

Cityforward Fund

1. Summary

Cityforward is an urban transformational fund focused on promoting climate change mitigation through its major renovation activities as its environmental objective. It will also endeavour to make a positive social impact where possible.

Cityforward is predominately focused on acquiring office assets in Europe, which it can renovate and reposition as high-quality spaces which positively impact the “urban transformation” of a place. The binding elements to this investment strategy to determine that an investment would be a sustainable investment and therefore promote the environmental objectives of the fund are:

1. It must be feasible to renovate each asset rather than demolishing it.
2. Each non-residential asset acquired must have the feasibility to be renovated to a BREEAM excellent (or similar) as a minimum.

Cityforward ESG approach is focused around four key themes:

- Bridge to Net Zero
- Embodied Carbon
- Cities of Tomorrow
- Transparency

It will disclose performance on specific data points related to these four key themes. These data points and other indicators will show attainment of the environmental objective, and progress towards social ones, so that a complete and transparent set of metrics can be communicated to show the progress and achievement of the fund. The fund will also consider principal adverse impacts indicators on sustainability factors applicable to real estate assets but does not use a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics it promotes.

Product information regarding the ESG characteristics that the Fund promotes - SFDR Article 10

2. No Sustainable Objective

Does this financial product have the objective of a sustainable investment? If no, does the financial product promote environmental or social characteristics?

Although the fund does not yet have the objective of a sustainable investment, it does promote environmental characteristics and endeavours to enhance social characteristics too.

How do the sustainable investments that the financial product aims to do, not significantly harm any of the sustainable investment objectives? How are the indicators for adverse impacts taken into account?

To safeguard and ensure no significant harm to the sustainability of investments is made by the fund, the following principal adverse impact indicators related to investments into real estate from Table 1 of Annex 1 are taken into account:

1. Exposure to fossil fuels through real estate assets
2. Exposure to energy-inefficient real estate assets
3. Greenhouse gas emissions (GHG)
4. Energy consumption intensity
5. Resource consumption.

How is the sustainable investment aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable as the fund invests in real estate.

3. Environmental or Social Characteristics

What are the environmental or social characteristics that the financial product promotes?

The environmental characteristic that the fund promotes is climate change mitigation. It does this through identifying opportunities to reduce emissions in its renovation activities:

Bridge to Net Zero: Reducing the emissions associated with its assets through major renovations or energetic upgrades.

Embodied Carbon: Limiting the carbon impact from each building associated with any major renovations

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The social characteristics that the fund endeavours to promote are considered as part of its Cities of Tomorrow focus area:

Cities of Tomorrow : Creating or enhancing accessible space for the residents, corporate tenants, the neighbours and occasional visitors

Voluntary building certifications achieved at the asset level and Cityforwards enrollment to GRESB will be used to promote its environmental and social characteristics:

Transparency: Commitment to disclosure and report on progress to support the market transition towards a sustainable future

4. Investment Strategy

Which investment strategy is used to meet the environmental or social characteristics promoted by the financial product?

Cityforward's investment strategy is to acquire, renovate and reposition predominately office assets in Europe to provide high quality spaces which positively impact the "urban transformation" of a place. Working collaboratively with the urban vision of a city, urban transformation for Cityforward means being able to renovate and revive a building rather than demolishing it in order to contribute positively to climate change mitigation.

The binding elements to this investment strategy are:

1. It must be feasible to renovate each asset rather than demolishing it;
2. Each non-residential asset acquired must have the feasibility to be renovated to a BREEAM excellent certification (or similar) as a minimum.

During the acquisition process certain environmental and social characteristics are taken into account:

- Buildings are selected based on series of external factors but also in relation to the urban vision of the city in which it is located.
- A number of red flags (aligned with planning requirements) are taken into consideration in investment proposals.

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- Each non-residential asset is selected on the feasibility of being able to renovate it to a BREEAM excellent certification (or similar) as a minimum.

During the renovation phase:

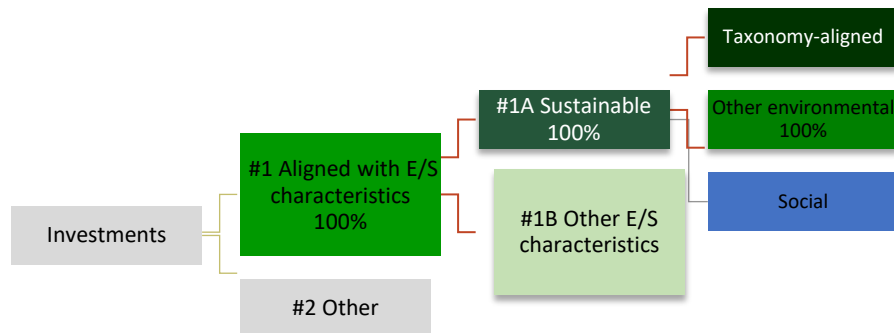
- In order to promote climate change mitigation the carbon use intensity, and the Primary Energy Demand associated with each asset is calculated.
- Each major renovation project must undergo a Life Cycle Assessment to understand the Global Warming Potential of the materials used. It's a key focus for the Cityforward fund that investments are made to reduce the embodied carbon impacts through renovation.

What is the policy to assess good governance practices of the investee companies?

Not applicable.

5. Proportion of investments

The asset allocation of the Fund is 100% directed towards real estate assets.



6. Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product, and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics monitored throughout the lifecycle of the financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics of the Fund:

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Bridge to Net Zero

1. The carbon use intensity (CO₂e/m²/yr.) of an asset is calculated after any major renovations or energetic upgrades.
2. Primary Energy Demand achieved during major renovations will be reported off the Energy Performance Certificates.

Embodied Carbon

3. The global warming potential (GWP) of each major renovation project will be calculated through a Life Cycle Assessment.

Cities of Tomorrow

4. The Gross Floor Area (m²) of publicly accessible areas added or enhanced during major renovation projects.
5. The amount of charging points (bikes and cars) and spaces (for bicycle parking) added during active ownership.
6. The percentage of affordable housing against market price housing created during major renovation projects across the portfolio.
7. The number and type of meetings and activities lead by Whitewood per quarter with stakeholders to ensure views and continuous engagement is made during major renovations projects.

Transparency

8. Achievement of BREEAM certifications (or similar) for the non-residential portfolio.
9. Commitment to be a GRESB participant and to track score (from 2025 onwards).

And what are the related internal or external control mechanisms?

As part of the commitment to report to GRESB data will be externally verified annually from 2025 onwards.

The indicators identified will be collected and reported to investors quarterly to measure how the characteristics are being met. The methodologies followed to collect and analyse the data are based on current market norms. Some of the change over a quarter will be limited as impact may only be fully realized once urban transformation is complete e.g., major renovation.

7. Methodologies for environmental or social characteristics

Which methodologies are used to measure how the social or environmental characteristics promoted by the financial product will be met?

The relevant methodologies followed when calculating the indicators are:

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- The Carbon Reduction Real Estate Monitor (CRREM) which will identify the carbon use intensity.
- The EPC calculation which will identify the Primary Energy Demand of the properties.
- The Life Cycle Assessment which will identify the global warming potential (GWP) of the materials used in the major renovations.
- BREEAM methodology (or another nominated voluntary building certification) to identify the green building rating.
- GRESB to benchmark the fund against its peers to provide a score and star rating from 2025 onwards.

8. Data sources and processing

- **How are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?**
- **Which measures are taken to ensure data quality?**
- **How is the data processed?**
- **Which proportion of the data is estimated?**

Cityforward uses a variety of data sources to check attainment of the promotion of environmental and social characteristics and to demonstrate no significant harm. Cityforward either processes the data itself or works with different service providers to provide the information, analyse, or provide validation of the data to report back to investors.

9. Limitations to methodologies and data

What are the possible limitations of the previously mentioned methodologies and data? How do these limitations not affect the way how the environmental or social characteristics promoted by the financial product are met?

Not having access to data is a key limitation to Cityforward. This is specifically relevant when it comes to legacy assets at the point of purchase. In these situations, a methodology will be agreed to enable estimates to be drawn up in order create the performance overview.

The methodologies followed to collect and analyse the data are based on current market norms. Cityforward will monitor any framework or standard developments and will make any necessary changes to the methods applied to collect and analyse the data where required.

In terms of accuracy, care is taken by Cityforward when preparing the data collection process and analysing the results. Care is also taken when selecting external providers to provide this service.

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However, no guarantee is given for the accuracy and completeness of the information and data. In this respect, the data and information required might not be available, the data might not be in the required quality, or it may be analysed incorrectly.

10. Due Diligence

What due diligence is carried out on the underlying assets of the financial product (including the internal and external controls on that due diligence)?

Prior to purchase, properties are analysed by means of a due diligence review. As part of the due diligence process, ESG aspects and the fulfilment of the company's requirements for environmental characteristics are carefully examined.

11. Engagement policies

What are the implemented engagement policies?

Not applicable.

12. Designated reference benchmark

Has an index been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product?

Not applicable.