

PYGMALION CAPITAL ADVISERS LLP

(“Pygmalion Capital” or the “Firm”)

Responsible Investment (RI) Policy

January 2026

1. Policy Purpose and Scope

This ESG Policy articulates Pygmalion Capital's approach to integrating Environmental, Social and Governance (ESG) considerations into its hotel investment and asset management activities. The objective of this Policy is to provide insight into the Firm's beliefs, approach, and practices related to ESG, recognising that ESG factors can influence long-term risk, opportunity and value creation in hotel assets.

This Policy applies to all activities of Pygmalion Capital and is designed to evolve over time in response to market practice, investor expectations, and emerging regulatory and industry standards.

2. Responsible Investment Philosophy

Pygmalion Capital acknowledges ESG factors as an integral part of prudent investment management and asset stewardship. While the Firm's core objective is to generate risk-adjusted financial returns for investors, it recognises that environmental sustainability, social responsibility, and strong governance practices can materially influence outcomes.

The Firm's approach is guided by the following principles:

- Consideration of ESG risks and opportunities in investment analysis.
- Integration of ESG perspectives into asset management strategies.
- Engagement with stakeholders (including investors, operators, partners, and local communities) on ESG topics.
- Continuous improvement of ESG practices over time.

3. ESG Governance and Oversight

Overall responsibility for ESG oversight lies with senior management, supported by an internal ESG Committee that provides strategic guidance and promotes consistent integration of ESG considerations across the Firm.

Day-to-day implementation is carried out by internal teams responsible for investment evaluation, asset management and reporting, with ESG considerations embedded, where relevant, into internal reviews, investment committee materials and asset performance monitoring.

4. Environmental Considerations

Pygmalion Capital seeks to promote environmentally responsible practices across its hotel portfolio, recognising the material impacts that energy, water, waste, and climate-related risks can have on asset performance and stakeholder value.

Key environmental focus areas may include:

- Encouragement of resource efficiency and operational sustainability.
- Consideration of climate-related physical and transition risks within strategic planning.

- Support for recognised building or sustainability certifications where appropriate and feasible (e.g. BREEAM, LEED), tailored to the nature of each asset.
- Encouraging data collection and monitoring to inform decision-making and reporting over time.

5. Social Considerations

Social factors are addressed primarily through engagement with hotel operators and stakeholders at asset and fund level. The Firm supports practices that enhance the wellbeing of employees, guests and local communities, consistent with applicable local laws and industry norms.

Social areas of attention may include:

- Health, safety and wellbeing.
- Respect for labour standards and equitable treatment.
- Engagement with local communities and supply chain partners.
- Support for wellbeing and inclusion practices where relevant.
- Gender and cultural diversity.
- Equal opportunity and non-discrimination.

The Firm acknowledges that implementation of many social practices occurs through operational partners (e.g. hotel management companies), and therefore engagement and influence may vary by asset or investment vehicle.

6. Governance Considerations

Strong governance practices are fundamental to the Firm's investment and management activities. Governance considerations support transparency, ethical conduct, and alignment with investor interests.

Governance topics may include:

- Business ethics, legal compliance, and risk management.
- Roles and responsibilities in ESG oversight.
- Alignment of interests among investors, management, and operating partners.
- Transparency in reporting and disclosures where appropriate.

7. ESG Integration in the Investment Lifecycle

ESG considerations are integrated into Pygmalion Capital's investment process in a proportionate manner:

- **Pre-investment:** High-level identification of material ESG factors as part of due diligence.
- **Investment Evaluation:** Inclusion of ESG insights in investment analysis where relevant.
- **Asset Management:** Assessment of ESG opportunities and risks in asset plans.
- **Ongoing Monitoring:** Collection of relevant data and review of practices.

The depth of integration reflects the nature of the asset, available data, and the level of influence the Firm has over operational practices.

8. ESG Reporting and Disclosure

Pygmalion Capital commits to transparent communication of its ESG approach and, where appropriate, relevant outcomes. This may include participation in recognised ESG benchmarking and reporting initiatives such as:

- GRESB reporting for applicable assets and funds.
- A long-term ambition to enrol as a signatory to the UN Principles for Responsible Investment (UN PRI). In the interim, the Firm seeks alignment with UN PRI principles where appropriate.
- Sustainability disclosures aligned with industry frameworks where determined relevant by Pygmalion Capital.

Reporting practices will continue to evolve as data availability and investor expectations develop.

9. Engagement and Continuous Improvement

Pygmalion Capital views ESG as a journey and is committed to ongoing learning, refinement and engagement with investors, operators, industry groups and peers. ESG practices will be reviewed periodically, and this Policy updated accordingly, to reflect developments in market practice, regulatory environments and internal priorities.