



ACCOLADE ESG STRATEGY

Running our business with respect for the
environment and the world around us



CONTENTS

ABOUT US

- ▶ 4 Who we are and what we do
- ▶ 5 Fastest growing company in the Czech Republic
- ▶ 6 Our vision
- ▶ 7 Our responsible approach
- ▶ 8 Supporting principles of the UN Initiative
- ▶ 9 ESG strategy

ENVIRONMENTAL

- ▶ 11 Our commitments and goals
- ▶ 12 Highest standards for modern development
- ▶ 13 Technical standards
- ▶ 14 Revitalization of areas around our parks
- ▶ 16 Brownfield revitalization
- ▶ 17 BREEAM Certification
- ▶ 18 BREEAM - Code for a Sustainable Built Environment
- ▶ 19 World's greenest industrial building
- ▶ 20 Some of our certified projects
- ▶ 21 We support projects addressing issues that concern all of society
- ▶ 22 Recycling, preventing waste, and protecting the environment

SOCIAL

- ▶ 24 Our commitments and goals
- ▶ 25 Long-term support for charitable projects and organizations
- ▶ 26 MELA
- ▶ 27 Veronika Kašáková Endowment Fund
- ▶ 28 Cheb Region
- ▶ 29 Joker; St. George's Hospice
- ▶ 30 Víteček Center
- ▶ 31 Neuron Endowment Fund, KVIFF
- ▶ 32 Česká spořitelna - Accolade Cycling Team
- ▶ 33 Fair treatment of employees

GOVERNANCE

- ▶ 35 Our commitments and goals
- ▶ 36 Transparent and responsible management
- ▶ 37 Compliance with fair business practices
- ▶ 38 Responsibility towards our employees
- ▶ 40 Safe and healthy working environment
- ▶ 42 EGS Committee, monitoring and reporting
- ▶ 43 Compliance with ESG principles and achieving set objectives
- ▶ 44 Long-term ESG commitments
- ▶ 45 Measurable goals

WHO WE ARE AND WHAT WE DO

Accolade is an investment group providing first-rate business infrastructure in Europe. Most of our tenants are global brands in the e-commerce, processing industry, and logistics sectors. We own a network of 41 modern industrial parks in the Czech Republic, Poland, Germany, the Netherlands, Spain, and Slovakia with BREEAM or DGNB certification that guarantees an environmentally-friendly approach and respects the world around us.

OUR MISSION

We create a European portfolio of modern environmentally friendly industrial parks with a high proportion of revitalized brownfields, while appreciating our investors' assets. Together with our investors, we contribute to the sustainable future of business in Europe.

Our mission is not only to create value for our tenants and investors, but also to be a responsible member of the society, especially in the communities where we operate, and also to provide an inspiring environment for our employees.



**ACCOLADE OWNS A NETWORK OF
41 MODERN INDUSTRIAL PARKS
WITH BREEAM SUSTAINABILITY
CERTIFICATION**

FASTEST GROWING COMPANY IN THE CZECH REPUBLIC

In its 10 years of existence, the group has created a portfolio of commercial real estate with an area of 3.0 million sq m, with 1.7 million sq m of class A industrial buildings being fully leased. We are currently planning projects with an area of 916,299 sq m. Accolade does not only invest in the development of new projects, it also funds revitalization of neglected brownfields with a long industrial tradition. The share of brownfields in

IN 2019, WE BECAME THE FASTEST GROWING COMPANY IN THE CZECH REPUBLIC ACCORDING TO THE PRESTIGIOUS FINANCIAL TIMES RANKING.

our portfolio increased to 38%. The total area of revitalized locations is about 1,136,932 sq m.

In 2014, the group founded an industrial real estate fund, Accolade Fund SICAV, reserved for qualified investors, who can thus contribute to further development of modern business in Europe.

In 2017, we decided to purchase an operator of the second-busiest airport in the Czech Republic, Brno-Tuřany, that has more than 500,000 passengers annually.

Going forward, we plan to build a polygon for the development and certification of autonomous vehicles, to be used as a research and development center for leading experts in the field.

KEY FACTS

2.6 billion EUR

PORTFOLIO VALUE

41 PARKS

CZECH REPUBLIC (18), POLAND (17), GERMANY (2), SPAIN (2), SLOVAKIA (1), AND THE NETHERLANDS (1)

3.0 million sq m

PORTFOLIO AREA

BUILT: 1,333,345 sq m
UNDER CONSTRUCTION: 1,228,250 sq m
COMMITTED PIPELINE: 426,519 sq m

1.7 million sq m

LEASED AREA

916,299 sq m

PLANNED PROJECTS

1,136,932 sq m

REVITALIZED BROWNFIELDS

140 TENANTS

1,600+

QUALIFIED INVESTORS



▶ ABOUT US

OUR VISION

„We are confident that we will continue to expand our portfolio into other strategic locations in Europe.

Modern parks with a high share of revitalized brownfields with a long industrial tradition will continue to meet the strictest standards of respectful approach to the world around us.

With our continued and dedicated expertise we contribute to the development and economic growth of regions in the following years.

At the same time, it is our commitment to remain a transparent financial institution that appreciates investors' assets.”



▶ ABOUT US

OUR RESPONSIBLE APPROACH

“We wish to set an example – not only in terms of business, but also in terms of social responsibility that forms an integral part of our corporate culture and that we work hard to ensure every day. Our priority is to be a trustworthy, responsible, and transparent company that applies the principles of sustainable development.”

SUPPORTING PRINCIPLES OF THE UN INITIATIVE

We are fully aware of our responsibility towards our investors, tenants, employees, business partners, and other cooperating organizations. Consequently, we have created a set of strict ethical standards - our Code of Ethics - that guide everything we do. We fully support principles of the UN Global Compact initiative, UN's Universal Declaration of Human Rights, as well as the International Labor Organization Declaration on Fundamental Principles and Rights at Work of 1998. We expect all cooperating institutions to adhere to the same ethical standards.

Our social responsibility and commitments are summarized in our ESG Strategy.



ESG STRATEGY SUMMARIZES OUR GOALS AND COMMITMENTS



- ▶ Brownfield reclamation and revitalization of areas around our parks
- ▶ BREEAM certification rating of “Very Good” or higher as of 2015
- ▶ Promotion of renewable energy
- ▶ Carbon footprint reduction
- ▶ Regulation of drinking water consumption
- ▶ Environmentally-friendly technology



- ▶ Support of charitable projects across regions
- ▶ Gender balance
- ▶ Equal opportunities
- ▶ Suitable conditions of employment



- ▶ Responsible company management
- ▶ Transparent ethical conduct in compliance with our Criminal Compliance Code and Code of Ethics
- ▶ Education and motivation of our employees
- ▶ Involvement of employees in socially beneficial projects

**WE INVEST AND DO BUSINESS IN
A MANNER THAT IS CONSISTENT WITH
THE PROTECTION OF THE ENVIRONMENT**

**WE SUPPORT THOSE WHO NEED OUR
HELP AND WE ENSURE SUITABLE
CONDITIONS OF EMPLOYMENT**

**OUR PRIORITY IS A TRANSPARENT AND
FAIR APPROACH TO INVESTORS, TENANTS,
AND BUSINESS PARTNERS**



ENVIRONMENTAL

Environmentally-friendly approach and respect for the world around us



▶ OUR GOALS AND COMMITMENTS

ENVIRONMENTAL

E

UN GOALS AND PRINCIPLES THAT WE FULLY RESPECT

- 6 Clean water and sanitation
- 7 Affordable and clean energy
- 13 Climate action

OUR GOALS AND COMMITMENTS

- ▶ Revitalization of neglected brownfields
- ▶ BREEAM and DGNB (German market) certification
- ▶ Construction materials and technology consistent with the highest environmental protection standards (LED lighting installations, light sensors, retention basins, flushing systems)
- ▶ Carbon footprint reduction, regulation of drinking water consumption, and support of renewable energy
- ▶ Promotion of ecology and biodiversity (preservation of greenery, insect hotels, reptile refuges, apiaries)
- ▶ Preservation and restoration of water-related ecosystems

HIGHEST STANDARDS OF MODERN DEVELOPMENT

At Accolade, we invest with respect for the environment and the world around us. Our industrial parks comply with the highest standards for modern development and we plan our projects in a manner that ensures their compliance with BREEAM or DGNB (German market) sustainable approach certification. This guarantees a high level of environmental friendliness and consideration for the working conditions of our employees, as well as energy self-sufficiency of our buildings. Our goal for the coming years is to certify older buildings that have not been BREEAM certified yet.

Accolade is committed to complying with high standards regarding environmental aspects of development; consequently, all acquisitions are subject to environmental impact assessments. Health, safety, and environmental risks are monitored prior to and throughout the development of our projects. We also take inspiration from industrial tradition

and one of our objectives, in addition to developing new locations, is the revitalization of disused brownfields. In the first quarter of 2021 the total area of revitalized brownfields amounted to approximately 983,000 sq m. At Accolade, we focus on the protection of our environment and consider impacts of our activities on the world around us. For this reason, 95% of industrial properties in our portfolio use energy from renewable sources as of 2021. Our goal is to use 100% renewable energy. Going forward, we also plan to regulate drinking water consumption by at least 40% compared to the industry standard for all our properties.

Our long-term objective is to reduce the carbon footprint of industrial real estate within the Accolade portfolio. In 2021, we will review our carbon footprint and define a strategy for its reduction. Partial measures will be launched as of 2022.



TECHNICAL STANDARDS

All our parks are developed in line with the principles of our White Book – i.e. a book of standards that defines technical and quality specifications and processes aimed at ensuring an effective and economically sustainable development process of our parks. It is also used as a reference for assessing whether a development project is fully consistent with our ESG Strategy. It comprises, for example, a list of economical fixtures that may be used for projects, thickness of panels, roof structure, and roofing foil thickness in order to ensure the most environmentally friendly building envelope, with associated energy savings, as well as a number of other parameters that ensure our buildings are environmentally friendly.

WHITE BOOK - A BOOK OF STANDARDS - IS ALSO USED AS A REFERENCE FOR ASSESSING WHETHER A DEVELOPMENT PROJECT IS FULLY CONSISTENT WITH OUR ESG STRATEGY.

Each project manager is responsible for complying with the aforementioned standards in order to ensure successful BREEAM certification of individual buildings at the minimum level of “Very Good”.



REVITALIZATION OF AREAS AROUND OUR PARKS

At Accolade, the revitalization of areas surrounding our industrial parks is also very important to us, with various elements going far beyond standard industrial building surrounding areas in terms of their structure and extent. Insect hotels, reptile refuges, apiaries, and wildflower meadows for butterflies can all be found in our parks. Going forward, we plan to install hedgehog homes and frog refuges near retention basins. Employees of our parks can benefit from various installations for leisure activities - e.g. outdoor fitness parks, relaxation areas or bicycle paths. We put emphasis on preserving original green space; this is why each park comprises green areas that will never be used for development. In a large part of our industrial parks, we dedicate some green areas to wildflowers that are much more environmentally friendly and beneficial to insects than areas that need to be regularly mowed and maintained.



WE CARE FOR GREENERY IN OUR PARKS



LIZARD REFUGE



INSECT HOTEL



RETENTION TANK

BROWNFIELD REVITALIZATION

The revitalization of neglected industrial sites that have a long-standing tradition represents an important part of our corporate philosophy. These are often remains of defunct manufacturing companies, the decline of which started with the modernization of traditional industrial sectors.

Revitalized parks currently form approximately 38% of our portfolio; however, we have almost already topped the 50% mark in Poland.

We believe that by building on the tradition with modern and environmentally friendly parks, we can bring new life and meaning to unused and neglected sites.

"Given the history of industrial production, brownfields are often situated close to major cities and near city centers. Together with good transport accessibility, these areas represent a wonderful strategic and investment opportunity not only for us, but also for future tenants. Last but not least, we are obviously glad that, as a result of these projects, we do not have to undertake greenfield investments, breathing new life into locations with exceptional genius loci."

MILAN KRATINA,
CEO OF THE ACCOLADE GROUP



In addition to developing new locations, our long-term goal is to revitalize existing brownfields. The share of brownfields in our portfolio is 38%.



BREEAM CERTIFICATION

BREEAM (Building Research Establishment Environmental Assessment Method) is the world's leading system for assessing environmental impact of buildings, working conditions for employees, and energy self-sufficiency of buildings, guaranteeing high standard of best practice in the area of sustainable development.

- BREEAM certification was established in the late 1980s, quickly spreading throughout the world and becoming the benchmark for identifying the quality of buildings in terms of their environmental impacts.
- Based on specific evaluation criteria, buildings are assigned one of the six BREEAM certification ratings.

- Health, safety, and environmental risks are monitored prior to and throughout the development of projects.

As of 2015, all Accolade projects are certified at the level of "Very Good" or higher.

Our goal is to certify older buildings that have not been BREEAM certified yet, at the minimum level of "Very Good".

In 2020, we received the highest BREEAM rating ("Outstanding") for our park in Cheb.

BREEAM	OUTSTANDING	EXCELLENT	VERY GOOD	GOOD	TOTAL
COMPLETED PROJECTS	27,326 sq m	196,884 sq m	514,992 sq m	495,055 sq m	1,234,257 sq m



PARK CHEB SOUTH

► ENVIRONMENTAL

BREEAM - CODE FOR A SUSTAINABLE BUILT ENVIRONMENT



In the Czech Republic, BREEAM certification is granted by Arcadis. It divides buildings into six categories based on specific evaluation criteria.

- Construction organization and management
- Health and wellbeing
- Energy
- Transport
- Water management
- Used materials
- Waste management
- Land use and ecology
- Environmental impact
- Innovation

BREEAM RATING	PERCENTAGE SCORE
OUTSTANDING	≥ 85%
EXCELLENT	≥ 70%
VERY GOOD	≥ 55%
GOOD	≥ 45%
PASS	≥ 30%
UNCLASSIFIED	-



KION SMART FACTORY
PARK STŘÍBRO

WORLD'S GREENEST INDUSTRIAL BUILDING



Best of Reality
Nejlepší z reálné
22. edice
22. ročník



Our investments in new environmental solutions relating to industrial properties resulted in the “Outstanding” rating under the BREEAM sustainability certification in 2020. Our building within the revitalized site of former Cheb engineering plant thus became the greenest industrial building in the world according to the BREEAM International New Construction 2016 standard, receiving a record high score of 90.68%. Sustainable development principles are widely applied throughout the building’s area of 27,000 square meters.

But the most impressive parameters of the project relate to water management, in line with the increasing relevance of climate change. Thanks to a unique system of flushing toilets with rainwater, it has been possible to reduce the consumption of drinking water by an incredible 84% compared to the industry standard. The building also features smart LED lighting, measuring and optimizing energy consumption, as well as exterior blinds that result in significant energy savings in connection with air-

conditioning. All this contributes to a 56% reduction in energy consumption and a 58% carbon footprint reduction. All the construction materials were selected with ecology and sustainable development in mind. The quality of the indoor environment, which takes into account working conditions for employees, also contributed to the high rating.

84%

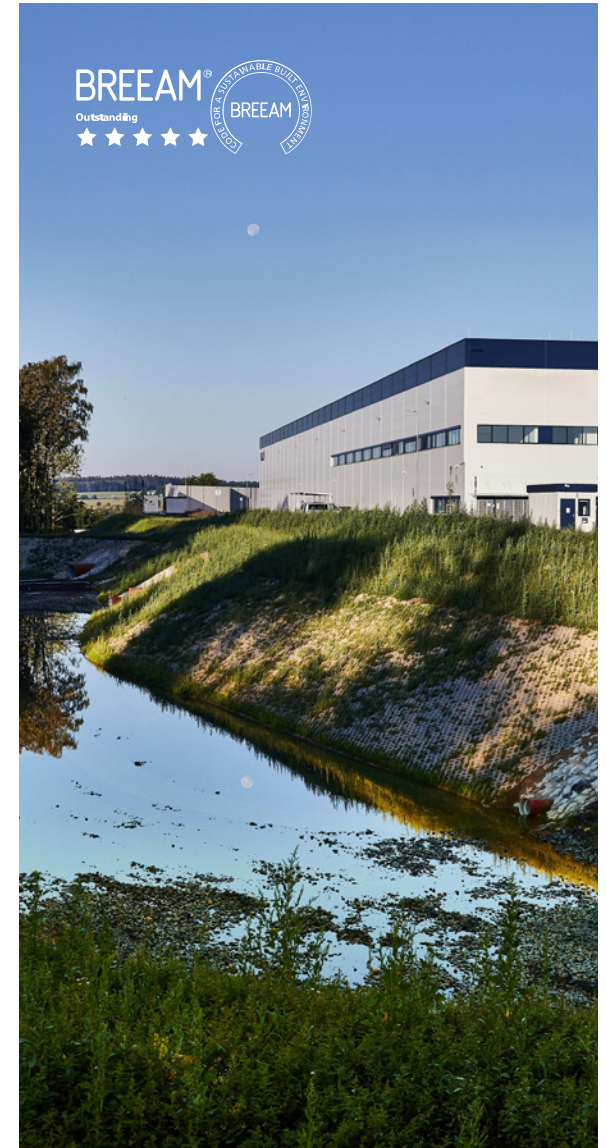
REDUCTION OF DRINKING WATER CONSUMPTION

58%

REDUCTION IN THE CARBON FOOTPRINT

56%

REDUCTION IN ENERGY CONSUMPTION



EXAMPLES OF OUR CERTIFIED PROJECTS



WE SUPPORT PROJECTS ADDRESSING ISSUES THAT CONCERN ALL OF SOCIETY

The environment is one of the top priorities of our social responsibility strategy. Not only do we invest in industrial park development projects

THE ENVIRONMENT IS ONE OF THE TOP PRIORITIES OF OUR SOCIAL RESPONSIBILITY STRATEGY.

that meet world-class standards for environmental friendliness, but we also take part in projects addressing issues that concern all of society, such as water scarcity. Specifically, we support the association Mokřady z.s. (Wetlands) that deals with issues of water retention and water regime improvement in the landscape. The association implements various solutions beneficial to the environment, such as ponds and wetlands.



WE SUPPORT THE ASSOCIATION WETLANDS (MOKŘADY) THAT IS ACTIVE IN THE AREA OF NATURAL WATER RETENTION.

RECYCLING, PREVENTING WASTE, AND PROTECTING THE ENVIRONMENT

We protect the environment – not only within our industrial parks, but also at our workplace in connection with our day-to-day activities. We only use environmentally-friendly and recyclable materials for our promotional materials and other documents as well as standard office supplies. We sort and recycle all waste generated in connection with the operation of our offices. We monitor and regulate energy consumption to avoid waste. We primarily control the temperature in our offices by opening windows and balcony doors, with heating and air-conditioning used on a secondary basis. Moreover, our offices feature zone lighting that prevents light pollution and energy waste.

At Accolade, we promote green transport of our employees. Our

long-term goal is to reduce the personal carbon footprint of employees. In 2021, we will review our carbon footprint and define a strategy for its reduction. Partial measures will be launched as of 2022.

Our employee benefits include, among other things, workplace refreshments that are sourced with particular emphasis on their quality and nutritional value. We primarily purchase food from Czech suppliers. Food supplies are monitored and ordered on a daily basis to prevent waste. We primarily use tap water in our offices, ensuring its quality through installed filtration systems. Compliance with these standards is subject to control by an Office Manager.





SOCIAL

Investing in others and helping wherever we operate



▶ OUR GOALS AND COMMITMENTS

SOCIAL



**UN GOALS AND PRINCIPLES
THAT WE FULLY RESPECT**

- 5 Gender equality
- 8 Decent work and economic growth
- 9 Industry, innovation and infrastructure

OUR GOALS AND COMMITMENTS

- ▶ Gender balance
- ▶ Equal opportunities for men and women
- ▶ Employment in accordance with legislation and ethical standards
- ▶ Engagement of disabled members of society
- ▶ New jobs in areas where we operate
- ▶ Charitable projects in the area of science, culture, sports - both on the national and regional level

FOR US BEING A TRUSTED PARTNER MEANS BEING A RESPONSIBLE PARTNER

In addition to providing support to the disabled, we also invest in culture, sports, science, and education. We cooperate with local governments and support amenities for people and local development wherever we operate. Our aim is to be a responsible partner and good neighbor, and to generally make the areas where we operate a better place to live. At Accolade, it is also important for us to create appropriate working conditions, facilitate equal opportunities, and motivate our employees and promote their personal development.



OUR CHARITABLE PROJECTS

PUBLIC BENEFIT COMPANY MELA, O. P. S.

From the very beginning, we have been supporting the public benefit company MELA, o.p.s., that helps people suffering from mental disabilities or chronic psychiatric diseases toward their self-reliance. MELA clients engage with our teams, helping us with various tasks. They have helped us with promotional

items, such as protective facemasks or blankets; they also make and package gifts or wine for us and our partners each year. Products that MELA make are always unique, high-quality, and made with love. We are delighted to be able to help them and put smiles on all of our faces.

MELA CLIENTS ENGAGE WITH OUR TEAMS, HELPING US WITH VARIOUS TASKS.



OUR CHARITABLE PROJECTS

VERONIKA KAŠÁKOVÁ ENDOWMENT FUND

We are a proud partner of the Veronika Kašáková Endowment Fund, which accompanies young people from children's homes on their journey to real life. The Fund assigns a so-called buddy (mentor) to every young person who asks for help; this buddy helps them handle practical issues and, in particular, provides mental support during the period of their big life transition.



WE WISH TO BE A RESPONSIBLE PARTNER AND GOOD NEIGHBOR IN REGIONS WHERE WE OPERATE

CHEB REGION

Moreover, together with local authorities, we support community amenities and local development – not only in the Cheb region, but also in other regions where we operate. These projects include, for example, the development of bicycle paths or support of cultural and social events.

**WE ARE DELIGHTED TO BE A LONG-
STANDING PARTNER OF THE CHEB
THEATER AND OTHER ORGANIZATIONS
IN CHEB.**



► SOCIAL

OUR REGIONAL PROJECTS

JOKER

Our aid goes to people with various disabilities. We support the Joker organization that provides social services and seeks to involve its disabled clients in various activities through social therapy workshops.

ST. GEORGE'S HOSPICE (HOSPIC SV. JIŘÍ)

We also cooperate with the nonprofit organization Hospic sv. Jiří (St. George's Hospice) that provides comprehensive hospice palliative care services.



OUR REGIONAL PROJECTS

VÍTEČEK CENTER

We support the Víteček Center, whose mission is to help children and adults with disabilities and integrate them into mainstream society. The Víteček Center offers social therapy workshops, a daycare center, personal assistance services, and a special primary school. They are also engaged in educational, training and acquisition activities.



SCIENCE AND CULTURE

NEURON ENDOWMENT FUND

We are setting the stage for modern business ventures and “industry of the 21st century”, as we believe that scientific knowledge drives any successful society. We are the general partner of the Neuron Endowment Fund for the promotion of science and technology that supports leading scientists and their research.

KVIFF

The field of culture is also very important to us. For several years now, we have been the general partner of the Karlovy Vary International Film Festival, one of the traditional and most prominent European film festivals. Our support is aimed at promoting not only Czech cinematography, but also the region that has been crucial for our activities.



NEURON 2020 LAUREATES



STAR OF THE FESTIVAL - AMERICAN ACTRESS PATRICIA CLARKSON

SPORT

ČESKÁ SPOŘITELNA - ACCOLADE CYCLING TEAM

The Česká spořitelna - Accolade Cycling Team also promotes our brand in the Kolo pro život tour races. The team is full of top-level cyclists, who collect one victory after another, and we are really proud of them. Jaroslav Kulhavý, Olympic gold medalist, is also a member of the Accolade Cycling Team.

**WE ARE DELIGHTED TO BE A LONG-
STANDING PARTNER OF THE CHEB
THEATER AND OTHER ORGANIZATIONS
IN CHEB.**



FAIR TREATMENT OF EMPLOYEES

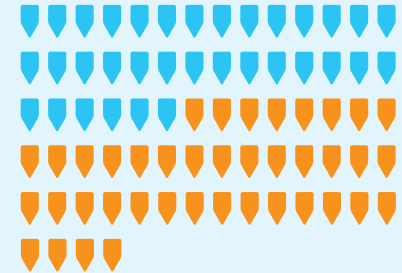
We treat our employees in a fair and responsible manner, as they are the key to our success. Each and every person can put their skills and abilities to use at Accolade. Men and women, both promising graduates and professionals with global expertise, are equally represented within our team. We fully support diversity, integrated working environment, and equal employment opportunities in compliance with company policies, applicable legislation, and with respect for human rights. Each Accolade employee has career development or personal recognition opportunities irrespectively of their racial or ethnic origin, age, gender, sexual orientation, religious or other beliefs, or any other characteristics covered by applicable legislation. We actively involve disabled members of society within our workplace. One example is

WE TREAT OUR EMPLOYEES IN A FAIR AND RESPONSIBLE MANNER, AS THEY ARE THE KEY TO OUR SUCCESS. EACH AND EVERY PERSON CAN PUT THEIR SKILLS AND ABILITIES TO USE AT ACCOLADE.

the cooperation with the public benefit company Mela. At Accolade, we do not tolerate any form of discrimination or work practices inconsistent with ethical standards, such as child and forced labor.

TEAM STRUCTURE

► 34 MEN ► 40 WOMEN



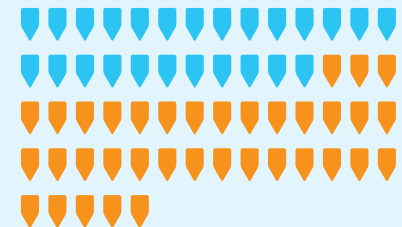
MANAGEMENT

► 9 MEN ► 4 WOMEN



OTHER POSITIONS

► 25 MEN ► 36 WOMEN





GOVERNANCE

Transparently defined processes and responsible company management



► OUR GOALS AND COMMITMENTS

GOVERNANCE



**UN GOALS AND PRINCIPLES
THAT WE FULLY RESPECT**

- 3 Good health and wellbeing
- 8 Decent work and economic growth
- 17 Partnerships for the goals

OUR GOALS AND COMMITMENTS

- Care for physical and mental wellbeing of our employees (compliance with the work-life balance principles)
- Education and motivation of employees, incl. involvement in social responsibility projects
- Zero-tolerance policy to corruption; fair and transparent business dealings (Criminal Compliance Program)
- Compliance with rules and regulations in the markets where we operate

TRANSPARENT AND RESPONSIBLE MANAGEMENT

A clearly defined strategy, transparency, and responsible company management. We treat all our investors, tenants, business partners, and employees in a fair and transparent manner and always play by the rules.



COMPLIANCE WITH FAIR BUSINESS PRACTICES

Each of us makes sure that their dealings with business partners comply with our fair business practices. Similarly, it is important for us that these practices are also respected by our business partners. At Accolade, we take pride in only working with trusted business partners and vendors. We have a zero-tolerance policy when it comes to corruption, bribery, and any other dishonest practices. We comply with all applicable anticorruption laws, regulations, and standards, as well as national and international anti-bribery and money laundering regulations. We fully promote an environment of fair competition. We comply with the applicable competition and antitrust legislation. Consequently, our tenders include supplier declarations of compliance with ESG principles. We expect all our employees to comply with fair business practices;

therefore, we organize an annual training relating to issues our employees may encounter in connection with their professional dealings, such as corruption, bribery or collusion. The rules for employee conduct are embedded in our Criminal Compliance Program that consists of the Criminal Compliance Code and the Code of Ethics.

We respect confidential information of our investors, tenants, employees, business partners, and other cooperating organizations, strictly complying with the applicable personal data protection legislation. Our data collection and processing operations adhere to the relevant measures and we do not disclose any information to the general public.



RESPONSIBILITY TOWARDS OUR EMPLOYEES

Last but not least, we truly value our employees. We try to ensure their pleasant working environment and equal opportunities, and we support them in their development.

We know that a company can only grow with its employees; this is why we fully promote their training and education. Our employees regularly attend various training courses relating to new construction legislation, importance of BREEAM certification, business etiquette, etc. All employees may also take part in foreign language courses – with various levels of English, German, and Russian courses available. In addition to education, we consider health

and wellbeing of our employees. Therefore, we try to create a pleasant and friendly working environment. Our offices feature a workplace chill out zone for short breaks from day-to-day duties. Moreover, we take part in various sports activities together, whether during team-building events or even outside of work. Our terraces feature flower and herb gardens. A massage therapist comes to our offices once a week, providing free services to our employees. We organize team-building sports activities twice a year as well as monthly office dinner parties where we talk about new developments and share work and other matters.



**WE FULLY PROMOTE EDUCATION
OF OUR EMPLOYEES**



FOOSBALL TABLE



TEAMBUILDING



CONFERENCE ROOM



CHILL OUT ZONE

SAFE AND HEALTHY WORKING ENVIRONMENT

At Accolade, we give meal allowance to employees via a meal card and provide workplace refreshments. Employees may also get a Multisport card with employer's contributions. Our employees have an extra week of paid annual leave over the statutory limit as well as sick days. Protective equipment was made available to all employees during the Covid-19 pandemic. There are disinfectants in our offices and we fully support telecommuting, because the health of our employees is our number one priority.

We comply with the applicable legislation in the area of health and

safety at work. We ensure a safe and healthy working environment to protect the health of our employees and prevent work-related injuries and illnesses. We assess workplace risks and implement corresponding preventive measures. We organize regular online courses for our employees relating to occupational safety (health and safety at work, driver trainings, and first aid) and company policies that regulate safe workplace conduct and procedures for reporting accidents. Employees are also regularly trained by IT with regard to cybersecurity via simulated phishing attacks.



PROTECTIVE EQUIPMENT WAS MADE AVAILABLE TO ALL EMPLOYEES DURING THE COVID PANDEMIC



Accolade



TEAM OF LOCAL PROFESSIONALS
WITH GLOBAL EXPERIENCE

ESG COMMITTEE, MONITORING AND REPORTING

In order to monitor the compliance with ESG principles, the company's Board of Directors established an expert committee in early 2020 that has at least five members and regularly reports to the Board. Members of the committee are appointed directly by the Board. The committee includes experienced and qualified professionals with excellent track record, knowledge of the company and its business. It meets once a year in order to assess defined objectives and to set new ones. Throughout the year, the committee monitors the compliance with ESG principles in all areas and

addresses requests and suggestions from employees. The ESG Committee monitors activities of employees, management of our parks and our business partners.

The ESG Committee sends out anonymous satisfaction surveys to employees once a year; the results are subsequently evaluated and relevant inputs presented to the company management. In agreement with the company management, the ESG Committee applies measures aimed at improving the situation.

STEP 1

ISSUE IS REPORTED TO THE ESG COMMITTEE

STEP 2

ESG COMMITTEE EVALUATES THE ISSUE

STEP 3

THE ISSUE IS FORWARDED TO THE COMPANY MANAGEMENT

STEP 4

APPROPRIATE MEASURES ARE IMPLEMENTED

THE COMMITTEE INCLUDES EXPERIENCED AND QUALIFIED PROFESSIONALS WITH EXCELLENT TRACK RECORD, KNOWLEDGE OF THE COMPANY AND ITS BUSINESS

ESG COMMITTEE

CHAIRMAN

MILAN KRATINA, CEO

REPRESENTATIVES OF THE DEVELOPMENT DEPARTMENT

MARTINA ŽIVOTOVÁ
VÍT PAVELKA

REPRESENTATIVES OF THE ASSET MANAGEMENT DEPARTMENT

LUKÁŠ RÉPAL
JAKUB RYVOLA

REPRESENTATIVES OF THE FINANCE DEPARTMENT

TOMÁŠ PROCHÁZKA

REPRESENTATIVES OF THE LEGAL DEPARTMENT

ONDŘEJ ŠTELLAR

REPRESENTATIVES OF THE MARKETING DEPARTMENT

DANA KRYŇSKÁ

REPRESENTATIVES OF THE OPERATIONS & ADMINISTRATION DEPARTMENT

DANA KNEŽEVIĆ



► GOVERNANCE

COMPLIANCE WITH ESG PRINCIPLES AND ACHIEVING SET OBJECTIVES

The ESG Committee annually reports on the compliance with ESG principles and achievement of set objectives to the company's Board of Directors. The ESG compliance reports, similarly as any company processes and accounts, are subject to external audits.

The monitoring of compliance with ESG principles has not detected any misconduct of our employees or business partners. In the event employees become aware of any conduct inconsistent with the ESG principles, they are required to immediately report such incidents to their superiors, who discuss the relevant issues with the ESG Committee. Minor

infractions would be addressed by immediate superiors and may result in a verbal or written warning. More serious transgressions would then be addressed by superiors in collaboration with the ESG Committee that decides on appropriate sanctions - such as loss of bonuses, salary reductions, and even termination of employment as a last resort. In the event of any gross misconduct by a business partner, we would terminate our cooperation with the company in question. In case of any breach of ESG principles by our employees, our business partners may submit official written complaints to such employees' superiors or to the company's COO/CEO, as appropriate.

LONG-TERM ESG COMMITMENTS





As part of our long-term ESG commitments, we proudly subscribe to the UN's goals and principles. We firmly believe that their development is a way to achieve better and more sustainable future for all of us.

WE ENDORSE THE FOLLOWING UN GOALS AND PRINCIPLES:





- 3 Health and wellbeing
- 5 Gender equality
- 6 Clean water and sanitation
- 7 Affordable and clean energy
- 8 Decent work and economic growth
- 9 Industry, innovation and infrastructure
- 13 Climate action
- 17 Partnership for the goals



MEASURABLE GOALS

GOAL	ACTIVITY	STATUS IN 2020	SHORT-TERM GOAL FOR 2021	LONG-TERM GOAL FOR 2025
 BREEAM BUILDING CERTIFICATION / SIMILAR TYPES OF BUILDING CERTIFICATION	CERTIFICATION OF NEW BUILDINGS	All newly developed industrial properties in the portfolio certified at the level corresponding to the BREEAM rating of "Very Good" or higher (or equivalent certification, such as DGNB)	Continue with the existing strategy	Continue with the existing strategy
	CERTIFICATION OF EXISTING BUILDINGS	Only a small share of existing buildings that remains uncertified; 25.6% of the portfolio to be certified	Certify all existing buildings to BREEAM IN USE (Czech Republic, Poland, Slovakia, Germany)	Certify all existing buildings in all locations to BREEAM IN USE + maintain certification (recertify buildings every 3 years)
 GREEN ENERGY - PARKS	CONSUMPTION OF ENERGY FROM RENEWABLE SOURCES	Green energy used marginally in our industrial parks and offices	Use 95% of green energy for industrial properties in the portfolio and 100% for buildings in the Fund (for energy tenders by Accolade)	Green energy to be used exclusively in all industrial properties in the portfolio (for energy tenders by Accolade)
 WATER SAVING	ECONOMICAL MANAGEMENT OF DRINKING WATER	The building in Cheb generates savings of 84% compared to the industry standard; other properties have lower savings	Drinking water savings of at least 40% compared to the industry standard for all newly developed industrial buildings	Drinking water savings of at least 40% compared to the industry standard for all newly developed industrial buildings
 CARBON FOOTPRINT	REDUCTION OF PERSONAL CARBON FOOTPRINT (EMPLOYEES, OFFICES) AS WELL AS CARBON FOOTPRINT OF OUR PARKS AND TENANTS	Carbon footprint has not been monitored	Carry out a comprehensive review of the personal carbon footprint of employees (offices) and of the industrial properties in the portfolio (tenants) and define goals for 2022	Carbon neutrality - both "personal" and for our industrial properties

MEASURABLE GOALS

GOAL	ACTIVITY	STATUS IN 2020	SHORT-TERM GOAL FOR 2021	LONG-TERM GOAL FOR 2025
 GENDER BALANCE	PROMOTION OF GENDER BALANCE AND FAIR TREATMENT	Gender balance of the management and other employees is at 40% women and 60% men	Maintain the current gender balance	Maintain the current gender balance
 RECYCLING	REDUCTION OF WASTE FROM OFFICES	This area has not been monitored	Review the current situation	Sort at least 6 types of waste / No disposable tableware/packaging
 CLEANING PRODUCTS	CLEANING OF OFFICES - USE OF CLEANING PRODUCTS	This area has not been monitored	Review the current situation	Use environmentally friendly cleaning products
 SOCIAL - INVOLVEMENT OF ALL EMPLOYEES	PROMOTION OF SOCIAL PROJECTS THROUGHOUT THE COMPANY	Involvement of employees - this area has not been monitored	Define goals for the period of 2022 - 2025; identify projects that would draw interest of the majority of employees	Each employee to spend 1 workday a year doing charity work

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