

Sustainability Report

WOOD & Company,
investiční fond s proměnným základním kapitálem, a.s.

2022





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Abbreviation	Meaning
AML	Anti Money Laundering
BMS	Building Management System
BOZP	Occupational health and safety
CFT	Counter Financing of Terrorism
CSRD	Corporate Sustainability Reporting Directive
CZ, ČR	Czech Republic
ESG	Environmental, Social, Governance
EU	European Union
FVE	Photovoltaic power plant
GDPR	General Data Protection Regulation
GLA	Gross Leasable Area
GRI	Global Reporting Initiative
KPIs	Key Performance Indicators
LTIFR	Lost Time Injury Frequency Rate
MiFID II	Markets in Financial Instruments Directive
UN	United Nations
PL	Poland
RICS	Royal Institution of Chartered Surveyors
SDGs	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation
SK	Slovakia
WAULT	Weighted Average Unexpired Lease Term
WOOD & Co.	A group consisting of WOOD & Company Financial Services, Inc., WOOD & Company Investment Company, Inc. and WOOD & Company, investiční fond s proměnným základním kapitálem, a.s.
WOOD-AS	WOOD & Company, Inc.
WRE	WOOD & Company Real Estate s.r.o.
ZISIF	Act No. 240 / 2023 Coll., on Investment Companies and Investment Funds, as amended

Dear readers,

I am very pleased to present the first Sustainability Report of WOOD & Company, investiční fond s proměnným základním kapitálem, a.s., for the past year.

We consider social responsibility and the pursuit of long-term sustainability as an important part of our business. Our company is managed in accordance with the values of the WOOD & Co. group, which include sustainable development, alongside economic prosperity.

In this report, we provide you with a transparent overview of our performance and plans in the areas of environmental protection, social responsibility and sustainable governance. We believe that this report will be a valuable resource not only for our current investors, but for all those who are interested in sustainable and responsible investing and want to invest with companies that adhere to the highest standards.

Thank you for your attention, and I hope you have a positive experience with our company.



Marek Herold
Chairman of the Board



WOOD & Company, investiční fond s proměnným základním kapitálem, a.s. (the "Company") is a self-managed investment fund of qualified investors, whose Sub-Funds focus on alternative financial assets.

In 2022, the company managed three real estate Sub-Funds, the WOOD & Company Retail Sub-Fund, the WOOD & Company Office Sub-Fund, and the WOOD & Company AUP Bratislava Sub-Fund, which focus on investments in high-quality commercial real estate, particularly office buildings and retail centres.

As of 7 February 2022, the investment shares of the WOOD & Company Retail Sub-Fund and the WOOD & Company Office Sub-Fund can be traded on the Prague Stock Exchange in both the CZK and EUR classes.

The commencement of trading was preceded by the transfer of the shares of both Sub-Funds from separate registers to the Central Depository.

At the beginning of June 2022, the WOOD & Company Office Sub-Fund acquired the first office building in Poland – the Astrum Business Park in Warsaw.

This is a modern, fully-occupied building, with excellent transport accessibility and a total leasable area of 23,300sqm. The Sub-Fund thus started its presence on the Warsaw investment market and, at the same time, strengthened the diversification of its portfolio.

Furthermore, at the end of June 2022, the Sub-Fund completed the acquisition of the Green Point office building, with a leasable area of 7,500sqm, located in the established prime office location of Prague 5, Smíchov.

These investments are in line with our long-term investment strategy to create, actively manage and capitalise on a portfolio of quality office buildings, with a focus on major European cities.

Another investment event for the Retail Sub-Fund in 2022 was the purchase of a 15% stake in C&R Developments s.r.o., which owns the Galerie Harfa shopping centre and the Harfa Office Park building in Prague. The Retail Sub-Fund thus became the 100% owner of C&R Developments s.r.o.

ESG *strategy*



ESG strategy

Our goal is to operate responsibly in the financial markets and actively participate with our Investors in the positive changes that the Corporate Sustainability Reporting Directive (CSRD) can bring about in the area of ESG.

Through sustainable investing, we seek not only to increase the value of our clients' funds, but to help improve their environmental and social impact through our targeted approach, at the same time. Saving energy, managing water consumption and safely disposing of waste are already on the routine agendas of the Facility managers in all of the portfolio.

We believe that we can also develop beneficial trends in the field of governance and, ideally, we hope to inspire other associated companies to also adopt responsible business practices.

The consideration of ESG factors, and the associated data collection, monitoring, evaluation and subsequent incorporation into the company's reporting is, in many ways, only just

beginning and this will be a continuous process. Following the developing ESG legislation, we will gradually apply and subsequently evaluate further actions; and, of course, inform our investors about the achieved results.

Relationship with stakeholders

We enter into constructive and targeted dialogue with our tenants and contractors, who work with us in property management. Together, we strive to create a sustainable approach that respects ESG objectives.

We prefer long-term cooperation, where knowledge and experience are exchanged, and see it as one of the key factors that can positively influence the achievement of ESG objectives not only within the company, but also for a much wider range of our business partners and their customers.



Matrix of materiality

An important part of the development of the company's ESG strategy was the analysis and assessment of the materiality of future themes.

The analysis identified topics that are important for our company and stakeholders. According to the results of the analysis, a materiality matrix was developed, which weighs each area in terms of importance to stakeholders and the significance of the impact on the company's business.

A total of 15 themes were identified and divided into Environmental, Social and Governance areas.

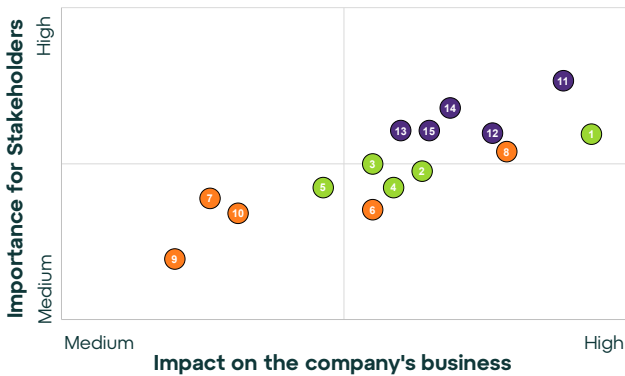
The materiality analysis takes into account the impact of each area that our company is involved in, which affect the company's

operations, and which are, in turn, affected by the company's operations. In addition to ESG indicators, economic factors were also considered in the assessment.

The individual evaluated topics have differing impacts. The importance and relative prioritisation of each topic is reflected in this report, primarily through the amount of information and data that relates to the area.

External factors, and the interests and expectations of external stakeholders, main customers, business partners, banks, certification bodies, and also other entities, were considered. Legislative rules and obligations, industry standards and other formal and informal rules were also taken into account.

Matrix of materiality



● Environmental ● Social ● Governance

Stakeholders		
Owners	Investors	Professional associations and organisations
Board of Directors	Tenants	Municipalities and local communities
Supervisory Board	Banks and insurance companies	Certification Authorities
Management	Audit	State administration
Asset managers	Valuator	Professional media
Property managers	Regulator	Interest groups
Employers	Depository	

Number	Topic
1	Energy efficiency of buildings
2	Responsible water management
3	Sustainable management and active recycling of waste
4	Attitude towards greenhouse gas emissions
5	Supporting biodiversity
6	Health and safety at work
7	Responsible employer
8	Long-term relationship with clients (investors)
9	Local communities
10	Equal opportunities
11	Responsible and ethical business conduct
12	Long-term relationships with business partners (tenants)
13	Risk management
14	Transparency and disclosure of information
15	Compliance

Our vision

Our company is built on a solid foundation of proven and stable investments that can bring long-term prosperity to our investors.

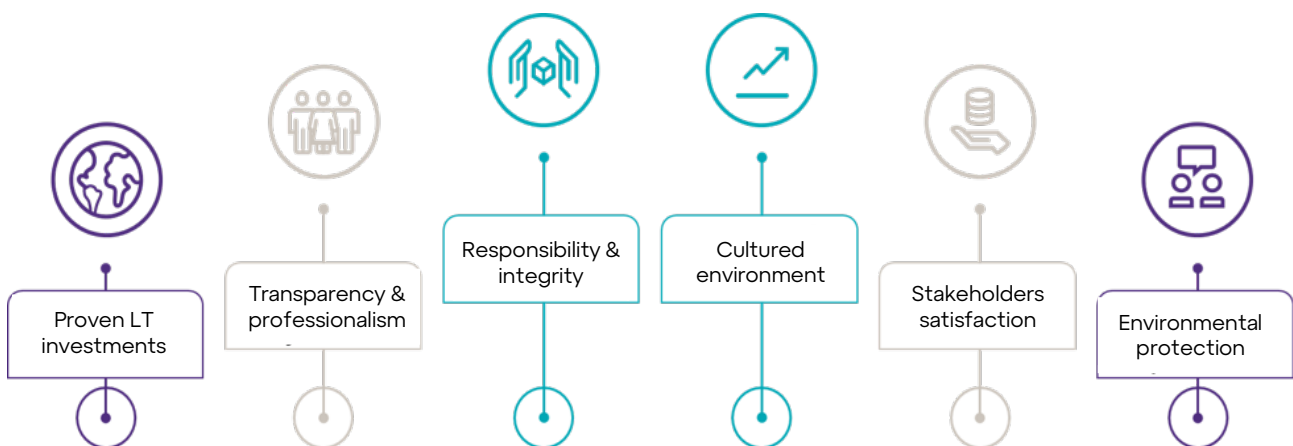
We strive to provide support, professionalism and transparency to our partners and investors, allowing us to maintain trust and loyalty in our industry for many years.

We believe that favourable long-term relationships with investors and tenants are the key to our success.

With a high degree of integrity and responsibility, we actively work to ensure the sustainable growth of our investments not only for the benefit of the company as a whole, but especially for the benefit of our investors.

We create a sophisticated and friendly environment for our employees and offer our tenants and other stakeholders open discussions and a high level of professionalism.

We see the implementation of ESG standards not only as a new opportunity to improve environmental protection, but also, for example, as a chance to learn about and support various interest groups, non-profit organisations and charitable projects. We believe that a society that is sympathetic towards others can also better assess the impact of its own actions on the lives of others.



Basic sustainability goals

The company has set the following key sustainability goals as part of its ESG strategy:

Environmental

- Certification of portfolio buildings
- Progressive reduction of carbon footprint
- Increasing the share of renewable energies
- Reducing overall energy consumption
- Reducing the production of non-recycled waste
- Monitoring hazardous waste
- Promoting biodiversity on building rooftops
- Promoting electromobility

Social

- Supporting local suppliers
- Supporting local associations and the organisation of local events with public participation
- Equal opportunities to support talent and drive
- Employee satisfaction and motivation
- Tenant satisfaction
- Monitoring of the visitor index

Governance

- Transparent negotiations with suppliers and tenants
- Compliance and risk management
- Regular reporting of the company's performance



Strategic initiatives represent specific steps towards the achievement of the defined sustainability objectives.

Environmental

- Implementation of a tool for efficient data collection and the analysis of individual buildings
- Installation of photovoltaic panels on building roofs
- Gradual certification of buildings in the company's portfolio with BREEAM, LEED or similar certifications
- Installation of energy-saving technologies (window shading systems, interior blinds, energy saving lighting, etc.)
- Support for tree planting, green roofs installation

Social

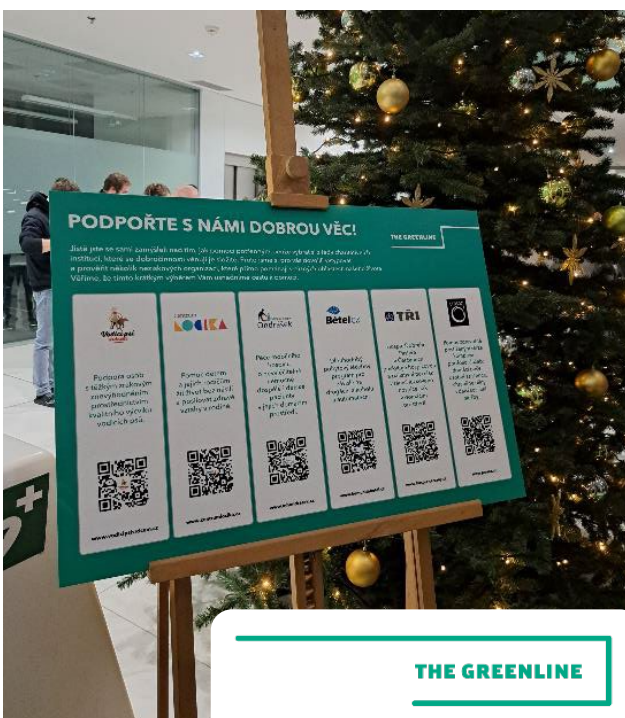
- Supporting of local suppliers (especially food and refreshments)
- Organising cultural and sporting events, for

employees, and also for the public

- Supporting local associations
- Supporting charity events
- Visitor index
- Creating a tenant satisfaction questionnaire
- Employee benefits overview

Governance

- Development of uniform rules for the selection of suppliers
- Establishment of uniform rules for the selection of tenants
- The monitoring of risks and compliance parameters
- Regular and timely reporting of financial and non-financial results in accordance with the responsible authorities in each country



Economic performance



Since 2016, we have been offering the opportunity to invest in commercial real estate through our Retail, Office and AUP Bratislava Sub-Funds to qualified investors.

Precise analysis and due diligence of new acquisitions, as well as professional property management and long-term leasing agreements influence the stable returns of our Sub-Funds positively.

In 2022, we saw an increase in the value of the investment shares of all our Sub-Funds.

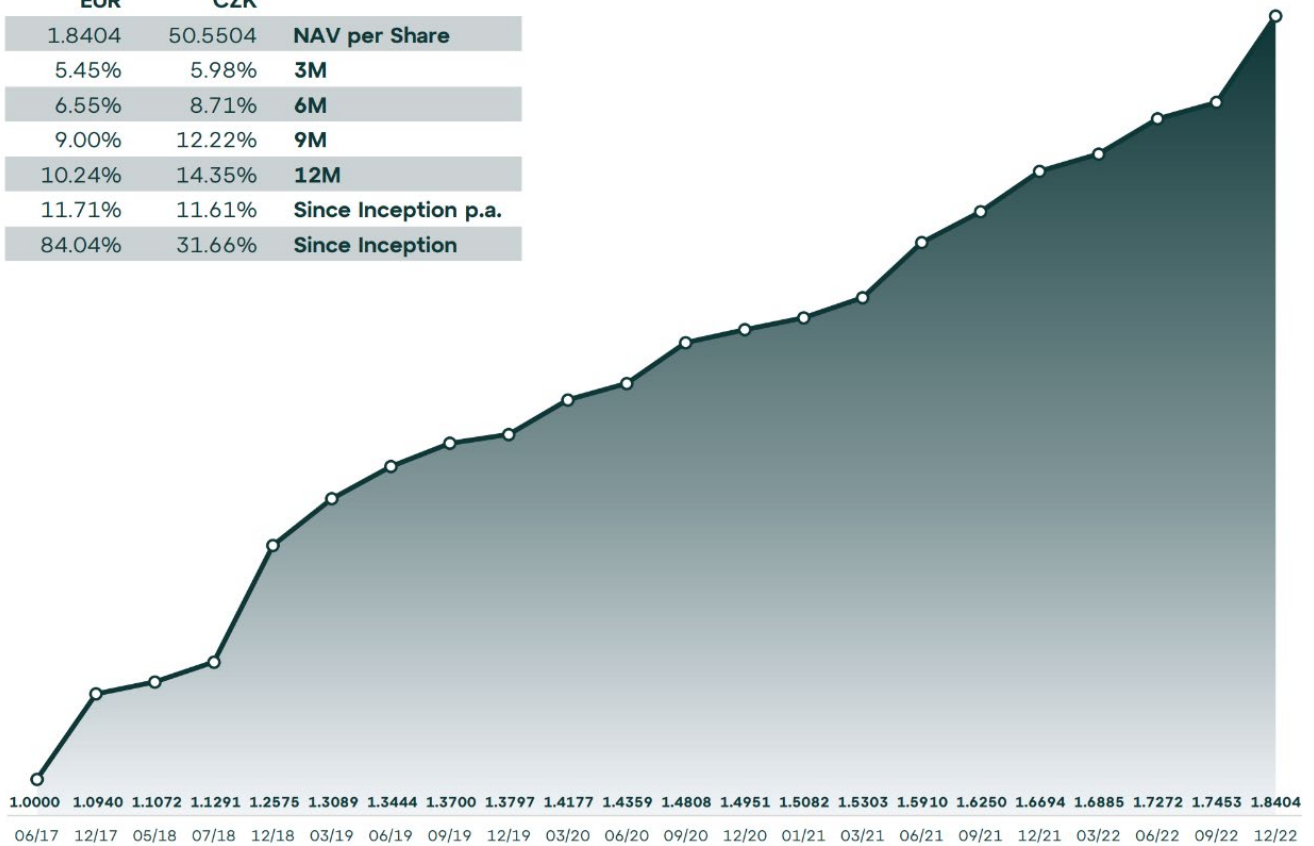
The value of the Retail Sub-Fund's investment shares grew by 17.54% in the EUR class and by 21.07% in the CZK class in 2022.

The Office Sub-Fund grew by 10.24% in the EUR class and by 14.35% in the CZK class.

The AUP Bratislava Sub-Fund added a return including a dividend paid of 7.42% in the EUR class and 11.07% in the CZK class.

Office Sub-Fund, share value

EUR	CZK	NAV per Share
1.8404	50.5504	3M
5.45%	5.98%	6M
6.55%	8.71%	9M
9.00%	12.22%	12M
10.24%	14.35%	Since Inception p.a.
11.71%	11.61%	Since Inception
84.04%	31.66%	



Rent indexation as an effective hedge against inflation

An effective way to protect against inflation risks is to index rents, which is one of our precautions in sustainable investing. More than 95% of the rental contracts in our portfolio are increased for inflation annually, calculated from the Consumer Price Index.

With this measure, we assure our tenants that their rents are at the level of current prices in each country.

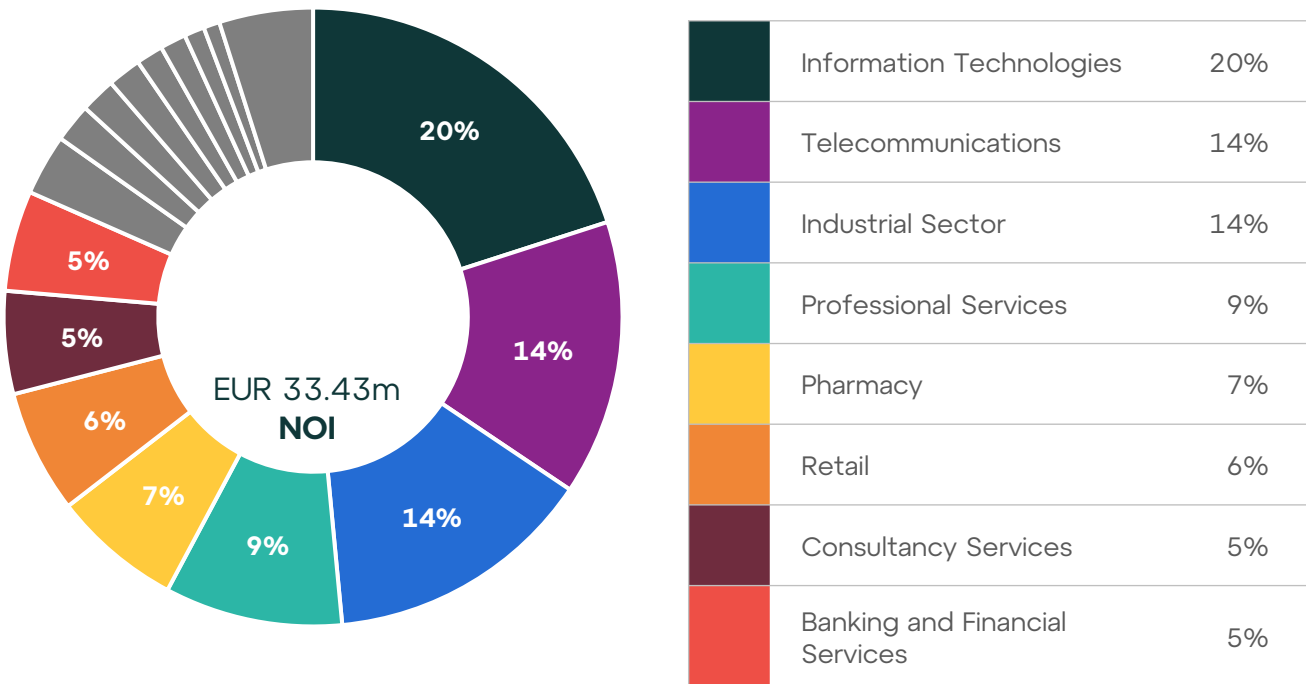
Diversified income from rental contracts

A stable source of income that can be compared to a dividend investment.

As real estate fund managers, we seek to invest in a diversified portfolio of properties, to stabilise and spread potential risks. The leases are signed with a wide range of tenants from a large variety of industries, allowing us to diversify risk across the portfolio. Diversification and stability deliver sustainable returns, as well as capital appreciation for our investors.

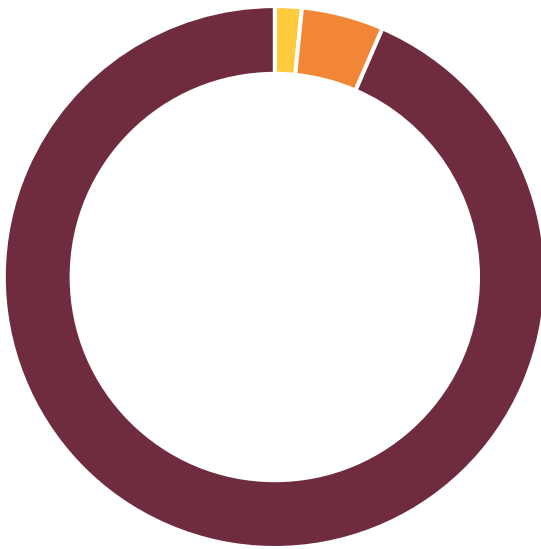
Tenants: most represented sectors




According to net operating profit (NOI)



The length of the rental cycle

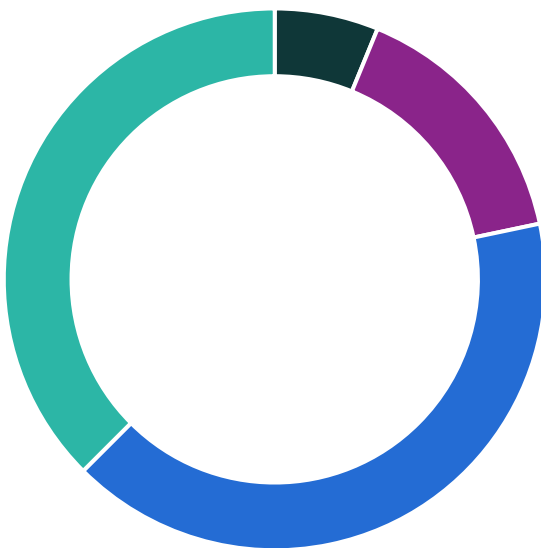
According to net operating profit (NOI)







	Short-term (< 1 yr)	1.6%
	Mid-term (1-3 yrs)	4.9%
	Long-term (> 3 yrs)	93.5%

Size of tenants

According to net operating profit (NOI)



	Micro (< 100m ²)	6.2%
	Small (100-500m ²)	15.5%
	Medium (500-2,500 m ²)	40.8%
	Large (> 2,500 m ²)	37.5%

The WOOD & Company **Retail Sub-Fund** offers, for investors, the opportunity to participate in high-quality retail and office investments.

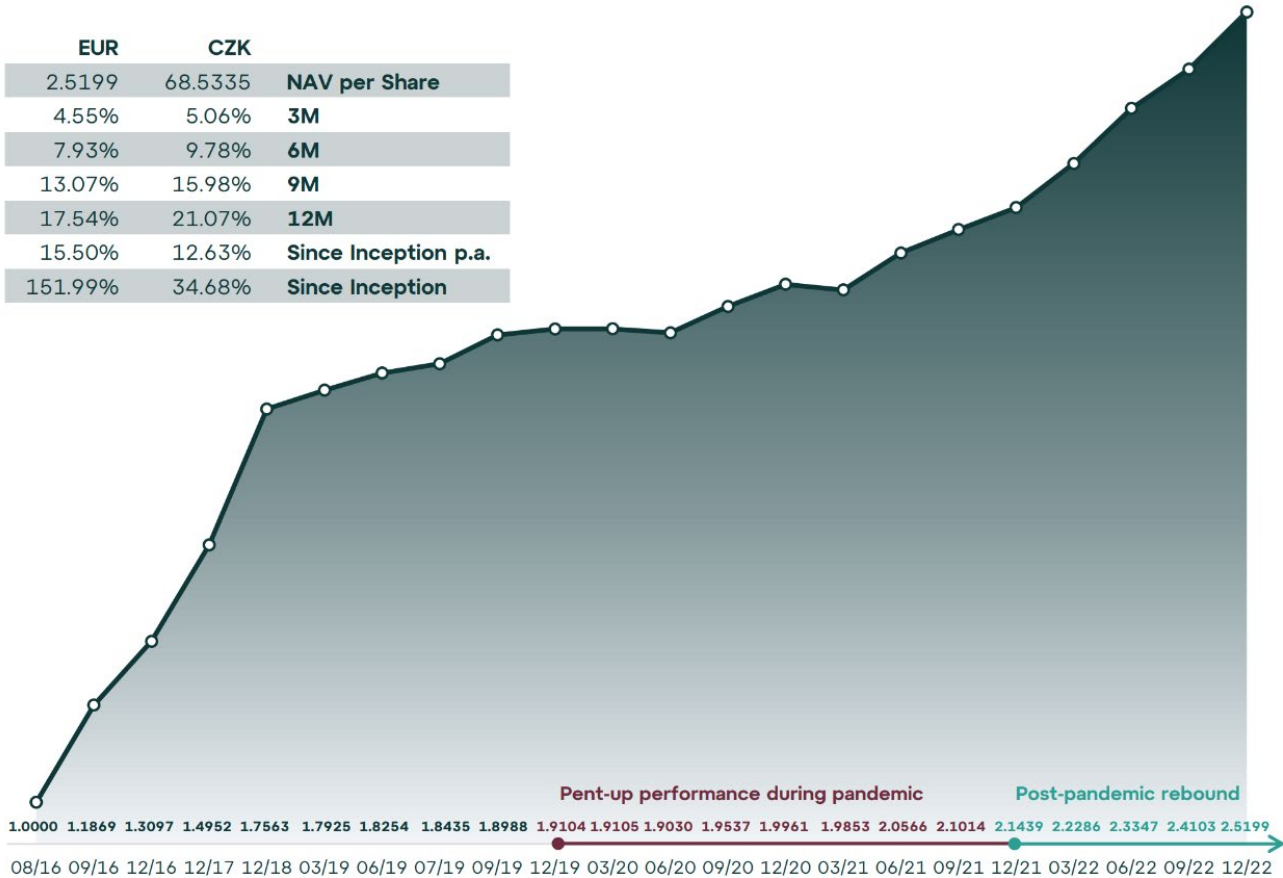
The Sub-Fund owns one of the largest shopping and administrative centres in Prague, the Galerie Harfa and the Harfa Office Park complex, and a renewed, local shopping centre in Bohnice, Prague 8, called Krakov.

The Retail Sub-Fund's targeted long-term return is between 8% and 10% p.a. net; however, since the inception of the Sub-Fund, the share price has increased by an average of 15.50% in EUR and 12.63% in CZK (since the inception of the CZK class).

In 2022, the share price increased by 17.54% in the EUR class and by 21.07% in the CZK class.

No doubt, this is an above-average investment.

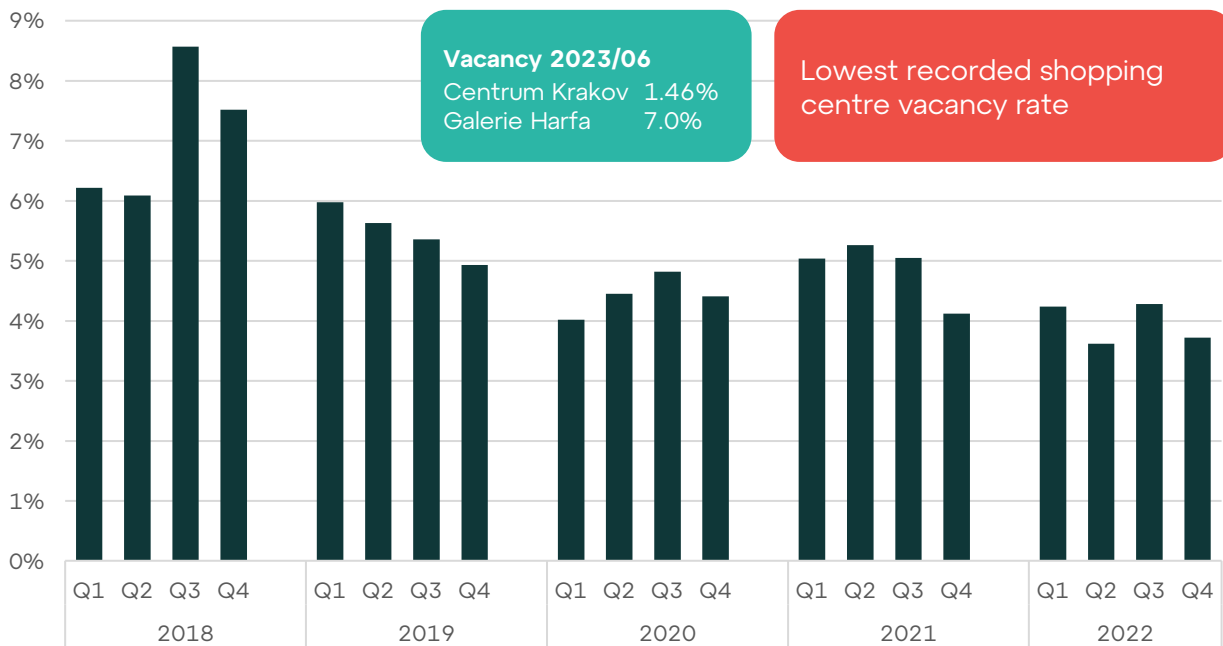
Retail Sub-Fund, share value



Vacancy / CZ

The high occupancy rates (98.54% Krakov, 93% Galerie Harfa) in our shopping centres is proof of our good relations with our business partners. We actively seek to maintain and improve our relationships with our tenants and provide them with a high level of service through experienced and competent Property Management.

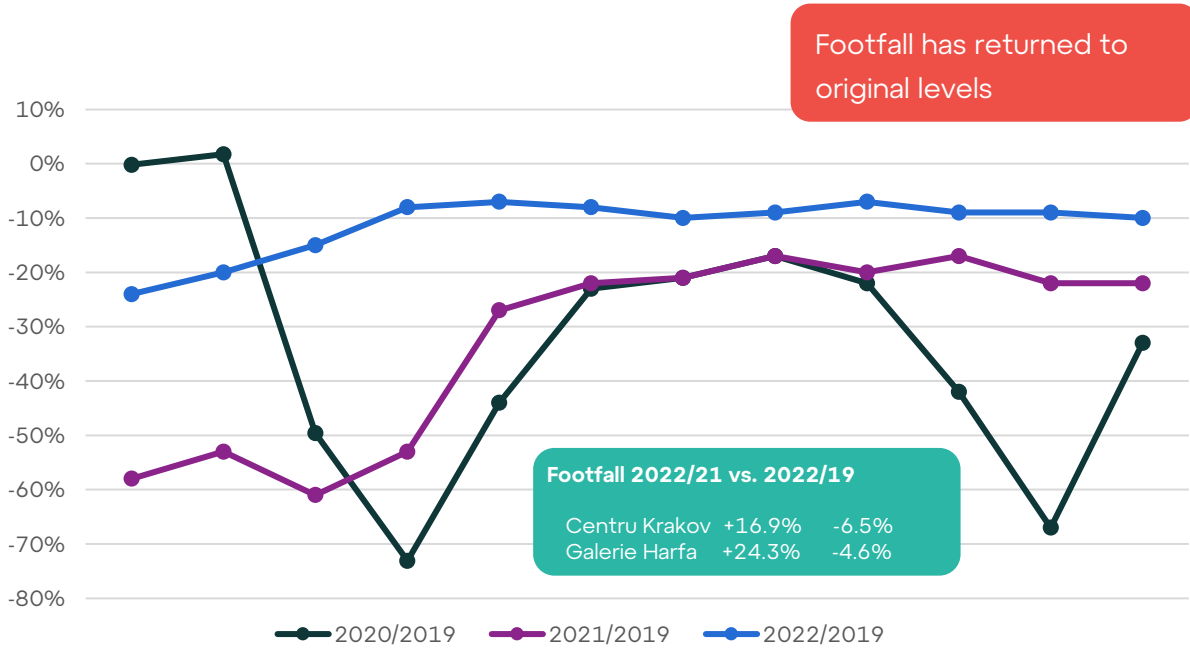
The vacancy rate dropped below 4% in 4Q22.



source - Asociace nákupních center ČR

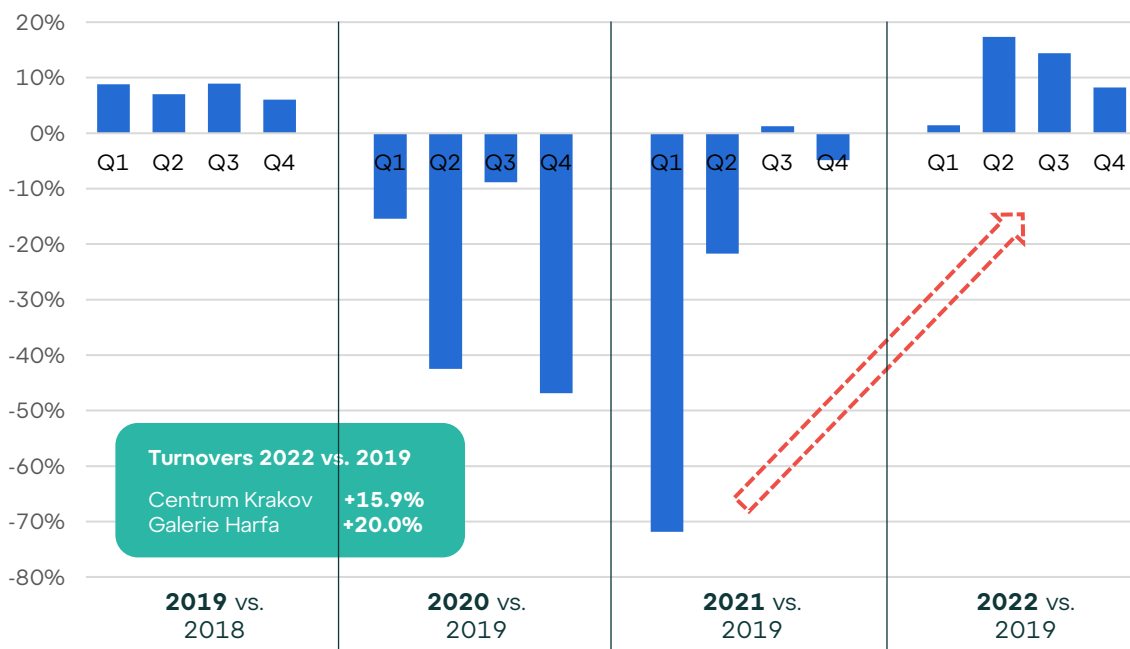
Visitor index / CZ

Shopping centre footfall has returned to its pre COVID-19 levels and retail sales have increased strongly. This indicates a positive development. Increased footfall may also be an indicator of good relationships with residents and communities.



Turnover Index / CZ

Strong retail sales growth – well above the 2019 levels.



Source: Asociace nákupních center ČR

AUP Bratislava Sub-Fund, share value

The AUP Bratislava Sub-Fund has reached a return of investment of almost 13.5% in the EUR class since its foundation.

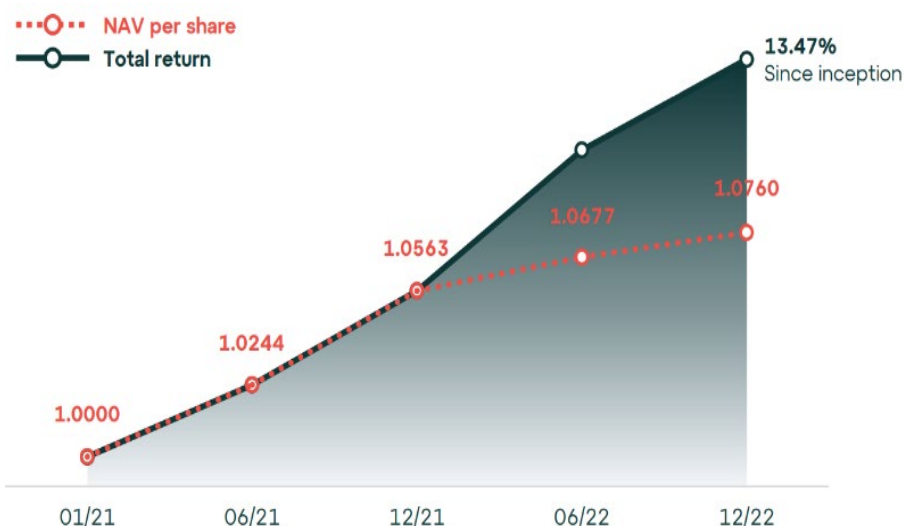


Yield (last 12M incl. dividends)

7.42 % / EUR class
11.07 % / CZK class



Share value
1,0760 / EUR class
29,0993 / CZK class



Office Sub-Fund

Gross asset value (GAV)
467,00 MIL. EUR

Net asset value (NAV)
EUR 208.27m

Leasable area
218,300m²

Net operating income (NOI)
EUR 33.43m

Average occupancy rate
93.10%

Number of tenants
310

Yield
7.37%

Asset valuation per m²
2,139 EUR

WAULT
4,13let

LTV (inc. bonds)
54.82%

Retail Sub-Fund

Gross asset value (GAV)
213,36 MIL. EUR

Net asset value (NAV)
EUR 92.39m

Leasable area
77,500m²

Net operating income (NOI)
EUR 13.95m

Average occupancy rate
92.48%

Number of tenants
216

Yield
6.54%

Asset valuation per m²
2,753 EUR

WAULT
3,52 let

LTV (inc. bonds)
60.18%

AUP Bratislava Sub-Fund

Leasable area
59,600 m²

Occupancy rate
app.96%

Number of tenants
231

Targeted dividend yield
5-6 %

Targeted return on investment
>8 %

Overview of properties



The company owns 14 properties, which are divided into three Sub-Funds, according to the purpose and use of the buildings. By far, the largest is the Office Sub-Fund, which includes properties located in the Czech Republic, Poland and Slovakia.

**Office
Sub-Fund**

Aupark Tower
Lakeside Park 01
Lakeside Park 02*
Westend Tower
BBC 5
Hadovka Office Park
Greenline
BBC1
BBC1 Plus
Astrum Business Park
Green Point

**Retail
Sub-Fund**

Galerie Harfa
Centrum Krakov

**AUP Bratislava
Sub-Fund**

Aupark Shopping

* Due to new developments, the LakeSide02 measurements have not been included in the report yet.

Certifications overview

The following table provides an overview and basic data on the individual buildings and their classification in the Sub-Funds. It also presents the certification of each building.

Office Sub-Fund

Building name	Country	Gross Leasable Area (GLA) m ²	Asset Management	Property Management	Certification
Aupark Tower	SK	32,600	WOOD-AS	CBRE	BREEAM – Excellent WELL H+S
Lakeside Park 01	SK	26,000	WOOD-AS	WRE-SK	N/A
Westend Tower	SK	8,400	WOOD-AS	WRE-SK	N/A
BBC 5	SK	37,200	WOOD-AS	CBRE	BREEAM – Very Good
Hadovka Office Park	CZ	24,900	WRE-CZ	WRE-CZ	BREEAM *
Greenline	CZ	17,500	WRE-CZ	WRE-CZ	LEED Gold
BBC 1	SK	9,700	WOOD-AS	CBRE	N/A
BBC1 Plus	SK	15,900	WOOD-AS	CBRE	LEED Gold
Astrum Business Park	PL	23,300	WRE-CZ	Cushman & Wakefield	BREEAM – Very Good
Green Point	CZ	7,700	WRE-CZ	WRE-CZ	BREEAM – Excellent

Retail Sub-Fund

Building name	Country	Gross Leasable Area (GLA) m ²	Asset Management	Property Management	Certification
Galerie Harfa & Office Park	CZ	61,800	WRE-CZ	WRE-CZ	BREEAM - Very good, Excellent management
Centrum Krakov	CZ	15,700	WRE-CZ	WRE-CZ	N/A

AUP Sub-Fund

Building name	Country	Gross Leasable Area (GLA) m ²	Asset Management	Property Management	Certification
Aupark Shopping	SK	59,600	WOOD-AS	Unibail Rodamco Westfield	BREEAM – Excellent

*The building is divided into two parts: Hadovka Office Park Buildings A+B - Excellent, Hadovka Office Park Buildings C+D - Very good

aupark tower

Aupark Tower is a premium office project in the heart of Bratislava, with excellent accessibility and in close proximity to the prestigious Aupark shopping centre. Aupark Tower boasts a height of 96 metres and is one of the tallest buildings in the Slovak capital.

The successful project is located at a major transport hub, with pedestrian access to the city centre and a direct connection to the well-maintained City Park, Janka Kral'a. Residents of Bratislava, and especially employees of companies based at this address, thus gain three benefits in one location.

Most of the leasing income from the property is provided by three "Blue Chip" tenants, who are satisfied in this location and have entered long-term contract agreements.

Aupark Tower is a modern office building that is equipped with an intelligent BMS system. This ensures cooling, ventilation, thermal comfort and clean air in the workplaces, and contributes overall to a high standard for the office users.

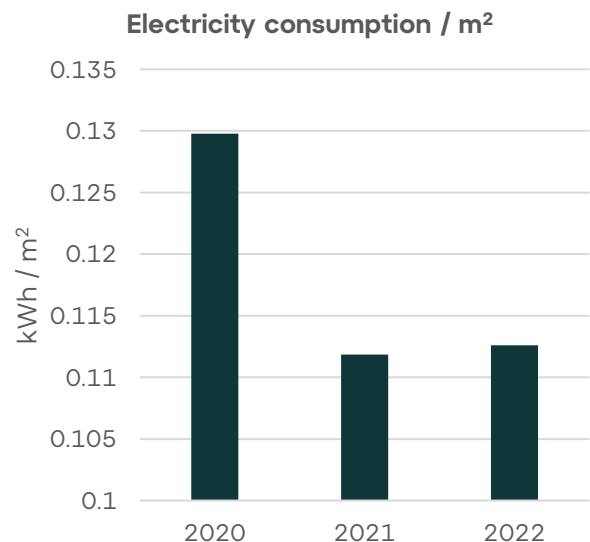
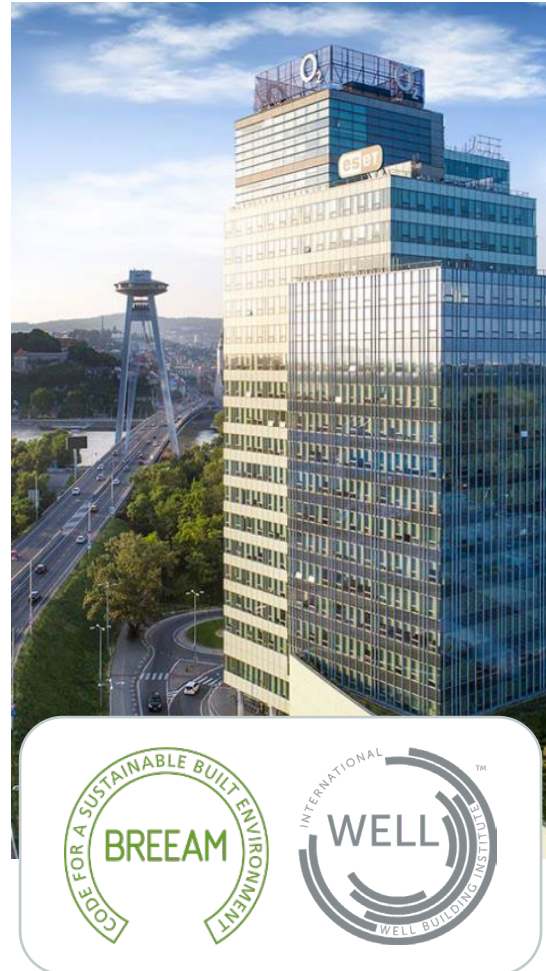
The network of winter gardens, located on every second floor of the building, are very popular places for employees to relax and unwind.

We support cycling, and Aupark Tower is perfectly adapted for this. Secure bicycle parking is available on the subterranean floor.

Aupark Tower is environmentally friendly. Thanks to its 'green roofs', it has been possible to install nesting boxes for small birds and beehives, to promote biodiversity.

These activities contribute to the promotion of biodiversity in the urban environment and show how modern buildings can be environmentally friendly and functional at the same time.

BREEAM Excellent and WELL Health & Safety Certificates prove the quality of the project.





LAKESIDE PARK 01

Lakeside Park 01 is located at the intersection of two main roads, with excellent access to the city centre, adjacent residential areas and Bratislava Airport.

The building benefits from unrivalled public transport links, i.e., six tram and bus lines, and more than 60 regional trains connecting the area with suburban parts of Bratislava. The train station is located only 250 metres from the building.

The adjacent grounds are planted with trees and shrubs, and suitably complemented with walkways and other park amenities, including a variety of insect hotels. The near-by lake makes the climate pleasant, especially in the summer months.

There are six charging sockets for electric vehicles in the garages.

The LEED Certification of the property is in process.

Lakeside Park 01 is inter-connected to its sister building, Lakeside Park 02.



LAKESIDE PARK 02

Lakeside Park 02 has been awarded the **LEED GOLD Certificate** and obtained an **Energy Certificate class "A", i.e., extremely efficient.**

This testifies to the building's high environmental standards, while recycled materials were used during the construction. The final approval was granted by local authorities in August 2022.

The building hosts fully equipped bicycle parking spaces, including facilities. There are also 13 charging sockets and two charging stations for electric vehicles in the garages. Further expansion is planned.

A sophisticated heat recovery system allows for the reduction of energy consumption.

The building has an intelligent control system for humidification and other technologies.

This allows for the further optimisation of energy consumption.

Environmentally-friendly cleaning products are used for cleaning.

A suitable space has been created in the lobby for setting up a coffee shop.

The combination of all these elements result in a healthy and sustainable working environment.

Lakeside Park 02 is an example of a modern building that has been created in an environmentally friendly and cost-effective way.





Bratislava's Westend Tower, with 7,700sqm of space, represents a highly profitable asset, with an excellent parking ratio (548 spaces in total) in the enclosed car park.

The key advantage of the project is its location, close to the city centre and the motorway, connecting Bratislava to Vienna, Brno/Prague and Budapest.

Although Westend Tower is an older building, management is trying to implement some technological innovations. One positive step was the installation of smart LED lighting, which is controlled by sensors and apps, which allows for the reduction of electricity consumption and improves the energy efficiency of the building.

The building's energy **PENB** label classifies Westend as "**B**", i.e., energy efficient.

A pictogram system, installed on the walls, is placed conveniently throughout the building. These signs assist with easy orientation in the common areas and corridors.

The building's spaces can be converted into smaller office units, allowing the creation of co-working centres, or attracting start-up companies. The modularity of the inner space does not inhibit a start-up's growth, and successful companies can turn out to be long-term tenants.



BBC5

BBC5 is located at a prestigious address in the heart of Bratislava's business district, with excellent facilities and high-quality amenities, which dynamic companies expect.

Multinational companies lease almost 50% of the total lettable area. Thanks to the flexibility and modularity of the interior space, the remaining capacity is shared by a mix of small and medium-sized companies.

In order to reduce energy consumption, LED lighting is being installed gradually in the common areas of the building.

By using a water-to-water heat pump, connected to a groundwater borehole system near the Danube, the building has a very

efficient cooling system (COP 8 heating factor, COP 3 for conventional equipment).

The green roofs and the park landscaping in front of the building, including refreshment and restaurant facilities, provide employees with a space to balance their workload with their need for relaxation.

There are 11 charging stations for electric vehicles in the centre's spacious garages and four stations available in the outdoor area. In addition, BBC5 is just two minutes from the junction of nine public transport lines.

BBC5 has been awarded the **BREEAM – Very Good Certificate.**





BBC1 is located at the entrance to Bratislava's CBD district and, together with BBC1 Plus and BBC5, forms a significant part of this modern locality.

BBC1 is connected by a passageway to its sister building, BBC1 Plus. It is an office space that meets all hygiene and safety regulations. The space can be adapted flexibly for small and medium-sized tenants, as well as large companies. There are 58 parking spaces available in the garage.

In the passageway, a self-service restaurant, a café, a news stand and an ATM are available for tenants and employees from surrounding buildings.

We have not yet applied for an international certification, but BBC1's **PENB** energy certificate meets the "**B/A1**" class, i.e., energy efficient.





BBC 1 Plus, together with BBC1, forms the outermost block of buildings belonging to the Bratislava Business District (CBD).

BBC1 Plus has become the first-ever green office building in Bratislava to be awarded the **LEED Gold certification**.

The intelligent building management system (BMS) allows for the optimisation of energy consumption and reduces the cost of the building's operations. The system can, for example, adapt the heating, cooling and lighting

to the needs of the tenants, which helps to minimise energy waste. With a BMS, tenants can also monitor energy consumption in real time and optimise their costs.

There is a green area in the inner courtyard, with seating and refreshments. Greenery has also been planted on the roof of the BBC1 Plus.

The possibility of storing bicycles in a separate part of this enclosed zone is another benefit that BBC1 Plus offers. This ensures that bicycles are protected from theft or damage.



ASTRUM

BUSINESS PARK

Astrum Business Park is located at the crossroads of two key arteries in southwest Warsaw, allowing for quick access to the Warsaw ring road and the city centre.

Five interconnected buildings of four and six floors offer office space that is flexibly adapted to the needs of individual tenants. Convenient access to the building and offices is provided by five reception areas and 10 lifts.

The spaces are enriched with terraces and an internal patio, with benches and a green space.

The building has capacity of 572 parking spaces, 298 of which are located in underground garages. In the future, it is planned to add charging stations for electric vehicles.

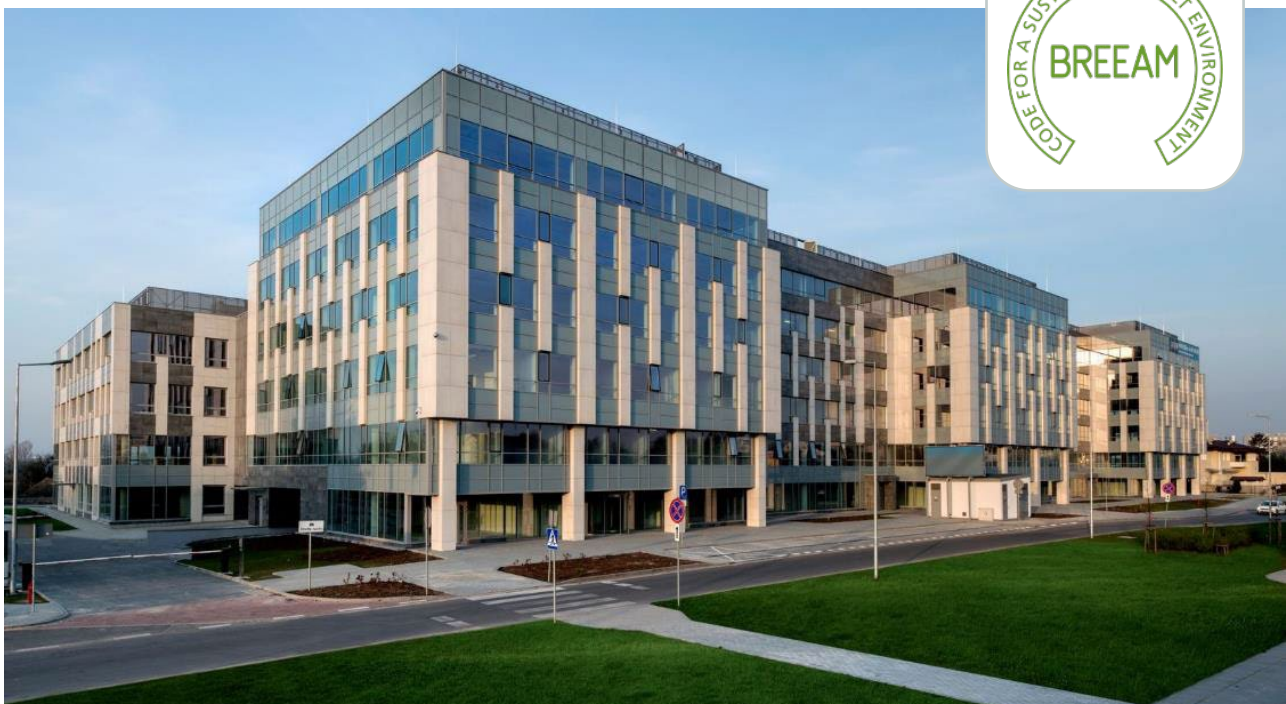
The property is fully leased to reputable tenants. The average rent for office space in Astrum Business Park is significantly lower than the market rent in this segment, so this asset offers significant potential for rental growth.

One of the factors that distinguishes Astrum Business Park from standard office buildings is the modern air conditioning system, with individually controlled temperatures.

This technology allows tenants to set their preferred temperatures, which increases employee comfort and satisfaction, while helping to reduce energy consumption. In addition to the offices in the building having plenty of natural light, the lighting in the building is controlled by motion detectors, which brings additional savings.

The high level of security also contributes to the overall popularity among tenants.

The building has been awarded **BREEAM FINAL** and **BREEAM INTERIM Certificates** at the "Very Good" level.





Hadovka Office Park is located in Prague, on Evropská třída, the main thoroughfare between the city centre and the airport. The building has long attracted international and domestic clientele. The property combines the concept of affordable and quality office space, with excellent facilities and amenities.

In 2020, the Hadovka facility recorded a collection of 116.31 tonnes of safe waste and 4.68 tonnes of hazardous waste. In 2022, the facility was able to reduce the hazardous waste to 3.58 tonnes and the safe waste to 111.56 tonnes.

There are landscaped green areas between each block of the building, as well as on the roofs of the garage entrances, with the roof garden between blocks A and B used as a café. There is a canteen in the basement of Hadovka in sections A and B, and a fitness centre in section A.

Photovoltaic panels are scheduled to be installed on the roof in 2023.

Hadovka is a holder of a **BREEAM – Very Good Certificate**.



THE GREENLINE

Greenline is a four-minute walk from the Kačerov metro station in Prague, and also benefits from excellent accessibility from 5. května Street – Prague's main thoroughfare. The diversity of the tenants, combined with the long-term lease structure, brings a predictable income stream.

Greenline encourages tenants to travel to the office by bicycle and allows them to store them safely. The building's garages offer 16 charging stations for electric and hybrid vehicles.

Beehives are located on the roof of the building. Last year, we presented high-quality raw honey

to tenants as a token of appreciation and thanks during the Advent celebrations.

The installation of PV panels on the roof of the building is planned for 2023. This will provide a renewable source of energy.

The Facility Management of Greenline also manages the adjacent park, which is open to the public.

The Greenline facility has been awarded the **LEED Gold Certification**.



GREEN POINT

Office Center Anděl

Green Point is one of the most modern boutique office buildings in Prague's Smíchov district.

Thanks to its sustainable and ecological features, Green Point has received **BREEAM certification – Excellent** grade. This certification proves that the building meets strict sustainability and environmental standards.

Tenants can use the electric vehicle charging stations in Green Point's garages. Bike racks are available for employees in front of the main entrance, and there are also locker room facilities, with showers, in the basement.

LED lighting, in combination with motion sensors, has been installed throughout the building.

In addition, the Green Point building has low-energy air conditioning, cooling, ventilation and heating systems, with heat recovery. The building minimises energy consumption for temperature and climate control.

Internal shading systems also contribute to the light and thermal comfort of employees.

An indoor atrium, with living greenery, located in the lobby, contributes to the overall air quality and has a positive effect on the mental health and well-being of employees.





The Galerie Harfa shopping centre in Prague offers its visitors more than 150 shops, divided across three floors. The close location of the O2 Arena (1M visitors per year), combined with the growing residential area of Prague 9 (10% year-on-year increase in population), guarantees very high visitor traffic to the Galerie and, thus, the project's appreciation.

Harfa Office Park has received a BREEAM – Very Good certificate for Asset management and **BREEAM – Excellent for Management Performance**, which testifies to the professionalism of our property management team.

In the Office area, the terraces and roof terraces are planted with greenery, and there are insect hotels and nesting boxes for small birds.

The Harfa Office Park is adjacent to the Galerie building and both buildings share a common

garage facility.

Galerie Harfa boasts a certain rarity, in the form of a food concept connected to the terraces of the shopping centre. Together with the greenery, the relaxation area, playground and the DinoPark, this creates a unique place to relax, and makes it a popular destination for visitors all year round, not only from the surrounding areas. In the summer months, we provide space for the Summer Theatre Stage; and, in the winter months, we install, for example, a small ice rink for public skating and hobby hockey groups.

Charity events are also held regularly in the premises of Galerie Harfa.

In 2023-24, we are considering the installation of PV panels and suitable shading, especially on the western glass façade of the Harfa Office Park.



CENTRUM
KRAKOV.

Centrum Krakov is located in the densely populated residential area of Prague – Bohnice – and serves as a shopping centre primarily for residents within walking distance.

The centre is almost fully occupied. The tenants include major multinational chains, as well as local companies.

The property was built in 2013. In 2018, it underwent renovation and a significant change in the layout of the retail units. The **PENB** of the property is “**B**”, i.e., energy efficient.

The charging station for electric vehicles in the shopping centre's garage is an important step towards a more sustainable future.

There is also a branch of the Czech Post in the centre, which is appreciated by citizens from the surrounding area. This accessible public services bring more customers to the centre.

Last year, thermal insulation foil was installed on the west and south façades of the centre. This prevents the interior from overheating and reduces the number of days a year when the premises need to be air-conditioned.

We are currently analysing the possibility of fitting the roof with PV panels.





Uniqueness

The combination of a unique location with an excellent tenant portfolio, as well as a high number of loyal and creditworthy customers, brings superior financial results, making Aupark the most successful shopping centre in Slovakia.

Stability

Significant growth in tenant revenues and the growing revenues of the centre itself have outperformed all relevant benchmarks over the past few years.

Resilience

Full occupancy, a significant WAULT and a high proportion of fixed rents (>95%) ensure Aupark's very strong competitiveness in the local market, resilience to economic cycles, and growth in the e-commerce sector.

Nature and relaxation

The park-like landscaping at the rear of the building is connected to the Janek Král's Orchard, one of the oldest public parks in Central Europe, established in 1774-76. The garden gazebo, originally the tower of a Franciscan church, is an important landmark.

The park is also captivating due to its biodiversity of species. In addition to the traditional maples and poplars, exotic tree species, such as Ginkgo biloba, Chinese Sequoia, Orange Maclura and unique plane trees, grow here.

For employees, visitors to the shopping centre and residents, the Janek Král's Orchard is a place to meet and relax. The company has contributed significantly to the revitalisation of this park.

Aupark has obtained the **BREEAM Excellent Certificate**.



Environmental responsibility



Percentage of certified buildings

83% of the company's portfolio consists of LEED or BREEAM certified buildings.

All the buildings, except Hadovka, have a **PENB Class B** energy certificate, i.e., efficient; while Lakeside 02 in Bratislava has received **PENB Class A**, i.e., very efficient.

Renewable energy

According to the possibilities of each building and the analysis of the return on investment, our goal is to gradually install PV panels, especially on the roofs of the buildings where it is technically possible and structurally permissible.

According to the recommendations of energy specialists and the conclusions in the Energy Performance Certificates of the buildings, we also plan to continuously replace light sources with LED lighting, install shading systems, and upgrade the BSM control units, etc.

Gradual reduction of greenhouse gas emissions

The current GHG emissions are 62kg CO₂/m² of floor area for all of the properties in the portfolio.

We aim to regularly monitor and continuously reduce the carbon footprint of our properties. In 2023, data will be collected for all buildings in the portfolio, giving us specific indicators.

Reducing overall energy consumption

The current energy consumption is 146.7 kWh/m² of floor space for all of the properties in the portfolio.

Based on the 2022 data, a comparison with other property funds and an evaluation of the benchmark will be made in the coming year.

Our aim is to continuously monitor and maintain energy consumption at sustainable levels over the long term.



Water consumption per m² area

The current water consumption is 0.33m³/m² of floor area for all of the properties in the portfolio.

Our aim is to monitor potable water consumption and reduce it in the long term.

At the same time, we will focus on identifying buildings where it will be technically feasible to introduce rainwater harvesting in the future, especially for the irrigation of the greenery on roofs and terraces.

Gradual reduction of hazardous waste production

The generation of hazardous waste has not yet been monitored consistently in all buildings.

The company is, therefore, preparing to introduce a process for monitoring and gradually

reducing the amount of hazardous waste, as well as working with third parties authorised to handle and dispose of hazardous waste.

Data monitoring and evaluation

As part of our environmental responsibility, we are preparing steps to collect data for individual buildings.

We aim to, gradually, achieve full implementation of the system by 2024.

In cooperation with expert consultants, we are preparing the regular collection, monitoring and subsequent reporting of the results, in particular, the carbon footprint, of individual properties.

Our primary objective is to position ourselves as a **"Light Green"** Fund, in line with Article 8 of the SFDR in the near future.



Direct CO2 emissions (Scope 1)

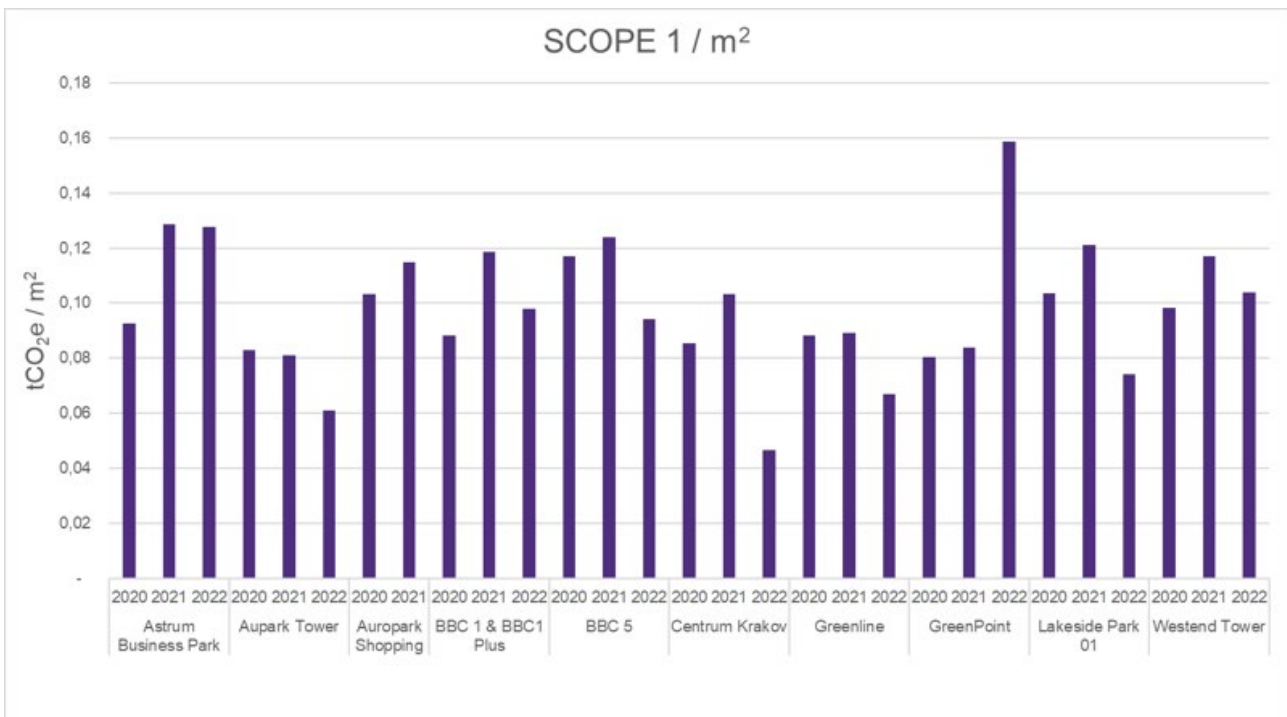
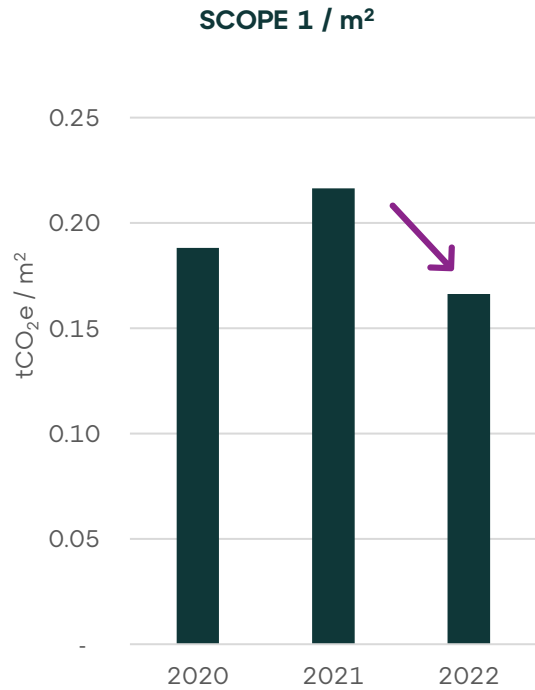
As part of our commitment to sustainable business, we monitor and strive to reduce greenhouse gas emissions.

In line with this commitment, we focus on monitoring direct CO2 emissions (Scope 1), which are directly linked to gas consumption in buildings.

In 2020, Scope 1 CO2 emissions reached 0.19 t CO2/m² of floor area for all of the properties in the portfolio.

In 2021, we saw a slight increase to 0.22 t CO2/m².

However, in 2022, we managed to reduce emissions to 0.17 t CO2/m², what is 29.4% lower than in 2021.



Indirect CO2 emissions from energies

(Scope 2)

Due to the lack of appropriate measurement of cooling consumption in individual buildings, we do not currently include this data in the calculation of the carbon footprint in Scope 2.

Indirect emissions are, therefore, based on electricity and heat consumption only.

For the next period, we are preparing a complete data collection for each building separately.

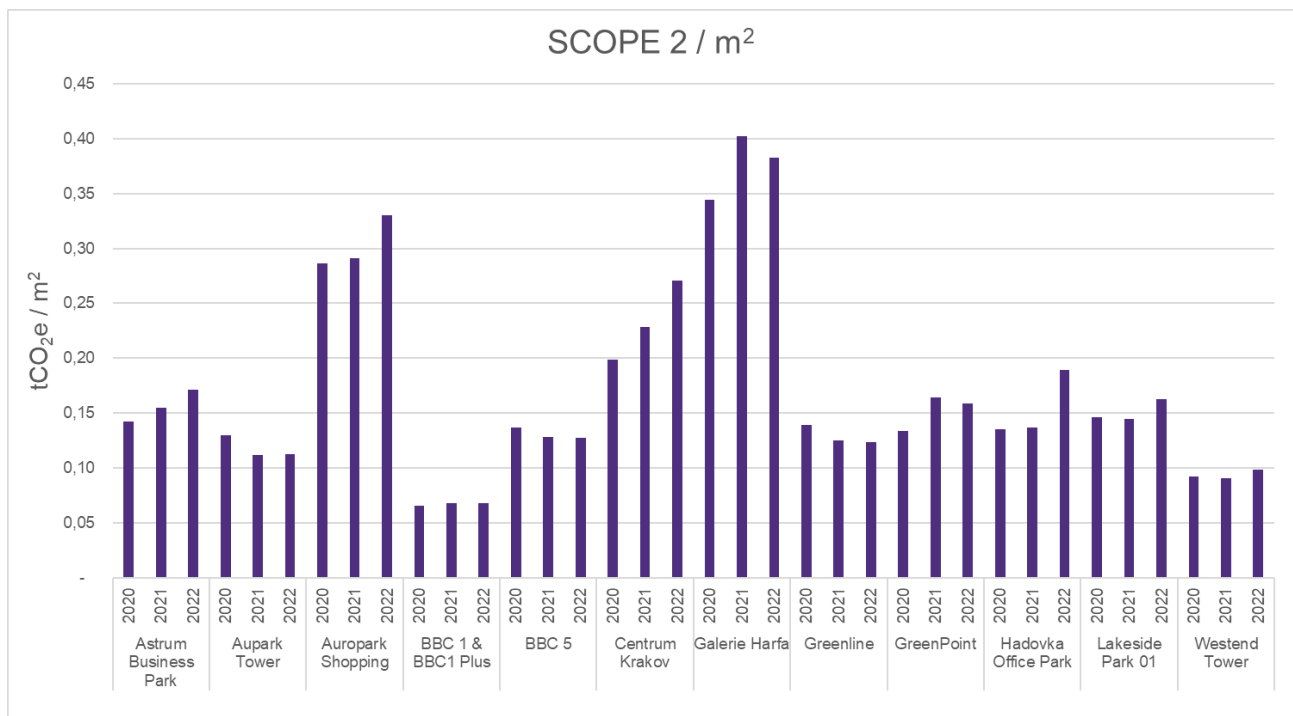
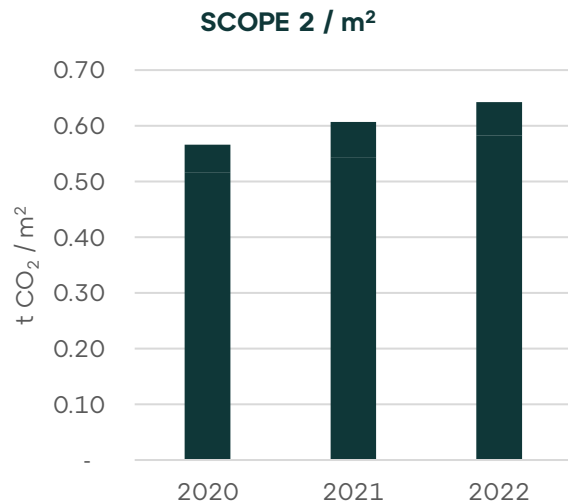
In 2020, Scope 2 CO2 emissions were 0.57 t CO₂/m² of floor area for all the properties in the portfolio.

In 2021, we saw a slight increase to 0.61 t CO₂/m².

In 2022, we saw a further increase to 0.64 t CO₂/m².

The increase in Scope 2 emissions was driven mainly by the resurgence in shopping centre footfall and the return of staff to office space, following the COVID-19 pandemic.

As part of our commitment to sustainable business, we will focus on future Scope 2 CO2 reductions.



Energy consumption

Our goal is to introduce energy-saving LED lighting, in combination with motion sensors, in all areas of our buildings, where operationally appropriate, especially in the common areas and garages. If agreed with our tenants, we will also install these lights in tenant spaces.

The replacement of light sources has already taken place in the following buildings:

BBC1, BBC1 Plus and BBC5 in Bratislava, and Hadovka in Prague. However, the optimisation of light sources in all buildings in the portfolio is taking place gradually.

The new buildings, such as the Lakeside Park 02 in Bratislava, already have energy-saving LED lighting installed.

In addition, for example, in the BBC1 Plus building, an intelligent BMS control system is used to optimise heating curves, water heating, cooling needs, HVAC operation, and shading, etc.

The same system is used successfully in the Greenline building in Prague. The system reduces energy consumption and, at the same time, increases the comfort of those indoors.

Our own "green" energy sources

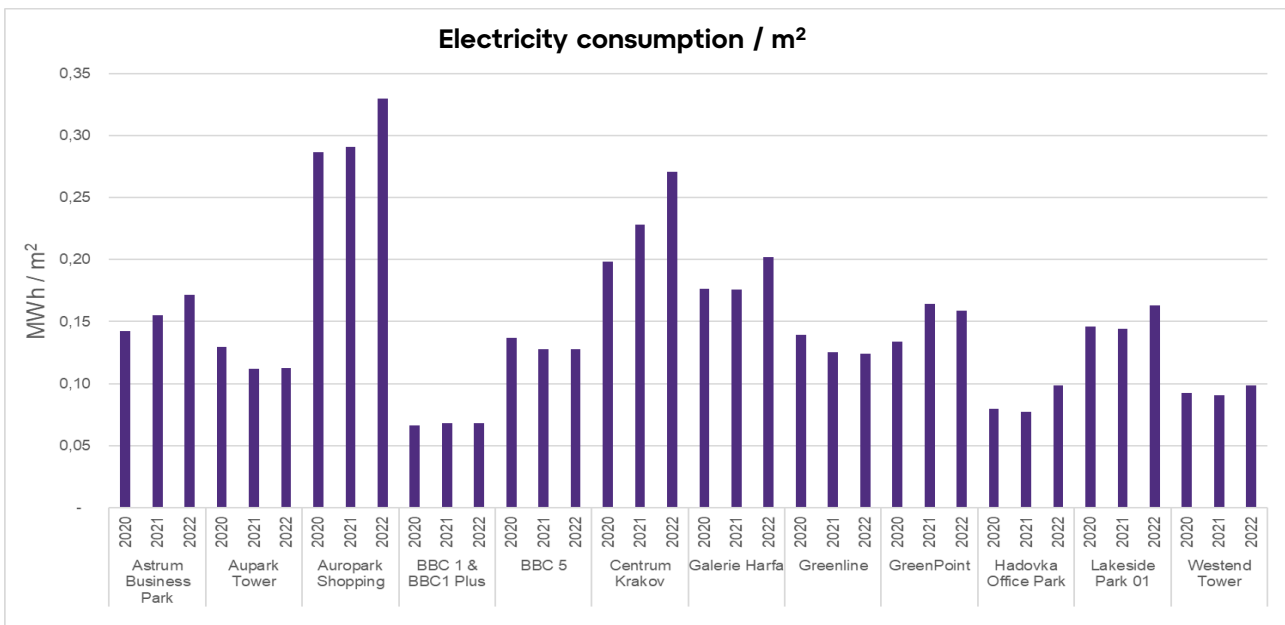
In 2022, we have drawn up a plan for **PV installations** at selected buildings for 2023-24 in Prague.

The plan includes: the Hadovka Office Park (180 kWp), Greenline (99.8 kWp), and Centrum Krakov (220 kWp).

In Bratislava, more than 1,200 PV panels have been installed already on the roof of the parking building of Bratislava's AuPark shopping centre in 2022, with total capacity of 500 kWp.

Another plan to install PV in Bratislava in the coming years will involve the BBC5 building (estimated capacity of 224 kWp).

We anticipate that the increase in energy production from our own renewable sources will represent financial savings, while also offering a percentage of green energy to our tenants. Other projects will be subject to evaluation in 2024-25, following trial operations.



Water management

(Scope 3)

Drinking water

All the buildings in the portfolio are supplied with drinking water, only from official local suppliers.

None of the buildings has its own wastewater treatment plant to recycle wastewater.

Rainwater

Astrum Business Park, Warsaw

A rainwater retention tank, with capacity of 21m³, irrigates about 1,000m² of greenery.

Aupark Shopping Centre, Bratislava

A small retention tank (7m³) in the adjacent parking building solves the irrigation of the greenery at the centre.

In the future, we intend to investigate the possible installation of retention tanks at other buildings.

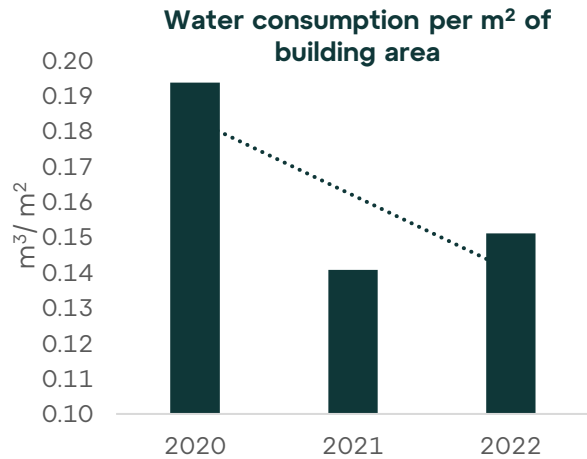
Utility water

Aupark Shopping, Bratislava

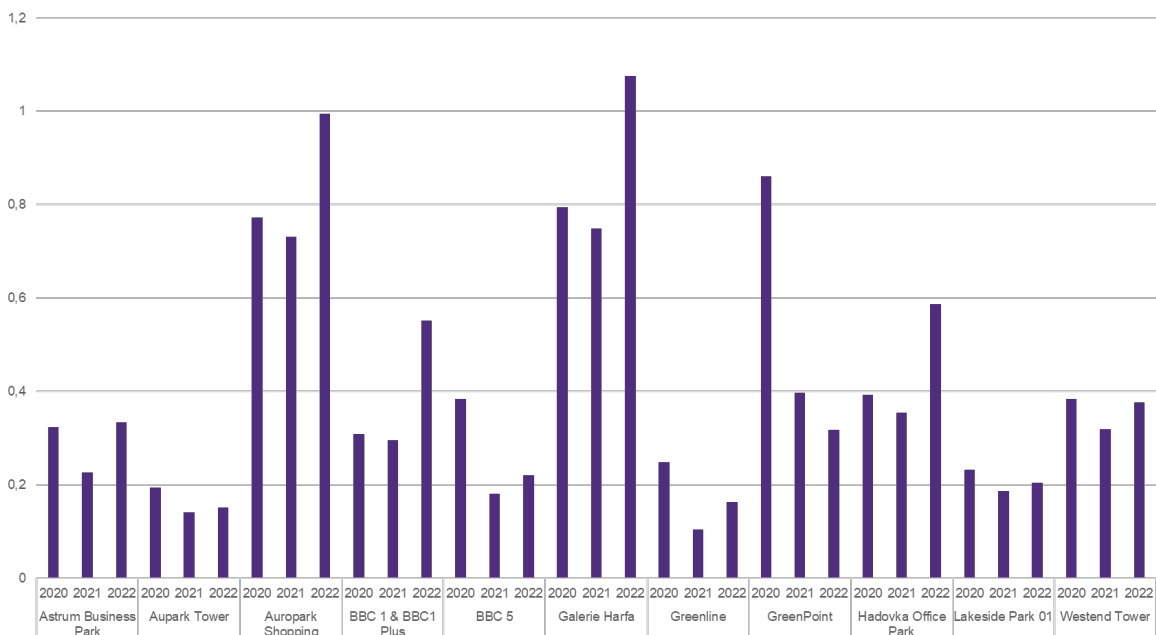
Air-to-water and water-to-water heat pumps use underground wells to cool systems.

BBC5, Bratislava

In 2022, groundwater wells were extended to provide cooling for the compressors in the water-to-water cooling system.



Water consumption per m² of building area



Waste management

(Scope 3)

As part of our commitment to sustainability and environmental protection, we strive to minimise the amount of waste we produce by improving waste sorting and working with certified companies that handle and dispose of waste. Especially hazardous waste is disposed of safely and in accordance with the standards and legislation of each country.

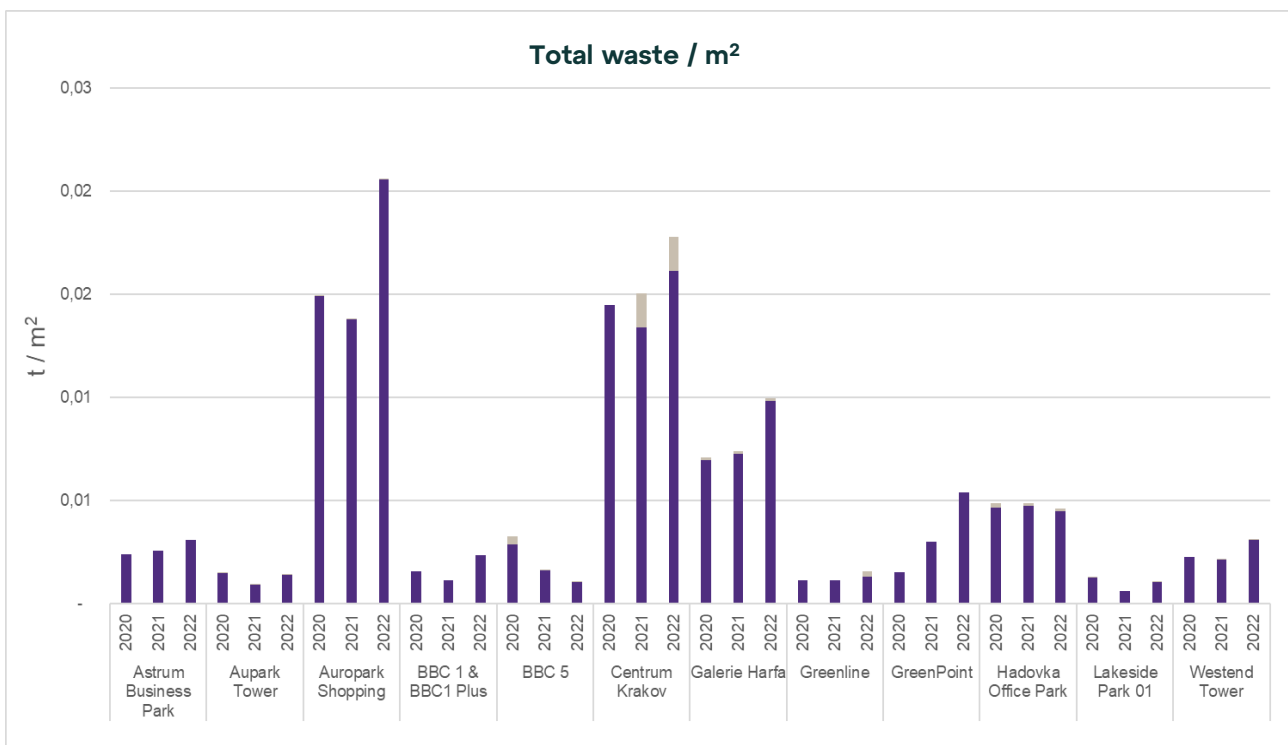
At the same time, we strive to educate the tenants in our buildings about waste management. An initiative has been taken that should lead to more accurate mapping and, hopefully, reduce non-recycled waste.

In 2020, we generated 1,995.70 tonnes of safe waste and 30.24 tonnes of hazardous waste.

In 2021, we were able to reduce the amount of safe waste to 1,855.97 tonnes; however, the amount of hazardous waste increased to 40.09 tonnes.

In 2022, we saw a further increase in waste generation, reporting 2,529.94 tonnes of safe waste and 45.11 tonnes of hazardous waste.

The increase was due mainly to the resumption of the footfall in shopping centres and the return of staff to offices following the COVID-19 pandemic in 2020 and 2021.



Biodiversity

As part of the company's sustainability disclosures, we also address the topic of biodiversity.

We are proud to actively promote the renovation of parks, establishing green spaces and places for relaxation on and around our buildings. We believe that, in this way, we help to create a pleasant and sustainable living environment for people using our business and office centres, as well as for residents, while supporting urban nature.

Below are a few examples:

On the roof of the **Greenline** building in Prague 4, beehives have been installed for the second consecutive year. Last year, we donated raw honey as a "Christmas" treat and a thank you to the individual tenants in the building.

A small park has been set up on the adjacent Greenline property, which falls under the management and maintenance of the building but is open to the public.

In 2022, we developed a Biodiversity Support Plan for the **Harfa Galerie** office building in Prague 9, which will assist us in making decisions about steps towards creating a sustainable environment.

In Bratislava, we contributed financially to the revitalisation and maintenance of the "Sad Janka Kral'a" park, located behind the **Aupark shopping centre**. The orchard is an important habitat for many species of plants and animals, and also acts as a rest and relaxation zone in the city centre.

On the terraces of the Aupark Shopping Centre, we have taken additional measures to promote biodiversity. Insect hotels and bat roosts have been installed. Both help to attract small animals to our surroundings and provide them with suitable conditions for survival.





Social responsibility



Responsible employer

One of the key pillars of our policy is an emphasis on occupational health and safety (OHS). We believe that our employees are our company's most valuable asset and, therefore, we provide them with a safe and healthy working environment. At the same time, we care about the atmosphere in the workplace to ensure their well-being.

We create an inclusive work environment for our employees that respects diversity and offers equal opportunities to all.

As part of our corporate responsibility to society, we have, for many years, sought to give back a portion of our earnings to charitable causes, help those in need by engaging in various projects, and create work placement opportunities and programmes for students.

Improving the skills of our employees

Within our company, there is regular communication between managers and the HR Department regarding the training and development of employees or groups of employees, in accordance with their job descriptions and their needs to fulfil qualification requirements and competencies. This information is then used to plan and organise training, educational events and involvement in projects, which are also an important aspect of our upskilling offerings.

Employee training at our company includes not only workshops and training programmes, but also self-study and the mentoring of senior managers. This approach contributes to employee satisfaction and the long-term growth of our company.

Transparency in compensation structure

In the area of remuneration, we emphasise adherence to principles designed to support the overall strategy and business objectives, while avoiding inappropriate risk-taking and imprudent behaviour.

The remuneration policy is an important part of the company's overall human resources strategy and overall business strategy. The approach not only takes into account the rights and interests of investors, but also promotes cost efficiency and sustainable growth, while enhancing the value of the company from the perspective of employees, investors and other stakeholders.

The remuneration system is designed to ensure that it does not incentivise excessive risk taking and is consistent with the long-term interests of the company, including preventing conflicts of interest and ensuring that rewards do not undermine the company's ability to raise capital.

Employee benefits

In line with the development of the labour market and the HR strategy, the company aims to continue to be an attractive employer.

An online benefits system, the so-called "Kafeteria", has been introduced. This system provides employees with a choice of products and services in the following areas:

Sports (Multi-Sport card), health, culture, education, and recreation.

The company provides a 50% discount on the annual asset management fee on the Portu.cz investment platform.

Supporting employee health

An important area that is also of interest to the company is the work-life balance, wellbeing and mental health of its employees.

Contributing to this are:

- Vacation allowance beyond that mandated by the law
- 5 sick days fully paid by the employer
- A medical service via the "ulekare.cz" app, not only for employees, but also for family members
- Working from home (home-office) upon agreement
- Education and discussions with experts in the fields of physiotherapy, sleep quality, and healthy diet
- We provide flu vaccinations, vitamins, and fresh fruit at the workplace, etc.
- The company also contributes financially to its employees' pension schemes

Portu.cz - OpPORTUnity

OpPORTUnity, as one of the company's products, represents not only an interesting investment opportunity, but also an important step towards inclusive finance.

Employees have the opportunity to invest for themselves and their family members, while receiving discounts on asset management fees from their employer.

We believe that this investment opportunity will also excite the children of employees and strengthen financial literacy in the company.

Every year, we organise company events, which family members of employees are invited to attend – for example, "Health Days", with doctors and specialists at the workplace.

The company has sports and cultural groups for employees, such as hockey, volleyball, tennis and yoga. Some employees are also members of the company's music group "Woodpeckers", which performs at company social events.

We support our employees in the above activities to keep them not only mentally, but also physically healthy, and to be able to devote themselves fully to work.

WOOD
&CompanyThe logo for ulÉkaře.cz features a blue circle containing a white plus sign, followed by a red heart rate line graphic, and the text "ulÉkaře.cz" in red.**Dny zdraví**
s The logo for ulÉkaře.cz features a blue circle containing a white plus sign, followed by a red heart rate line graphic, and the text "ulÉkaře.cz" in red.

Monitoring tenant / client satisfaction

The systematic and regular monitoring of the satisfaction of the company's tenants and clients helps us to understand the needs and requirements of both groups, and thus improve our products and services.

We take the initiative to improve communication with tenants, identify their specific needs and/or requirements, and identify new opportunities to expand our services. We plan to:

- a) select requirements that we manage to follow up directly;
- b) select requirements that we are able to implement with the help of third parties; and
- c) eliminate requirements that we consider technically impossible.

By improving communication with clients, we hope to strengthen the credibility and trust in the market, and thus, possibly, increase the capital of the fund.

The company plans to set up and implement a Tenant Satisfaction Questionnaire by 2023, followed by ongoing monitoring and evaluation.



Local residents and interest groups

The events listed here for local communities and hobby groups are some of the many we organise or support at our properties and have been chosen as illustrative examples.

Greenline

In 2022, we organised a Summer Party for tenants, with a gallery of paintings. In the same year, we hosted the first Honey Harvest and offered self-serve fresh raw honey from our bees. We also held an Advent gathering for our tenants, with treats and live music.

In 2023, we held an Easter gathering at the Greenline building for children and a Summer Party for all tenants, and we are planning a Halloween party for children and an Advent event again. These events are receiving increased interest, not only from our staff, but also from our tenants' staff and people from the surrounding area.

The garden adjacent to the Greenline building has been landscaped and is open to the public. In the future, we plan to use the garden for a concert by popular company band Woodpeckers (70% of the band are company employees). The band is another example of a special hobby organisation that we support, which illustrates the good cohesion and cooperation among our employees even outside working hours.

Organising events for the public

The company also organises events for the general public, to offer a varied and interesting programme for visitors to the centres, while supporting local communities. One example is the "Wish Granting Tree" event, which supports mothers and children from Asylum Houses. The company organises these events every year and plans to continue this activity going forward.

Galerie Harfa

Since the beginning of its existence, a part of the roof terrace of Galerie Harfa has been reserved for the permanent exhibition of dinosaurs and their world. The exhibition is intended for children and is open all year round.

Galerie Harfa is also active in organising events that contribute to the quality of life in the area.

One of the most popular events is the Latino Party, which is held every Thursday during the summer months, in collaboration with the Dance Different school. This event allows people from the neighborhood to get acquainted with Cuban salsa and learn the basics.

Other popular events include the Summer Theatre Scene, and the winter ice skating for the public. Both take place on the Galerie's terrace.

Equal opportunities

Our company is proud of its commitment ensuring that every employee has the opportunity to grow and develop. Our employees are evaluated regularly on their performance, and career development opportunities are discussed with them. We believe that these steps contribute to the satisfaction of our employees and enhance the performance of the entire organisation.

We also focus on the **age structure** of our organisation's governing bodies. We believe that the diversity of the age composition of the governing bodies contributes to the quality of decision-making and improves the overall performance of the organisation.

61% of employees aged 30-50 years and 39% of employees aged 50 years and above serve on our company's governing bodies.

We focus on promoting diversity and inclusiveness in our recruitment. **In 2022, we recruited 76% female** and 33% male

employees, with 53% under the age of 30 years, 33% aged 30-50 and 13% aged 50+.

Employees of **Czech, Slovak and Polish nationalities work together closely** in the company. In the company's statutory bodies, there is 50%/50% representation of citizens of Czech and Slovak nationality.

All employees are allowed to associate and bargain collectively, without restrictions or discrimination.

At our office buildings and business centres, including for our employees located in Prague 1, Palladium, nám. Republiky, no restrictions are imposed. We have not yet observed the need for any collective organisation.

Our company supports efforts to respect human rights and prevent discrimination.

We are very pleased that there were no recorded cases of discrimination or human rights violations in 2022 or in any previous years.



Sustainable governance





Marek Herold

Marek joined WOOD & Co. in 2013 as Investment Director. Marek was involved in the acquisition processes of most of the assets for the real estate funds in Prague and Bratislava.

He is currently the Chairman of the company's Board of Directors and also a member of the Supervisory Board of WOOD & Company financial services, a.s.



Jiří Hrbáček

Jiří has more than 25 years of experience in corporate and investment banking, financial management and strategic advisory in private equity and commercial real estate.

Within the company's real estate funds, Jiří is responsible for strategic management, the preparation and implementation of long-term investment strategies, obtaining and evaluating new opportunities, and the development of the existing assets in the funds' portfolio.



Petr Beneš

Petr has been in the finance and investment management industry for more than 20 years.

At WOOD & Co., Petr is responsible mainly for client and business partner relationship management, and the distribution of investment products, and is also involved in the development of marketing strategies.



Peter Turner

Chairman of the Supervisory Board of the Company
since 12 December 2018



Radovan Sukup

Vice-Chairman of the Supervisory Board of the Company
since 12 December 2018



Martin Šmigura

Member of the Supervisory Board of the Company
since 12 December 2018

Responsible and ethical business conduct

We are committed to responsible and ethical business conduct and, accordingly, adhere to a code of conduct based on best practices and ethical principles when providing services to all categories of clients. Through our experienced staff, we emphasise skilled and professional services. In addition, we actively seek to educate our clients.

Precautions against conflicts of interest

To ensure responsible and ethical business practices, we have put in place measures to segregate activities and prevent conflicts of interest between employees, clients and amongst clients themselves.

Where conflicts of interest may arise, the company will take measures to protect clients, in accordance with legislation and best practices.

All services and investment instruments are subject to these measures and, where conflicts of interest cannot be avoided, clients will always be informed before any service is provided.

Employees must adhere to strict rules regarding personal loans and transactions to avoid conflicts of interest with clients or with the company, following the commencement of trading of the company's investment instruments on the regulated market, all measures related to this fact have been implemented.

Client gifts to employees must go through an approval procedure and be recorded by the Compliance Department.

Transparency and information disclosure

The company emphasises transparency and fairness in providing information to all clients.

- Regular quarterly reports on investment appreciation
- 1Q and 3Q, property valuations to RICS standards
- Regular and timely Annual Reports
- Accurate and transparent information on risk, protection, and charges
- We only charge contractually-agreed fees
- Any client comments or complaints are solved in a timely and professional manner
- Client funds or investment instruments cannot be used without client consent

Clients are advised that answering questions is voluntary and that all the information provided is confidential. Without the necessary information about the expertise, experience, financial background and investment objectives of our clients, we cannot provide investment services to them.

Risk management

Risk management is an important part of any company's activities, especially in the financial services sector.

Therefore, we have a comprehensive system in place, which includes policies, strategies and procedures for identifying, measuring, monitoring and mitigating risks.

Our risk management strategies focus primarily on the following risks:

Credit Risk, Market Risk, Counterparty Risk, Operational Risk, Liquidity Risk, Excess Leverage Risk, Concentration Risk and Outsourcing Risk.

The risk management processes take into account the quantitative and qualitative aspects

of risk. We use information systems to obtain timely and creditworthy information. In addition, the risk management function establishes procedures for setting fair values of instruments and a set of limits used in risk management, including procedures for situations where limits have been exceeded.

Control mechanisms, such as internal controls, market and price monitoring, liquidity, portfolio diversification, credit risk analysis and effective customer relationship management are set up to manage risks.

The Risk Management department is independent. The Risk Manager reports directly to the company's management. The Risk Manager assesses the materiality of each risk annually and provides monthly updates to the Management Board and the Supervisory Board.



Compliance

In all its activities, the company complies with the applicable and effective Czech and EU regulations, codes and standards, as well as best market practices.

The Compliance Department is responsible for ensuring compliance with laws and regulations, particularly, but not limited to, those relating to the provision of investment services and anti-money laundering and anti-terrorist financing measures. The department is mandated by the Board of Directors and maintains a watch list and restricted persons list, records of personal trades and instructions that have been screened for potential market manipulation ability.

In 2022, the standard Compliance agenda, which includes reviewing the company's activities for compliance with, in particular, **MiFIDII**, **MiFIDII** and downstream regulation, was expanded to include increased **AML & CFT** requirements, as a result of the war in Ukraine, as well as the implementation of the company's new obligations related to the admission of the Sub-Funds' investment shares to trading on a regulated market. Last but not least, the set of ESG-related reporting obligations has expanded, where the company is working with the entire WOOD & Co. group and external advisors.

Another important area is still the management of conflicts of interest, where Compliance works closely with Risk Management and the trading departments to maintain the maximum level of confidentiality in the handling of sensitive information and the application of principles such as need-to-know, ring-fencing, etc.

The Compliance Department's employees undergo regular training, coordinate their activities with State and public administration authorities and, in cooperation with the HR Department, conduct training for the company's relevant employees.

The department is also involved in the handling of complaints, keeps records of conflict of interest reports, and establishes and operates an ethics hotline. The company did not register any complaints for 2022 or previous years.

Anti-bribery & corruption

The company has zero tolerance for bribery and corruption by any of its employees or business partners. The company will also take the necessary precautions and promptly investigate any suspicion of bribery or corruption. See the Anti-Bribery and Corruption Policy.

The company has not experienced any violations of this policy in 2022 or in prior years.



Whistleblowing

The Board of Directors appoints a Whistleblowing Officer, who is responsible for an ethics hotline that allows other employees to report possible violations of Czech or EU law.

Areas protected by EU law include financial institutions, corporate tax, money laundering, consumer protection, transport safety, environmental protection, radiation protection, public procurement, data protection, and EU competition and public aid rules.

The Whistleblowing Officer treats all whistleblowing reports confidentially, even when made anonymously, and ensures that no punitive measures are taken against the whistleblower. Notifications can be made by email, post or in person to the Whistleblowing Officer, who must assess the validity of the notification and inform the whistleblower of the outcome within 30 days (up to 60 days in complex cases). If the notification is found to be valid, the officer will propose remedial action.

There were no cases of whistleblowing at the company in 2022 or in any previous years.





Technical appendix



Systematic description of the reporting indicators

The data in the tables represent WOOD & Company, a variable-capital investment trust, Inc.

Due to the management of the buildings by a subsidiary of WRE, data for WOOD & Company Real Estate Ltd. is also described in the social section.

The report has been prepared in accordance with the Global Reporting Initiative (GRI) methodology.

Figures have been rounded to two decimal places. Possible variations in subtotals are due to rounding.

The Lakeside Park 02 building is not included in the analysis, due to new construction. **The building acquisition process will be completed in the first quarter of 2023.**

Energy consumption for cooling is not included in the carbon footprint calculation.



Indicator	Unit	2020	2021	2022	GRI	Page
Information about the company					2-1	6
Companies included in the sustainability report					2-2	6
Reporting period		1.1.2020-31.12.2020	1.1.2021-31.12.2021	1.1.2022-31.12.2022	2-3	
Changes in reporting					2-4	
External audit		Annual Report	Annual Report	Annual Report	2-5	
Activities of the group, value chain and other business relationships within the group					2-6	6
Employees of the group					2-7	39
Management structure and its composition					2-9	45
Chairman of the governing body					2-11	45
The role of the highest governing body in setting objectives, values and strategy					2-12	7
The role of the highest legal authority on the sustainability report					2-14	7
Conflict of interests and the processes that precede it					2-15	46
Description of the Group's sustainable development and strategy					2-22	7
Group commitments					2-23	7
A description of how the Group anchors its corporate responsibility commitments					2-24	7
Processes that lead to the remediation of negative impacts caused or contributed to by the Group's business					2-25	7
Compliance with laws and regulations					2-27	47
Identification and selection of stakeholders					2-29	
Collective contacts of the Group					2-30	39
The process of defining materiality of topics					3-1	
The precautionary principle					102-11	47
Key impacts, risks and opportunities					102-15	47
GRI 201 - Economic Performance						
Managerial approach					3-3	12
Economic indicators					201-2	12

Indicator	Unit	2020	2021	2022	GRI	Page
GRI 203 - Indirect economic impacts						
Managerial approach					3-3	6
Examples of significant identified indirect economic impacts of the organisation						
The importance of indirect economic impacts in the context of external benchmarks and stakeholder priorities such as national and international standards, protocols and policy agendas					203-2	6
GRI 205 - Anti-corruption measures						
Managerial approach					3-3	
Total number and percentage of governing body members to whom the organisation's anti-corruption policies and procedures have been communicated	nr / %	0 / 0	0 / 0	6 / 100	205-2	
Total number and percentage of employees to whom the organisation's anti-corruption policies and procedures have been communicated	nr / %	0 / 0	0 / 0	15 / 100	205-2	
Communication and training on anti-corruption policies and procedures					205-2	45
Confirmed cases of corruption and action taken	nr	-	-	-	205-3	
GRI 206 - Anti-competitive behaviour						
Managerial approach					3-3	45
Legal actions for anti-competitive behaviour, antitrust and monopoly practices	nr	-	-	-	206-1	
GRI 302 - Energy						
Managerial approach					3-3	34
Total consumption of fuels from non-renewable source	MWh	24 653,63	28 078,61	16 894,19	302-1	
Types of non-renewable fuels used						
- Brown coal	GJ	-	-	-	302-1	
- Natural gas	MWh	24 653,63	28 078,61	16 894,19	302-1	
- Landfill gas	GJ	-	-	-	302-1	
Total consumption of renewable fuels	GJ	24 653,63	28 078,61	16 894,19	302-1	

Indicator	Unit	2020	2021	2022	GRI	Page
Types of renewable fuels used					302-1	
- Biogas	GJ	-	-	-	302-1	
- Biomass	GJ	-	-	-	302-1	
Electricity consumption within the company	MWh	44 555,16	55 448,79	61 458,67	302-1	
Heat consumption within the company	MWh	11 747,81	15 477,94	13 434,42	302-1	
Cold consumption within the company	MWh	5 411,45	7 214,09	5 777,16	302-1	
Steam consumption within the company	GJ	-	-	-	302-1	
Amount of electricity sold	GJ	-	-	-	302-1	
Amount of heat sold	GJ	-	-	-	302-1	
Amount of cold sold	GJ	-	-	-	302-1	
Amount of steam sold	GJ	-	-	-	302-1	
Rate of reduction in energy consumption achieved as a direct result of savings and saving initiatives					302-4	34
GRI 303 - Water Management						
Managerial approach					3-3	32
Interaction with water as a shared resource					303-1	32
Management of impacts related to water discharges					303-2	32
Groundwater extraction	m ³	-	-	-	303-3	
Extraction of produced water	m ³	-	-	-	303-3	
Water taken from the supplier	m ³	161 233	135 379	189 250	303-3	
Surface water extraction	m ³	-	-	-	303-3	
Total water abstraction	m ³	161 233	135 379	189 250	303-3	
Water extracted in water-stressed areas	m ³	-	-	-	303-3	
Discharged water	m ³	72 718	63 081	87 834,61	303-4	
Discharged water in water-scarce areas	m ³	-	-	-	303-4	
Number of non-compliance with water discharge limits	nr	-	-	-	303-4	
Total water consumption	m ³	72 718	63 081	87 834,61	303-5	
Total water use from water-stressed areas	m ³	-	-	-	303-5	
GRI 304 - Biodiversity						
Managerial approach					3-3	35
Operations in protected areas					304-1	35

Indicator	Unit	2020	2021	2022	GRI	Page
Protected or restored areas					304-3	35
GRI 305 Emissions						
Managerial approach					3-3	30
Long-term and short-term strategies to reduce emissions					305-1	30
Scope 1						
Gross direct emissions of greenhouse gases	tCO ₂ e	4 930,73	5 615,72	3 378,84	305-1	
Scope 2						
Gross indirect greenhouse gas emissions	tCO ₂ e	17 744,75	18 948,51	19 564,86	305-2	
Greenhouse gas emission intensity per area	tCO ₂ / m ²	0,52	0,54	0,58	305-4	
Reducing greenhouse gas emissions as a direct result of emission reduction initiatives					305-5	
Emise NOx	t	-	-	-	305-7	
Emise SO2	t	-	-	-	305-7	
Emise Hg	kg	-	-	-	305-7	
Emise TZL	t	-	-	-	305-7	
Emise CO	t	-	-	-	305-7	
Amount of waste produced	t	2 025,94	6 229,83	2 560,18	306-3	
- From that hazardous waste	t	30,24	40,09	45,114	306-3	
- From that other waste	t	1 995,70	6 199,6	2 529,94	306-3	
SICAV						
GRI 401 – Hiring new employees and employee turnover						
Managerial approach					3-3	39
Total number of newly hired employees	nr	3	3	5	401-1	
- Of this, the no. of men, women	nr	0-3	2, 1	2-3	401-1	
- Of this, under the age of 30 / between 30-50 years/ over 50 years	nr	3-0-0	3-0-0	3-1-1	401-1	
Total no. and turnover rate of employees during the reporting period	%	13	0	0	401-1	
Total no. of employees, who were entitled to maternity / parental leave	nr	-	-	-	401-1	
- Of this, the no. of men, women	nr	-	-	-	401-1	

Indicator	Unit	2020	2021	2022	GRI	Page
GRI 401 – Hiring new employees and employee turnover						
Managerial approach					3-3	39
Total number of newly-hired employees	nr	3	3	5	401-1	
- Of this, the no. of men, women	nr	0-3	2-1	2-3	401-1	
- Of this, under the age of 30/ between 30-50 years/ over 50 years	nr	3-0-0	3-0-0	3-1-1	401-1	
The total number and turnover rate of employees during the reporting period	%	13	0	0	401-1	
Total number of employees who were entitled to maternity/parental leave						
- Of this, the no. of men, women	nr	-	-	-	401-1	
Total number of employees who went on maternity/parental leave						
- Of this, the no. of men, women	nr	-	-	-	401-1	
Total no. of employees who returned from maternity / paternal leave						
- Of this, the no. of men, women	nr	-	-	-	401-1	
GRI 403 – Health and Safety						
Managerial approach					3-3	37
Workers health protection system					403-1	37
The scope of workers, activities and workplaces covered by the occupational health and safety management system. A description of whether any workers, activities and workplaces are eliminated					403-2	37
A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to set up a management system to eliminate and minimise risks					403-2	37

Indicator	Unit	2020	2021	2022	GRI	Page
How the group ensures the quality of these processes, including the competence of the people who carry them out					403-2	37
A method of healthcare that contributes to the elimination of hazards or the minimisation of risks, ensuring the quality of this care and facilitating access to it for employees					403-3	37
Description of the possibilities of involving employees and supplier workers in OSH topics					403-4	37
Description of occupational health and safety training provided to employees, including general training and training on specific work-related hazards, hazardous activities or hazardous situations					403-5	37
A measure of the extent of health and safety coverage in an organisation	%	100	100	100	403-8	
Number of deaths due to occupational injury	nr	0	0	0	403-9	
Number of deaths due to occupational injuries	nr	0	0	0	403-9	
Number of high impact accidents (excluding fatalities)	nr	0	0	0	403-9	
Rate of occupational accidents with major consequences (excl. fatalities)	nr	0	0	0	403-9	
The number of recorded occupational accidents	nr	0	0	0	403-9	
Injury rate (LTIFR)	nr				403-9	
Number of hours worked	nr	9 754,00	9 928,50	8 278,25	403-9	
How the hazards were determined to be a risk, with possible major consequences					403-9	37
What measures have been taken to minimise risks in the workplace using the hierarchy of controls					403-9	37

Indicator	Unit	2020	2021	2022	GRI	Page
Number of deaths due to work-related diseases	nr	0	0	0	403-10	
Number of recordable work-related illnesses	nr	-	-	-	403-10	
Work-related hazards that pose a risk of harm to health as determined					403-10	37
Whether and, if so, why any workers have been excluded from this disclosure, including the types of workers excluded					403-10	37
GRI 404 – Training and education						
Managerial approach					3-3	39
The average number of hours spent by employees on training, of which:					404-1	39
i. Average number of hours (men/women)	hrs	40 men 25 women	37 men 23 women	30 men 30 women	404-1	
ii. Average number of hours by category	hrs	TOP Mgmt - 15 Specialists - 25 other employees - 25	TOP Mgmt - 14 Specialists - 23 other employees - 28	TOP Mgmt - 7,5 Specialists - 30 other employees - 22,5	404-1	
The type and scope of implemented programmes and the assistance provided in improving the qualifications of employees					404-2	39
Employees who are regularly performance-evaluated and have a career development plan	%	100	100	100	404-3	
Of this, the no. of women	%	42	38	50	404-3	
Of this, the no. of men	%	58	62	50	404-3	
Of which % for individual categories of employees	%	Specialists: 80 men, 20 women, other empl.: 20 men, 80 women	Specialists: 80 men, 20 women, other empl.: 33 men, 67 women	Specialists: 62,5 men, 37,5 women other empl.: 17 men, 83 women	404-3	
TOP Management	%	100 men 0 women	100 men 0 women	100 men 0 women	404-3	
GRI 405 – Diversity						
Managerial approach					3-3	42
Percentage of women in administrative bodies (excl. supervisory boards)*	%	-	-	-	405-1	

Indicator	Unit	2020	2021	2022	GRI	Page
Percentage of men in administrative bodies (excl. supervisory boards)	%	100	100	100	405-1	
Percentage of people under the age of 30 in the administrative bodies (excl. supervisory boards)	%	-	-	-	405-1	
Percentage of people aged 30-50 in the administrative bodies (excl. supervisory boards)	%	83	83	83	405-1	
Percentage of people over the age of 50 in the administrative bodies (excl. supervisory boards)*	%	17	17	17	405-1	
Total number of employees	nr	11	12	15	405-1	
GRI 406 – Anti-discrimination measures						
Managerial approach					3-3	42
Total number of incidents of discrimination during the reporting period	nr	0	0	0	406-1	
Remedial measures taken against discrimination					406-1	42
Establishments and suppliers where the right to freedom of association and collective bargaining may be at risk	nr	-	-	-	407-1	
GRI 413 – Local communities						
Managerial approach					3-3	41
GRI 414 – Suppliers						
Managerial approach					3-3	46
WRE						
GRI 401 – Hiring new employees and employee turnover						
Managerial approach					3-3	39
Total number of newly hired employees	nr	5	12	10	401-1	
- Of this, the no. of men, women	nr	2-3	4-8	3-7	401-1	
- Of this, under the age of 30/ between 30-50 years/ over 50 years	nr	4-0-1	4-6-2	5,4,1	401-1	
The total number and turnover rate of employees during the reporting period	%	1, 13	1, 7	2, 11	401-1	

Indicator	Unit	2020	2021	2022	GRI	Page
Total number of employees who were entitled to maternity/parental leave	nr	1	2	2	401-1	
- Of this, the no. of women, men	nr	1-0	2-0	2-0	401-1	
Total number of employees who went on maternity/parental leave	nr	1	2	2	401-1	
- Of this, the no. of men, women	nr	0-1	0-2	0-2	401-1	
The total number of employees who returned from maternity / parental leave during the reporting period	nr	-	-	-	401-1	
GRI 403 – Safety and Health protection						
Managerial approach					3-3	37
Workers' health protection system					403-1	37
The scope of workers, activities and workplaces covered by the occupational health and safety management system. A description of whether any workers, activities and workplaces are eliminated					403-2	37
A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to set up a management system to eliminate and minimise risks					403-2	37
How the group ensures the quality of these processes, including the competence of the people who carry them out					403-2	37
A method of healthcare that contributes to the elimination of hazards or the minimisation of risks, ensuring the quality of this care and facilitating access to it for employees					403-3	37
Description of the possibilities of involving employees and supplier workers in H&S topics					403-4	37

Indicator	Unit	2020	2021	2022	GRI	Page
Health and safety training provided to employees, including general training, and training on specific work-related hazards					403-5	37
Extent of coverage of Health and Safety	%	100%	100%	100%	403-8	
Number of deaths due to occupational injury	nr	0	0	0	403-9	
Rate of death due to occupational injury	nr	0	0	0	403-9	
Number of high impact accidents	nr	0	0	0	403-9	
Rate of occupational accidents with major consequences (excl. fatalities)	nr	0	0	0	403-9	
The number of recorded occupational accidents	nr	0	0	0	403-9	
Injury rate (LTIFR)	nr	0	0	0	403-9	
Number of hours worked	hrs	7 719,75	15 325,00	24 907,00	403-9	
How were the hazards determined to be a risk, with possible major consequences					403-9	37
What measures have been taken to minimise the risks in the workplace using the hierarchy of controls					403-9	37
Number of deaths due to work related diseases	nr	-	-	-	403-10	
Number of recordable work-related illnesses	nr	-	-	-	403-10	
Work related hazards that pose a risk of harm to health as determined					403-10	39
Whether and, if so, why any workers were excluded from this disclosure, incl. the types of workers excluded					403-10	39
GRI 404 – Training and Education						
Managerial approach					3-3	39

Indicator	Unit	2020	2021	2022	GRI	Page
Average hours spent on training & education, out of which:	hrs	60	60	60	404-1	
i. Average hours (women / men)	hrs	46 women 14 men	44 women 16 men	42 women 18 men	404-1	
ii. Average hours by category	hrs	5 TOP Mgmt 37 Specialists 18 other empl.	3 TOP Mgmt 39 Specialists 18 other empl.	2 TOP Mgmt 38 Specialists 20 other empl.	404-1	
The type and scope of implemented programmes and the assistance provided in improving qualifications					404-2	
Employees who are regularly performance-validated and have a career development plan	%	100	100	100	404-3	
Women	%	42	38	50	404-3	
Men	%	58	62	50	404-3	
By categories - other empl. (men/women)	%	20 men 80 women	33 men 67 women	17 men 83 women	404-3	
TOP Management (men / women)	%	100 men 0 women	100 men 0 women	100 men 0 women	404-3	
Specialists (men /women)	%	80 men 20 women	80 men 20 women	62,5 men 37,5 women		
GRI 405 – Diversity						
Managerial approach					3-3	42
Women in statutory bodies (excl. supervisory board)	%	-	-	-	405-1	
Men in statutory bodies (excl. supervisory board)	%	100	100	100	405-1	
Employees below 30 years in statutory bodies (excl. supervisory board)	%	-	-	-	405-1	
Employees aged 30-50 years in statutory bodies (excl. supervisory board)	%	77	74	70	405-1	
Employees over 50 years old in statutory bodies (excl. supervisory board)	%	50	50	50	405-1	

Indicator	Unit	2020	2021	2022	GRI	Page
Employees under the age of 30 years	%	33	30	41	405-1	
Employees between the ages of 30-50 years	%	42	55	41	405-1	
Employees over 50 years	%	25	15	17	405-1	
Total no. of employees	nr	12	20	29	405-1	
GRI 406 – Anti-discrimination						
Managerial approach					3-3	42
Total number of cases of discrimination during the reporting period	nr	0	0	0	406-1	
Corrective measures taken against discrimination					406-1	42
Operations and suppliers where the right to freedom of association and collective bargaining may be threatened	nr	-	-	-	407-1	
GRI 413 – Local Communities						
Managerial approach					3-3	41
GRI 414 – Suppliers						
Managerial approach					3-3	46



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