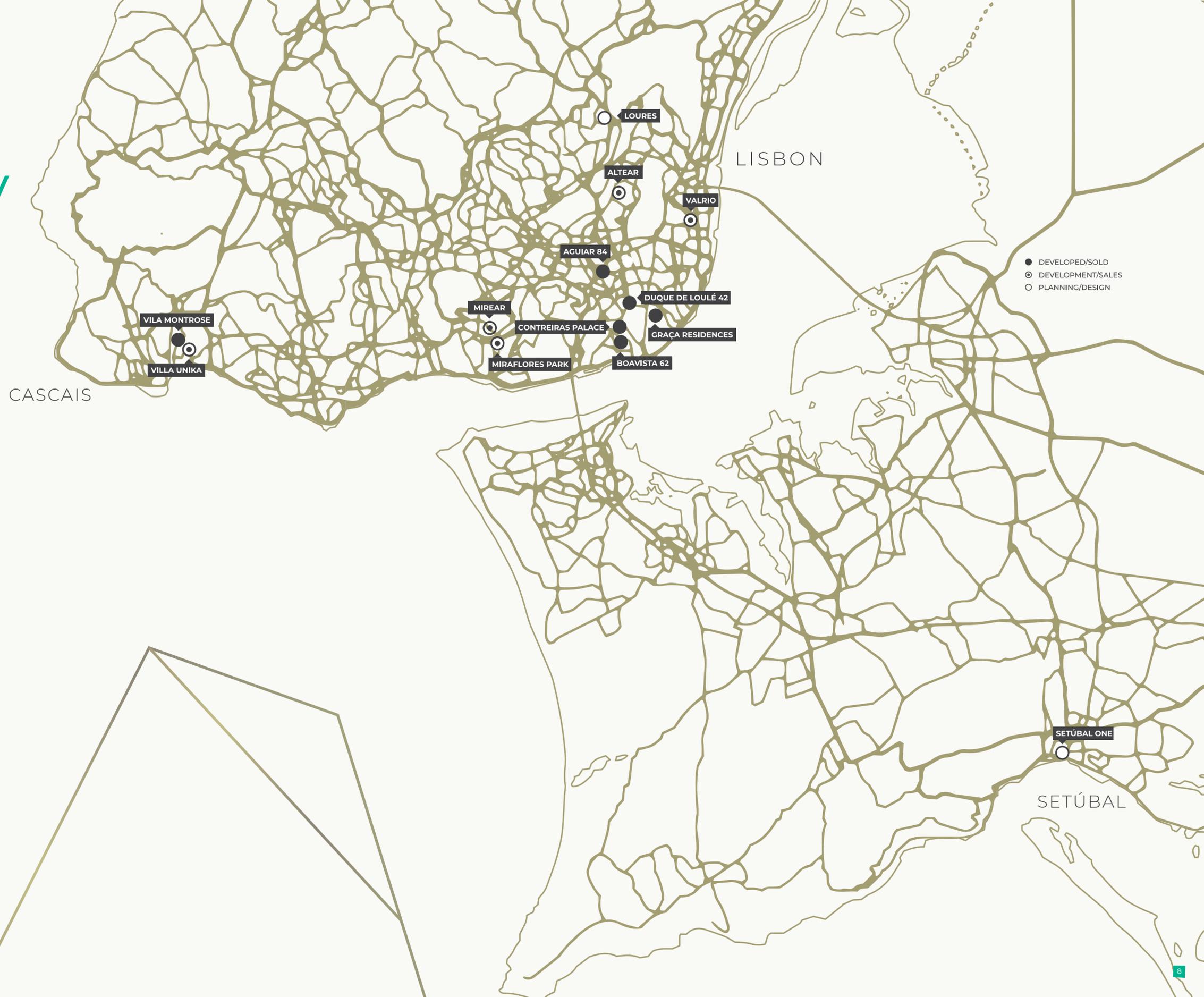
2.1. The company

SOLYD Property Developers (SOLYD) was founded in 2015 as a result of a partnership between Estoril Capital Partners (ECP) and investment funds managed by Oaktree Capital Management's European Principal Group (Oaktree).



Over the past six years, we have developed organically into a leading real estate developer in Portugal, focusing mainly on distinctive residential projects (medium to high segments) located in quality historical and urban areas in the main Portuguese cities, particularly in Lisbon Metropolitan Area.

Since mid-2015, SOLYD has acquired and developed more than 50 buildings/plots in Lisbon, Cascais, Oeiras, Setúbal and Loures corresponding to more than 2,500 apartments and 60 stores.



SOLYD emerged in the aftermath of a severe financial crisis and started by specializing in residential urban rehabilitation targeting the higher end of the market, catering to both domestic and foreign buyers looking to buy quality homes to live in and to invest. In this movement, the company was a relevant player in contributing to the urban renewal of historical areas of Lisbon and Estoril. After two years, driven by the success of the rehabilitation projects and the positive economic developments, SOLYD pivoted into new builds targeting Portuguese clients. The main goal was to significantly increase quality residential supply being offered to Portuguese households, responding to the latest trends and demands in urbanism and sustainable construction.

Our strategy is to develop residential buildings and condominiums, with a strong focus on the medium and medium-high segments and fully adapted to the new post-pandemic paradigm, with generous outdoor spaces and offering a better balance between leisure and work. Our developments also take into account all sustainability concerns, addressing climate challenges and ensuring energy efficiency and water consumption savings in all apartments as well as a careful choice of sustainable and recyclable materials.

SINCE 2015 |

In the future we plan to build on our consolidated position in Metropolitan Lisbon, to expand our activity to new markets, namely to Porto and the Algarve, as well as to diversify our product range, including in multifamily built-to rent projects, offices, or tourism segments.

Our goal is to continue to develop state-of-the art projects, that, while offering great value for money, meet and exceed the requirements of our customers. We also want to challenge ourselves as a company, investing in new segments and trends, always seeking to be at the forefront of real estate development in the markets and segments where we operate.



2.2. Vision / Mission / Purpose / Values

At SOLYD, our main **purpose** is to provide people and communities long-term life quality improvement. This is the reason why we exist, what makes us work harder and continuously challenge ourselves to improve our offer.

Our **vision** for SOLYD is to become the top-of-mind real estate developer in our target markets and segments. This guides us in our **mission** to improve our clients' work and personal lives by developing excellent real estate projects.

Our vision is only possible to achieve by nurturing a corporate environment where our actions are guided by our overarching **values**: integrity, collaboration, excellence, sustainability, and trust.



SUSTAINABILITY

To care about the impact on our environment, our stakeholders, and the communities we operate in.



COLLABORATION

To work together with our team and business partners, to achieve our common goals.



EXCELLENCE

To be committed to delivering the best real estate products and customer experience in each segment.



INTEGRITY

To be truthful, honest, and ethical in our actions.



TRUST

To be worthy of our stakeholders' confidence by being consistently reliable and trustworthy.



2.3. Organization

At year-end 2021, SOLYD had 16 employees. The company is led by its Senior Executive Management Team and organized into six units: Investments, Marketing & Sales, Project & Design, Operations, Finance & Administrative, and Sustainability & Compliance.



The Senior Executive Management Team is focused on defining strategy, business and corporate development, and team coordination of the different units. It is composed of four Managing Partners: from left to right: Tiago Belo (Managing Partner), João Paula Santos, Gonçalo Cadete and João Pinho Cardão (Managing Partners & Co-founders).

Investments seeks to source projects, perform feasibility analysis and project approval, as well as transaction execution, using internal resources as well as outsourcing.

The Marketing & Sales Team focuses on product positioning and image, website management, market analysis, corporate communication, sales and brokerage.

The internal Project & Design Team is dedicated to design, planning and licensing. In some cases, architectural and technical design is (partially) outsourced.

Operations are responsible for construction supervision, geotechnical, archaeological and contamination surveys (outsourced), as well as after sales support. Construction is outsourced to the main contractors operating in the Portuguese market.

Finance and Administrative activities include treasury and finance, financing, accounting, planning and control, administrative and office management, payroll, IT and taxes. Some of these activities are outsourced, namely IT, accounting, and payroll.

Aligned with our ESG strategy and the way we do our business, in 2021, we appointed our Sustainability and Compliance Manager, who has day-to-day responsibilities in relation to sustainability and governance across the company, bringing together functions from the ESG areas such as reporting and monitoring ESG performance to more operational tasks related with human resources management. **Our goal is that, in the near future, all significant tasks related to sustainability will be fully integrated in this unit, including internal auditing, internal control and compliance in terms of implementation and monitoring of policies and processes, regulatory compliance and ESG training.**

Our business operates under the corporate brand SOLYD Property Developers. The management activities are conducted through OCM-ECP Management S.A. that also concentrates all employees. It is through this entity that our operation takes place side by side with the support and expertise from Oaktree Capital Management and Estoril Capital Partners, the local investment Team.

It is our belief that a strong governance model is a key element in ethical and transparent management, and in risk management.

The first step is the definition of a responsible investment policy that allows the setup of a reference framework and criteria to guide the company's investment decisions, as well as incorporating ESG aspects, not only on its due diligence process, but also throughout the entire project's lifetime.

The implementation of key policies is essential to create processes that allow their transposition into the daily operation. The adhesion of employees and partners, but above all, their training, are crucial aspects to consider for the successful implementation of policies, as well as to ensure compliance.



CLÁUDIA SALVADO
SUSTAINABILITY AND
COMPLIANCE MANAGER

3

Responsible investment policy





SOLYD is a strong believer in responsible investment. We trust that in our activity we can create value not only for our shareholders but also for the Society as a whole, and as such we do integrate ESG practices in our strategic decisions as well as day-to-day practice, both at corporate and project level.

With that purpose in mind SOLYD has made ESG integration into its activities a corporate priority and takes into consideration Responsible Investment criteria when considering any investment decision, from the selection of projects to the due diligence process, but also in all aspects during the lifetime of each project.



For further information please check **SOLYD's Responsible Investment Policy.**

4

Corporate Social Responsibility Program



Corporate Social Responsibility (CSR) is SOLYD's ability to take responsibility for its actions as an organization. We developed a CSR program strategy based on our mission, vision, purpose, and values, defining in which areas it makes sense to intervene and what type of impact we want to have on our Team and our community.

We defined our focus areas of intervention, identified priorities and the scope of intervention by selecting to participate in different categories of initiatives, and defined a framework to evaluate and select SOLYD's opportunities for action.

The areas we want to focus are:

- 1. Fighting social inequality among young people;
- 2. Improving community land management and infrastructure;
- 3. Tackling biodiversity and climate crises;
- 4. Promoting a healthy lifestyle.

 For further information please check **SOLYD's Corporate Social Responsibility Program.**



5

Our ESG integration journey



5.1. Sector Trends

SOLYD's ESG strategy considers the environmental and social impact that the company's corporate structure and investments have in Portugal. Not only with the concern to respect diversity, equity, and inclusion within the company's culture but also to achieve its sustainability goals in the property development market.

Aware of the impact of its activity on the environment, SOLYD is committed to adopting ESG criteria, ensuring the development of high-quality building projects in tune with the latest trends in the construction sector and addressing sustainability concerns.

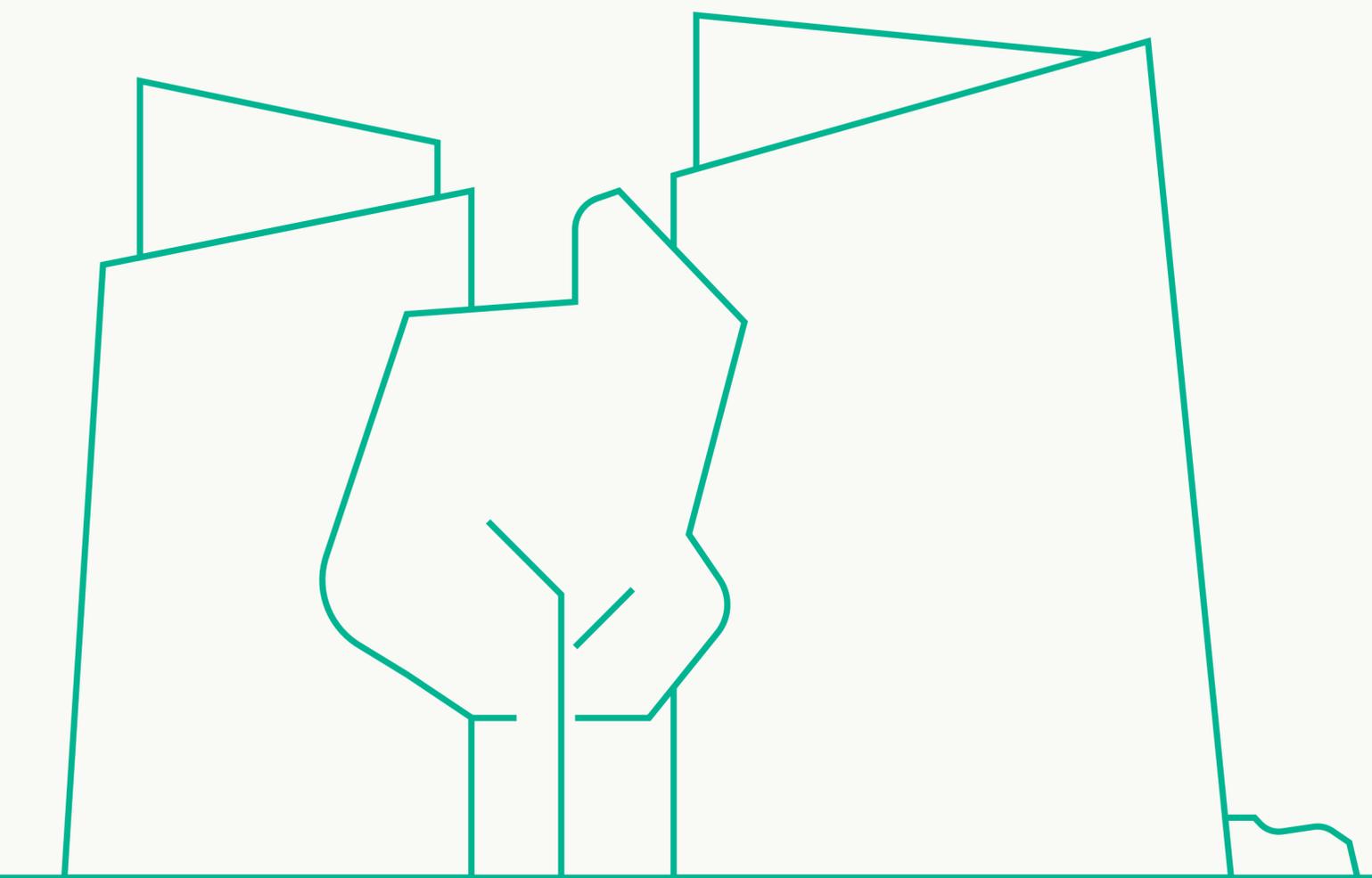
At a time when environmental issues and the ecological footprint are increasingly present in people's and firms' lives and minds, sustainability becomes an even more decisive driver in construction, effectively becoming a condition for business.

The pandemic has accelerated these requirements, with a clear demand for homes with larger outdoor and indoor areas, in a new reality in which green and outdoor spaces have become central. Therefore, our strategy is to develop residential building projects fully adapted to this new paradigm, naturally addressing climate and energy saving challenges.

We are aware that real estate is a crucial sector when it comes to sustainability as it is responsible for around 40% of all carbon emissions and therefore plays a pivotal role in the transition to zero carbon emissions. Recent studies show that a paradigm shift and a response to the climate crisis with pressing and substantial initiatives are urgently needed. Portugal is one of the EU countries where recycled materials are used the least and has the second lowest rate (2%) of usage of materials derived from recycled waste.

In its residential projects, SOLYD relies on the incorporation of recyclable and certified materials and prioritizes factors such as natural light so as to help reduce energy consumption. By choosing highly durable materials, such as water-resistant and anti-allergenic flooring, the aim is to contribute to an increasingly environment-friendly future. A lot of care is put into installing systems that support rational water usage. Acoustic and thermal comfort is guaranteed by the high level of insulation of the façades, roofing and common areas, and high-performance frames and glass. The investment in sophisticated air-conditioning systems, individualized ventilation and a water heating system supported by solar panels allows to guarantee a high energy certification in all apartments.

In terms of construction, SOLYD is governed by demanding certification criteria and the selection of first-class partners (architects, designers, contractors, and supervision) that ensure the development of high-quality technical and building solutions, with a focus on sustainability and on minimizing the environmental impact. This concern ranges from the design of the development itself to the construction methods and materials.



Towards an increasingly eco-friendly future

Upon the approval of the Taxonomy Regulation, firms now have to report the degree of alignment of their activities with six sustainability targets. Within this framework, a firm that is subject to the non-financial reporting directive (NFRD) will have to disclose the proportion of its environmentally sustainable economic activities that are taxonomy-aligned. Firms will have the opportunity to show their performance and progress towards a more sustainable business model in a consistent, comparable, and more transparent manner, which will enable investors and players in the financial markets to make better informed investment decisions.

The pace of change has been very fast and is likely to speed up in the coming years, whether in terms of legislation, creation of tax incentives or even at financing level, with lenders more willing to finance green assets and green revolving facilities and grant green bonds and green loans, among others.

Notwithstanding the challenges it posed both to society and the economy, the pandemic has also bred opportunities in the market, and, above all, it has accelerated some trends already seen in the real estate sector over the past few years, reinforcing the centrality of home as a place to live, work and play.

Remote working exploded in March 2020 as the outbreak of COVID-19 led to the first lockdown and, by the end of that quarter, around one million people (23.1% of the working population) were working remotely, according to data from Statistics Portugal (INE). In the third quarter of 2021, already with fewer Government-imposed restrictions, the number of teleworkers fell to 682,000 (14% of the working population).

Work-from-home was generalized in 2020 and 2021 as a result of the pandemic, forcing firms and workers to adapt to the “new normal” that arrived to stay. This trend is global and applies doubly to Portugal: domestic workers increasingly work from home, at least partially, but foreigners also look to relocate to Portugal, as the country becomes an increasingly popular destination. Portugal was elected the best country in the world for remote working by El Economista, which has showed in a study that, in 2021, 83% of remote workers would like to continue doing it after the pandemic.

Consecutive lockdowns led to greater demand for homes benefiting from large indoor and outdoor spaces, such as gardens, balconies, or terraces, and, where possible, in condominiums with leisure facilities such as playgrounds, gyms, multipurpose rooms and swimming pools. Nowadays, families seek greater harmony with nature, through greater proximity to parks or the coastline, in less central locations.

Finding the right work-life balance is by no means a new issue. But the truth is that the tension between the two has been heightened by the pandemic. A 2021 study indicated that 45% of the Portuguese felt their home was a place where they could reconcile their personal and professional lives, 60% wanted to update their home decor to make it cozier, while 54% considered it a priority to improve their home's energy efficiency, for example in terms of thermal and acoustic insulation and solar energy sources.





Post-pandemic balance

Criteria have changed: large areas, generous balconies, quality finishes, more green, cultural and leisure spaces. Living close to what you need to have a balanced life, more than living in the city center or close to work. Innovative, sustainable, and balanced projects with easy mobility - on foot or by bicycle -, close to services and a wide range of shops, supermarkets, shopping centers, markets, pharmacies, cafés, terraces, restaurants, gyms, schools, health services, and a public transport network, which includes buses, trains, and trams, making for a more environmentally friendly life.

Our projects have been created based on these criteria, next to green spaces, providing a high quality of life and promoting an active, outdoor lifestyle.

This is also our commitment as we develop residential projects that reflect our concerns for sustainability - in response to climate challenges and the need for greater efficiency in the sector. At the same time, it allows us to drive

forward the development and expansion of the Lisbon metropolitan area, either by increasing demand for new areas in the Lisbon region, such as Alta de Lisboa with ALTEAR, or by expanding neighboring areas without the hustle and bustle of big centres, such as Miraflores with MIREAR or MIRAFLORES PARK.

Customers of residential spaces want to have all amenities in the same "territory": home, reference services and offices. A healthy and balanced lifestyle is now the most sought-after requirement in the market. In accordance with a CEMS study, 23% of the Portuguese gave priority to a good work-life balance (including flexible working).

This supports the increased demand for residential projects that meet families' needs for comfort, conviviality, and tranquility, through top quality solutions that are equally efficient and sustainable, namely in terms of energy and concern for environmental and climate impact.

Concerns for personal well-being and the environment itself have also been increasing. In a Microsoft report, 53% of respondents said they were now more likely to put health and well-being ahead of work than before the pandemic.

With a resilient residential market showing considerable performance, one of the major challenges for the Portuguese real estate market is still the structural shortage on the supply side. Meeting environmental and social sustainability and governance requirements is crucial to ensure quality housing that improves people's lives and at the same time minimizes the footprint and impact on the environment.

There is still a long way ahead for SOLYD, and we will continue to place sustainability as the core pillar that we are building together with our partners for a better future for all.





5.2. ESG integration in the business model

Over the past six years, we focused first on the refurbishment of residential buildings in urban and historic areas and then on the development of large-scale urban projects, incorporating the latest lifestyle, real estate development and construction trends. This journey has transformed us into the company we are today. We take pride in committing ourselves to giving our clients the best value for their segment whilst always trying to be at the forefront of product solutions.

Along this path, we have incorporated different ESG-related concerns into our business strategy that we deemed fundamental to fulfil our purpose, vision, and mission, supported by our core values. We believe in transforming our business with sustainability as a central value.

We are fully aware of our role in society as a company and we find ourselves accountable for building better and more sustainable communities, fulfilling present day needs, without compromising the future generations, as we collectively face enormous challenges, namely in terms of biodiversity and climate change. And that is what we work for, every single day.

In 2021, we felt the need to accelerate this drive by explicitly embracing ESG as central to our business. To this effect we mobilized our team to build an initial ESG Action Plan. This plan was built upon conclusions reached through an in-depth maturity assessment review and a materiality analysis, and is aligned with the Sustainable Development Goals (SDGs).

5.3. Maturity assessment review

The first step to develop our ESG Action Plan was a maturity benchmarking and gap analysis, assessing the current development stage of SOLYD along six main axes: **Policy and Strategy, Governance and Resourcing, Risk Assessment, Stakeholder Engagement, Construction and Development, Monitoring and Reporting.**

This assessment provided us with an insight on how to further integrate ESG into our way of doing business. Key guidelines that emerged from this exercise included:



POLICY AND STRATEGY

Define an ESG strategy aligned with the industry's best practices, the United Nations' Sustainable Development Goals (SDGs), SOLYD's material topics, and the company long-term goals.



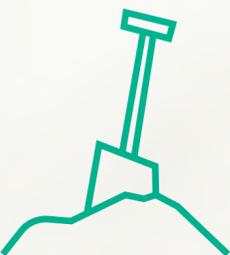
STAKEHOLDER ENGAGEMENT

Actively promote engagement and communication with stakeholders.



GOVERNANCE AND RESOURCING

Take actions to affirm SOLYD's organizational culture and integrate structured ESG capabilities.



CONSTRUCTION AND DEVELOPMENT

Improve project-level communication with internal and external stakeholders and assess relevance of international certifications.



RISK ASSESSMENT

Integrate ESG criteria into risk assessment framework.



MONITORING AND REPORTING

Implement adequate ESG objective-setting, monitoring, and reporting.

5.4. Materiality analysis

To identify SOLYD's material topics, we carried out a materiality analysis process, which included the following steps:



MATERIAL TOPICS LISTING

An exhaustive initial list of potentially material topics was gathered, by performing a benchmarking exercise with a sample of relevant companies from our business sector, complemented by an analysis of relevant industry trends as well as SOLYD's internal analysis/discussion.



STAKEHOLDER MAPPING

After identifying all our possibly relevant stakeholders, a mapping exercise was performed which involved determining the relative position of each stakeholder according to their influence on SOLYD's business and our own impact on them.



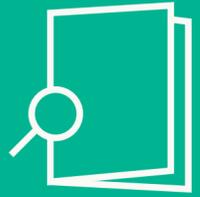
IMPACT ON SOLYD'S BUSINESS

This impact was defined by considering the risk, resilience, and financial impacts on SOLYD's business objectives and strategy of each potential topic.



RELEVANCE TO STAKEHOLDERS

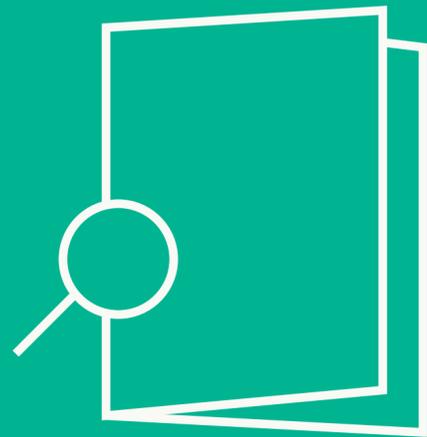
The relevance of each potential topic for stakeholders was defined based on a benchmark analysis of stakeholders' perceptions of relevant topics in the same sector companies and discussion with the most relevant shareholders.



MATERIALITY MATRIX

All the information collected in the previous steps resulted in SOLYD's Materiality Matrix.

SOLYD's Materiality Matrix identifies 18 material topics, clustered around environmental, social and governance themes:



As set out in the matrix, the topics with higher relevance for SOLYD are Sustainable Buildings, Energy Management and Efficiency, and Business Ethics.



LIST OF SOLYD'S MATERIAL TOPICS

- | | | |
|---|---|---|
| 1 Sustainable Buildings | 8 Appeal and employee retention | 14 Governance model & Compliance |
| 2 Energy Management and efficiency | 9 Community impact | 15 Business ethics |
| 3 GHG Management and reduction | 10 Diversity and equal opportunities | 16 Innovation and technology |
| 4 Water Stress | 11 Employee skills and development | 17 Systemic Risk Management |
| 5 Adaptation to climate change | 12 Health & Safety | 18 Market presence expansion |
| 6 Waste Management | 13 Responsible supply chain | |
| 7 Biodiversity | | |

5.5. ESG Action Plan development

SOLYD's ESG Action Plan is our initial plan for integrating our commitments and responses in the ESG space for the 2021-2023 period.

This follows the work previously described in this report and represents SOLYD's practical commitment with our stakeholders and society at large in terms of sustainability, aligned with the United Nations' Sustainable Development Goals (SDGs).

The Action Plan was designed around two major pillars with four groups each, that cluster the relevant material topics identified in the Materiality Matrix. Therefore, our Action Plan was built upon our ambition to **invest in high quality buildings with a positive impact, while building relationships based on ethics and responsibility.**

In the following sections we will present our management approach to each of the pillars and groups. Together, they form our Action Plan which we believe to be an effective way of integrating ESG topics in our business strategy.



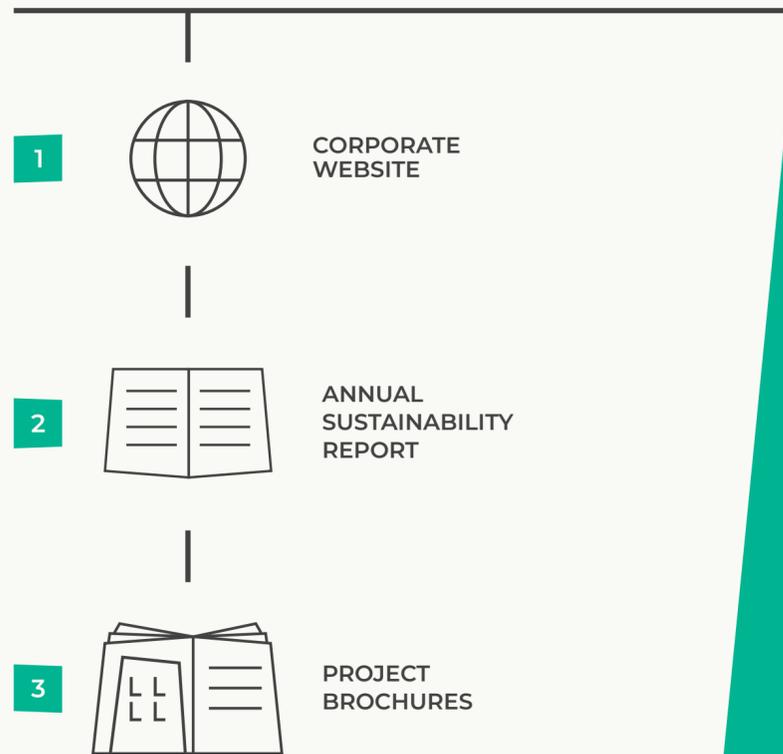
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Communication Plan



SOLYD's ESG communication plan is fully embedded in SOLYD's overall communication plan. This ESG communication plan is crucial to achieving SOLYD's ESG goals and ensuring clear and effective engagement with its stakeholders.

We have identified three communication methods that we will focus on: (1) website, (2) annual sustainability report and (3) project brochures, their contents being detailed below:



- 1 Corporate website to include a dedicated sustainability section, including:**
 - General description of SOLYD's strategy on sustainability;
 - ESG Action Plan's key initiatives;
 - Key sustainability documents (incl. Responsible Investment Policy and the Corporate Social Responsibility Program);
 - Annual sustainability report;
 - Contact person for sustainability matters.

- 2 Annual sustainability report, including:**
 - Message from the Senior Executive Management Team;
 - ESG integration journey;
 - ESG action plan;
 - Initiatives that have taken place in the year;
 - Outline for next period.

- 3 Project brochures currently offer a presentation of each development. In the future, they will comprise each project's key ESG features.**





These 3 communication methods and their contents target the following stakeholders, as shown in the matrix below:

STAKEHOLDER / COMMUNICATION METHOD	WEBSITE	ANNUAL REPORT	PROJECTS BROCHURE
Individual Customers	■	■	■
Business Buyers	■	■	■
Suppliers – Business support ¹	■	■	■
Suppliers – Project related ²	■	■	■
Investors & Shareholders	■	■	■
Community	■	■	
Tenants	■	■	
Lenders	■	■	■
Government/Local authorities	■	■	■
Industry / Competitors	■	■	
Media	■	■	
NGO	■	■	
Rating agencies	■	■	■

¹ Suppliers – Business support refers to suppliers that work with SOLYD in support activities (e.g., Marketing, accounting, business consultancy...)

² Suppliers – Project refers to suppliers that work with SOLYD in its core activity of development and construction (e.g., Construction and maintenance, architects, engineers...)

As the website, the annual report, and the brochure of each development are publicly disclosed, it is important to have effective communication channels to alert stakeholders to these new/improved communication methods. Stakeholders will thus know where to go for further ESG information.

7

Our ESG Action Plan



7.1. Invest in high quality buildings with a positive impact...



7.1.1. Sustainable buildings

At SOLYD, we are highly committed to delivering to our clients the best value-for-money real estate solutions. Our goal is to guarantee long life quality improvement in our clients' life. With this in mind, we have set out as one of our main priorities to focus on Sustainable Buildings as part of our way to positively impact our stakeholders. We have aligned our Action Plan to, whenever possible, work with the best available materials in terms of their environmental and social impacts from source to end-life.

We have been working hard to build and deliver buildings with high-performance materials, both durable and efficient. We believe this to be the solid foundation of our credible market recognition. In this way, and to increase the use of certified and environmentally sustainable materials, we are constantly analyzing opportunities to maximize their use (EPD¹, Cradle-to-cradle certification, eco-labelling). For instance, we have already started to use in our projects multilayer flooring produced with wood-rationalization techniques and wooden doors with fully recyclable cardboard interior.

At the same time, we take responsibility for ensuring the collection and treatment of construction and demolition waste, and therefore on a project-based basis, we create binding obligations with contractors for waste collection and treatment, ensuring compliance through our internal and external project supervision teams.



¹ Environmental Product Declaration

Furthermore, it is part of our due diligence to ensure adequate land analysis, by assessing the potential impact on ecosystems and biodiversity, including contamination, geological and archaeological surveys as well as treatment of green areas.

We aim to minimize water consumption in apartments, by installing efficient taps with water flow reduction, flushing systems with dual discharge and white goods with water-saving systems.

In what concerns the use of renewable energy in the buildings we are promoting widespread usage of solar panels in rooftops and heat pumps for water heating, general building consumption and electric car charging.

A key guiding principle supporting our expansion into office development is offering quality of life improvements, namely promoting a better work-life-balance, by delivering buildings which are designed to: (1) minimize environmental impact; (2) reduce operating costs; and (3) offer more comfort, well-being and productivity for occupiers. We are currently developing an office building in MIREAR, in Miraflores, where we aim to achieve leading sustainability certifications, such as WELL and LEED.



7.1.2. Climate change and energy management

Delivering high quality buildings also entails responsibility. Part of that responsibility is reflected in our climate-change and energy-management focus. **We are committed to promoting energy efficiency and low carbon energy solutions in all our developments while striving for the best solutions to tackle climate change.**

Along these lines, we are seeking to promote high-energy efficiency ratings in our projects in accordance with energy efficiency EU/PT certifications. We are optimizing thermal performance in our buildings through the use of thermal insulation in facades, walls, roofs and communal areas and window frames with thermal cut. Moreover, we promote the efficient use of energy by using energy-efficient equipment and systems, such as air-conditioning, ventilation, white goods, water heating, lighting, and lifts.

We also believe that we must practice the efficient use of energy not only in our projects, but also at corporate level. Therefore, at SOLYD, we promote awareness among our employees to the rational use of energy (lighting and air conditioning, movement sensor lighting, automatic switch-off outside of office hours) and the reduction of energy consumption (LED lamps, low energy consumption equipment) in our office.

7

OUR ESG ACTION PLAN
7.1. INVEST IN HIGH QUALITY BUILDINGS WITH A POSITIVE IMPACT...
7.1.2. CLIMATE CHANGE AND ENERGY MANAGEMENT

ALTER

LISBOA



ALTEAR

L I S B O A

ALTEAR is an urban project that aims at being a symbiosis between nature and resources, as we will be using renewable energy, namely solar panels in the rooftop, for water heating, general building consumption and electric car charging.

The building's façade are plastered with thermal insulation inside a double brick masonry wall, for optimal thermal performance, and double-glazed window frames in lacquered aluminum with thermal cut.

When it comes to energy-efficiency, ALTEAR has a high energy-efficient multi-split inverter air-conditioning system, with outdoor unit and wall-mounted indoor units, as well as a highly energy-efficient water heating system and LED lighting.

In addition to these internal characteristics, ALTEAR is located in an area with wide access to public transportation and local infrastructure (schools, retail, parks), minimizing the need for commuting. However, if displacement is required, we promote green mobility, with pre-installation of chargers for electric vehicles and bicycle racks, as well as an electric scooter for local displacement/commuting.



PARQUE ALTEAR



LIFE ALTEAR



LAGO ALTEAR

BLOCK A & B



VISTA ALTEAR

7.1.3. Community impact

As a (residential) real estate developer, we are fully aware that we fulfil an important role in building or restoring communities. We believe we play an important role in our clients' lives, potentially enhancing their day-to-day experiences.

In our efforts to achieve these objectives, we have been redefining our projects to include rooms and social areas that invite to social gatherings, and have been actively working to create micro-locations, with the goal of integrating our buildings in zones where the existing buildings have different typologies and construction dates.

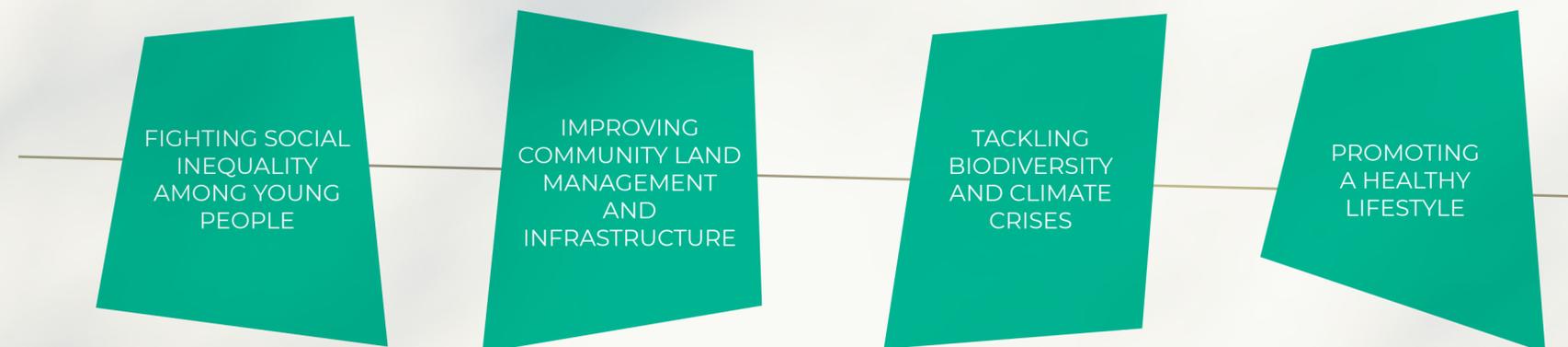
These new centralities offer green spaces, modern design and ground floor retail, contributing to a great sense of community and setting the trend for future developments.

Moreover, we are striving to include amenities and other project features that contribute to improve the overall quality of the development and promote a better work-life balance and community building: in our projects, these include pools, gyms, green areas, decorated lobbies, children's playgrounds, lounges allowing remote working, and multipurpose rooms for social gatherings.

In addition, **we believe that working as a community is also promoted through the choice of more inclusive daily routines, by favoring access to public transportation, as well as promoting access to green mobility solutions, including pre-installation of chargers for electric vehicles, racks for bicycles and complimentary electric scooters for our clients.**

A central instrument in our future activity is our Corporate Social Responsibility Program, whose guidelines we formalized in 2021, and which we expect will have a relevant impact on the communities surrounding our

areas of operation and project developments. This program is our way of giving back and ensuring our projects help in the development of the surrounding communities. Our CSR Program will be focused on four areas:



We aim to have both an internal impact, with employee's programs, and an external impact, directly engaging with the surrounding community. SOLYD's goal is to be the company that not merely focuses on clients' desires and needs but also transforms people's lives, by giving opportunities to those who otherwise would not have them. **Our goal is to be part of the transformation, and we aspire to be agents of change.**

7.1.4. Health and safety

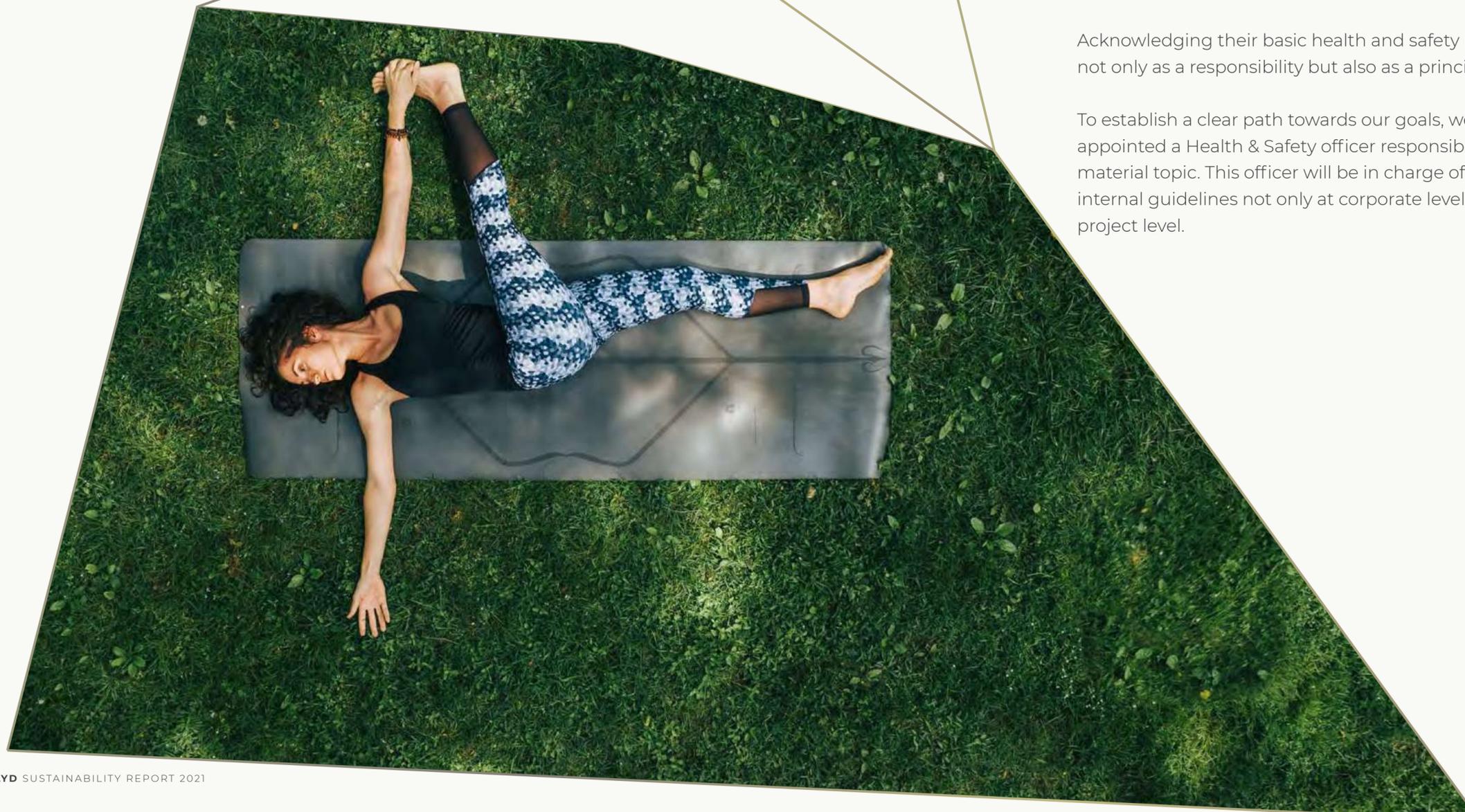
Providing to all of our employees a work environment where risks to their health and safety are identified and controlled is a very important matter for SOLYD.

Acknowledging their basic health and safety rights comes not only as a responsibility but also as a principle.

To establish a clear path towards our goals, we have appointed a Health & Safety officer responsible for this material topic. This officer will be in charge of developing internal guidelines not only at corporate level but also at project level.

We have been working on ensuring that all our development projects are in line with state-of-art practices and regulations, making efforts for all the ground operations to be compliant with European and Portuguese Health and Safety regulations. Additionally, all of our development contracts are compliant with Health and Safety regulations/internal guidelines.

Nevertheless, we believe we should be able to do more and better, especially when it comes to protecting lives. Therefore, we offer a personal Health Insurance Policy to all employees, which includes a bi-annual check-up. In addition, we are working on the definition of measures to mitigate and anticipate Health and Safety hazards. At the same time, by providing instructions and training on Health and Safety at work, monitoring and registering accident rates, and giving employees a safe workplace in safe premises and with safe equipment, as well as comfortable chairs and elevating desks, we ensure the promotion of a healthy and safe environment.



7.2. ...while building relationships based on ethics and responsibility



7.2.1. Ethics and governance

At SOLYD, we pride ourselves on having built a company with strong values that permeate all our activities. An ethical journey with integrity is part of our main values and it is something we are greatly proud of. Our goal is to develop a corporate environment that values ethical behaviors and procedures.

“ We value trust and build our culture of excellence based on integrity. ”

Our way of working helps us to act in the best interests of the business and our stakeholders. We have developed several policies and guidelines to ensure these values are at the core of the way we do business, including:

- Responsible Investment Policy;
- Anti-corruption Policy;
- Anti-Money Laundering and Terrorist Financing Policy;
- Personal Data Privacy Policy;
- Information Security Policy;
- Guidelines for Contracts.

These policies are reviewed annually to ensure they are up-to-date.

We provide annual training to our employees on ethics and anti-corruption, as well as specialized topics such Prevention of Money Laundering and Financing of Terrorism. Additionally, in 2021 we have appointed a team member as Data Protection Officer (DPO) to support Data Protection procedures at SOLYD and ensure GPDR compliance.

Nonetheless, we believe business ethics should not only apply within our company but also to our partners and in our interactions. For that reason, we have been developing and encouraging a work environment where ethics is present across our entire value chain, namely ensuring arm's length supplier selection with thorough supplier selection and approval procedures, as well as monitoring and support through our joint work.

Above all, **we believe that high standards of performance together with integrity are key to delivering effective, efficient, and quality projects.** We believe our corporate culture, based on transparency and with ethics and integrity at its core, is key to a successful relationship with our stakeholders. A model where we put the interests of our business and stakeholders' side by side and respect all equally.



7.2.2. Risk management

Markets are constantly changing and evolving, with ever increasing volatility. Today, companies are inserted in globalized ecosystems where risk also exists outside the corporate bubble. For that reason, we are committed to considering impacts beyond our own operations. We intend to have a comprehensive view of the main risks to which SOLYD is exposed, at a strategic, business, and operational level, establishing processes to monitor and ensure rapid and proactive responses.

Aligned with this, we have identified the stakeholders that we consider material, by mapping both their influence on our business and our impact on their needs. Consequently, we have formally established a stakeholders' engagement process and communication processes.

We monitor and manage the environmental and social impacts arising from both our business and our supply chain. Hence, we aim to collaborate and share best practices with our suppliers and develop a solid structure to manage any risk that may emerge. In this regard, we are including mandatory ESG clauses in our suppliers' contracts to promote a more responsible supply chain.

Moreover, we are also implementing a framework to capture ESG initiatives, namely checklists with the ESG features to be filled for each project and at a corporate level, and we have been monitoring this information through our Sustainability and Compliance Manager.



7.2.3. Workforce culture and wellbeing

Lead the change by recognizing our employees' needs - this is SOLYD's take on workforce culture and wellbeing. By adopting innovative and more flexible managerial and operational models to attract and retain our employees, we aim to preserve our unique workforce culture.

We privilege a horizontal culture, a culture in which everybody feels welcomed to share their thoughts and ideas and no one is left behind. As a team we work in full collaboration, and we strongly believe that having no communication barriers differentiates us from our competitors.

Over the last year, we have been developing and improving our approach to the workforce through the development of an Employee Retention Program, which begins with the onboarding and welcome of new employees.

When admitting a new member, we aim to ensure not only a smooth and full integration in SOLYD's team but also a thorough adoption of our values of excellence, collaboration, and integrity. Hence, when admitting new employees, we appoint a member of our team to be responsible for their integration.

As a company, we have an important role in motivating our employees, making them feel recognized and valued and providing them with the necessary tools for their career development. In this regard, we carry out annual evaluations

of our employees, and have established a variable compensation program for all team members, which takes into account individual and group, quantitative and qualitative KPIs. In our performance evaluation process, we value the employees' opinion, identify training needs, and present and discuss the objectives for the following year.

Furthermore, in the beginning of each year, we develop annual training plans. Together with our Human Resources Team, Senior Executive Management Team and the employee establish individual training needs, based on their current training, practical knowledge, experience, and applicable regulations.

With the recent COVID-19 pandemic, work has been redefined. Remote work was an important and necessary alternative, one that has come to stay and reshaped flexibility. In this way, **we have implemented one day of remote work per week with the aim of contributing to the well-being of our workers and promoting greater flexibility and balance between professional and personal life.**

It is our intention to keep on working in the best interest of our employees, because they are what keeps SOLYD moving forward. With this in mind, we have been working on promoting offsite events not only to discuss potential strategy-direction and communicate ESG strategy, objectives, criteria, and planning but also to build up a collaborative spirit in our teams through teambuilding events.



7.2.4. Prosperity

It is our desire to not only transform our clients' lives but also to keep growing our business in the most sustainable way. We are aware of the ESG challenges that we face today, and we are confident that our Action Plan will help us in defining our sustainable path. This way, we also want to focus our attention on prosperity, and want to expand our business while being mindful of ESG concerns. We have reasons to believe that through technology and innovation it is possible to provide the best products and experiences while minimizing our footprint, and that is what we will work hard to achieve in the future.

At SOLYD, we have been developing an Innovation Program to guarantee that the latest technologies are used in our projects, benefiting our clients and their respective communities. We have been working closely with our teams to identify market opportunities that can help us reduce our impact and have sought whenever possible to use leading edge technologies in our projects. These technologies have made it possible to improve home automation as well as to reduce the carbon footprint, while at the same time having an impact on what we call green energy and mobility.

It is recognized that sustainability is essential to environmental protection, economic growth, and social stability, and a key driver of innovation. Only those companies that make sustainability a goal will achieve competitive advantage. Among solution approaches, technology innovation is key, as it can influence lifestyle, social relations, prosperity, consumption patterns, and cultural development. Technology makes significant impacts on the environmental, economic, and social dimensions of industrial development. It determines, to a great extent, the demand for energy and raw materials, product performance, health and safety, transportation and infrastructure, as well as the modes and the efficiency of manufacturing, waste reduction and waste handling.



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Next steps





For 2022 and beyond, we plan to continue working on our Action Plan through already defined initiatives that enhance compliance, namely by reviewing KYC processes and

implementing a whistle-blower channel. We also want to promote diversity, equity and an inclusive work environment and invest in employee training.

“ We plan to enhance our commitment to carbon neutrality by calculating the carbon impact of our building projects under way and define a strategy to reduce and compensate carbon emissions. We plan to provide incentives for employees to use hybrid or electric vehicles. ”

We are also planning to create a CSR roadmap that sets out proposals consistent with the application of the framework already set in 2021, for a complete CSR Strategy Implementation.

We will monitor health and safety indicators and work in a KPI system that allows us to measure our sustainability performance and define our goals, as well as adjust performance management policy by including ESG KPIs in the managers' annual evaluation.

SOLYD is committed to a sustainable future by closely monitoring ESG initiatives through the entire organization. We want to provide our customers with more practical and sustainable houses to live in and offices to work at. To be an active agent of change because a **Sustainable Future is a SOLYD Future.**

