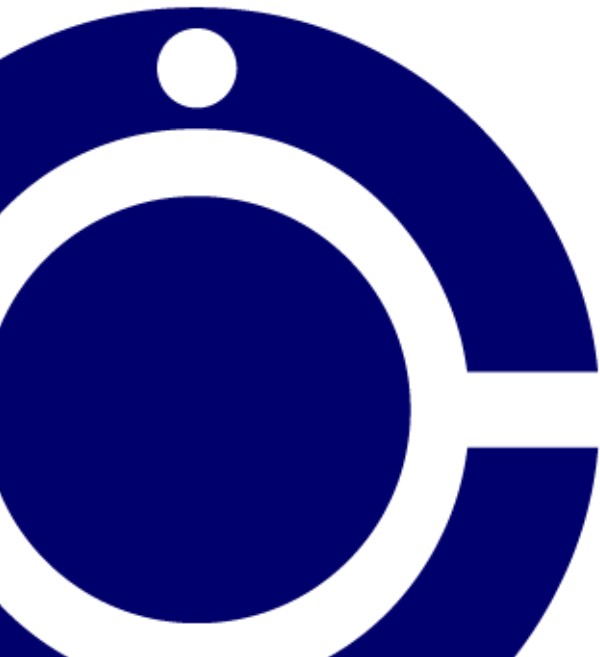


# RoundShield

## **2024 Sustainability Report**

*Issued June 2025*





## Statement from our Sustainability Committee

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2024 marked a significant evolution in RoundShield’s responsible investment journey. Building on the foundation of previous years, we made meaningful progress across key areas of our ESG programme, particularly in the quality and depth of data collected from Fund V Borrowers. This enhanced data enabled us to expand our disclosures at both the portfolio company and real estate asset levels, representing a major step forward.

Two milestones highlight this year’s advancements; the publication of our first TCFD-aligned report, and the disclosure of portfolio-level GHG emissions data. These achievements underscore our commitment to integrating climate-related risk and opportunity analysis into our investment decision-making.

At the heart of our approach is a belief that strong ESG integration enhances risk management, value creation, and long-term performance - core to our fiduciary duty. Looking ahead, we remain focused on continuous improvement, transparent reporting, and meaningful engagement with our Borrowers to deliver long-term, sustainable outcomes. ”



## ROUNDSHIELD ESG TARGET UPDATES

In every Sustainability Report, RoundShield has set itself targets at both the portfolio and corporate level. RoundShield's progress on its current ESG targets is shown below: ■ Complete ■ Ongoing ■ Paused

Review all Borrower ESG policies, ensuring alignment with RoundShield's expectations (2021 ESG Report)	All Borrower ESG policies have been reviewed with 73% of these policies meeting RoundShield's expectations, in line with 2023. RoundShield will continue engaging Borrowers to ensure their ESG Policies are aligned with RoundShield's expectations and industry leading practice.
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Work with Borrowers to ensure long-term ESG plans are in place (2021 ESG Report)	100% of Borrowers were issued with a tailored Borrower Improvement plan, which included short, medium and long-term plans relating to material ESG factors.
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100% Borrower disclosure across Scope 1 and 2 GHG Emissions (2023 ESG Report)	There was improvement in the disclosure of Scope 1, 2 and 3 GHG Emissions, with strong performance amongst Fund V Borrowers. However, this remains below the 100% coverage RoundShield is aiming for across all portfolios.
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100% of assets reporting on their EPC Ratings (2022 and 2023 ESG Report)	EPC ratings were not reported for all real estate assets; however, the number of assets reported on continues to be strong across all funds. RoundShield will continue focusing on improving disclosure levels and overall EPC performance amongst Borrowers.
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Increase the number of assets with BREEAM (or equivalent) certification (2023 ESG Report)	RoundShield is happy that the number of real estate assets reporting BREEAM certification substantially increased, whilst multiple borrowers made commitments to investigating the applicability of BREEAM. Furthermore, 79 real estate assets were covered by certification alternative to BREEAM, which better reflected the nature of the real estate assets. However, the overall percentage of the portfolio which has such certification remains small percentage of the overall portfolio and RoundShield will continue to engage Borrowers on this topic.
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<p>Have all Borrowers report on their board diversity and gender pay gap statistics (2022 ESG Report)</p>	<p>89% of Fund V Borrowers and 83% of Fund IV and ISH New Build reported on their board diversity statistics. 44% Fund V Borrowers and 17% of Fund IV and ISH New Build Borrowers also reported on their gender pay gap statistics. RoundShield recognises that further progress is needed on this disclosure and will continue encouraging Borrowers to report this information.</p>
<p>100% of Borrowers implement a Diversity &amp; Inclusion Policy</p>	<p>RoundShield has not yet reached 100% of Borrowers implementing a Diversity &amp; Inclusion Policy. The number of Borrowers with such policies also declined, as one Borrower was in the process of updating their policy. However, RoundShield is encouraged that two Borrowers are committed to implementing Diversity and Inclusion Policies and will continue engaging remaining Borrowers on this topic.</p>
<p>Increase the number of assets disclosing their energy consumption, and breakdown of consumption from renewable vs non-renewable resources (2023 ESG Report)</p>	<p>RoundShield is satisfied with the improvements that Fund V Borrowers have made in terms of disclosing their breakdown of renewable vs non-renewable energy consumption. However, more progress can be made on disclosing energy consumption figures, and RoundShield's engagement efforts will be focused on this.</p>
<p>Consider engaging a carbon footprinting firm (2021 ESG Report)</p>	<p>RoundShield chose not to engage a carbon footprinting firm to measure corporate-level GHG Emissions. Instead, RoundShield internally calculated its Scope 1, 2, 3 (excluding investments) GHG Emissions, which were reviewed and verified by our external ESG consultancy.</p>
<p>Continue our efforts in advancing Diversity &amp; Inclusion in the wider Private Market Industry through the ILPA, Level 20, and 100 Women in Finance (2021 ESG Report)</p>	<p>RoundShield is committed to promoting a diverse and inclusive culture that encourages employees to grow professionally. RoundShield is a supporter of Level 20, a not-for-profit organisation established to inspire women to join and succeed in the private equity industry.</p> <p>We also support 100 Women in Finance an organisation committed to empowering women in finance to achieve their professional potential at every stage of their career. Our firm's engagement with these activities is led by our internal Level 20 Ambassador and 100 Women in Finance member, Hayley Stewart.</p>



## ROUNDSHIELD RESPONSIBLE INVESTMENT AND CORPORATE SUSTAINABILITY IMPROVEMENTS

In addition to progressing on our ESG targets, RoundShield continued strengthening its responsible investment and corporate sustainability practices, and would like to highlight the following achievements from 2024-2025:

- Expanded our Sustainability Committee to include senior leaders from other key functions (Risk, Business Development, and Human Resources).
- Updated our pre-investment report to include a dedicated section for the assessment of human rights within the pre-investment due diligence process.
- Created a shortened ESG questionnaire to be used by the investment team during the pre-investment due diligence process.
- Improved upon our PRI and GRESB scores, whilst participating in GRESB's Lender Roundtable, and contributing to the creation of a GRESB reporting standard tailored for debt providers.
- Created and distributed tailored Borrower Improvement Plans focused on supporting each Borrower with identifying and implementing actions around material ESG topics.
- Included responsible investment considerations as part of our annual employee appraisal process, thereby further strengthening the link between responsible investment and remuneration.
- Calculated our internal Scope 1, 2 and 3 GHG Emissions (excluding investments) and having them verified by our external ESG consultant.
- Completed our first iteration of Article 8 SFDR periodic reporting for RS Fund V.
- Completed our inaugural Taskforce on Climate-related Financial Disclosures ("TCFD")<sup>1</sup> report, including disclosure of portfolio GHG Emissions, as part of the 2024 Annual ESG Report (see appendix for more information).

These achievements will be discussed in further detail throughout the report.

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<sup>1</sup> As of 2024, the TCFD framework has been subsumed into the ISSB (International Sustainability Standards Board). ISSB aims to build upon the TCFD's work, incorporating its recommendations into its own sustainability reporting standards. However, RoundShield believes TCFD remains the most commonly referenced climate-related reporting framework in the asset management space and therefore has chosen to align its ESG Report with TCFD's recommended disclosures.



## Responsible Investment at RoundShield

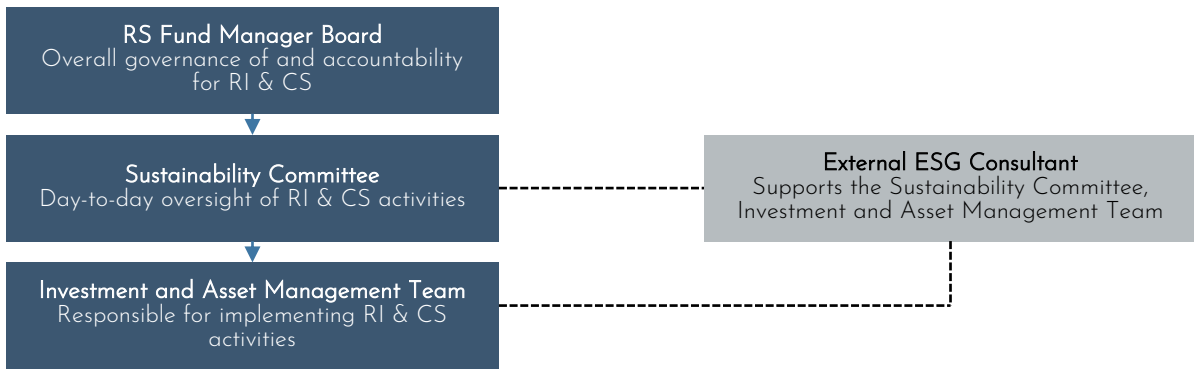
The implementation of our Responsible Investment approach is a key consideration within RoundShield’s overall investment process. We believe that assessing and integrating financially material ESG factors is critical for identifying the most attractive investment opportunities, as well as comprehensively monitoring our current investments. It is our fiduciary duty to act in the best interests of our clients, and we believe meeting this duty requires the careful consideration of how ESG factors can be a source of value and risk management.

RoundShield’s full Responsible Investment approach is described in our ESG Policy, which is available on the [Firm’s website](#).

### RESPONSIBLE INVESTMENT OVERSIGHT

RoundShield’s governance structure ensures that our Responsible Investment policies, processes, and practices have senior-level oversight. This structure is shown below, with each body’s roles and responsibilities expanded further.

Figure 1 - RoundShield’s Responsible Investment Governance Structure



### RS FUND MANAGER BOARD

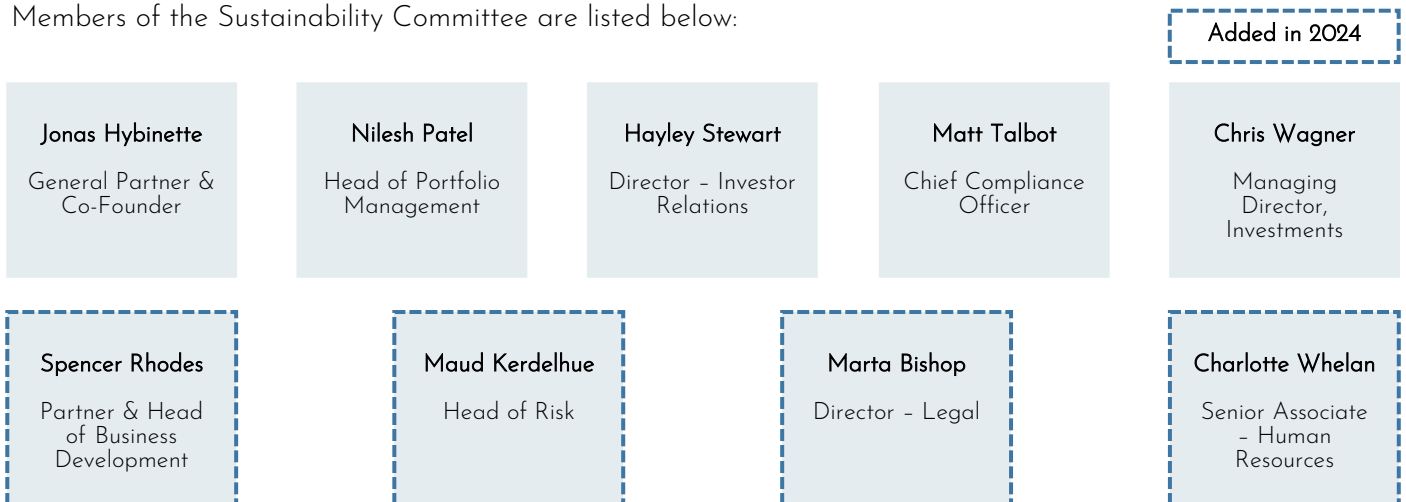
The RS Fund Manager Limited Board has ultimate oversight over the Firm’s Responsible Investment process, including matters related to specific ESG issues such as climate change.

### ROUNDSHIELD’S SUSTAINABILITY COMMITTEE

RoundShield’s Sustainability Committee is responsible for the day-to-day oversight of our Responsible Investment and Corporate Sustainability activities. It is comprised of senior leaders from our Investment, Investor Relations, Compliance, Risk, Portfolio Management and Human Resources teams.

In 2024, the Sustainability Committee saw the addition of four new members, reflecting senior-level buy-in across a broader set of functions, including Risk, Business Development, and Human Resources. This expanded representation brings a wider range of perspectives to the table, enhancing the committee’s ability to effectively oversee and advance RoundShield’s Responsible Investment and Corporate Sustainability practices.

Members of the Sustainability Committee are listed below:





The Sustainability Committee is scheduled to meet on a biannual basis, but at times may meet on an ad-hoc basis should any pressing ESG-related concerns arise.

In 2024, the Sustainability Committee met twice. Key outcomes of the Sustainability Committee meeting included approving changes to our ESG Policy and pre-investment framework.

### ROUNDSHIELD'S INVESTMENT TEAM AND ASSET MANAGEMENT TEAM

RoundShield's Investment and Asset Management Team is responsible for the day-to-day implementation of RoundShield's Responsible Investment framework and receives an annual training session on this process.

In 2024, RoundShield also updated its employee evaluation and appraisal forms to include an assessment on the degree to which employees were meeting their responsibilities outlined in RoundShield's Responsible Investment policies. By integrating Responsible Investment practices into employee appraisal and remuneration decisions, RoundShield is demonstrating a strong and ongoing commitment to the effective implementation of Responsible Investment.

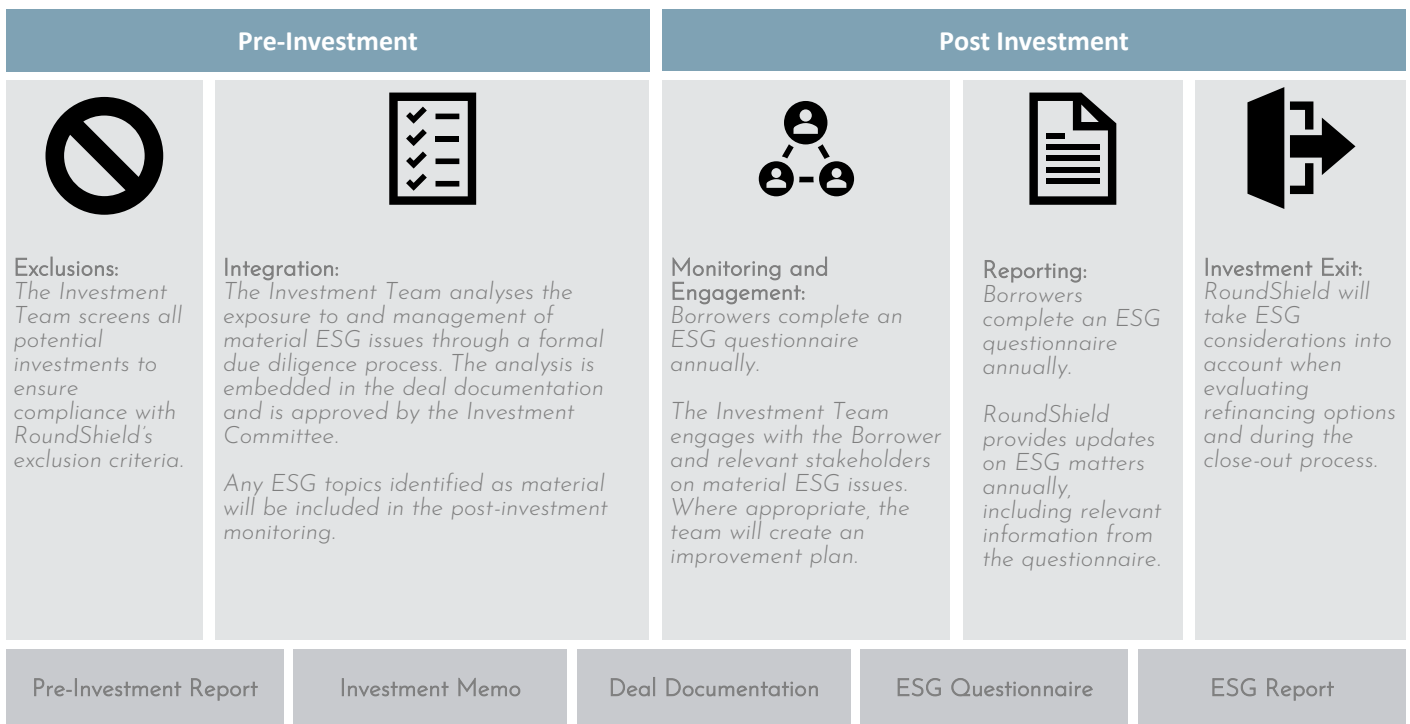
### ROUNDSHIELD'S EXTERNAL CONSULTANT

In 2024, we continued our relationship with Responsible Investment & Corporate Sustainability consultant, NorthPeak Advisory,<sup>2</sup> who provides Responsible Investment-related support for the Sustainability Committee and the Investment Team.

### RESPONSIBLE INVESTMENT PROCESS OVERVIEW

RoundShield's Responsible Investment process comprises the following elements, spanning pre- and post-investment considerations:

Figure 2 - Overview of RoundShield's Responsible Investment Process



### PRE-INVESTMENT

Prior to all investments, the Investment Team is required to complete a pre-investment report to support the evaluation of each potential investment on its relevant ESG characteristics.

<sup>2</sup> NorthPeak Advisory is an ESG advisory firm specialising in supporting alternative asset managers with integrating ESG and Responsible Investment into their investment activity. See the [NorthPeak Advisory](https://www.northpeakadvisory.com) website for additional details.



## Exclusions

The Investment Team undertakes a high-level screening / sourcing to determine whether a potential Borrower is directly involved in any of the following activities:

- Any illegal activity, including human rights violations;
- The production of tobacco and related products;
- Pornography;
- The financing of the production of and trade in weapons and ammunition of any kind; and
- Businesses that derive more than 10% of revenue from the extraction of fossil fuels.

The exclusions reflect a combination of RoundShield’s values and an assessment of risk. For example, the exclusion of businesses with more than of 10% revenue from extracting fossil fuels limits exposure to high emitting businesses that may have heightened exposed to climate-related transition risks.

RoundShield requires all Borrowers to annually attest that they are not in breach of this criteria. In 2024-2025, no new investments nor existing Borrowers were found to be in breach of these exclusions.

## ESG INTEGRATION

The analysis and integration of financially material ESG factors forms the bedrock of RoundShield’s Responsible Investment process. The identification of ESG issues is based on their materiality to each specific deal, primarily determined by the Borrower’s sector and supplemented by the analysts’ own expertise in ESG matters.

To support analysts in their assessment of ESG factors, RoundShield developed a proprietary materiality map. This map combines leading industry materiality maps, such as the Sustainability Accounting Standards Board (SASB), MSCI and International Capital Markets Association (ICMA). It is also aligned with RoundShield’s internal definition of materiality. For example, as a debt provider, RoundShield has deemed 'Governance' to be universally material across all investments.

Figure 3 - Example of RoundShield’s Pre-Investment Materiality Map

RoundShield Pre-Investment Materiality Map	
Company Name	
Company Sector (GICS Level 1)	Real Estate
Company Industry Group (GICS Level 2)	Real Estate
Company Industry (GICS Level 3)	Real Estate Management & Development
Company Sub-Industry (GICS Level 4)	Diversified Real Estate Activities
ESG Factor	Materiality
Carbon Emissions	Medium
Climate Change Vulnerability	High
Financing Environmental Impact	Medium
Product Carbon Footprint	Medium
Biodiversity	Not Relevant
Raw Material Sourcing	Not Relevant
Water Stress	Medium
Electronic Waste	Not Relevant
Packaging Material & Waste	Not Relevant
Toxic Emissions & Waste	Not Relevant
Opportunities in Clean Tech	Not Relevant
Opportunities in Green Building	High
Opportunities in Renewable Energy	Medium
Health & Safety	Medium
Human Capital Development	Medium
Labor Management	Not Relevant
Supply Chain Labor Standards	Not Relevant
Chemical Safety	Not Relevant
Consumer Financial Protection	Not Relevant
Insuring Health & Demographic Risk	Not Relevant
Privacy & Data Security	Not Relevant
Product Safety & Quality	Medium
Responsible Investment	Not Relevant
Community Relations	Not Relevant
Controversial Sourcing	Not Relevant
Access to Communications	Not Relevant
Access to Finance	Not Relevant
Access to Health Care	Not Relevant
Opportunities in Nutrition & Health	Not Relevant
Governance	High



## Pre-Investment ESG Questionnaire

In 2024, RoundShield created a shortened version of its annual ESG Questionnaire to be used as part of pre-investment due diligence. This supports RoundShield with obtaining quantitative datapoints prior to investment that can be used to assess the potential Borrower’s exposure to and management of material ESG risks.

Additionally, the responses provide insight into the potential Borrower’s capacity and willingness to supply ESG-related data on an ongoing basis. This, in turn, informs RoundShield’s approach to ESG engagement post-investment. RoundShield can tailor its monitoring efforts and focus discussions on priority topics based on the Borrower’s specific profile.

## Climate Change and Human Rights Risk Assessment

“Climate Change” and “Human Rights” are viewed as systemic risks because they can financially impact all companies, regardless of a company’s sector. Therefore, both topics have their own dedicated sections in the pre-investment template and are assessed for all Borrowers.

### Climate Change Assessment

RoundShield’s climate change assessment looks at how potential Borrowers have positioned themselves relative to both transition and physical risks, as well as climate opportunities<sup>3</sup>, as informed by TCFD and shown below:

Figure 4 - RoundShield’s Climate-related Risks and Opportunities

Transition Risks	Physical Risks	Climate Opportunities
Demand for Products and Services	Climate-induced Extreme Weather Events	Shifting Stakeholder Demands
Increased Risk of Litigation		Decarbonisation of Products and Services
Existing or Upcoming Regulation	Long Term Shifts in Climate Patterns	New Markets or Customer Base
Customer Reputation		

Since many Borrowers at pre-investment are not in a position to provide robust, quantitative data on their exposure to climate-related risks and opportunities, the assessment is qualitative. RoundShield does not see this as prohibitive, given the extensive monitoring and engagement undertaken with Borrowers, and the focus on obtaining such information.

Figure 5 - RoundShield’s Climate Change Assessment Process (All Investments)

Climate Change Risks and Opportunities	Answer (Yes/No)	Comment
<b>Transition Risks</b>		
Will demand for the Firm’s products or services be negatively impacted due to shifting stakeholder demands resulting from Climate Change?		
Is the Firm at risk of litigation claims due to their impact on Climate Change?		

Climate Change Risks and Opportunities	Answer (Yes/No)	Comment
<b>Climate Opportunities</b>		
Does the company stand to benefit from shifting stakeholder demands resulting from climate change?		
Is the company decarbonising the production / delivery of its goods and services, such as utilising lower carbon energy sources during production?		

For investments in companies that develop and operate real estate assets, or the collateral of a particular deal rests upon the value of real estate asset(s), a real estate-focused climate assessment is also completed. This assessment looks at climate change factors that are particularly relevant for real estate, such as GHG emissions, energy efficiency ratings, green building certifications, and exposure to localised physical risks.

Again, it is not a requirement for Borrowers to have quantitative data on these metrics; rather, RoundShield wants to understand whether the Borrower has thought of and / or can begin providing this information to better manage its exposure to risks and opportunities.

<sup>3</sup> Even though RoundShield primarily operates as a debt provider, its ability to acquire equity in certain positions and engage in refinancing transactions means that climate-related opportunities are also taken into account.



Figure 6 - RoundShield’s Climate Change Assessment Process (Real Estate-related Investments)

Real Estate Asset Focused Climate Change Risks and Opportunities	Answer (Yes/No)	Comment
What are the GHG emissions of the real estate asset(s)?		
If GHG emissions are not currently measured, does the real estate asset(s) have an expected date for when emissions will be measured?		
Is there a GHG emissions reduction or net-zero target, and cost-accounted plan associated with the real estate asset(s)?		

### CLIMATE SCENARIO ANALYSIS

A key element within climate risk management is the use of scenario analysis. TCFD defines scenario analysis as “a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty.” Its purpose is to help organisations understand the strategic and financial implications of climate-related risks and opportunities, so they can test the resilience of their strategies and make more informed, forward-looking decisions. It involves considering a range of hypothetical but plausible future climate scenarios, as opposed to concrete predictions or forecasts.

RoundShield has completed a qualitative climate scenario analysis on Fund V.<sup>4</sup> A qualitative approach was taken for RoundShield’s inaugural TCFD-aligned report. The scenarios are derived from the Network for Greening the Financial System (NGFS), which offers a range of pathways based on the progression of physical climate risks and the development of climate policy and technological advancements associated with transition risks:

- Orderly Transitions - Scenarios assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.
- Disorderly Transition - Scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors. For example, (shadow) carbon prices are typically higher for a given temperature outcome.
- Hot House World - Scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. The scenarios result in severe physical risk, including irreversible impacts.
- Too Little, Too Late - Scenarios assume that a late and uncoordinated transition fails to limit physical risks.

Within these parameters, the following scenarios were selected:

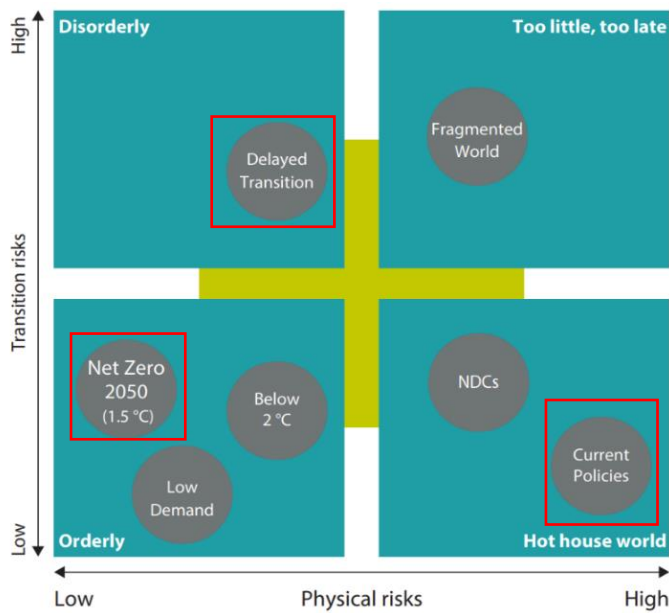
- Net-Zero 2050 - Limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero CO2 emissions around 2050.
- Delayed Transition - Assumes no additional climate policies are implemented until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited.
- Current Policies - Assumes that only currently implemented policies are preserved, leading to high physical risks.

An overview of where these scenarios sit within the NGFS’ range of climate scenarios is shown on the following page.

<sup>4</sup> Fund V was chosen because it is the latest fund raised by RoundShield and all investments have gone through the updated pre-investment process. This includes the explicit assessment of climate-related risks and opportunities. As RoundShield further develops its scenario analysis process, it may be applied to un-exited investments in Fund IV and ISH New Build.



Figure 7 - Categorisation of Climate Scenarios (Network for Greening the Financial System)



The scenario analysis considers two time horizons:

- Short Term - This scenario extends up until 2030, allowing for the evaluation of near-term policy, market, and physical climate developments. Given RoundShield’s typical investment holding period of 3-5 years, it highlights climate-related factors that could directly influence portfolio performance during that timeframe.
- Long Term - This scenario explores the potential impacts of the broader energy transition and global decarbonisation efforts over the longer term. While it extends beyond RoundShield’s standard holding period, it remains relevant, particularly in the context of refinancing arrangements and long-term risk exposure associated with existing Borrowers.

RoundShield took both a bottom-up and top-down approach towards its scenario analysis. The bottom-up approach looked at each Borrower in detail, whereas the top-down approach was based on the geographic location of our Borrowers, leveraging the IMF’s Climate Impact dashboard. This shows the potential loss in Gross Domestic Product (“GDP”) for each country, depending on the NGFS scenario. The analysis assessed GDP loss in 2030 and 2050, across each of the following scenarios and considering drivers of climate-related risks.

- Acute physical damages (e.g., storms, floods)
- Chronic physical damages (e.g., sea-level rise, long-term heat stress)
- Mitigation policy costs (e.g., regulatory burden)
- Business confidence losses (e.g., macroeconomic uncertainty)<sup>5</sup>

<sup>5</sup> No countries were found to have been significantly impacted by business confidence loss due to climate change. As such, this has not been visualised in the report.



Figure 8 - Short Term Total GDP Risk (IMF Climate Impact Dashboard)

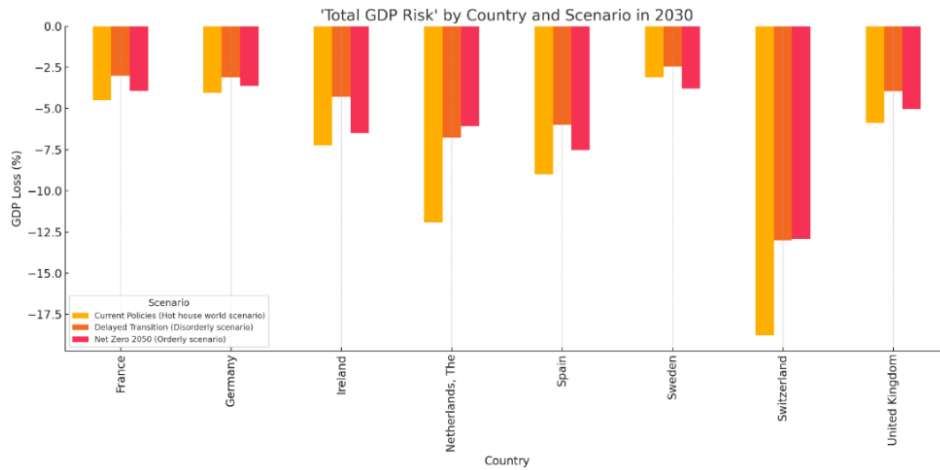
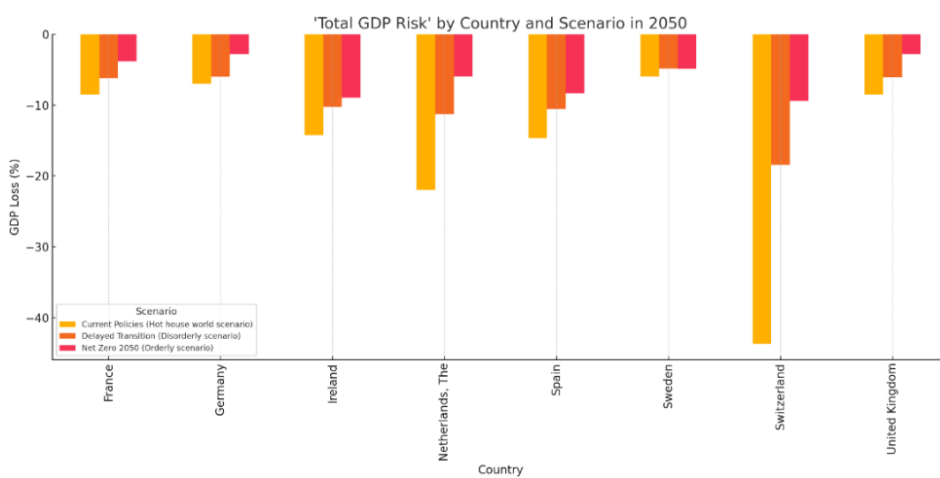


Figure 9 - Long Term Total GDP Risk (IMF Climate Impact Dashboard)



The data, segmented by country and scenario, shows that by 2030, several countries, including Switzerland, The Netherlands, and Ireland could potentially face notable GDP losses, particularly under the Current Policies scenario.

Under the Current Policies pathway, this trend intensifies by 2050. The same countries continue to show some of the highest potential total GDP losses in the dataset. These losses are overwhelmingly driven by acute physical climate risks, rather than by chronic risks, mitigation policy costs or business confidence effects. This indicates that the increased frequency and severity of climate-induced extreme weather events remains the most significant risk driver. This also explains why the predicted GDP losses are so high, as acute physical risks can cause sudden, large-scale disruption to infrastructure, economic output, and asset value.

Chronic risks, while slower to manifest, accumulate steadily over time and represent a substantial share of long-term GDP loss, particularly in countries like Spain and the Netherlands that are especially vulnerable to prolonged heatwaves, water scarcity, and rising sea levels.

These risks are especially relevant for those in the real estate space. Countries most affected by these physical drivers are those likely to see direct damage to property, increased repair and insurance costs, and declining asset values due to climate exposure. For real estate asset lenders, this underscores that suitable adaptation and resilience measures, as opposed to mitigation, is critical.

However, data indicates that transition risks, especially in a delayed transition scenario, become more significant by 2050, whereas the net-zero 2050 scenario has the greatest impact by 2030. This is reflected in the costs of mitigation policies, suggesting a more stringent regulatory environment for real estate owners.

Please see the appendix for more granular charts on each driver of potential GDP loss.



Based on assessing Fund V investments, RoundShield’s bottom-up climate scenario analysis is shown below:

Scenario	Impact on RS Fund V	Mitigants
Net-Zero 2050	<p>If regulators decide to implement a rapid shift in policy to align with net zero targets by 2050, this could have a significant impact on certain Fund V investments and their underlying real estate assets.</p> <p>For example, real estate assets that do not meet new minimum energy efficiency requirements may be considered “stranded” and see a reduction to their overall value.</p> <p>There will also have to be increased capital expenditure, should any real estate assets need to be retrofitted in line with regulatory requirements.</p> <p>A tax on carbon may also increase operating costs for real estate assets that rely on non-renewable energy sources for their energy consumption.</p>	<p>The majority of assets in Fund V are judged to be at low risk of being stranded in the scenario of a net-zero 2050 transition, given the fund’s focus on having underlying assets achieve strong EPC ratings and green building certification.</p> <p>Furthermore, most of the real estate assets related to Fund V are residential or commercial, meaning they will emit lower amounts of CO<sub>2</sub> on average compared to industrial assets.</p> <p>This scenario is judged as being unlikely of occurring, given the current trajectory of government policy. For example, the UK recently delayed the requirement for all domestic properties to be EPC rating C by 2030 and the European Union is currently experiencing a regulatory pause and rollback around sustainability.</p>
Delayed Transition	<p>Similar to the net zero scenario, a delayed transition could impact Fund V due to a sudden wave of regulatory changes. This abrupt shift could drive up retrofitting costs, strain supply chains, and increase the risk of assets becoming stranded, especially those which will not be compliant with new regulations and standards.</p> <p>In addition to operational challenges, asset values could also come under pressure as market participants begin to anticipate and price in the future costs of compliance, even before formal policies are enacted. This reflects growing uncertainty around the timing and scope of government intervention.</p>	<p>Many of the assets identified as underperforming in Fund V already have defined transition plans in place, with retrofitting scheduled ahead of anticipated regulatory timelines.</p> <p>These retrofits are being carried out in alignment with strong sustainability credentials, such as improved energy efficiency, low-carbon technologies, and the pursuit of green building certifications—reducing long-term compliance risk and ensuring the portfolio remains resilient in the face of a delayed transition scenario.</p> <p>Fund V’s relatively short holding period of 3-5 years and regular refinancing opportunities allows RoundShield to consistently assess and respond to the evolving regulatory landscape.</p>
Current Policies	<p>Current policies, if not accompanied by adequate adaptation measures, could amplify physical risks due to a rise in climate-induced extreme weather events such as heatwaves and flooding.</p> <p>However, given assets in Fund V are typically in micro-locations within urban areas, there is limited exposure to physical climate risk.</p> <p>These locations are typically characterised by robust and resilient infrastructure, stringent building regulations, and enhanced municipal services such as flood defence systems, emergency response capabilities, and reliable utility networks. This contributes to reduced vulnerability under a range of climate stress scenarios.</p> <p>There are two investments whose location could be at risk from increased climate-induced physical risks:</p> <ol style="list-style-type: none"> <li>1. A campsite located in a mountainous region of Switzerland and exposed to natural hazards such as flooding, rockfall, landslides or avalanches due to melting ice. The most recent recorded flooding occurred in 2011, temporarily submerging part of the site.</li> <li>2. A refurbished shopping mall located in Murcia, a coastal region in southeastern Spain that is recognised as being increasingly vulnerable to heatwaves, floods and droughts.</li> </ol> <p>There is also a transition risk associated with current policies, such as the EU’s Zero Emissions Building (“ZEB”) and Minimum Energy Performance Standards (“MEPS”).</p> <p>ZEB requires all new residential and non-residential buildings to be zero-emission buildings as of 1 January 2028 for buildings owned by public bodies and 1 January 2030 for all other new buildings.</p>	<p>Although both investments have increased exposure to physical climate risks, they are mitigations in place.</p> <p>The investment located in Switzerland is being mitigated by a floodwall, constructed by the local municipality. Since its construction in 2011, no major flooding events have been reported, whilst the site has also not been directly impacted by avalanches or rockfalls.</p> <p>The investment in Murcia has developed a “Climate Adaptation Plan”, which includes implementing flood mitigation infrastructure (e.g. sustainable urban drainage, riverbed restoration), urban cooling strategies (like tree planting, reflective pavement), and water management innovations in response to drought.</p> <p>In relation to transition risks, ZEB is unlikely to impact Fund V investments, given the portfolio comprises of real estate assets built prior to 2030.</p> <p>Furthermore, MEPS is focused on the least energy efficient real estate assets, which would likely include assets with EPC rating F or G. The lowest reported EPC rating in Fund V was “D”.</p>



Although our initial scenario analysis has not highlighted any immediate risks that RoundShield needs to address, it will continue to be used as a tool to support our long-term investment planning and risk management. RoundShield would like to reiterate that this is an initial approach towards scenario analysis and will look to evolve this approach over time.

### Human Rights

Introduced in 2024, RoundShield also assesses the human rights implications of all investments. Aside from its ethical importance, human rights present reputational, operational and financially material risks. RoundShield’s assessment focuses on understanding whether there are any stakeholder groups whose human rights may be potentially impacted by the Borrowers’ products & services. Stakeholder groups include the internal workforce, suppliers, local communities, third-party contractors, and real estate tenants. If the initial assessment indicates potential risks for any one of the stakeholder groups, RoundShield will conduct an enhanced assessment, where more detailed questions will clarify the nature and extent of the risks.

Figure 10 - RoundShield Human Rights Assessment Process (Initial Assessment)

Human Rights Risks and Opportunities – Initial Assessment	Answer (Yes/No)	Comment
Does the Borrower have policies in place to monitor compliance with UNGC principles or OECD guidelines?		
Has the Borrower been involved in violations of UNGC principles or OECD guidelines? (e.g., human rights infringements, child labour etc.)		

### ESG Integration in Financial Analysis

Beyond the identification of sustainability risks and opportunities, RoundShield is increasingly looking to integrate the outcomes of the assessment within our financial analysis.

In the current responsible investment landscape, there is no standardised methodology for doing this, although common practice is a qualitative analysis and at the discretion of the individual analyst as to whether ESG factors should impact the following financial assumptions:

- Capex
- Opex
- Tax
- Regulatory Compliance
- Cost of Capital or Discount Rate

RoundShield will keep, and potentially evolve, this approach in line with industry expectations.

### DEAL DOCUMENTATION

RoundShield ensures that every Investment Committee Memo includes a section on ESG, summarising findings in the pre-investment report. RoundShield also adds ESG-related requirements in all contractual obligations. This stipulates that Borrowers must have an ESG Policy, provide ESG training to relevant individuals, complete RoundShield’s annual ESG Questionnaire, and disclose additional details related to DEI, Workplace Accident Prevention policies, and ESG materiality assessments.

Climate change is also addressed by requiring the disclosure of GHG Emissions metrics, as well as EPC ratings where applicable.

RoundShield recognises that improving sustainability disclosure is a multi-year process, particularly for those at the early stages of data collection. However, where progress is lacking and Borrowers show little willingness to engage, RoundShield will enforce these covenants by issuing breach notices to the relevant entities.

### POST INVESTMENT

Despite RoundShield primarily being a provider of debt, the Firm recognises the importance of ongoing engagement with Borrowers, as this creates the greatest opportunity for ongoing risk mitigation and value creation. RoundShield has an extensive post-investment monitoring and engagement process, led by the Asset Management Team.



## ESG Questionnaire

RoundShield issues its ESG Questionnaire on an annual basis. The questionnaire has five sub-questionnaires asking for ESG information at either the corporate *and* underlying real estate asset level or at the corporate level only depending on the Borrower’s activities.

To support Borrowers with completing the ESG Questionnaire, RoundShield and our third-party data management platform held a webinar to discuss the questionnaire with all Borrowers and Borrowers received a step-by-step guide on how to access and complete the questionnaire.

RoundShield also proactively engaged with Borrowers throughout the reporting window to support completion.

## Borrower Improvement Plan

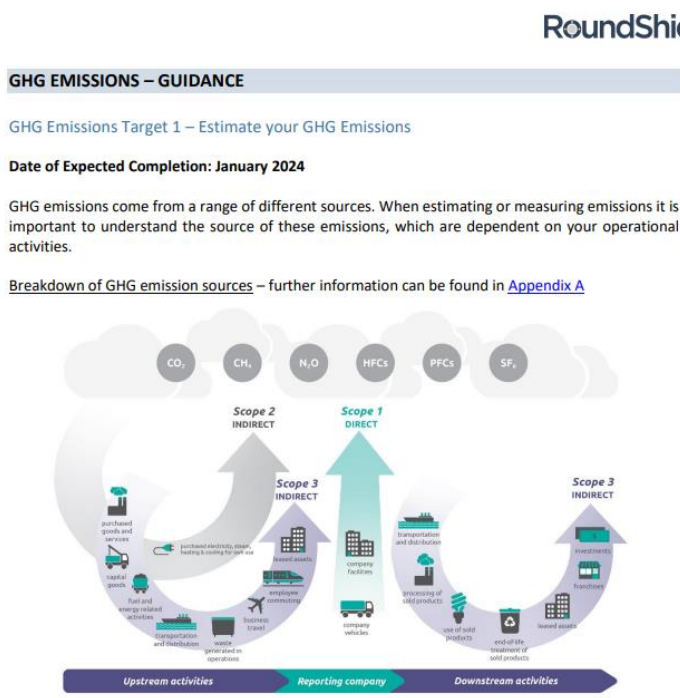
An integral aspect of RoundShield’s responsible investment process is the creation and distribution of Borrower Improvement Plans. The Borrower Improvement Plans provide practical guidance on how to think about ESG factors and to help Borrowers begin measuring and managing their relevant factors.

The plans are based off analysing Borrowers’ responses to the ESG Questionnaire and identifying gaps in their performance, with the intention of assisting our Borrowers in building their ESG capabilities. RoundShield strives to work closely with Borrowers to support the improvement of their ESG performance, and we believe these plans provide us with an effective mechanism for doing so.

In 2024, RoundShield re-issued its GHG Emissions improvement plan. This included four incremental and timebound targets for managing climate-related risks, with a particular emphasis on GHG Emissions disclosure and reduction. The Borrower Improvement Plan broke down the management of the four targets (shown below), with a step-by-step guide on actions that Borrowers would need to take to meet them.

- Estimate GHG Emissions
- Measure GHG Emissions
- GHG Emissions Reduction Plan
- Disclosure of GHG Emissions Reduction Plan

Figure 11 - Example section of RoundShield’s GHG Emissions Improvement Plan



Source: GHG Protocol

All borrowers need to report on their “Corporate” emissions, whereas real estate focused borrowers will also report on their “Asset” level emissions, which is done separately to “Corporate” emissions.



Alongside the GHG Emissions improvement plan, RoundShield developed improvement plans that highlighted key ESG objectives for each fund, for example, with Fund V’s plan being more focused on the fund’s sustainability indicators under Article 8 SFDR. While the 2023 ESG Report targeted tailored Borrower Improvement Plans for each Borrower, there are currently being finalised as part of the 2025 Borrower Improvement Plans. We look forward to sharing the outcomes in next year’s report.

**ESG REPORTING**

RoundShield’s responsible investment approach allows the Firm to effectively meet its external reporting obligations, which exist at both an entity and fund level.

**UN – supported Principles for Responsible Investment (“PRI”)**

As signatories to the PRI, RoundShield continues to uphold and implement their six principles of Responsible Investment:

- **Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes
- **Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices
- **Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest
- **Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry
- **Principle 5:** We will work together to enhance our effectiveness in implementing the Principles
- **Principle 6:** We will each report on our activities and progress towards implementing the Principles

In 2024, RoundShield successfully completed its second iteration of PRI reporting, meeting all minimum requirements as well as improving our score. RoundShield scored above the PRI median across all relevant modules and is particularly happy with the improvement in the “Policy, Governance and Strategy” module which was below the PRI median in 2023. We also scored 100% in the “Confidence Building Measures” module.

We have assessed our 2024 PRI report and look forward to demonstrating further progress across areas relevant to and consistent with RoundShield’s investment approach and philosophy.

**Figure 12 – Comparison of RoundShield’s 2023 and 2024 PRI Reporting**

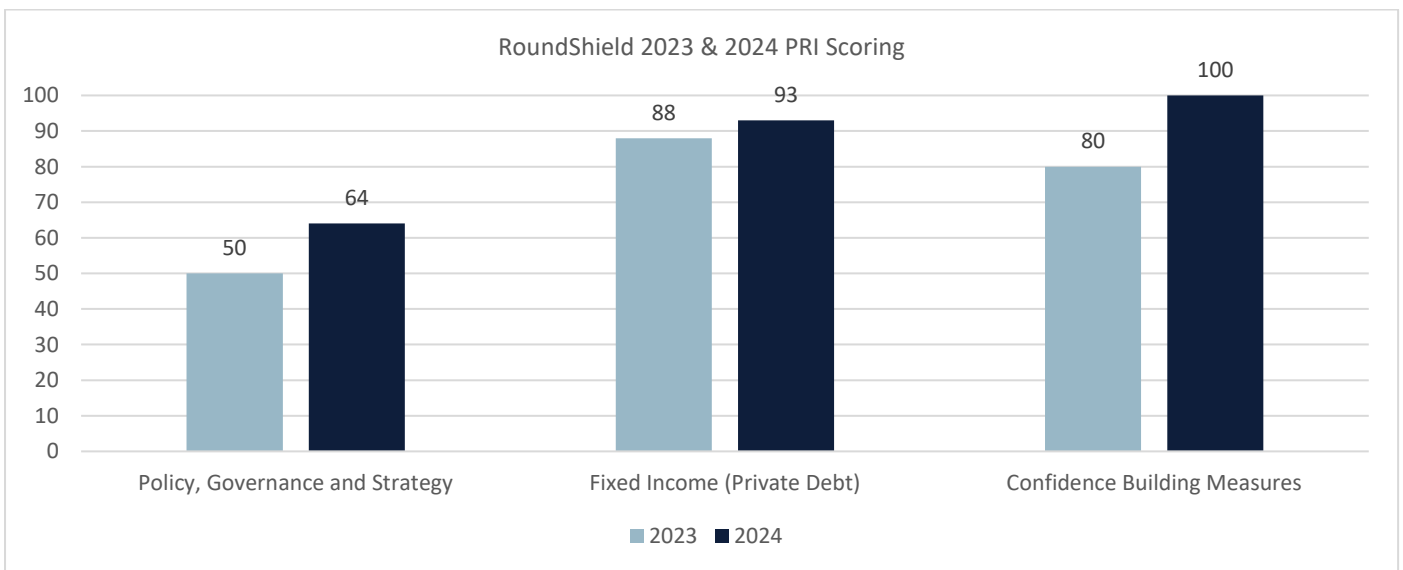
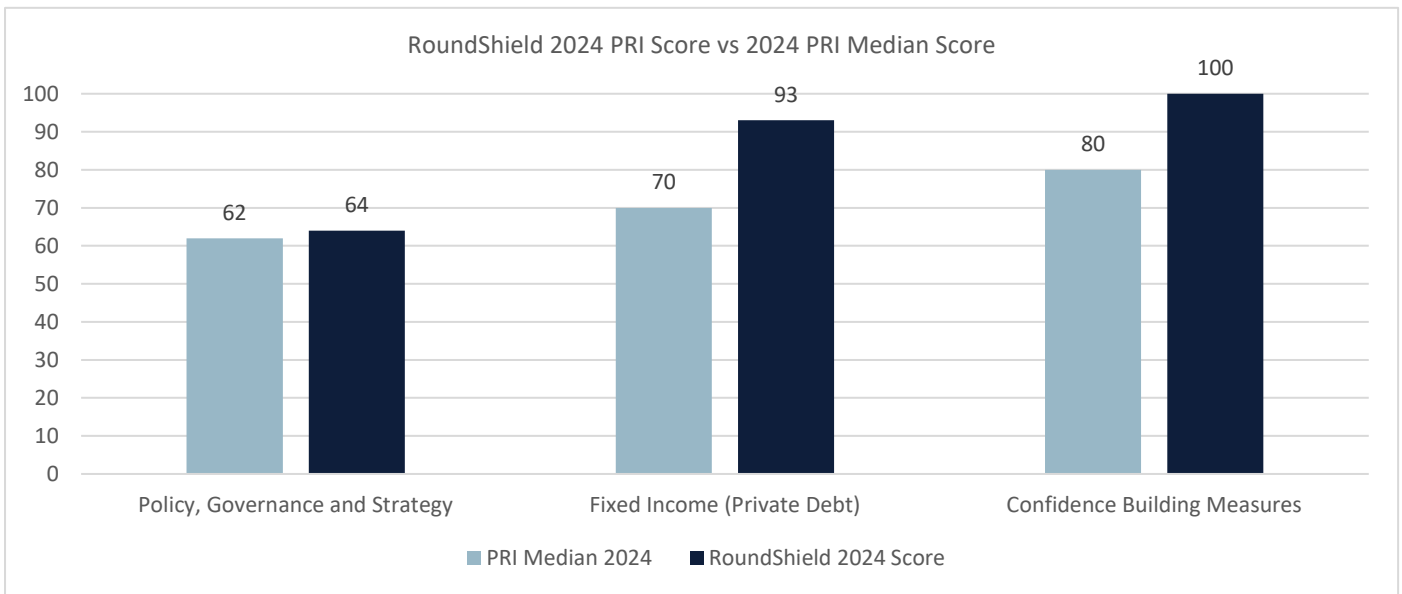




Figure 13 - Comparison of RoundShield’s 2024 PRI Reporting and PRI Median



**EU Sustainable Finance Disclosure Regulation**

RS Fund V discloses under Article 8 of the EU’s SFDR. At the time of this report’s publication, Fund V has made nine investments, all of which promote a mixture of environmental and social characteristics. These characteristics include, but are not limited to:



RS Fund V determines which characteristics to promote prior to initiating an investment, based on RoundShield’s assessment of which environmental and/or social characteristics are financially material.

Fund V promotes these characteristics through ongoing monitoring and engagement with Borrowers in the post-investment stage, with the aim of supporting improved performance. This is achieved via the ESG Questionnaire and Borrower Improvement Plans.

RS Fund V has published its inaugural SFDR Article 8 periodic disclosures and, at the time of this report’s publication, has also published its second iteration of disclosures. RoundShield is satisfied with the progress that Fund V has made on its sustainability indicators.

For more information on Fund V’s investment process, please see attached Fund V’s [website disclosures](#).

For more information on Fund V’s periodic disclosures, please contact [ir@roundshield.com](mailto:ir@roundshield.com).

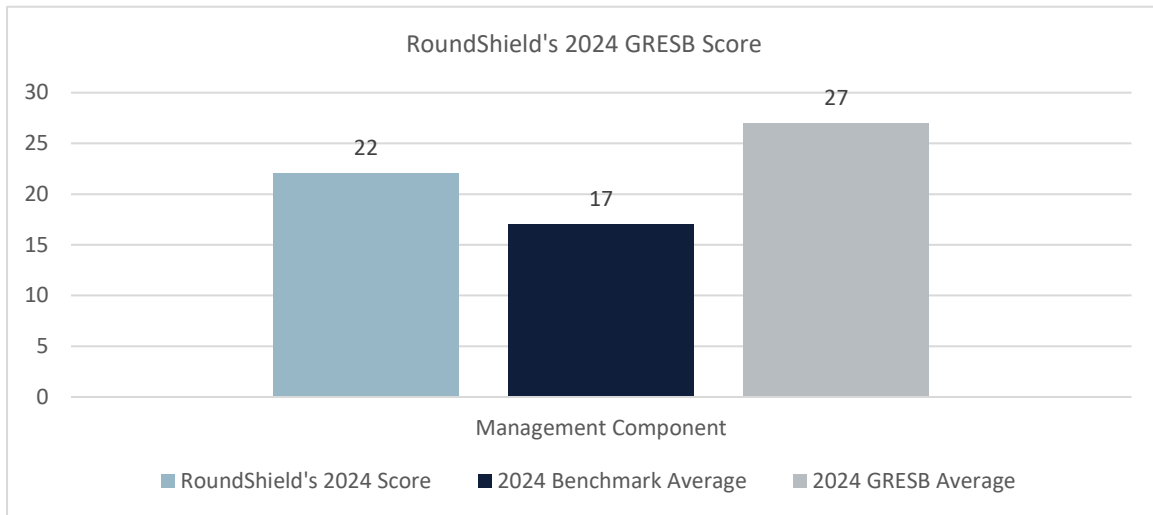
**GRESB**

In 2024, RS Fund V completed its second report against the GRESB Real Estate Benchmark. However, as the GRESB Real Estate Benchmark is focused on real estate equity managers, RS Fund V, being primarily a provider of debt, was only able to complete the “Management” component of GRESB reporting and unable to receive the GRESB Standing Investments Benchmark or GRESB Development Benchmark.

RoundShield significantly improved upon its score for the “Management” component of GRESB reporting, scoring above the “Benchmark Average” although remaining below the overall “GRESB Average”.



Figure 14 - RoundShield's 2024 GRESB Score



RoundShield is satisfied with the improvements compared to 2023 and will continue looking for ways to enhance scoring in line with RoundShield's overall investment approach and philosophy.

It should be noted that part of RoundShield's underperformance relative to the GRESB average reflects its focus on real estate debt, which presents unique challenges when reporting under a framework primarily designed for equity investors. RoundShield raised these concerns with GRESB, contributing to the formation of the Lender Roundtable, a collaborative initiative to enhance sustainability practices in the real estate debt industry. As a participant, RoundShield helped develop GRESB's inaugural Real Estate Lender Assessment and will report feedback on areas of strength and improvement.

This reflects RoundShield's ongoing industry engagement and the depth of commitment to advancing responsible investment and lending standards.

## RESPONSIBLE INVESTMENT TRAINING

RoundShield's commitment to responsible investment includes actively seeking training opportunities to improve internal capabilities and ensure consistent implementation of our responsible investment process.

In 2024, RoundShield provided two forms of ESG training:

- A live training session provided to all employees, including the Investment Team and Asset Management Team. This year's session focused on key changes made to RoundShield's pre-investment report and reiterated obligations for Fund V disclosing under Article 8 SFDR. It also covered the climate change section of RoundShield's pre-investment framework in detail, ensuring all employees were aware of why RoundShield was focusing on this topic and how best to approach the assessment.
- An online training module through our Compliance training provider, LRN Catalyst. This introductory session is compulsory for all new joiners and is rolled out on an annual basis for existing employees.



## Portfolio ESG Characteristics

In 2024, RoundShield re-issued our annual ESG Questionnaire to 15 Borrowers across Fund IV (5 Borrowers), Fund V (9 Borrowers), and ISH New Build (1 Borrower), compared to 16 Borrowers (across all funds) in 2023. RoundShield has chosen to show the data split across Fund V and Fund IV & ISH New Build, as Fund V is RoundShield's most recent fund and where 100% of investments have been through RoundShield's updated responsible investment process. Although this makes the data harder to compare against previous years, going forward, RoundShield believes this approach will allow for greater year-on-year comparability.

The questionnaire collected ESG data covering both our Borrowers and, where relevant, their underlying real estate assets. Out of the 15 Borrowers, 87% reported against the questionnaire, which was a slight decrease compared to 2023 and 2022. As it relates to each fund, the percentage of Borrowers who reported is shown below:

- Fund V - 89% response rate (8/9 borrowers<sup>6</sup>)
- Fund IV - 60% response rate (3/5 borrowers)
- ISH New Build - 100% response rate (1/1 borrowers)

RoundShield will engage Borrowers who did not respond to the questionnaire and reiterate their obligations to report on their ESG activities as part of the financing provided by RoundShield. Furthermore, 6 Borrowers, all of whom were Fund IV, were not issued the ESG Questionnaire in 2024. RoundShield has taken the decision to exclude these Borrowers due to external factors, independent of our responsible investment process.

This analysis is based on Borrowers who were issued the 2024 ESG Questionnaire. For those who did not submit responses, 2023 data and publicly available information have been used as proxies. While Borrowers vary in size across the funds, they have been assigned equal weighting for the purposes of this report.

A key trend in the reporting is that Fund V outperformed both Fund IV and ISH New Build in terms of disclosure and performance on key sustainability metrics. This outcome is partially anticipated, given that the updated responsible investment process has primarily been applied to Fund V investments, whilst some Fund IV and ISH New Build investments were from 2020 and 2021. However, it might also have been expected that Fund IV and ISH New Build investments given their longer-term engagement with RoundShield would show stronger alignment with ESG expectations.

Another notable trend is the growing disparity in sustainability performance among Borrowers across all funds. Borrowers with a history of ESG reporting have shown strong responsiveness to RoundShield's engagement and continue to make meaningful progress on material sustainability issues. In contrast, Borrowers who have been less transparent are progressing at a slower pace, even if improvements are underway. RoundShield aims to address this divergence through the tailored improvement plans set to be issued in 2025. It is hoped that these plans will clearly signal to Borrowers lagging in their sustainability reporting and performance that RoundShield is actively focused on their progress, while also encouraging leading Borrowers to continue advancing their sustainability initiatives.

Below is a snapshot of the data collected through the 2024 ESG Questionnaire. For additional data or clarification, please contact RoundShield directly.

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<sup>6</sup> The Fund V Borrower who did not respond was the latest transaction for the Fund, completed in January 2024. As this Borrower has not deployed RoundShield's capital, they have chosen not to respond. RoundShield will engage this Borrower to reiterate expectations and expects full disclosure from the Borrower in next year's questionnaire.

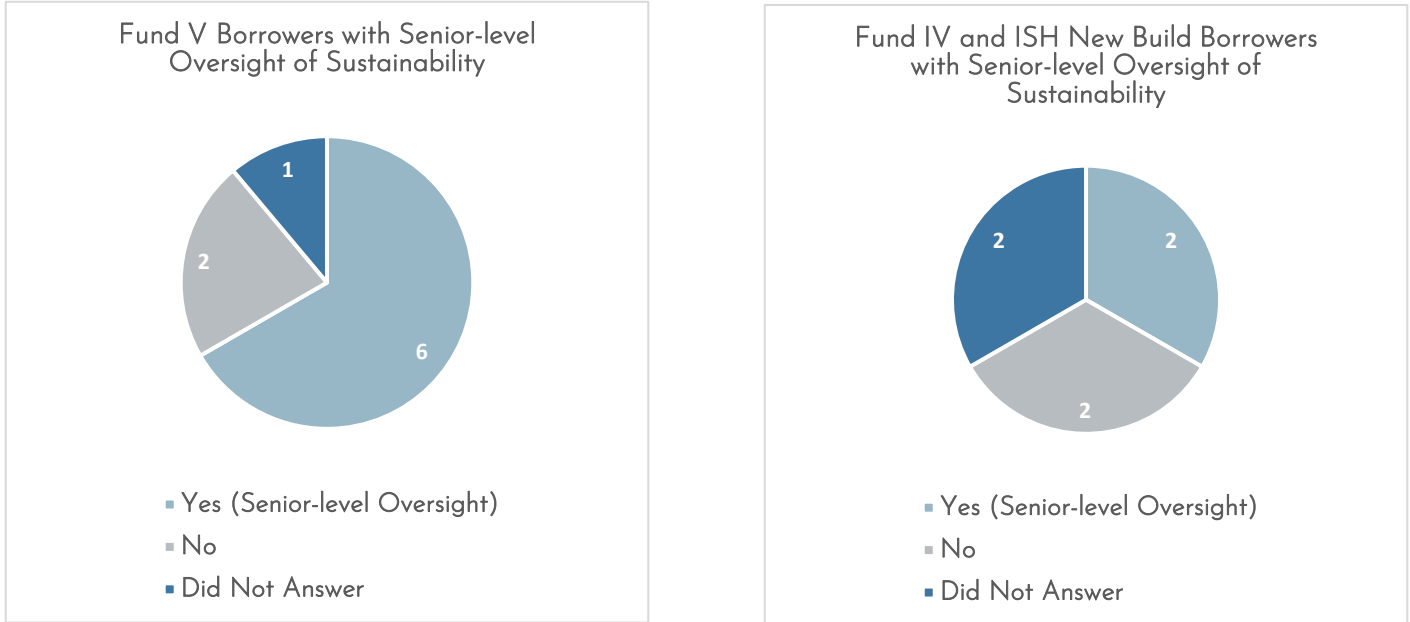


## Portfolio Company Level Data

### SUSTAINABILITY OVERSIGHT AND ACCOUNTABILITY

66% of Fund V Borrowers currently have senior level oversight of sustainability issues, whilst only 33% of Fund IV and ISH New Build Borrowers have the same level of oversight. However, the total number of Borrowers with senior level oversight of sustainability issues across all funds compared to 2023, increased by one.

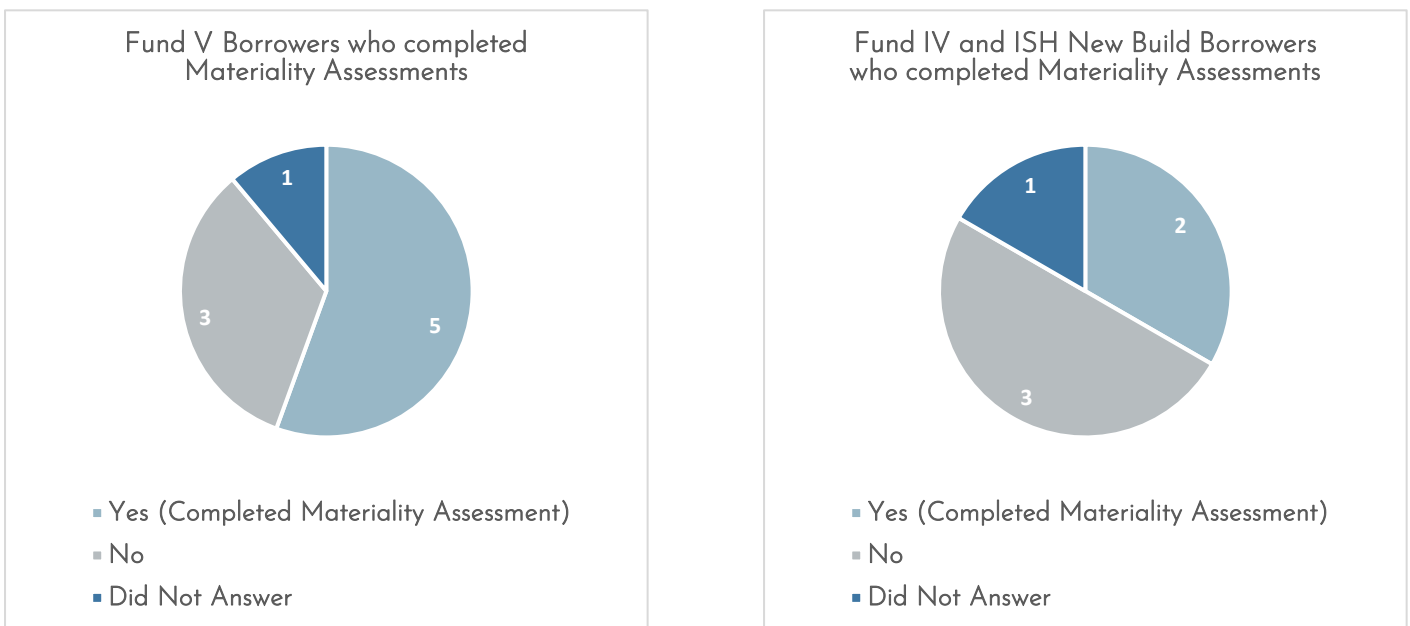
Figure 15 - Fund V, Fund IV and ISH New Build Senior-level Oversight



### MATERIALITY ASSESSMENT

56% of Fund V Borrowers have completed materiality assessments, whilst 33% of Fund IV and ISH New Build Borrowers completed materiality assessments. Although the total number of Borrowers who conducted materiality assessments remained the same as 2023, RoundShield would like to see an increase in this disclosure and will continue to highlight their importance within Borrower Improvement Plans.

Figure 16 - Fund V, Fund IV and ISH New Build Materiality Assessments

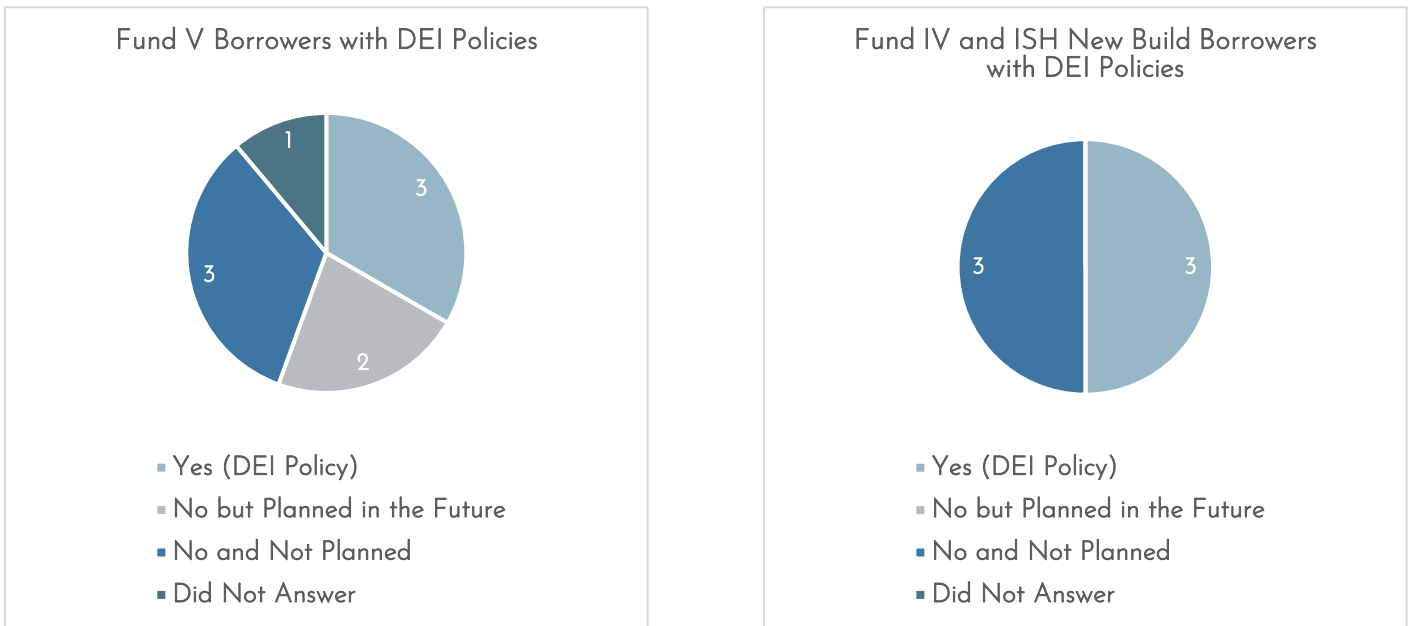




## DIVERSITY, EQUITY AND INCLUSION

33% of Fund V Borrowers reported a Diversity, Equity and Inclusion policy, whilst 50% of Fund IV and ISH New Build Borrowers reported a policy. However, the number of Borrowers relative to 2023 did decrease, and RoundShield has focused on this topic in the Borrower Improvement Plan. RoundShield is encouraged that two Fund V Borrowers have already committed to implementing this Policy. The reason for the decrease was one Fund IV borrower that previously reported in 2023 being excluded from 2024 reporting, whilst a Fund V Borrower reported having a policy in 2023 but not 2024. RoundShield has engaged the Fund V Borrower to understand the current state around their DEI policy, and have received a commitment that it is being revised and will be completed by H2 2025.

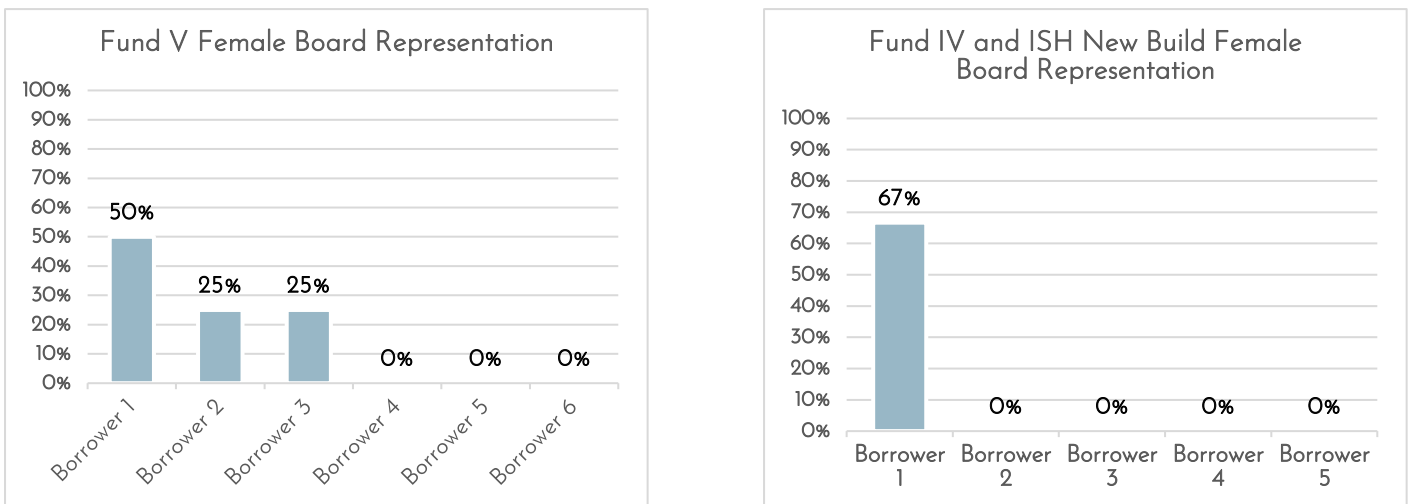
Figure 17 - Fund V, Fund IV and ISH New Build DEI Policies



## BOARD DIVERSITY

89% of Fund V and 83% Borrowers, across Fund V, Fund IV and ISH New Build, reported on their board diversity statistics. As three Fund V Borrowers did not report having a Board, they have been excluded from analysis on their board diversity. As such 50% of eligible Fund V Borrowers have female representation, whilst only 20% of Fund IV and ISH New Build Borrowers have female representation. The total number of Borrowers with female representation remained the same as 2023. Generally, Board Membership is a metric RoundShield cannot easily influence, given our position in the capital structure. However, RoundShield will remain focused on having Borrowers disclose this information.

Figure 18 - Fund V, Fund IV and ISH New Build Board Diversity Performance





## GENDER PAY GAP

44% of Fund V Borrowers reported on their Gender Pay Gap, whilst 17% of Fund IV and ISH New Build Borrowers reported on this metric. However, this was a slight increase compared to 2023, with RoundShield continuing to promote disclosure from Borrowers, and is encouraged that 2 Fund V Borrowers have committed to reporting on this metric. However, as Borrowers reported their gender pay gap in RoundShield recognises comparability is impaired and will request this as a % in next year's ESG Questionnaire.

Figure 19 - Fund V, Fund IV and ISH New Build Gender Pay Gap Reporting

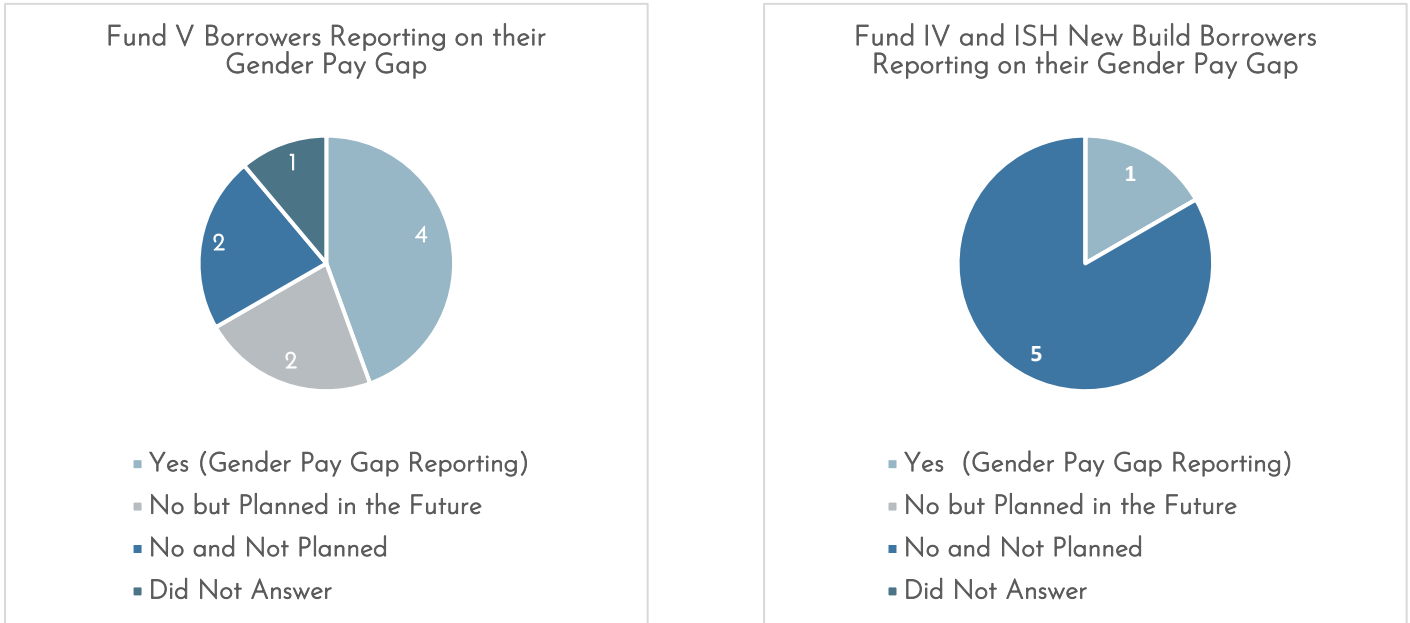
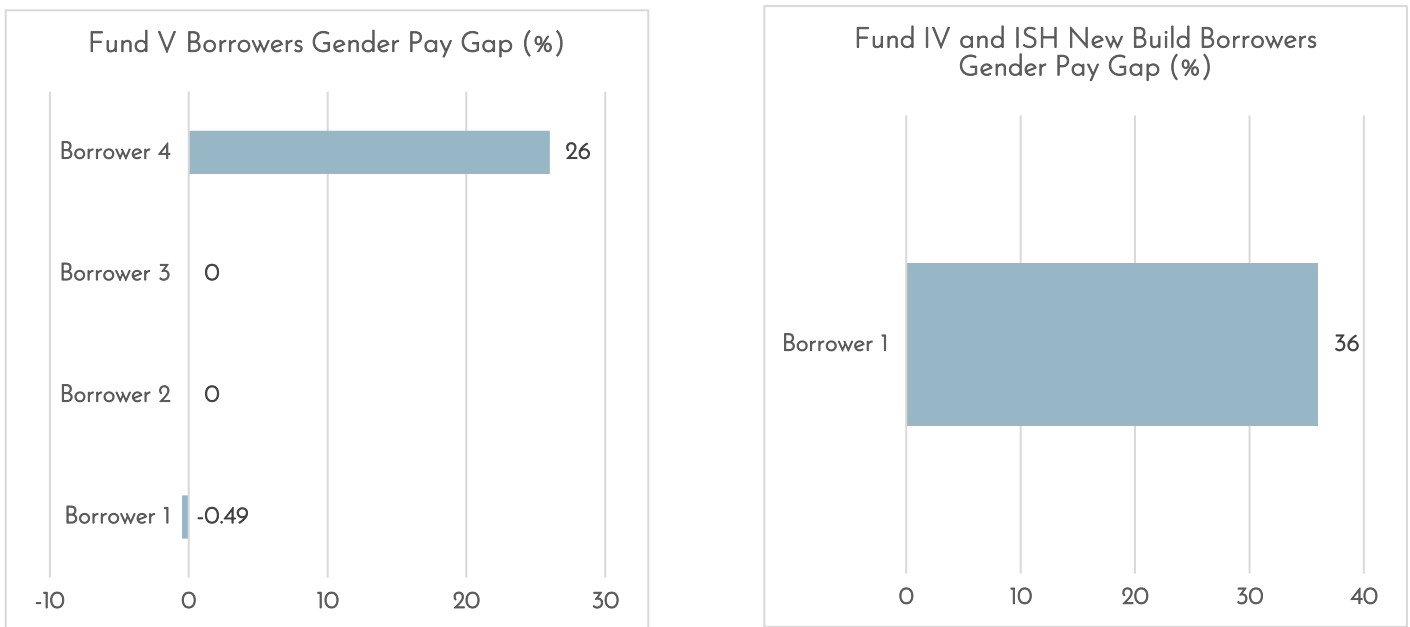


Figure 20 - Fund V, Fund IV and ISH New Build Gender Pay Gap Performance

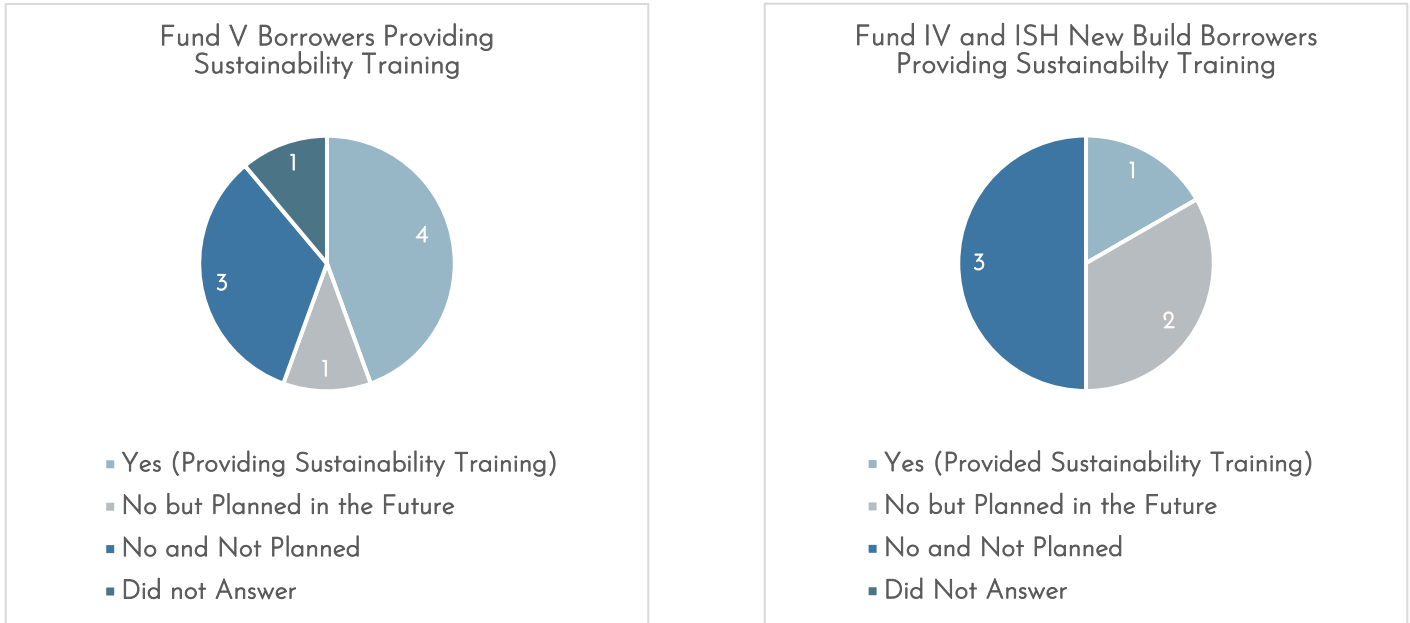


## ESG TRAINING

44% of Fund V Borrowers provided sustainability training, whereas 17% of Fund IV and ISH New Build Borrowers provided training. Again, even though the number Borrowers providing training remained the same as 2023, RoundShield would like to see improved performance on this metric going forward.



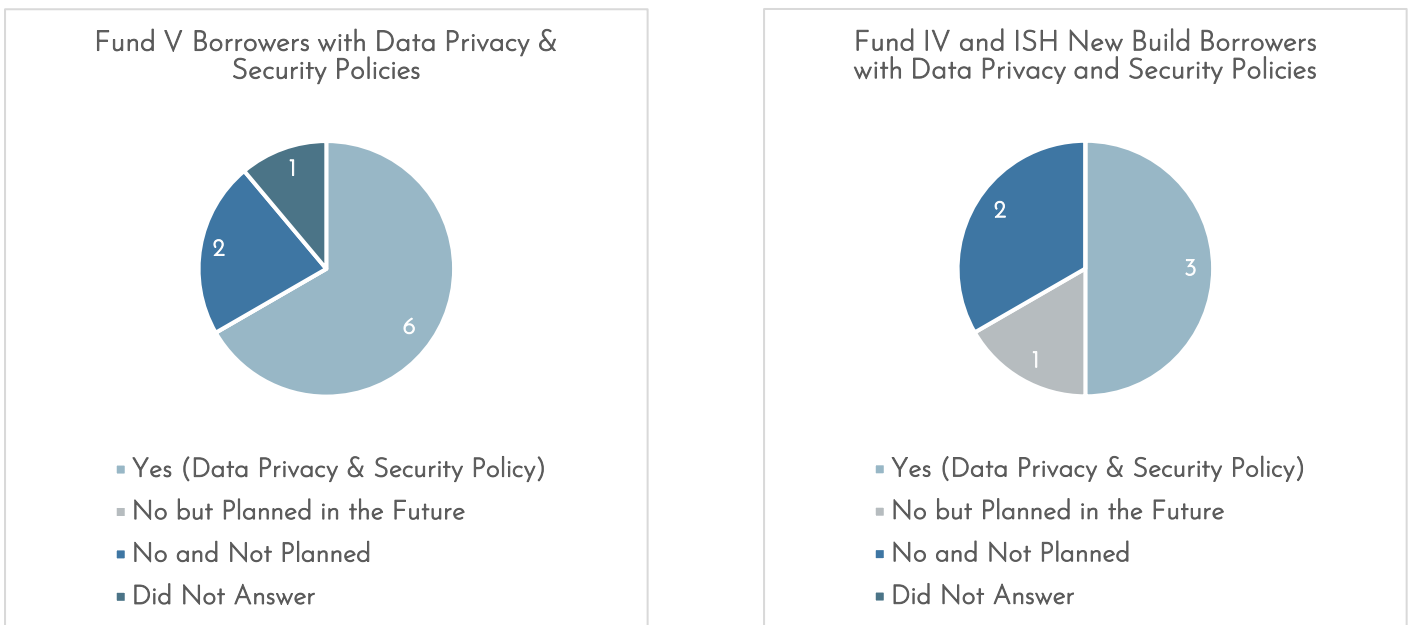
Figure 21 - Fund V, Fund IV and ISH New Build Sustainability Training Reporting



**DATA PRIVACY & SECURITY POLICY**

Across Fund V, Fund IV and ISH New Build, all Borrowers who completed the ESG Questionnaire did not identify any data breaches, whilst 67% of Fund V and 50% of Fund IV and ISH New Build Borrowers reported having Data Privacy and Security Policies. In an environment where data breaches and cybersecurity attacks are increasingly prevalent and damaging, RoundShield is happy to see a significant percentage of Borrowers focused on this topic.

Figure 22 - Fund V, Fund IV and ISH New Build Data Privacy & Security Policy Reporting

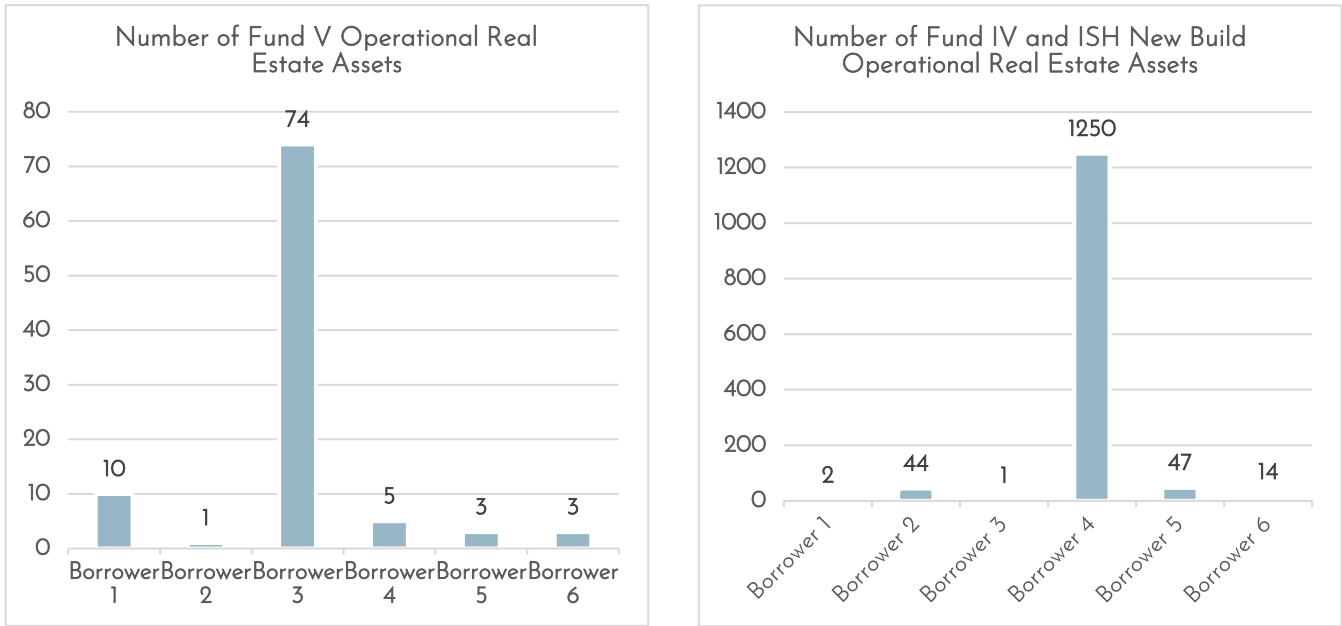


**ASSET LEVEL DATA**

The total number of operational real estate assets covered by the ESG Questionnaire substantially increased to 1454, with the major driver in this increase being a Fund IV Borrower who reported 1250 real estate assets. Similar to corporate data, RoundShield will also report asset level data across Fund V, and Fund IV & ISH New Build. RoundShield, as an opportunistic investor, does have three investments in Fund V without any existing exposure to real estate assets, and they have been excluded from this analysis.



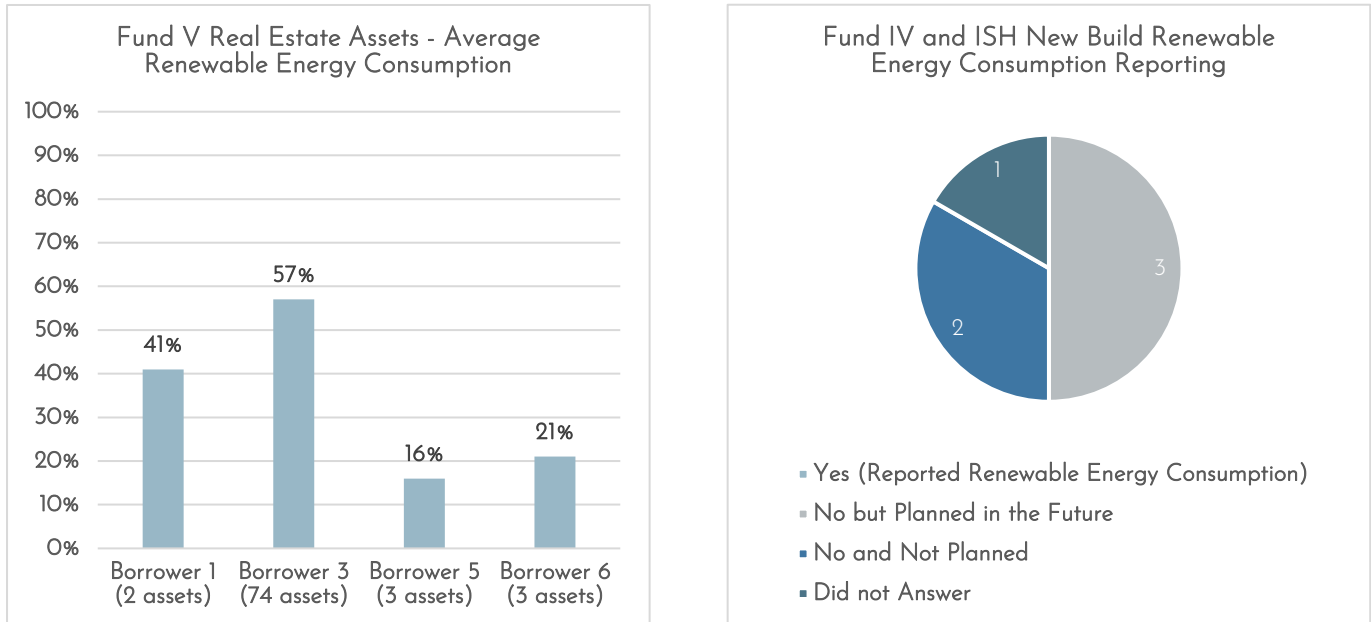
Figure 23 - Fund V, Fund IV and ISH New Build Real Estate Assets Reporting



**ENERGY CONSUMPTION**

RoundShield is happy with the improved disclosure around energy consumption within Fund V, although it is disappointing that no Fund IV and ISH New Build Borrowers disclosed this information. The Energy Consumption figures for Fund V is shown below, with most real estate assets continuing to obtain their energy from predominantly non-renewable energy sources. RoundShield hopes to see improved disclosure within Fund IV and ISH New Build, as well as improved performance within Fund V.

Figure 24 - Fund V, Fund IV and ISH New Build Real Estate Assets Energy Consumption

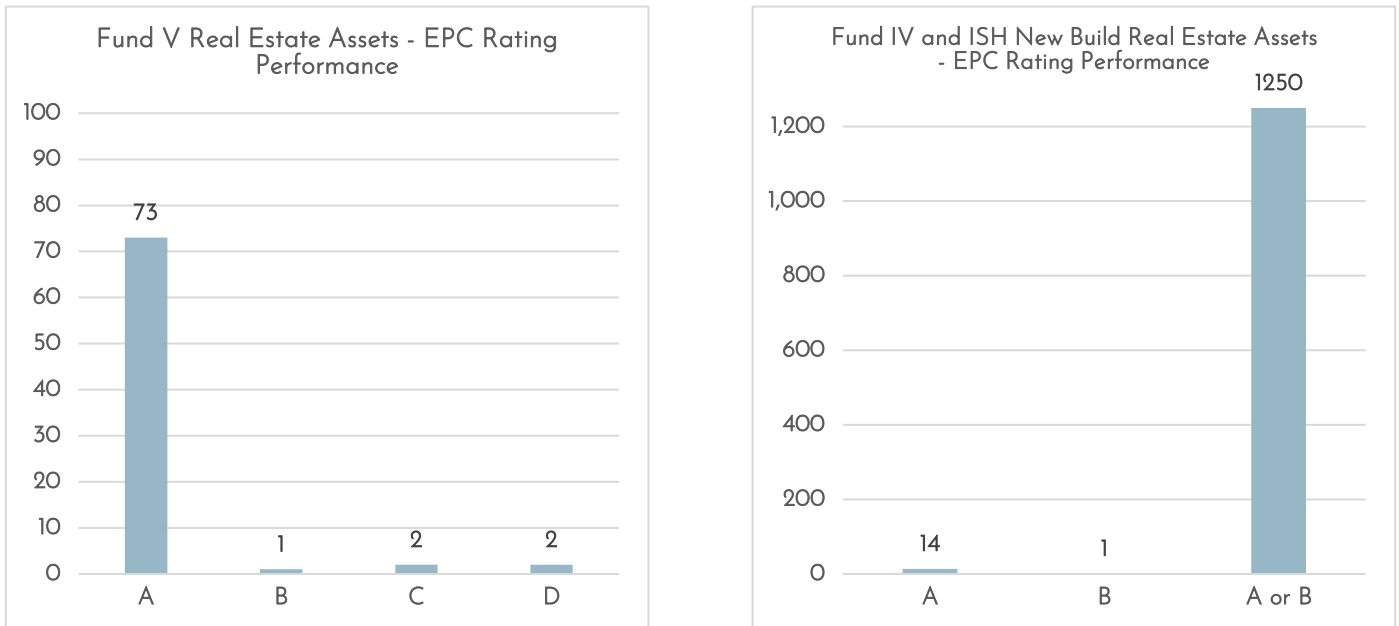


**EPC RATINGS**

RoundShield would like to highlight continued strong performance is the EPC rating performance among reported assets, across all funds. Within Fund V, 81% of real estate assets disclosed EPC ratings with 72% being EPC rated A or B, whilst for Fund IV this was 100%.



Figure 25 - Fund V, Fund IV and ISH New Build Real Estate Assets EPC Rating Reporting



### GREEN BUILDING CERTIFICATION

Similar to 2023, Green Building Certification remained a focus area, and RoundShield was satisfied to see continued improvements in terms of disclosures. Part of this was driven by RoundShield’s recognition that BREEAM certification may not be the most suitable standard for certain real estate assets. For example, one Fund V Borrower is a campsite operator who highlighted that BREEAM was not the most relevant certification for their assets, and have obtained “ibex fairstay” certification for their campsites, which is a leading Swiss label for sustainable management in accommodation establishments. Again, RoundShield will encourage Borrowers to consider obtaining BREEAM or equivalent certifications for their real estate assets.

Figure 26 - Fund V, Fund IV and ISH New Build Real Estate Assets Green Building Certification Reporting

Fund V	Green Building Certification	% of Assets Covered
Borrower 2	N/A - but in the process of obtaining BREEAM <sup>7</sup>	100%
Borrower 3	Green Key	100%
Borrower 4	ibex fairstay	100%
Borrower 5	BREEAM	100%
Borrower 7	N/A - but currently investigating BREEAM	100%

Fund IV and ISH New Build	Green Building Certification	% of Assets Covered
Borrower 4	BREEAM	10%
Borrower 5	BREEAM	Undisclosed

### PROXIMITY TO BIODIVERSITY-SENSITIVE AREA

RoundShield is delighted to report on the % of real estate assets located in biodiversity-sensitive areas<sup>8</sup>. 83% of Fund V Borrowers disclosed this information, compared to 33% for Fund IV and ISH New Build. The majority of RoundShield’s Borrowers do not have real estate assets located in or near a biodiversity-sensitive area.

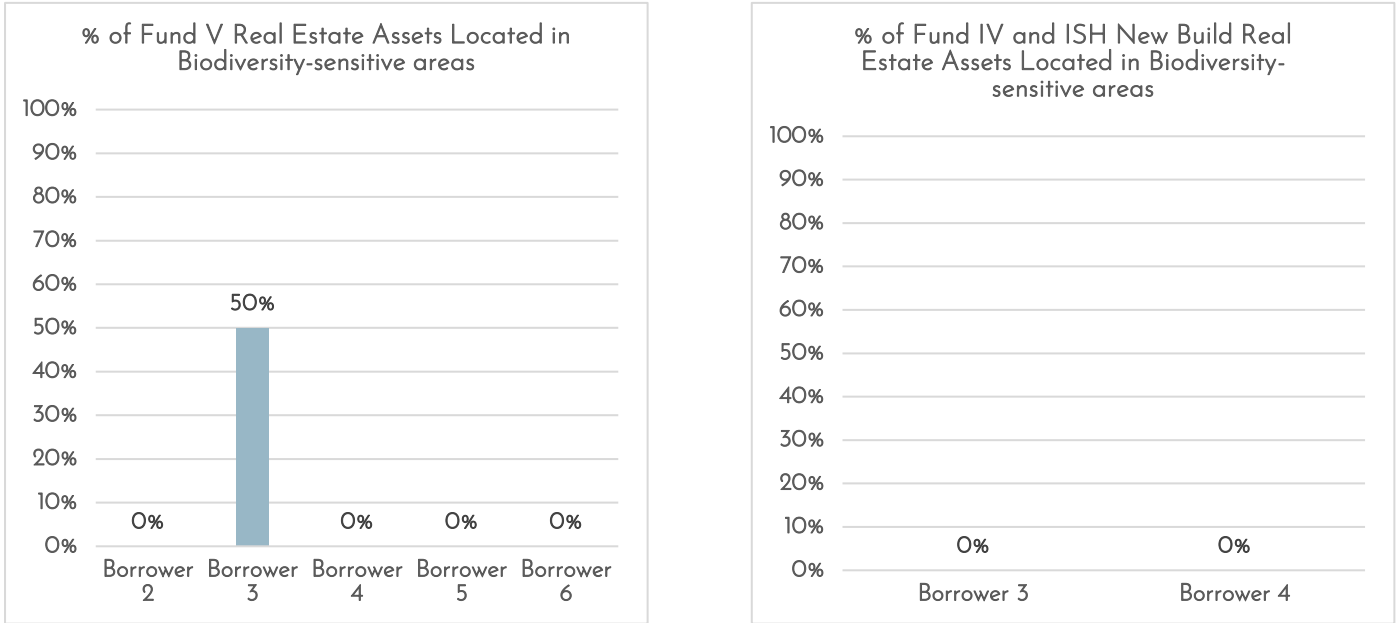
One Borrower did reference 50% of their real estate assets being located next to a Natura 2000 area. Although 50% is significant, RoundShield followed up with the Borrower who confirmed that an external party had conducted a biodiversity impact assessment on the area, concluding no negative impact to be expected, during both construction and operations.

<sup>7</sup> At the time of publication, this Borrower’s real estate asset has officially been awarded BREEAM Excellent.

<sup>8</sup> RoundShield defines biodiversity-sensitive areas in line with the EU SFDR regulation, which references the following: Natura 2000 Sites, UNESCO World Heritage Sites, and Key Biodiversity Areas (“KBAs”)

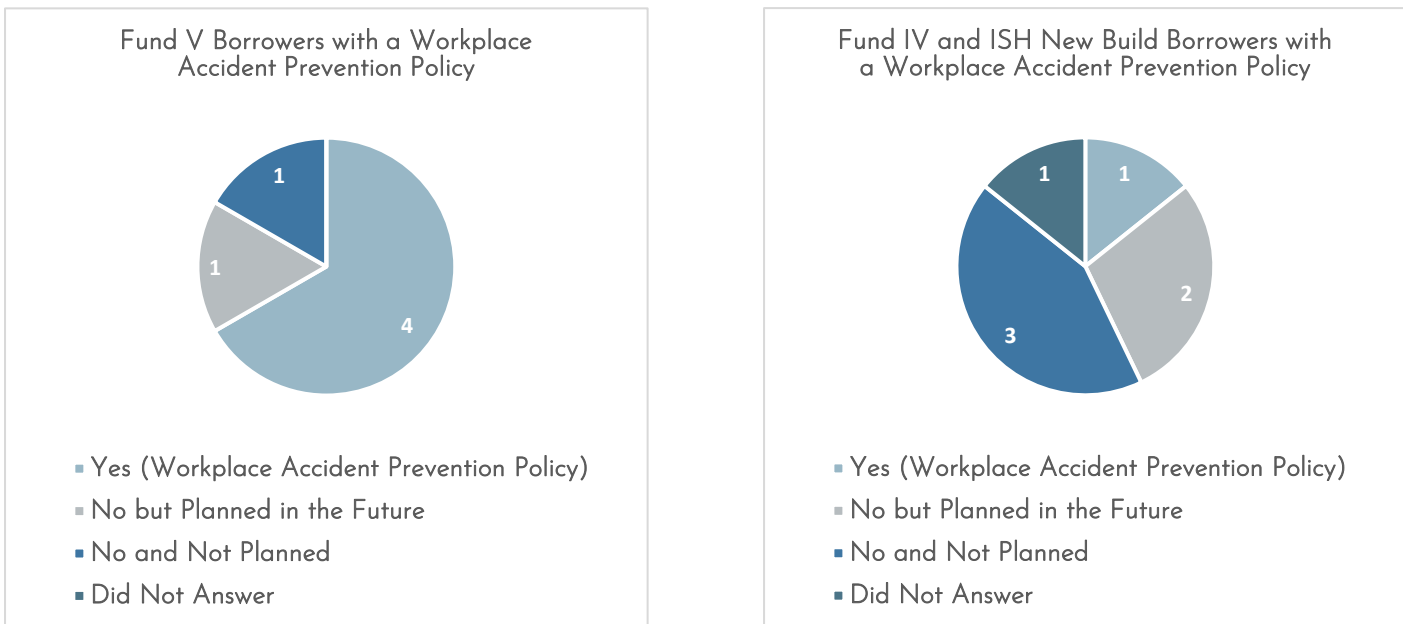


Figure 27 - Fund V, Fund IV and ISH New Build Real Estate Assets Biodiversity Reporting



In terms of a workplace accident prevention policy, 66% of Fund V Borrowers reported that 100% of their real estate assets were covered by a policy, whilst only one borrower across Fund IV and ISH New Build disclosed this information.

Figure 28 - Fund V, Fund IV and ISH New Build Real Estate Assets Workplace Accident Prevention Policy Reporting



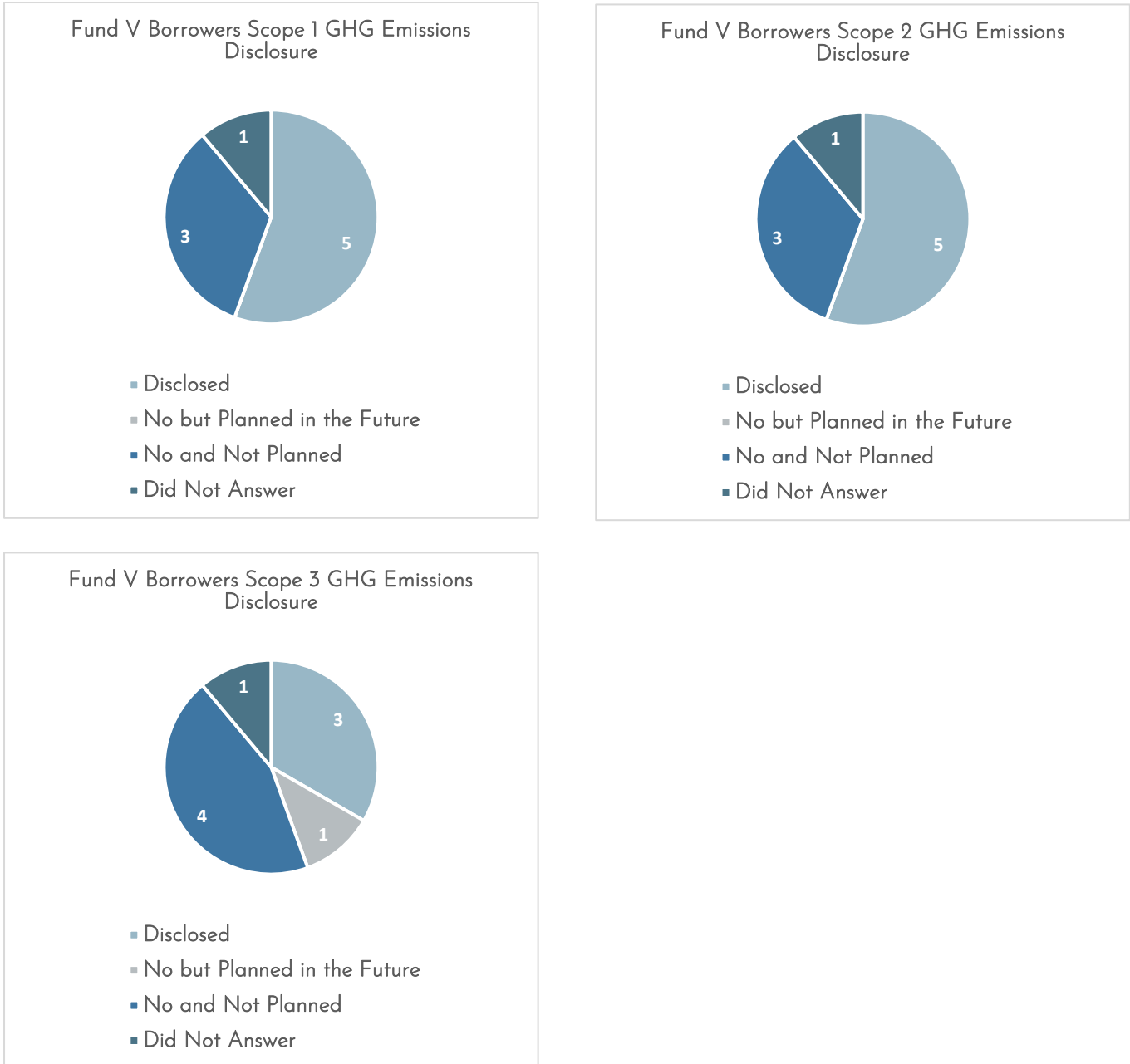
Again, the same Borrower as last year reported to RoundShield that an accident had occurred within their real estate assets. However, the Borrower has a strong process for managing such incidents, including an extensive safety management system and internal checks led by their Environmental Health Officers. RoundShield has followed up with the Borrower to understand more about the incidents, believes the Borrower has implemented appropriate mitigants, and considers the matter closed.



## SCOPE 1, 2 AND 3 GHG EMISSIONS

RoundShield has also reported climate-related data. Given this covers both corporate and asset level information, it has been given its own section in the ESG Report. Given only Fund V Borrowers have reported their GHG Emissions, RoundShield will present data for this Fund.

Figure 29 - Fund V GHG Emissions Disclosure

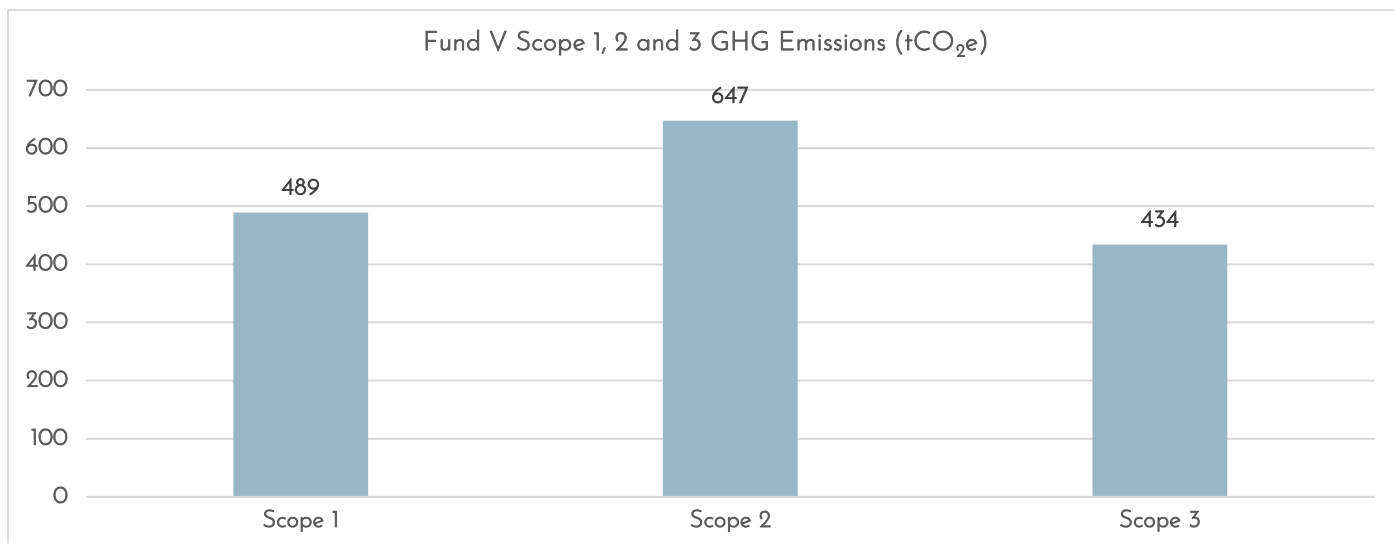


Overall, this was a slight increase from 2023, and RoundShield will continue to prioritise Scope 1 and 2 GHG Emissions disclosure and, where feasible, encourage Borrowers to improve upon their performance.

Based on the information provided by the Borrowers, as well as publicly available information. RoundShield was able to calculate the Scope 1, 2 and 3 emissions of Borrowers within Fund V.



Figure 30 - Fund V GHG Emissions



Per the Greenhouse Gas Protocol and Partnership for Carbon Accounting Financials, the financed emissions for an asset manager correspond to the Scope 1 and 2 Emissions of its underlying investments, meaning that Fund V’s financed emissions is 1,136 tCO<sub>2e</sub>. RoundShield believes that the current data coverage still does not allow for a meaningful intensity metric to be provided nor reduction targets to be set at the portfolio level. However, RoundShield is happy with progress made, particularly compared to previous years, and will continue to push for 100% disclosure of Scope 1, 2 and 3 GHG Emissions.

Where Borrowers have disclosed GHG Emissions, RoundShield will encourage them to set reduction targets, per the GHG Emissions Improvement Plan. RoundShield is encouraged to see one Fund V Borrower already committing to a GHG Emissions reduction target, with four more Borrowers committing to doing so in the future. In addition to GHG Emissions, RoundShield will monitor other metrics relevant to climate-related transition risks, such as EPC Ratings and Green Building Certifications, as well as ongoing exposure to physical risks.

### PORTFOLIO COMPANY CASE STUDY - SPANISH STUDENT HOUSING

One portfolio company which RoundShield would like to highlight is Spanish Student Housing, held in Fund V, who is an investor, developer and manager of Spanish Purpose Built Student Accommodation (“PBSA”) and Flex Living. Spanish Student Housing is a strong performer in RS Fund V, making substantial progress on its ESG programme and particularly in relation to climate change and GHG Emissions.

#### Spanish Student Housing Overview

Number of Employees	10	RoundShield Fund	RS Fund V	Number of Real Estate Assets	8 (5 under construction and 3 operational)
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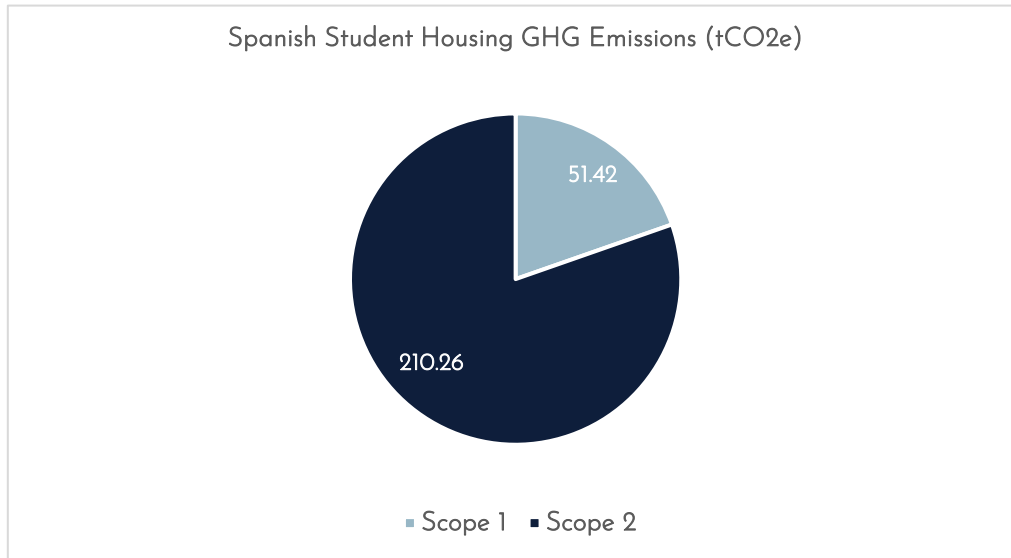
#### Climate Change Performance - Spanish Student Housing

Target	Desired Date of Completion	2023 Performance	2024 Performance	Current Status
Estimate your Scope 1, 2 and 3 Emissions	2024	No	Yes	Achieved
Measure your Scope 1, 2 and 3 Emissions	2025	No	Yes	Achieved
Create a GHG Emissions Reduction Plan	2026	N/A	Yes	Achieved
Formalise and Communicate your GHG Emissions Reduction Plan	2027	N/A	N/A	N/A



In 2024, Spanish Student Housing published its Scope 1 and 2 GHG emissions for the first time, as shown below:

Figure 31 - Spanish Student Housing GHG Emissions



Although Spanish Student Housing has not disclosed Scope 3 GHG Emissions, the Firm has included its underlying real estate assets within its Scope 1 and 2 GHG Emissions. As such, the information provided accounts for the most material share of their GHG Emissions.

What distinguishes Spanish Student Housing is that the Firm has committed to implementing a GHG Emissions Reduction Plan for its real estate assets. The plan includes setting asset-level emissions reduction targets at the end of each building’s third year of operation, once performance data is stabilized and occupancy is fully realized. To support this effort, Spanish Student Housing uses a leading Net Zero Lifecycle Analysis tool to assess and reduce the environmental impact of both new developments and refurbishments.

This integrated approach underscores Spanish Student Housing strategic commitment to long-term sustainability and emissions transparency.

**Borrower Improvement Plan Performance - Spanish Student Housing**

Summary Table			
Corporate Targets	2023 Performance	2024 Performance	Current Status
Senior Level Oversight	Yes	Yes	Achieved
ESG Materiality Assessment	Yes	Yes	Achieved
ESG Training	Yes	Yes	Achieved
DEI Policy	Yes	Yes	Achieved
Gender Pay Gap Disclosure	Yes	Yes	Achieved
Real Estate Targets			
Energy Consumption Measurement and Disclosure	Yes	Yes	Achieved
Workplace Accident Prevention Policy	Yes	Yes	Achieved
EPC Rating Disclosures	Yes	Yes	Achieved
BREEAM Certification Disclosure	No	Yes	Achieved

Spanish Student Housing continues to demonstrate strong performance against RoundShield’s portfolio-level ESG targets:



## Corporate Level

At the corporate level, the firm upholds a 0% gender pay gap across its operations, reinforcing its commitment to equality and inclusion.

ESG training is a core focus, with the technical team having obtained Passivhaus certification, enhancing their ability to optimize energy efficiency in residential spaces. In addition, team members are preparing to undertake the Diploma in Environmental, Social, and Governance (ESG) at the Centro de Estudios Financieros ("CEF"), a leading Spanish business school.

Spanish Student Housing also maintains a data privacy policy, with the company not experiencing any known data breaches.

Its Supplier Code of Conduct applies to 100% of its suppliers, ensuring ESG considerations are being actively considered and monitored across the value chain.

## Asset Level

At the underlying asset level, 100% of operational assets have attained an EPC Rating of "A". All assets currently under construction are targeting the same rating. Additionally, every operational asset has achieved a BREEAM In-Use certification of "Very Good", with the remaining developments being constructed to meet this benchmark.

Given Spanish Student Housing is focused on student residences in urban environments, none of the operational or developing assets are in biodiversity-sensitive areas, minimising any adverse impacts on biodiversity.

The real estate assets average 10% of water re-use and recycling, supported by the installation of low-flow fixtures, dual-flush systems, and leak detection technologies.

Finally, all operational assets are governed by robust policies, including an Environmental Management Policy, Water Management Policy, and a Workplace Accident Prevention Policy.



## Corporate Sustainability at RoundShield

RoundShield has continued to make progress on its Corporate Sustainability efforts. RoundShield continues to implement its Corporate Sustainability Policy, which formalises the corporate sustainability principles RoundShield aspires to, and the procedures implemented to operationalise these principles into our non-investment activities.

### SOCIAL

RoundShield is committed to promoting a diverse and inclusive culture that encourages employees to grow professionally. We look forward to working alongside other LPs and GPs in continuing to advance diversity and inclusion across the private market industry.

We are delighted to be a supporter of Level 20, a not-for-profit organisation established to inspire women to join and succeed in the private equity industry. We also support 100 Women in Finance, an organisation committed to empowering women in finance to achieve their professional potential at every stage of their career.

Our firm’s engagement with these activities is led by our internal Level 20 Ambassador and 100 Women in Finance member, Hayley Stewart.

RoundShield conducted its annual employee engagement survey, achieving a 53% response rate. A high-level analysis of the results identified key areas for improvement, including workload management, career development opportunities, and workplace flexibility. Positively, over 69% of respondents agreed that their colleagues are friendly and supportive, reinforcing RoundShield’s reputation as an inclusive and collaborative workplace.

Alongside the survey, Human Resources partnered with employees to complete Adult Mental Health First Aid training through an external provider. Following the training, three staff members established the RS Culture & Wellbeing Committee, which has since received strong support from senior leadership. Several of the committee’s initiatives have already been implemented, contributing to ongoing efforts to enhance employee wellbeing. We look forward to updating you on the outcomes of these initiatives in next year’s report.

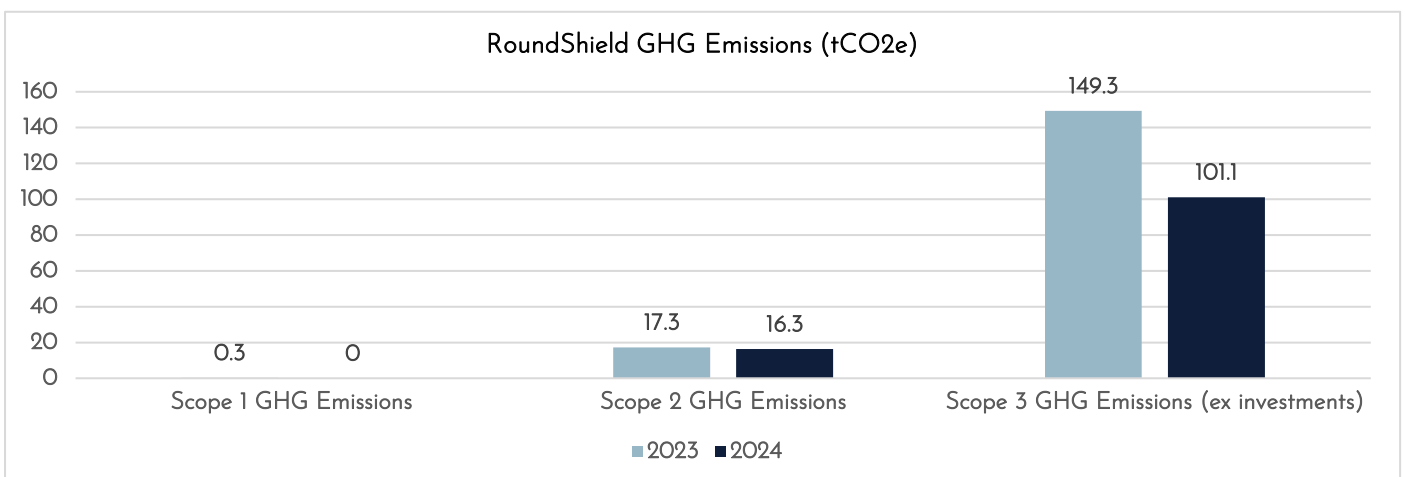
### ENVIRONMENT

RoundShield strives to minimise our own direct environmental impact through reducing waste and increasing recycling, supporting green transport options for staff, reducing energy consumption across our sites and by operating paperless offices. We continue to use an asset management system which collates and analyses data from our Borrower sites. This has led to a reduction in travel as fewer site visits are required. Instead, data is analysed at RoundShield’s respective offices.

In 2024, RoundShield calculated its Scope 1, 2 and 3 GHG Emissions, with GHG Emissions totalling 117.4 tCO<sub>2</sub>e, representing a 30% decrease compared to 2023. We used a materiality threshold to determine which emissions are included in our GHG reporting. We have included emissions from the following sources as defined by the Greenhouse Gas Protocol - Scope 1, Scope 2, Scope 3 - Fuel and Energy Related Activities (specifically energy transmission and distribution), Scope 3 - Waste, Scope 3 - Business Travel, and Scope 3 - Employee Commuting). The calculations were also reviewed by NorthPeak Advisory for completeness, materiality and consistency.

It is no surprise that the largest source of RoundShield’s operational footprint continues to be from international flights taken by our employees. We have had discussions with two external carbon footprinting firms to understand where best to focus any reduction or offsetting efforts.

Figure 32 - RoundShield GHG Emissions (excluding investments)





## Our Ambitions

Reflecting on 2024, RoundShield is proud of the clear strides made in advancing our responsible investment agenda. We made meaningful progress against all of the targets set out in our 2021-2023 reports, with notable improvements in both volume and quality of data reported - particularly in Fund V. This continued momentum reflects the effectiveness of our enhanced ESG integration framework.

This year marks a turning point in our ESG reporting maturity; our first TCFD-aligned report, complete with scenario analysis and reporting of portfolio-level GHG emissions disclosure. These milestones underscore our commitment to managing and transparently reporting climate-related risks and opportunities.

We were pleased to see strong results in our second round of PRI reporting, particularly our improved score for the Fixed Income (Private Debt) and Policy, Governance and Strategy modules, as well as our contribution to the GRESB Lender Assessment and continued improvements in our GRESB score.

As we remain focused on achieving full coverage across key ESG indicators, our immediate priority is to close remaining data and disclosure gaps before setting new forward-looking targets. We are confident that our deliberate, data-driven approach will continue to enhance our investment decision-making and stakeholder outcomes.

We look forward to communicating progress made during 2025.

*Signatory of:*



G R E S B

LENDER ROUNDTABLE  
REAL ESTATE



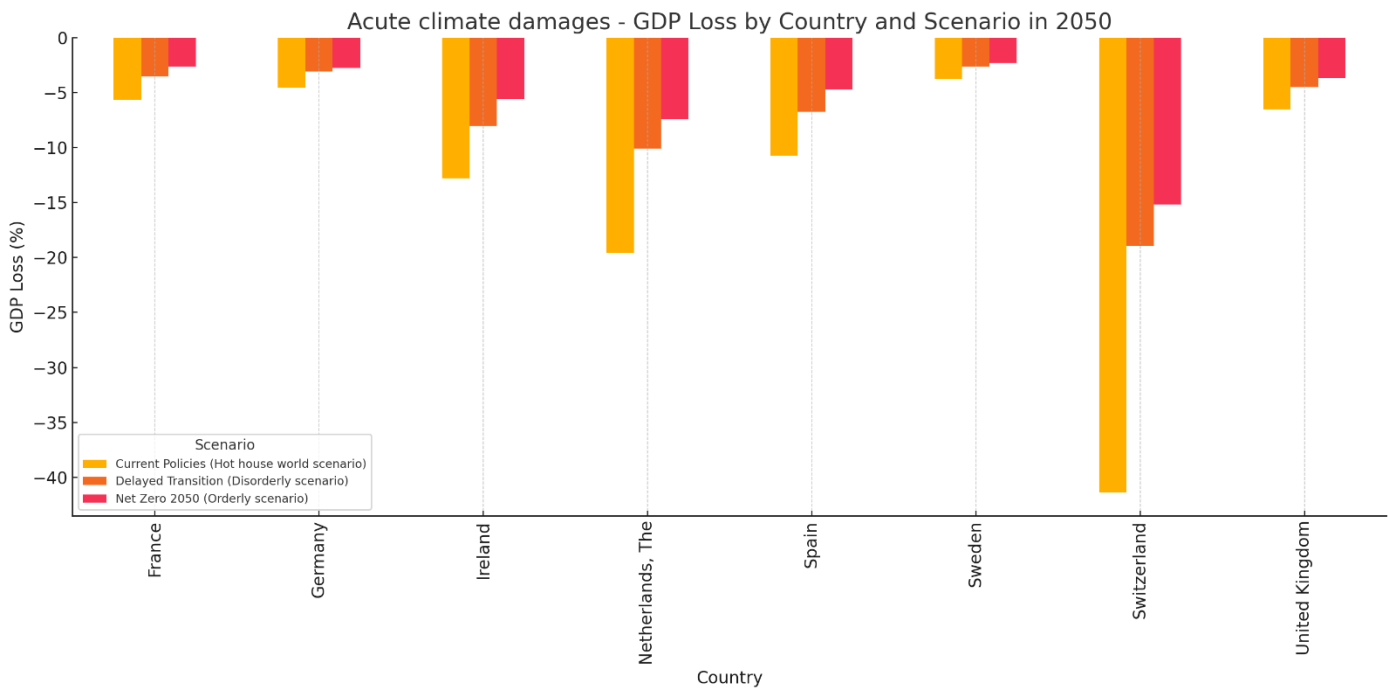
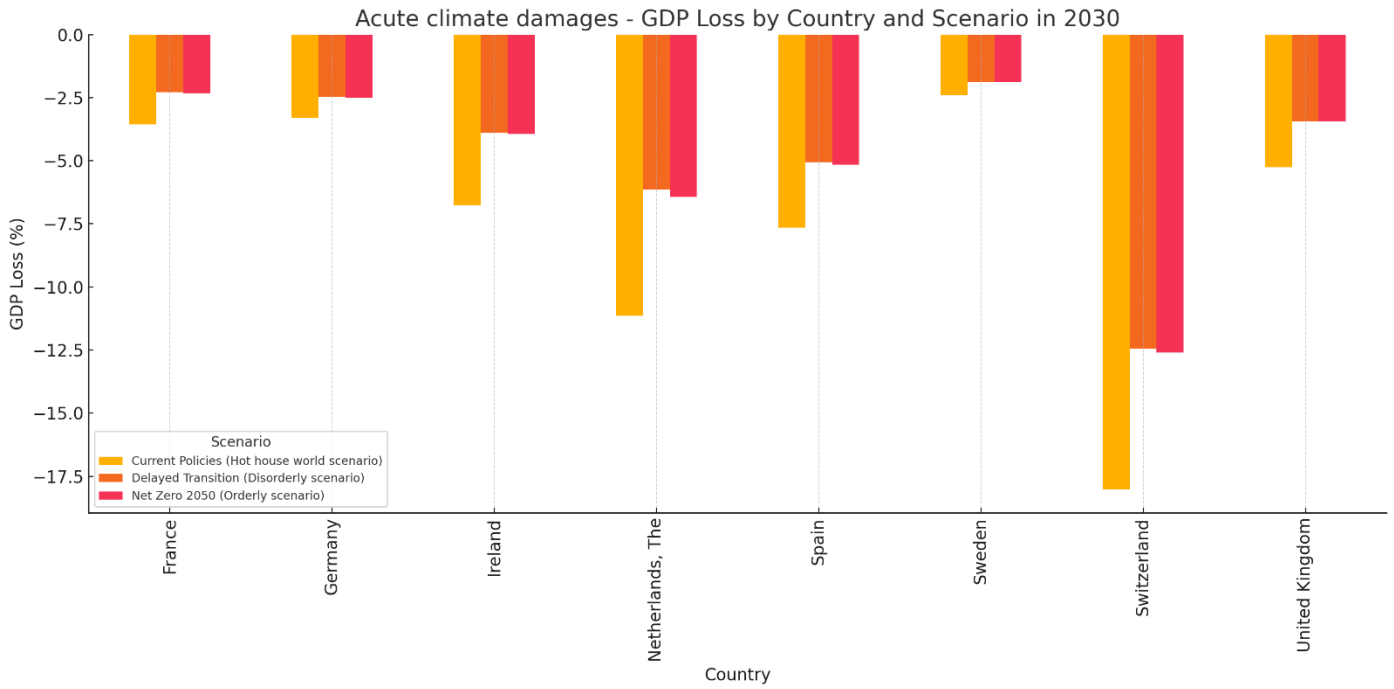
## Appendix A - TCFD Reporting Index

TCFD Pillar	TCFD Disclosure	ESG Report Page Reference
<b>Governance</b>		
Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	6
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	6
<b>Strategy</b>		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	10-13
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial plan.	10-13
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	10-13
<b>Risk Management</b>		
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks	8-9
	b) Describe the organisation's processes for managing climate-related risks.	14-15
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	14-15
<b>Metrics &amp; Targets</b>		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	24-25, 27-28
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	27-28, 31
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	3-4



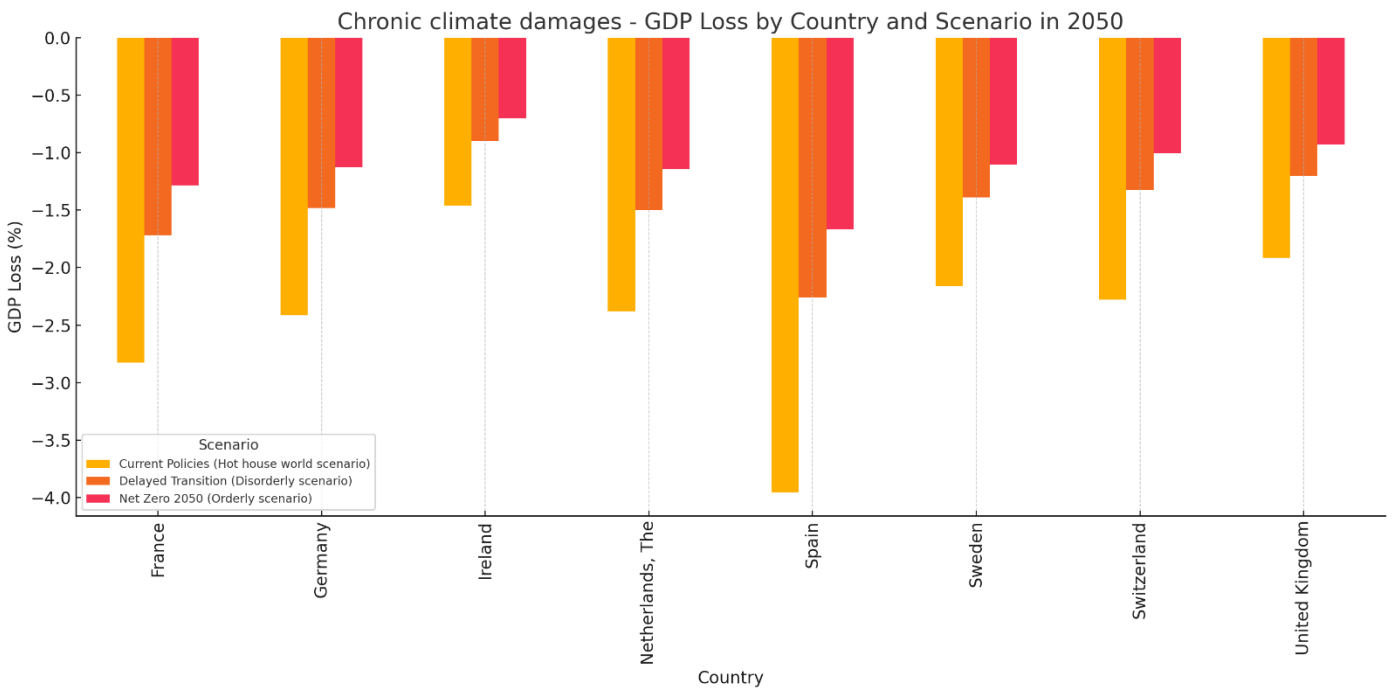
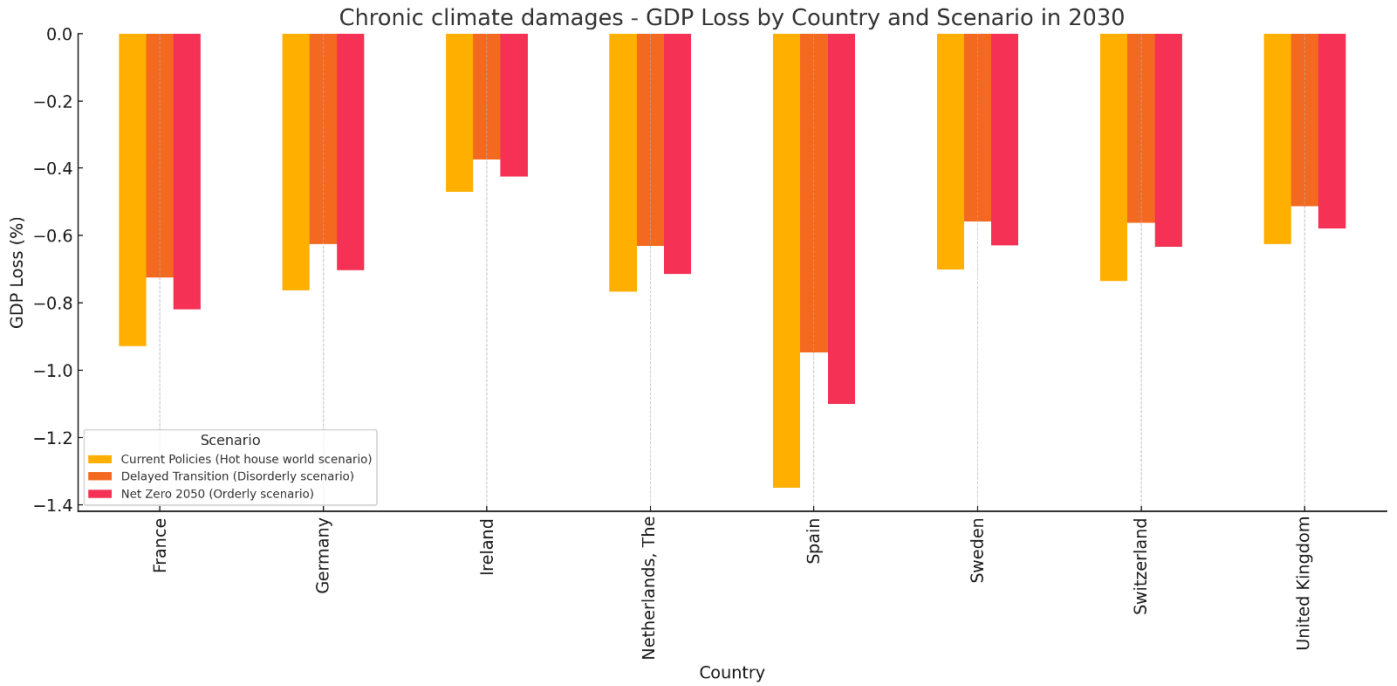
## Appendix B - Scenario Analysis (per GDP Loss Driver)

Estimated GDP Loss from Acute Climate Damages (IMF Climate Impact Dashboard)





Estimated GDP Loss from Chronic Climate Damages (IMF Climate Impact Dashboard)





Estimated GDP Loss from Mitigation Policy Costs (IMF Climate Impact Dashboard)

