

SUSTAINABILITY-RELATED INFORMATION ABOUT A FINANCIAL PRODUCT

In accordance with Article 10 of the SFDR and Article 24 et seq. of the RTS, WOOD & Company, investiční fond s proměnným základním kapitálem, a.s. - WOOD & Company Office podfond ("Sub-fund" or "financial product") discloses the following information:

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1 SUMMARY

The document describes a financial product that focuses on environmental and/or social attributes while not pursuing explicit sustainable investment objectives.

The priority within the governance of the financial product is to promote energy efficiency in buildings and responsible water management, minimise waste production and reduce greenhouse gas emissions. Socially, the financial product focuses on employer responsibility and maintaining long-term relationships with stakeholders, with an emphasis on transparency and regular reporting.

The investment strategy of the financial product specializes in investments in quality office buildings in Prague, Bratislava and Warsaw, with the aim of creating a diversified portfolio with stable cash flow and conservative debt levels. It seeks to achieve long-term returns and prefers real estate companies with prime locations in major cities and regional centres. It also maintains liquid funds for a flexible investment strategy.

Investment holdings are systematically divided into two categories to reflect the differentiation in approach to sustainable investments.

The financial product monitors environmental and social performance throughout its life cycle using sustainability indicators. Measures include energy, electricity, carbon, water and waste intensity. Control mechanisms ensure compliance with targets and provide transparency to investors.

The text also details the methodology for monitoring environmental and/or social performance, including specific sustainability indicators. The methodology for monitoring the environmental performance of a financial product is based on a number of sustainability indicators. These indicators quantify the results achieved and allow continuous monitoring of progress towards the sustainability objectives.

Each of these indicators has its own data sources and quality assurance measures. The systematic collection and analysis of data enables regular monitoring and reporting of results, providing an important tool for monitoring the environmental aspects of the financial product.

However, there are limitations in data collection methodologies and data leading to theoretical incompleteness or inaccuracy. However, the sub-fund uses a separate data correction method and a preventive multi-stage peer review of the data collected in order to minimize potential data gaps and increase data credibility.

Finally, attention is paid to the due diligence of the underlying assets. Due diligence on the underlying assets of a financial product includes comprehensive procedures to ensure that the environmental characteristics of the underlying asset are properly monitored.

The following text details the environmental and/or social attributes that the financial product promotes.



2 NO SUSTAINABLE INVESTMENT OBJECTIVE

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

3 ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

One of the main priorities is to promote energy efficiency in buildings, which means actively reducing energy consumption and minimising negative environmental impacts. Another important area is responsible water management, which includes measures and strategies to use water resources efficiently and sustainably to minimise waste and protect ecosystems. The financial product also promotes the careful management and active recycling of waste, which involves a systematic approach to minimising waste production and promoting the efficient sorting and reuse of materials to reduce negative environmental impacts. Another important element is the reduction of greenhouse gas emissions, which is implemented through the optimisation of building technology and the implementation of energy efficient systems to minimise overall emissions and contribute to more sustainable building operations.

In a social context, the financial product focuses on the characteristics of a responsible employer and maintaining long-term and fair relationships with stakeholders such as investors, clients, tenants and banks. An important element is also the emphasis on transparency and regular disclosure of information, which contributes to building trust and maintaining sustainable relationships in society.

4 INVESTMENT STRATEGY

The Sub-fund focuses on investments in commercial real estate, primarily high-quality office buildings in Prague, Bratislava and Warsaw. Its objective is to create and optimize a diversified portfolio with stable cash flow and conservative debt ratio. The investment strategy focuses on real estate companies owning and managing office buildings in key locations, particularly in the capital cities, and potentially in regional centres. The Sub-fund also maintains liquid assets which, if the properties are sold, may form the majority of the assets until they are reinvested. In this way, the Sub-Fund has the flexibility to respond to market opportunities and optimise its investment approach.

5 PROPORTION OF INVESTMENTS

The proportion of the Sub-Fund's investments will be systematically divided into two key categories, reflecting the differentiation in approach to sustainable investments. The first category, named "In line with E/S characteristics", includes investments that are deliberately aimed at achieving specific environmental or social objectives that are

supported by the financial product. This category reflects the careful selection of investments that have a positive impact on sustainability and support the defined objectives.

The second category, called 'Other', contains the remaining investments that do not fall within the environmental or social performance framework and cannot be considered explicitly sustainable. This category provides scope for investments that may have economic objectives other than promoting sustainability.

Within this second category, there is a sub-category 1B, identifying investments that, while consistent with E/S characteristics, do not directly qualify as fully sustainable. This allows for flexibility in asset allocation and reflects a desire to include investments that, while they may not be considered fully sustainable, still carry some positive environmental or social impact. This allocation structure helps to achieve a balance between sustainability and the economic objectives of the investment strategy.

Beyond the individual categories of investment share mentioned above, there is a subsequent categorisation of specific investments:

- ▲ The minimum share of socially sustainable investments is 0%.
- ▲ The minimum share of investment in transitional and support activities is 0%.
- ▲ The minimum share of sustainable investments with an environmental objective that do not comply with the EU taxonomy is 0%.

The financial product promotes environmental and/or social features but will not make any sustainable investments.

6 MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The environmental and social attributes promoted by the financial product are monitored throughout its life cycle through various sustainability indicators and control mechanisms. These indicators and mechanisms are key to monitoring the achievement of the objectives related to the environmental and social performance of the financial product.

The following indicators are used to measure the environmental performance of the financial product:

- a) **Energy intensity:** this indicator measures the efficiency of energy use and helps to identify energy saving measures leading to lower energy consumption.
- b) **Electricity intensity:** the electricity consumption value provides information on the energy intensity of the operation of the financial product and allows to identify areas for improvement.
- c) **Carbon intensity:** this indicator assesses the amount of greenhouse gas emissions associated with the operation of a financial product and helps to reduce its environmental impact.

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- d) **Water intensity:** measuring the efficient use of water resources and minimizing water waste is important for ecosystem protection and sustainable water management.
- e) **Waste intensity:** providing information on the waste generated and promoting the efficient sorting and recycling of materials helps to reduce negative environmental impacts.

The control mechanisms are designed to ensure compliance with established sustainability targets and indicators, provide transparency and confidence to investors, while promoting responsible and sustainable investment.

7 METHODOLOGIES FOR ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The methodology for assessing the environmental performance of this financial product is based on the systematic monitoring of specific sustainability indicators.

- a) **Energy intensity:** the methodology for measuring energy intensity involves collecting data on energy consumption in the operation of the financial product. This includes analysis of energy bills, meter readings and other metering.
- b) **Electricity intensity:** electrical intensity measurement is done by collecting data on electricity consumption over time. This may include the use of smart meters or energy monitors.
- c) **Carbon intensity:** the assessment of carbon intensity involves the collection of data on greenhouse gas emissions associated with the operation of the financial product, such as CO₂ emissions from electricity generation, heating, cooling.
- d) **Water intensity:** measuring water intensity involves collecting data on water consumption and wastewater within the operation of the financial product. Identifying areas for improvement includes efforts to minimize water consumption through conservation measures, water recycling and pollution prevention.
- e) **Waste intensity:** measuring waste intensity involves collecting data on the amount of waste generated by the operation and management of the financial product. Identifying areas for improvement includes promoting waste segregation, recycling materials and minimizing waste production through better planning and processes.

These indicators are a key tool to quantify sustainability performance and allow for ongoing monitoring of progress towards the stated environmental and social objectives of the financial product.

8 DATA SOURCES AND PROCESSING

a) **Energy intensity:**

- ▲ Data sources: the source of data for energy intensity can be energy bills, which provide information on energy consumption in a given period.
- ▲ Data quality assurance measures: the quality of the energy intensity data collected is ensured by regular checking and calibration of metering equipment, as well as regular verification of the accuracy and completeness of energy consumption records.

b) **Electricity intensity:**

- ▲ Data Sources: Electricity intensity data is obtained by measuring electricity consumption using smart meters or monitoring systems.
- ▲ Data quality assurance measures: the quality of the electrical intensity data obtained is ensured by regular calibration and maintenance of measuring equipment and monitoring systems.

c) **Carbon intensity:**

- ▲ Data sources: carbon intensity data provides regular monitoring and recording of greenhouse gas emissions from the operation of the financial product.
- ▲ Data quality assurance measures: the quality of the carbon intensity data collected is ensured by the use of certified measurement equipment and standardised GHG data collection procedures.

d) **Water intensity:**

- ▲ Data sources: water intensity data is provided by continuous monitoring of water consumption through special sensors and measuring devices located in the financial product.
- ▲ Data quality assurance measures: ensuring the quality of water intensity data consists of regular and systematic verification of the functionality of sensors and measuring equipment, reliable calibration of such equipment and checking the integrity of data obtained from monitoring systems.

e) **Waste intensity:**

- ▲ Sources of data: data on the waste intensity of the financial product is provided by internal waste records from the operation of the financial product or ongoing monitoring systems of the waste management of the financial product.
- ▲ Data quality assurance measures: the quality of the data collected on the waste intensity of the financial product consists of regular revisions and updates of the recording systems, data quality control and standardised procedures for collecting and processing information on the waste generated.

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The above information is regularly recorded and compiled into reports that reflect the data obtained in relation to the financial product. This report allows monitoring and evaluation of the environmental performance of the financial product.

9 LIMITATIONS TO METHODOLOGIES AND DATA

External data may be incomplete, inaccurate or temporarily unavailable, leading sustainability assessment providers to consider different factors and weights. This can lead to different sustainability assessments for investee companies, and thus risks misjudging the situation. To mitigate this risk, the Sub-Fund uses a separate data correction method which includes a preventive multi-stage peer review of the data collected. This process reduces potential gaps in the reported data while increasing the credibility of the data. As part of the investment process and the data quality assurance measures taken, the Sub-Fund assumes that the above limitations do not have a significant negative impact on the environmental characteristics of the financial product.

10 DUE DILIGENCE

Due diligence on the underlying assets of a financial product involves a comprehensive process to achieve the stated environmental and/or social objectives.

As an example, due diligence includes monitoring and improving energy efficiency, including the installation of photovoltaic power plants and the use of efficient technologies for heating, cooling and lighting. It is also the due diligence process used for new acquisitions, which includes detailed analysis in the financial, tax, commercial, legal, technical and environmental areas. Due diligence of the underlying assets combines internal and external controls to achieve and maintain high standards of environmental responsibility. This ensures that the investment strategy actively contributes to the environmental objectives of the financial product.

11 ENGAGEMENT POLICIES

N/A

12 DESIGNATED REFERENCE BENCHMARK

No index has been identified as a benchmark for achieving environmental targets.