

Transparency in sustainable investments

Information pursuant to Article 10 of the Disclosure Regulation

Summary

Commerz Real Fund Management S.à r.l. (“AIFM”), LEI-Code: 529900FAXUZRLWRIFD51, in its role as Alternative Investment Fund Manager, discloses the following information pursuant to Art. 10 of Regulation (EU) 2019 / 2088 on Sustainability-Related Disclosures in the Financial Services Sector (“Disclosure Regulation”) for Elov8 Real Estate Fund SCA SICAV-RAIF (“ELOV8”), LEI-Code: 52990086I7MI1JSUO484, as a financial product referred to in Art. 8 of the Disclosure Regulation.

ELOV8 focuses on Real Estate Assets’ transformations into best-in-class buildings in the top-7 office locations in Germany by refurbishing the Real Estate Assets - if and to the extent necessary - in terms of energy efficiency in such a way that they meet the requirements pursuant to Article 8 of the Disclosure Regulation. It aims to follow the decarbonization pathways leading up to 2050 and will invest a minimum of 50% of the total value of the fund to meet one or more of the defined environmental criteria after undergoing energy modernization or that are already meeting them. The defined characteristics are:

- Achieving at least a 50% reduction in primary energy demand*
- Achieving at least a 50% reduction in CO₂ emissions*
- Align with the CRREM 1.5° decarbonization pathway*
- For liquidity (also: cash reserve): Taxonomy compliance (in the meaning of a sustainability ratio)*

Due diligence procedures and guidelines are applied in investment decisions in order to assure that the environmental characteristics are met by at least 50% of the total fund value. As part of its investment activities, ELOV8 promotes environmental characteristics - according to the Disclosure Regulation. As part of the Article 8 investment strategy ELOV8 commits to investing a minimum of 50% of the total fund value in assets that are aligned with ELOV8’s promoted characteristics.

The binding elements of the investment strategy are a specific plan of action to meet at least one of the environmental criteria within five years while excluding the possibility of the funds liquidity being invested in companies or assets that have not endorsed the principles of the UN Global Compact or of which violations of the principles became public.

ELOV8 uses specific data sources on energy consumption or demand by working together with the property vendor and measuring CO₂ emissions following the methodology of the Greenhouse Gas Protocol. Thereby specific values are obtained partly through energy certificates before purchase and are compared to those after revitalization. There are no limitations to methodologies and data.

All business partners with an annual order volume of more than EUR 50,000 (for outsourcing and associated persons: EUR 0) undergo an examination in the Business Partner Due Diligence Tool, which examines business partners in particular with regard to sanctions, corruption, money laundering, fraud and bribery. Engagement policies are not part of the investment strategy. A reference benchmark has also not been designated.

Zusammenfassung

Die Commerz Real Fund Management S.à r.l. („AIFM“) LEI-Code: 529900FAXUZRLWRIFD51 legt in ihrer Rolle als Verwalter alternativer Investmentfonds die nachfolgenden Informationen gemäß Art. 10 der Verordnung (EU) 2019 / 2088 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor („Offenlegungsverordnung“) für Elov8 Real Estate Fund SCA SICAV-RAIF („ELOV8“) LEI-Code: 52990086I7MI1JSUO484 als ein in Art. 8 Offenlegungsverordnung genanntes Finanzprodukt offen.

ELOV8 konzentriert sich auf den Umbau und die Revitalisierung von Immobilien in Best-in-Class-Gebäude an den Top 7 Bürostandorten in Deutschland, indem die Immobilien - falls und soweit erforderlich - im Hinblick auf die Energieeffizienz so saniert werden, dass sie die Anforderungen gemäß Artikel 8 der Offenlegungsverordnung erfüllen. Er zielt darauf ab, Dekarbonisierungspfade bis 2050 zu verfolgen und wird mindestens 50% des Gesamtvermögens des Fonds so investieren, dass eines oder mehrere der definierten Umweltkriterien nach einer energetischen Modernisierung erfüllt oder die Kriterien bereits erfüllt werden. Die definierten Kriterien sind:

- Erreichen einer mindestens 50%igen Reduzierung des Primärenergiebedarfs
- Verringerung der CO₂-Emissionen um mindestens 50%
- Keine Überschreitung des CRREM 1,5° Dekarbonisierungspfades
- Bei Liquiditätsanlagen: Taxonomiekonformität (im Sinne einer Nachhaltigkeitsquote)

Bei Investitionsentscheidungen werden Due-Diligence-Verfahren und -Leitlinien angewandt, um sicherzustellen, dass die Umweltmerkmale bei mindestens 50% der Vermögenswerte erfüllt sind. Im Rahmen seiner Investitionstätigkeit fördert ELOV8 ökologische Merkmale gemäß der Offenlegungsverordnung. Im Rahmen der Anlagestrategie nach Artikel 8 verpflichtet sich ELOV8, mindestens 50% der gesamten Vermögenswerte des Fonds so zu investieren, dass sie den von ELOV8 geförderten Merkmalen entsprechen.

Die verbindlichen Elemente der Anlagestrategie sind ein spezifischer Aktionsplan mit einer Laufzeit von bis zu fünf Jahren, um mindestens eines der Umweltkriterien zu erfüllen und gleichzeitig sicherzustellen, dass die Liquidität der Fonds nicht in Unternehmen oder Anlagen investiert wird, die die Prinzipien des UN Global Compact nicht unterstützen oder gegen die Verstöße gegen die Prinzipien bekannt geworden sind.

ELOV8 verwendet spezifische Datenquellen zur Ermittlung des Energieverbrauches oder -bedarfes, indem es mit dem Immobilienanbieter zusammenarbeitet und die CO₂-Emissionen nach der Methodik des Greenhouse Gas Protocol ermittelt. Dabei werden spezifische Werte teilweise durch Energieausweise vor dem Kauf ermittelt und mit den Werten nach der Revitalisierung verglichen. Es gibt keine Einschränkungen hinsichtlich der Methodik und der Daten.

Alle Geschäftspartner mit einem jährlichen Auftragsvolumen von mehr als 50.000 Euro (bei Outsourcing und assoziierten Personen: 0 Euro) durchlaufen eine Prüfung im Business

Partner Due Diligence Tool, das Geschäftspartner insbesondere im Hinblick auf Sanktionen, Korruption, Geldwäsche, Betrug und Bestechung untersucht. Die Sorgfaltspflicht-Strategie ist nicht Teil der Anlagestrategie. Eine Referenz-Benchmark wurde ebenfalls nicht benannt.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

ELOV8 focuses on Real Estate Assets' transformations into best-in-class buildings by refurbishing the Real Estate Assets - if and to the extent necessary - in terms of energy efficiency in such a way that they meet the requirements pursuant to Article 8 of the Disclosure Regulation. Therefore, its investments should support the objective of the Paris Climate Agreement to limit the global temperature rise to 1.5 degrees Celsius if possible, but at the very least below 2.0 degrees Celsius when compared to the pre-industrial era, considering the individual characteristics of the properties and depending on the energy generation after refurbishment. For this reason, the environmental characteristics promoted by ELOV8 are to make a positive impact on decreasing CO₂ emissions or energy use, by making a positive contribution to CO₂ savings and the reduction of energy consumption through the modernisation, revitalisation and maintenance of existing buildings.

Investment strategy

ELOV8 aims to follow the decarbonization pathways leading up to 2050. For each type of use, ELOV8 will create pathways based on the respective countries in which the properties are located to measure the required reductions needed in order to achieve the targets. These measures promote the energy efficiency in buildings and emission-free energy production. However, decarbonization pathways are not specifically identified as a separate environmental target to enable the fund to acquire properties that are already significantly energy-inefficient today and improve them based on the defined KPIs (such as a minimum 50% reduction in primary energy) and contribute to the transformation of the energy transition.

ELOV8 will invest a minimum of 50% of the total value of the fund towards assets that have binding development plans to meet one or more of the defined environmental criteria after undergoing energy modernization or that are already meeting them. Additionally, if the fund holds operational properties that already underwent energy modernization, it will ensure that at least 50% of the total value of these properties meet one or more of the defined environmental criteria. The value of properties is measured based on the valuation reports of the properties after undergoing modernization. If modernization has not taken place yet, it is based on the purchase report plus the calculated planning costs for revitalizing each property. To achieve the environmental characteristics, ELOV8 has defined the following environmental criteria:

- Achieving at least a 50% reduction in primary energy demand, within a 5 year timeframe, through demand-driven and energy-efficient building refurbishment from the time of property purchase.

- Achieving at least a 50% reduction in CO₂ emissions, within a 5 year timeframe, through demand-driven and energy-efficient building refurbishment and the use of environmentally friendly and low CO₂ energy carriers from the time of property purchase.
- Align with the CRREM 1.5° decarbonization pathway within a 5 year timeframe from the time of property purchase.
- For liquidity (also: cash reserve): Taxonomy compliance (in the meaning of a sustainability ratio)

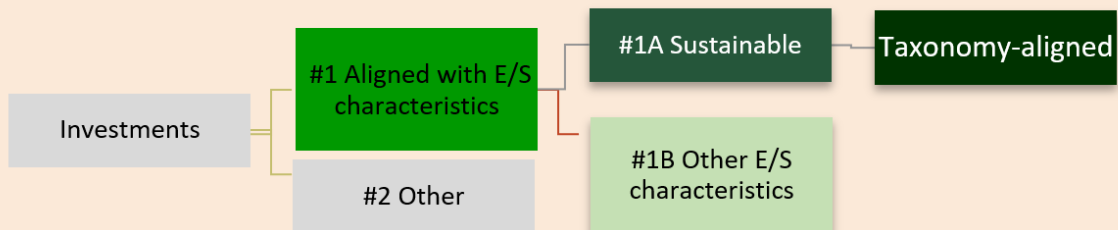
ELOV8 aims to identify the potential of existing properties, acquiring them in a fair manner, implementing efficient strategies in a timely manner, and creating revitalized properties in a resource-efficient way. To attain these goals, the CO₂ emissions (Scope 1 and 2) and primary energy demand or consumption generated by the property at the time of acquisition will be determined. These values will form the foundation of a sustainable decarbonization and energy reduction strategy for the respective countries in which the properties are located in order to clearly determine the reductions required to achieve the aforementioned targets.

As part of the liquidity management, ELOV8 excludes the possibility of ELOV8's liquidity being invested in companies or assets that have not endorsed the principles of the UN Global Compact or in those that are known to have significant violations of these requirements.

ELOV8 focuses solely on direct or indirect investments in real estate in line with the fund's investment strategy. Therefore, ELOV8 does not assess good governance practices of the investee companies. The investment strategy of the fund does not encompass investments in companies, specifically excluding real estate companies from its definition of companies.

Proportion of investments

ELOV8 will invest continuously more than fifty percent (50%) of its assets in Real Estate Assets or into Real Estate Vehicles or into taxonomy-compliant liquidity and intends to achieve this quota within the first four years after the incorporation.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

As part of its investment activities, ELOV8 promotes environmental characteristics – according to the Disclosure Regulation. As part of this investment strategy ELOV8 commits to investing a minimum of 50% of the overall fund value in assets that are aligned with ELOV8’s promoted characteristics.

As ELOV8 does not commit to make investments which are aligned with the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (“**EU Taxonomy**”), the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy is therefore set at 0%. ELOV8 promotes environmental characteristics but does not commit to making any sustainable investments. As a consequence, ELOV8 does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. However, if ELOV8 might choose to invest in liquidity or assets that fulfil the technical screening criteria of the EU Taxonomy, the ratio of such investments will be disclosed. The ratio is derived from the formula pursuant to Art. 17 para. 1 of Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory standards (“**RTS Disclosure Regulation**”), which is the “market value of all taxonomy-compliant investments of the financial product in environmentally sustainable economic activities / market value of all investments of the financial product”, resulting in “the degree to which investments are made in environmentally sustainable economic activities”. The “investments of the financial product in environmentally sustainable economic activities” are taxonomy-compliant assets. The market value is based on the

respective fair value of the investment. Furthermore, the ratio of assets that are aligned with ELOV8's promoted characteristics is derived from the formula "market value of all assets that are aligned with ELOV8's promoted characteristics of the financial product / market value of all investments of the financial product", resulting in "the degree to which investments are aligned with ELOV8's promoted characteristics". The market value is based on the respective fair value of the investment. The market value of assets is measured based on the valuation reports of the assets after undergoing modernization. If modernization has not taken place yet, it is based on the purchase report plus the calculated planning costs for revitalizing each asset.

In addition to the aforementioned investments in properties that meet ELOV8's defined requirements to be aligned with the environmental characteristics, ELOV8 also invests in assets that do not meet these criteria within the investment limits set out in Chapter III Number 1 of the Offering Document. Their purpose is the liquidity management of the fund. For these investments no minimum environmental or social safeguards were set.

Monitoring of environmental or social characteristics

The binding elements of the investment strategy used to select the investments to achieve the environmental characteristics promoted are the following:

- A specific plan of action will be created upon purchasing the properties. It will ensure that each property is upgraded within 5 years from the following year-end after the transfer of ownership, benefits and responsibilities to meet at least one of the environmental criteria.
- To fall into the investment quota, investments need to meet at least one of the environmental criteria at the end of the development period of 5 years or to have binding development plans to meet one or more of the defined environmental criteria.
- ELOV8 excludes the possibility of the funds liquidity being invested in companies or assets that have not endorsed the principles of the UN Global Compact or in those that are known to have significant violations of these requirements.

Recording and evaluating indicators relative to their industry average of ELOV8's properties, if available:

- Specific energy consumption or demand (operational) (kWh / m² / p.a.),
- CO₂ emissions (operational) (Scope 1 and Scope 2 emissions in kg CO₂ (kg CO₂/ m² / p.a.))
- The permanent decrease in the primary energy demand of an individual property after undergoing revitalization in comparison to its primary energy demand at the time of purchase (expressed as %)
- The permanent decrease in CO₂ emissions of an individual property after

undergoing revitalization in comparison to its CO₂ emissions at the time of purchase (expressed as %)

- For liquidity (also: cash reserve): the taxonomy compliance quota.

The indicators are reported for each investment individually, as well as aggregated to the whole portfolio in order to measure to what extent the characteristics promoted were met.

Methodologies

A specific plan of action will be created upon purchasing the properties. It will ensure that each property is upgraded within 5 years from the following year-end after the transfer of ownership, benefits and responsibilities. ELOV8 creates an action plan during the purchase audit, which includes specific steps that must be taken into account for implementing measures. These steps are binding and must be factored into the purchase calculation to ensure all requirements are met. If the measures are not implemented (for whatever reason) within the specified timeframe or if the requirements for alignment with the promoted environmental characteristics for ELOV8 are not met, even after implementing the measures, the property will automatically fall out of the investment quota of at least 50% of the asset values that is aligned with the promoted environmental characteristics.

The AIFM applies due diligence procedures and guidelines as part of its activities for ELOV8 in relation to investment decisions in order to assure that the environmental characteristics are met by at least 50% of the asset values. The environmental characteristics and quotas are monitored thereafter on an ongoing basis.

ELOV8 aims to follow the decarbonization pathways leading up to 2050. For each type of use, ELOV 8 will create pathways based on the respective countries in which the properties are located to measure the required reductions needed in order to achieve the targets. These measures promote the energy efficiency in buildings and emission-free energy production.

Data Sources and processing

Data Sources

- Specific energy consumption or demand (operational) (kWh / m² / p.a.): The specific energy consumption or demand is obtained from the property vendor during the acquisition process and is based on documents such as energy certificates, operating cost statements or energy bills.
- CO₂ emissions (operational) (Scope 1 and Scope 2 emissions in kg CO₂ (kg CO₂/ m² / p.a.)): CO₂ emissions are calculated by multiplying the energy consumption with energy-specific emission factors. The methodology of the Greenhouse Gas Protocol will be applied.
- The permanent decrease in the primary energy demand of an individual property after undergoing revitalization in comparison to its primary energy demand at the

time of purchase (expressed as %): The indicator is calculated based on the values obtained from the energy demand certificates of the properties before and after revitalization.

- The permanent decrease in CO₂ emissions of an individual property after undergoing revitalization in comparison to its CO₂ emissions at the time of purchase (expressed as %): The indicator is calculated based on the specific energy consumption or demand which is obtained from the property vendor during the acquisition process and is based on documents such as energy certificates, operating cost statements or energy bills. After the revitalization process, the corresponding documents are generated based on the new building characteristics to obtain the relative reduction.
- For liquidity (also: cash reserve): Statement of the issuer of the taxonomy compliance quota.

Data Quality

Data is obtained from documents processed by third parties (energy certificates) or are reviewed and compared to benchmarks internally to assure data quality and completeness (operating cost statements and energy bills). Emission factors are obtained from credible third parties (e.g. CRREM).

Data processing

Data processing is carried out using internal IT systems. The respective internal teams, e.g. Sustainability Team, Asset Management and Fund Management, are responsible for assessing data quality. In particular, an internal plausibility check is carried out before the data is integrated or processed in internal systems in accordance with the principle to ensure the quality of the data.

Estimates

If direct contractors cannot provide the required data, estimates are used where necessary, which are calculated on the basis of scientific methodologies. The amount of estimated data cannot be quantified. However, the majority of data, particularly that relating to sustainability factors, is collected and not estimated. This may change over time. Data quality is ensured by internal plausibility checks.

Limitations to methodologies and data

Not applicable. At present, it is not expected that there will be any restrictions in terms of methods and data sources that would impair the achievement of the environmental investment target.

Due diligence

ELOV8 invests in real estate and real estate companies in accordance with its investment principles and observes the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. All business partners with an annual order volume of more than EUR 50,000 (for outsourcing and associated persons: EUR 0) undergo an examination in the Business Partner Due Diligence Tool, which examines business partners in particular with regard to sanctions, corruption, money laundering, fraud and bribery. Sanctioned companies and individuals are generally excluded from a business relationship. Commerz Real's Compliance department decides case related on exclusions and restrictions and acts in accordance with the Compliance - Anti-Bribery and Corruption Policy. Since mid-2021, the due diligence includes ESG criteria, based on the principles of the UN Global Compact.

Engagement policies

Not applicable. ELOV8 invests in real estate, so the participation policy is not part of the environmental or social investment strategy.

Designated reference benchmark

Not applicable. No index has been determined by ELOV8 as a reference value for the environmental or social characteristics promoted with the financial product.

List of amendments according to Art. 12 of the Disclosure Regulation

16.12.2024: The initial version of this document has been published.

Commerz Real Fund Management S.à r.l.
8, Rue Albert
Borschette, L-1246
Luxembourg

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B-189.252 Luxemburger R.C.S.-Register

Managing Directors: Dirk Holz (Vorsitzender), Tim Buchwald,
Desiree Eklund, Detlef Koppenhagen

Shareholders: Commerz Real Fund Management S.à r.l.
is a wholly owned subsidiary of Commerz Real AG.
Commerz Real AG is an indirect, wholly owned
subsidiary of Commerzbank AG, Frankfurt am Main.