

SUSTAINABILITY-RELATED DISCLOSURES

As of 1st AUG 2022

WEALTHCORE SCS, SICAV-RAIF - WEALTHCORE AUSTRIA I

a) Summary

English:

The Sub-fund **Wealthcore Austria Living 1** invests directly and indirectly in properties of prevailing residential usage.

The document contains the sub-funds description of the environmental goals, the investment strategy, the way the investment strategy is enforced as well as information about the approach data is retained.

The fund promotes the goal of mitigating climate change. As part of this, an ESG Due Diligence is conducted during the acquisition process to verify the quality of the buildings. In addition, consumption data is included as an important factor in measuring the environmental impact of the properties. These are measured and then used to educate tenants on potential reduction opportunities for individual consumption. Der Teilfonds Wealthcore Austria Living 1 investiert direkt und indirekt in Immobilien mit überwiegendem Wohnnutzungsanteil.

Deutsch:

Der Teilfonds Wealthcore Austria Living 1 investiert direkt und indirekt in Immobilien mit überwiegendem Wohnwert.

Das Dokument enthält die Beschreibung der Umweltziele des Teilfonds, die Anlagestrategie, die Art und Weise, wie die Anlagestrategie umgesetzt wird, sowie Informationen über die Art und Weise der Datenhaltung.

Der Fonds fördert das Ziel der Eindämmung des Klimawandels. Im Zuge dessen wird im Ankaufsprozess eine ESG-Due Diligence zur Überprüfung der Qualität der Gebäude durchgeführt. Darüber hinaus werden Verbrauchsdaten als wichtiger Faktor zur Messung der Umweltauswirkungen der Immobilien berücksichtigt. Diese werden gemessen und anschließend verwendet, um die Mieter über potenzielle Reduktionsmöglichkeiten des individuellen Verbrauchs aufzuklären.

b) No sustainable investment objective

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

c) Environmental or social characteristics of the financial product

In accordance with Regulation (EU) 2020/852 and Regulation (EU) 2019/2088 of the European Parliament and of the Council, Sub-fund “Wealthcore Austria Living 1” orientates investments along the described environmental goals. Environmental Goals, defined by Regulation (EU) 2020/852 are: (i) climate change mitigation; (ii) climate change adaptation; (iii) sustainable use and protection of water and marine resources; (iv) transition to a circular economy; (v) pollution prevention and control; (vi) protection and restoration of biodiversity and ecosystems. The sub-fund especially promotes goal (i) climate change mitigation. Thus, the entire real estate value chain is analyzed, with special remarks on the usage.

d) Investment strategy

First, the funds strategy is to invest in residential property buildings in Austria with high building standards. High building standard is defined and monitored through green building certificates (i.e., ÖGNI, klimaaktiv). Especially, Primary Energy Consumption is considered during Investment decisions.

Second, during Due Diligence (DD) an ESG DD is conducted to avoid significant harm and make significant negative impact transparent. Minimum criteria are applied to the property to evaluate “ESG-fit” to the fund.

Third, during usage asset management is encouraged to support tenants in reducing their energy consumption and acting in accordance to above mentioned goals. Particularly, digital tools (i.e., tenant app) are used to raise awareness about sustainability and climate change mitigation.

Last, compliance of commissioned companies with the UN Human Rights Charter, OCED-Charter as well as further compliance issues (i.e., money laundering) is reviewed.

e) Distribution of investments

100 % of the investments are direct or indirect investments in properties with prevailing residential use.

f) Monitoring of environmental or social characteristics

First, due to the immobile nature of real estate as well as data privacy concerns in regard to tenant data, monitoring is mostly done during the acquisition phase (i.e., ESG-DD). After ensuring alignment in the acquisition, consumption data is collected and reported to investors. Significant deviations are discussed with subcontractors and will be fixed immediately.

Second, everything (e.g., Sub-contractors, common areas) in the hand of the asset owner (General Partner) is monitored and adapted if perceived necessary.

Note: Monitoring is increasingly enhanced in the upcoming time through modern metering.

g) Methods

A checklist is used during ESG-DD to ensure that every issue is covered. Some points are considered as negative screening criteria, others as positive screening criteria.

During usage stewardship (esp. commercial tenants) and sensitization (esp. residential tenants) are utilized to reduce negative impact on environment.

Reporting and Benchmarking creates transparency for investors.

If Data is missing the fund estimates the total consumption on the premise of the existing data.

h) Data sources and processing

During the DD process data is sourced from external consultants as well as internal review of building application documents as well as further plans. For missing or additional data, the seller is interviewed to finalize the ESG-DD-Report.

Currently, consumption-based data is sourced through energy certificates. Forthcoming digital smart meter devices shall be used to collect the relevant consumption to enhance reliability of the reported data. The data is stored in purposeful selected software, acting as data warehouse and analysis tool. The proportion of estimated data depends on legally non-binding feedback of tenants and should be less than 50%.

Wherever necessary external partners are consolidated to verify the extracted data points.

(i) limitations on methods and data

Although the fund aims to use a holistic approach to measure and report the relevant data, few limitations need to be considered:

- **Data Privacy / Estimation:** especially residential tenant data cannot be considered given, since collecting it individually is illegal in terms of data privacy. Thus, the fund is partly dependent on cooperation. Missing data is estimated based on existing, public data.
- **Grey Energy:** Currently not considered is the energy used to build the property. Thus, the total emissions could be significantly higher than reported.
- **Lifespan:** The fund will sell the property during the usage phase, which is why the deconstruction phase cannot be considered.
- **Grid decarbonization / Regulation:** Real estate is largely dependent on the legal and technological environment surrounding it. Changing legal definitions of sustainability, changing requirements on properties or slower decarbonization of the energy grid in Austria and in particular the respective investment areas can significantly impact the environmental performance.

j) Due diligence

The Fund's due diligence process integrates both ESG and commercial aspects, and is broken down by investment stage:

- **Sourcing:** consultations with developer to estimate the alignment with internal investment criteria
- **Due diligence:** legal, technical diligence, sustainability diligence, tax diligence, economic diligence

k) Participation policy

Stewardship / sensitization is done through communication with commercial as well as residential tenants. In the case of commercial tenants, it is done with the goal of establishing a green lease clause within the contract. Sub-contractors are urged to inform tenants regularly (at least at the point of contract closure) about methods to reduce energy consumption, engage in waste separation and less water consumption.

l) Designated reference benchmark

Not applicable