

Greenman Investments

SFDR Article 10

Website Disclosure for an Article 8 Fund

- Greenman Open
- Greenman European Supermarkets
- Compartments of Greenman Investments S.C.A., SICAV-FIS

A. Summary

Greenman is committed to following a robust environment and social governance framework and places sustainability as an important and binding aspect of the investment process of each Compartment (the “**ESG Framework**”).

Greenman classifies each Compartment under article 8 of SFDR on the basis that the Properties directly or indirectly invested by the Compartments promotes environmental and social characteristics. The promotion of these characteristics are achieved either by acquiring a Property which fulfils certain Environmental and social characteristics

B. No sustainable investment objective

Does this financial product have a sustainable investment objective?

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

C. Environmental or social characteristics of the financial product

What are the environmental or social characteristics promoted by this financial product?

1. **The following environmental characteristics are promoted for each Compartment:**
 - a. Systematically reducing the negative environmental impact from Properties which they have upon their immediate surroundings;
 - b. Setting, achieving and maintaining energy consumption reduction targets for the Properties;
 - c. Promoting a tenant base which is committed to reduce their energy consumption and developing common practices with tenants to achieve the Properties’ reduced energy consumption targets;
 - d. Setting, achieving and maintaining targets for Properties to use, reuse or to generate energy from renewable sources; and
 - e. Promoting a tenant base which is committed to renewable energy generation and consumption and developing common practices with tenants to achieve the Properties’ renewable energy generation targets.
2. **The following social characteristics are promoted for each Compartment:**
 - a. Setting, achieving and maintaining community engagement targets for Properties (e.g., initiatives with local schools around the Properties to educate pupils about the benefit of organic fresh and “buy local” food);
 - b. Promoting a tenant base committed to community engagements and developing common practices with tenants to achieve the community engagement targets;
 - c. Considering when making an investing the possible impact of the relevant Property on the community engagement agenda; and
 - d. Ensuring that personnel of the Management Company as well as that the directors of the General Partner, the Intermediary Vehicles and the entities directly owning Properties are committed to tackle inequality while fostering social awareness and to improve social and economic fabric of communities directly engaging with the Properties (e.g., participation in local events and taking initiatives to support the local producers of food).

D. Investment strategy

What investment strategy does this financial product follow?

Each Compartment is an open-ended real estate funds and assembles portfolios of retail parks, hybrid centres and other commercial properties anchored by grocery retailers throughout Germany (OPEN) and Europe (GES).

Greenman operates each Compartments Portfolio following a “buy & hold” strategy, where, in the normal case of events, once a property has been acquired it will continue as part of the Portfolio for as long as the Compartment exists. The Portfolio's tenants are pre-dominantly food and non-food retailers and have placed sustainability at the heart of their operational and strategic goals.

The core strategy for each Compartment is ensuring the maximum amount of a property's rental income is converted into frequent and consistent investor returns over the long-term by focusing on income generate, the buy & hold strategy and sustainable debt.

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

Good governance practices are assessed both pre-investment and as part of ongoing monitoring. The nature and depth of the assessment depends on the type and structure of the investment and other factors such as the availability of relevant information.

When assessing good governance practices Greenman (or its delegate) will, as a minimum, have regard to matters it sees as relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

Commonly, investments made by the Compartments involve the purchase of real property by a newly formed or pre-existing entity in which the Compartments hold an ownership interest or the purchase of property-owning and/or operating companies (or of interests therein).

In the event of acquiring new entities (including the purchase of a property-owning and/or operating company), good governance practices are typically assessed with respect to the entities acquired. An initial assessment is undertaken as part of due-diligence and pre-closing checks and may take into account actions that will be undertaken immediately on closing or reasonably promptly thereafter. In the event of a purchase of real property, good governance practices are typically assessed by reference to the entity which is acquiring the real property. Good governance practices will also be assessed by reference to entities in the holding structure where considered appropriate. Ongoing monitoring takes place in the form of an at least annual certification or review process confirming that good governance practices continue to be observed (although the form of the certification or review process varies between structures).

E. Proportion of investments

Each Compartment aims to invest up to 18.5% of annual capital contributions and 1.21% of each Compartments NAV annually on the following activities:

- Energy Reduction Activities
- Renewable Energy Generation
- Smart Building Approach
- Use of artificial intelligence at Properties' level
- Sustainable Food Production
- Supply Chain Management
- Charitable & Educational Initiatives

F. Monitoring of environmental or social characteristics

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product?

Greenman constantly monitors the environmental and social characteristics and performance of the Compartments and is reported on at least annually by way of Greenman's Sustainability Report (refer Greenman's website for 2021's report).

Greenman has established a NET Zero Pathway for each property in the Portfolios. These actions which shall be taken to achieve the initiatives in section E belong to one of the following 6 “Categories”:

Category	Brief Description
1. Reduction in Electricity Consumption	The reduction of each property's Electricity consumption by introducing a number of electricity saving measures.
2. Reduction in Gas Consumption	The replacement of any gas-powered building systems with systems powered with renewable Technologies.
3. Building Efficiency	Increase the energy efficiency of each property to levels similar to or exceeding DGNB Building in use Criteria.
4. Heat Loss Recovery	The replacement and upgrading of building systems to reduce heat losses.
5. Renewable Energy Generation	The installation and operation of PV and other renewable energy generation systems at each suitable property.
6. EV Charging Infrastructure	The installation and operation of EV Charging stations at each suitable property.

Greenman notes that as the characteristics of the Compartments properties and operational requirements of its tenants are very uniform while the data needed to calculate the buildings' carbon emissions is readily available, no suitable EU Climate Transition Benchmark or EU Paris aligned benchmark is currently available which can be used as a reference benchmark.

Greenman will seek to ensure that the continued effort of attaining this carbon emission reduction objective is accurately reported and as a consequence Greenman will:

1. calculate the carbon emissions reduction goals using the 1.5° scenario as the reference temperature scenario;
2. calculate the carbon intensity on a yearly basis;
3. will phase in Scope III emissions data;
4. will publish the Compartments historic and average emissions data at least annually;
5. redesign a Zero Pathway; and,
6. calculate the change in carbon intensity and absolute GHG emissions of the Portfolios in accordance with the methodological requirements in accordance with the Regulation EU 2020/1818.

G. Methodologies

What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?

In order to measure the attainment of the environmental and social characteristics, Greenman will report on the progress made on the sustainability activities mentioned in section E, on an annual basis.

H. Data sources and processing

All data sources used to measure the achievement of the sustainable investment objective of the Compartments are internally sourced, relying on direct due diligence on and engagement with the investee companies.

As part of Greenman's investment due diligence, an impact audit is undertaken by external third parties on all potential acquisitions that sets out an improvement plan to enhance the properties ESG rating. When a property is acquired for a Compartment, a business plan is completed which incorporates the findings of the impact audits. Greenman monitors the business plan on an ongoing basis and reports the progress to the Board on at least, an annual basis.

I. Due diligence

Prior to making any investment decision, Greenman, in line with its Acquisitions Policy, is required to conduct robust investment due diligence on the proposed investment. This is to enable, amongst other things, Greenman to identify and prioritise principal adverse sustainability impacts and indicators. In its evaluation of environmental, social and governance factors, Greenman may utilise its internal research, materials from third party research and data providers deemed relevant by Greenman, and information made available by the seller/issuer. This investment due diligence will evaluate a variety of factors including an assessment of how the proposed investment is evaluated against sustainability indicators identified in the PAI Statement.

J. Engagement policies

Greenman as an active owner engages with the Portfolios tenants on a daily basis. The Portfolios tenants are pre-dominantly food and non-food retailers and have placed sustainability at the heart of their operational and strategic goals which are aligned to that of Greenman and the Compartments.

K. Reference Benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

No index has been designated as a reference benchmark for the purpose of attaining the sustainable investment objective of the Compartments.