

**AIM AND SCOPE OF THE
CHARTER**

**SUSTAINABLE
INVESTMENT PRINCIPLES**

ENVIRONMENTAL ISSUES

Sustainability Charter

Cronos Finance SA is an independent Swiss wealth and asset management company. It offers two securities investment funds and two real-estate funds. Cronos Immo Fund was launched in 2016 and represents the majority of the assets under management. It consists mainly of residential properties in French-speaking Switzerland and has been listed on the SIX Swiss Exchange since September 2022. Cronos Immo Fund 2 was launched in September 2025 and is not listed.

In order to make future returns sustainable, Cronos Finance SA has set itself the aim of achieving the Swiss Confederation's climate and energy targets for the years 2030 and 2050.

The aim of this charter is to define the best practices and integration of sustainability at Cronos Finance SA, in particular for Cronos Immo Fund and for Cronos Immo Fund 2.

Cronos Finance SA adopts a « best-in-progress » approach.

With this perspective in mind, Cronos Finance SA applies an ESG criteria integration policy for the Cronos Immo Fund, meaning that those criteria are taken into account in its investment and management processes, without any exclusion criteria being applied.

In its sustainability strategy, Cronos Finance SA has defined specific measures to address ESG issues in the real-estate sector, covering the acquisition, construction and renovation strategies as well as day-to-day management of the portfolio. These commitments have been established in line with the company's current activity and will evolve in parallel with the latter.

Energy consumption and CO₂ emissions

Cronos Finance SA aims to reduce its carbon footprint, as well as with the energy requirements of its buildings. To do so, the fund has had an energy tracking and monitoring system in place for its building portfolio since 2020. By analysing and tracking the portfolio's energy consumption patterns, the main sources of consumption can be identified and remedial action taken through the portfolio's decarbonisation strategy.

Initially, the aim is to improve efficiency by investing in technologies for automatic boiler system optimization. These technologies will make it possible to achieve energy savings on overall heat consumption and, consequently, to reduce CO₂ emissions in the short term.

At the same time, one of Cronos Finance SA's key objectives is to eliminate the use of fossil fuels. Thus, the plan is for all boiler systems currently powered by oil or gas to be replaced with more environmentally-compatible systems (heat pumps, district heating, etc.) by 2039. The remainder will, however, be able to be partially connected to fossil fuels as a back-up, provided that no other solution is possible.

The overall approach to new constructions and major renovations is founded on achieving high energy-performance criteria. In general, Minergie certification is sought and, where this is not possible or rational, the aim is to achieve a performance as close as possible to the Minergie standard.

A technical audit of the state of the buildings has been conducted by an external service provider. This audit makes it possible to integrate factual data in order to draw up detailed energy-optimization strategies for the property portfolio and to model investment decisions in terms of their CO₂ impact, while planning them over time. The next step will be to set targets for the "envelope" labels of the CBEC (Cantonal Building Energy Certificate) for the entire property portfolio.

Water management

Consumption of this resource is also covered by energy monitoring. Tracking consumption patterns enables the fund to take optimization measures in order to save water and ensure responsible use.

Mobility

The mobility strategy is carefully considered and proximity to public transport is one of the criteria assessed during the project acquisition phase.

Cronos Finance SA has also examined the options for installing charging points for electric vehicles in the portfolio's buildings and begun to deploy pre-equipment items in certain car parks.

Solar energy

A framework contract has been signed to leverage the solar-energy potential of our buildings as much as possible. The first step is to identify the roofs that are suitable for installing solar panels, taking into account technical and environmental criteria. The aim is to maximize production of renewable energy in the property portfolio.

Dialogue with stakeholders

Stakeholders, such as tenants, service providers, property managers and investors, are consulted in various ways. Cronos Finance SA communicates with its investors via reports and multi-year publications, as well as at one-to-one meetings.

Property management companies are consulted once a month through reporting. They have also replied to a survey conducted by Cronos Finance SA and focusing on ESG practices.

Tenants were surveyed in 2025 on the quality of life in the buildings. This exercise will be repeated to continue to allow tenants to share their perceptions and expectations directly with us, in addition to the communication channel usually provided by the property management company

Finally, external service providers attest to their best practices in terms of social standards, safety and equal treatment for their employees.

Internally, Cronos Finance SA encourages its employees to undergo continuing training and is committed to providing them with optimal working conditions.

Users

During renovation works, buildings are brought into line with accessibility standards, provided this is technically and/or financially feasible.

Innovations

Cronos Finance SA is a major partner in the "La Valeur Verte de l'immobilier" project, the aim of which is to establish a methodological framework that values energy performance, while taking into account future risks and uncertainties.

Risk management

Cronos Finance SA is authorised by the Swiss Financial Market Supervisory Authority (FINMA). This guarantees an independent assessment of the company's practices. ESG issues are incorporated into risk management.

SOCIAL ISSUES

GOVERNANCE ISSUES

MONITORING AND ASSESSMENT

Data protection

Cronos Finance SA complies with the requirements of the New Federal Act on Data Protection (nFADP) and the EU's General Data Protection Regulation (GDPR). These regulations ensure the confidentiality and security of the personal data of employees, investors, tenants and partners. Stringent internal policies are in place to ensure compliance

Internal control

External service providers must confirm their best practices every year. With regard to internal organization, a code of good conduct is communicated to, and signed by, every employee of Cronos Finance SA..

Reporting

A sustainability report is published every year as part of Cronos Immo Fund and Cronos Immo Fund 2's annual report. This report includes in particular energy indices and measurements, in accordance with AMAS (Asset Management Association Switzerland) guidelines. The first sustainability report for Cronos Immo Fund 2 will be published together with the annual report on 31 March 2027.

Furthermore, fund presentations are published quarterly and contain updated information.

Transparency

Cronos Finance SA has been a signatory of the United Nations Principles for Responsible Investment (UN PRI) since 2021, which reflects its commitment to sustainable development and responsible conduct. These principles provide a common basis for defining the best practices to be adopted in both investment fund management and client management.

Moreover, the Cronos Immo Fund has been a member of GRESB (Global ESG Benchmark for Real Assets) since 2024.

ESG practices are monitored and assessed by a working group currently made up of 6 people. This group meets regularly to work on the continual development of, and compliance, with this charter.

The charter will be reviewed every year.