

# Sustainability policy and Corporate Social Responsibility

## Principles and purpose

To Cibus, sustainability means conducting business in such way that it contributes to improvements for individuals, the environment and society. Cibus business shall align with the ten principles of UN Global Compact, UN Guiding principles on Business and Human Rights, as well as international bill of human rights which consist of international conventions of human rights and labor rights, the Rio declaration on Environment and development and the UN convention against corruption. These principles reflect Cibus' views on human rights, working conditions, the environment and the fight against corruption. Thus, Cibus has zero tolerance to all forms of corruption, extortion, and bribery (see also 7 Code of Conduct). Nor does Cibus participate in any assignments or projects in areas where there is a clear risk that Cibus or its customers may violate one or more of the principles stated above.

The purpose of this policy (together with other Cibus sustainability related policies such as 7. Code of Conduct, 8. Whistleblower Policy, 10. Environmental policy, 11. Green Procurement Policy, along with a few other policies) is to clarify these principles and ensure that Cibus material impacts, risks and opportunities related to sustainability are identified and managed.

## UN Global Compact | The ten principles

### Human Rights

Companies shall support and respect the protection of internationally recognized proclaimed human rights

Make sure they do not commit themselves to human rights violations.

Companies will ensure that freedom of association is maintained and support the right to collective agreements.

Abolish all forms of forced labor, including trafficking in human beings.

Abolish child labor.

Comply with the principle of non-discrimination in employment and in the workplace.

### Environment

Companies should promote the precautionary principle for environmental challenges.

Take the initiative to promote a greater environment.

Encourage the development and dissemination of environmentally friendly technologies.

### Combating corruption

Companies will fight corruption in all forms, including extortion and bribery.

## Stakeholder engagement

Our stakeholders are individuals, groups of individuals and organizations that can affect Cibus' business operations and/or may be affected by Cibus' operations, activities and decisions.

We strive to meet our stakeholders with high professionalism, respect and in accordance with our Code of Conduct in all our business operations. As stakeholder engagement takes place in various forms and arenas; consequently, the issues appearing from our interaction and engagement with our stakeholders vary by their scope and timely aspect.

The primary goal of stakeholder engagement is to build transparent, trust-based relationships. Furthermore, stakeholder involvement and co-operation have an important role in sustainable and effective real estate portfolio management. Consequently, Cibus business also align with our stakeholders' insights and interests. We engage with our stakeholders in a variety of settings, primary means of engagement are illustrated in the table below.

Stakeholder group	Key means of engagement	Frequency of engagement
<b>Employees</b>	Performance and career reviews	Annually
	Internal communication and meetings	On-going
	Orientation and training	When necessary
<b>Investors</b>	Annual General Meeting	Annually
	Formal reporting	Quarterly
	Ad-hoc reporting	When necessary
<b>Tenants</b>	Tenant meetings	Periodically
	Communication	On-going
	Sustainability projects	When necessary
<b>Business partners and service providers (external PM)</b>	Contractual sustainability criteria	On-going
	Sustainability projects	When necessary
	Reporting and feedback	Quarterly
	Participation EPRA	Annually
<b>Industry associations</b>	Active membership	On-going
	Events and seminars	On-going
	Reporting	Annually (EPRA)
<b>Environment</b>	Via scientific reports	On-going
<b>Workers in the value chain</b>	Via 3 <sup>rd</sup> parties and suppliers	Annually, part of procurement process
	Via tenants	Annually, via sustainability meetings
<b>Local communities</b>	Via tenants	Annually via sustainability meeting
<b>End-consumers</b>	Via tenants	Annually via sustainability meetings

## Responsible business and business conduct

(This section should be read in conjunction with other sustainability policies such as Code of Conduct, Environmental Policy and the section on Social Responsibility below).

Cibus is committed to a responsible business and staying compliant and ahead of regulatory requirements which is aligned with the interests of our stakeholders.

All business opportunities that meet one, or more, of the following criteria must undergo a sustainability survey before Cibus can proceed with a business process.

### Criteria:

- There is reason to believe that project-related activities in areas where Cibus may affect one, or more, of the ten principles of the UN Global Compact or related principles.
- Some kind of sanction has been introduced by the world community (UN, EU, EFTA, Financial Supervisory Authority) against the counterparty in the project.
- There is a risk of public criticism, involvement of voluntary organizations, riots, civil disobedience, criminal activity (organized or otherwise) or other unwelcome attention or action that may delay or prevent the mission or project from being implemented as planned.

Cibus is also driven by the conviction that the company, in its decisions on the property portfolio, can contribute to social and environmental development throughout the value chain. If Cibus does not own a decision regarding its properties due to laws and leases, there are efficient business conduct practices the company can use. Cibus ambition is to stimulate sustainable development among tenants and suppliers as well as local communities for the long-term profit trend for our shareholders.

#### **Practices in Cibus operations:**

##### **Acquisition process**

During the due diligence phase, social and environmental sustainability issues are assessed. Based on due diligence findings, an asset with major sustainability risks may be excluded from the transaction. On the other hand, poorly managed sustainability risks can offer value creation potential through improvements in sustainability performance. Any material findings are documented in the investment proposal and dealt with in the purchase agreement where applicable.

##### **Investment management**

Encouragement and stimulation can push tenants and suppliers to adopt sustainable practices. Cibus engagement with tenants via regular sustainability discussions enables mutual projects which result in social and/or environmental improvements.

##### **Procurement**

To achieve transparency and accountability in the supply chain Cibus shall conduct a solid procurement process where outsourcing partners' and suppliers' sustainability impacts are assessed regularly in relation to Cibus sustainability principles and policies. They will be treated equally and prioritized based on how they support Cibus ambition to reduce environmental footprint and support social sustainability and Cibus requirements in Business conduct.

Cibus guiding about the company's ambition level and prioritizations on social and environmental aspects and business conduct can improve practices of outsourcing partners and suppliers. The Green Procurement Policy is our environmental guidance for outsourcing partners and suppliers.

##### **Promoting a corporate culture**

Cibus core values commitment, responsibility and enjoyment characterize the corporate culture. Mandatory employee training in external and internal regulations including sustainability policies should be conducted regularly. Corporate culture should be addressed at least annually by the Board of Directors.

The company's sustainability initiatives are headed by the management. Nonetheless, all employees take part in different areas of sustainability under management lead. Sustainability issues in assets are discussed and followed up in the performance meetings with the tenants and the CIO. Cibus reports sustainability according to the European Public Real Estate Association (EPRA) Sustainability Performance Measure on a yearly basis in the Annual Report.

## Social aspects

Cibus cares for its stakeholders and is committed to align its business to relevant human rights principles (see "Principles" above) and to create value for colleagues, tenants, end-users, suppliers, investors, and other stakeholders. Ensuring long-term social benefits go beyond Cibus' properties and operations.

## Employees

(See also 12.Diversity Policy)

Cibus is committed to ensuring attractive and equal-opportunity workplaces. To support the wellbeing of its employees, Cibus shall offer adequate wages and fair treatment including work-life balance and a healthy work environment. Processes include engagement with employees via regular employee surveys, performance and career reviews as well as internal communication and meetings. Performance is monitored via relevant KPIs.

## Workers in the supply chain

Suppliers and their products must be assessed in relation to Cibus sustainability principles and policies, ensuring that they and their products are assessed based on possible violations of human rights such as discrimination, living conditions and slavery, as well as labour conditions, including people's health and safety, minimum wages, working hours, right to join a trade union and child labour.

## Local communities

Cibus grocery and daily-goods stores operated by leading chains secures access to food stores and services in districts and smaller towns. The properties constitute living local communities and meeting places for people. These communities are impacted by Cibus investments as well as employment via tenants and the need for maintenance on buildings. A responsible handling of these aspects will be considered in Cibus acquisition process and in its dialogue with tenants.

## End-users and consumers

For the safety and health of customers and other end-users of Cibus properties, Cibus must maintain a high standard of its properties. Regular maintenance and cooperation with tenants shall ensure marketplaces where people can meet safely.

## Applicability and process to monitor

Cibus CEO is responsible for implementing this policy. The Board of Directors is responsible for monitoring actions and progress in relation to policy objectives and targets. Cibus promotes transparency in communicating with shareholders, tenants and other stakeholders, and keep this policy available at its website [www.cibusnordic.com](http://www.cibusnordic.com). Annually the progress will be reported in Cibus sustainability report.

## Membership and network

Cibus will continue to take part in European Public Real Estate Association (EPRA) Sustainability Performance Measure where the goal will be to continuously improve.