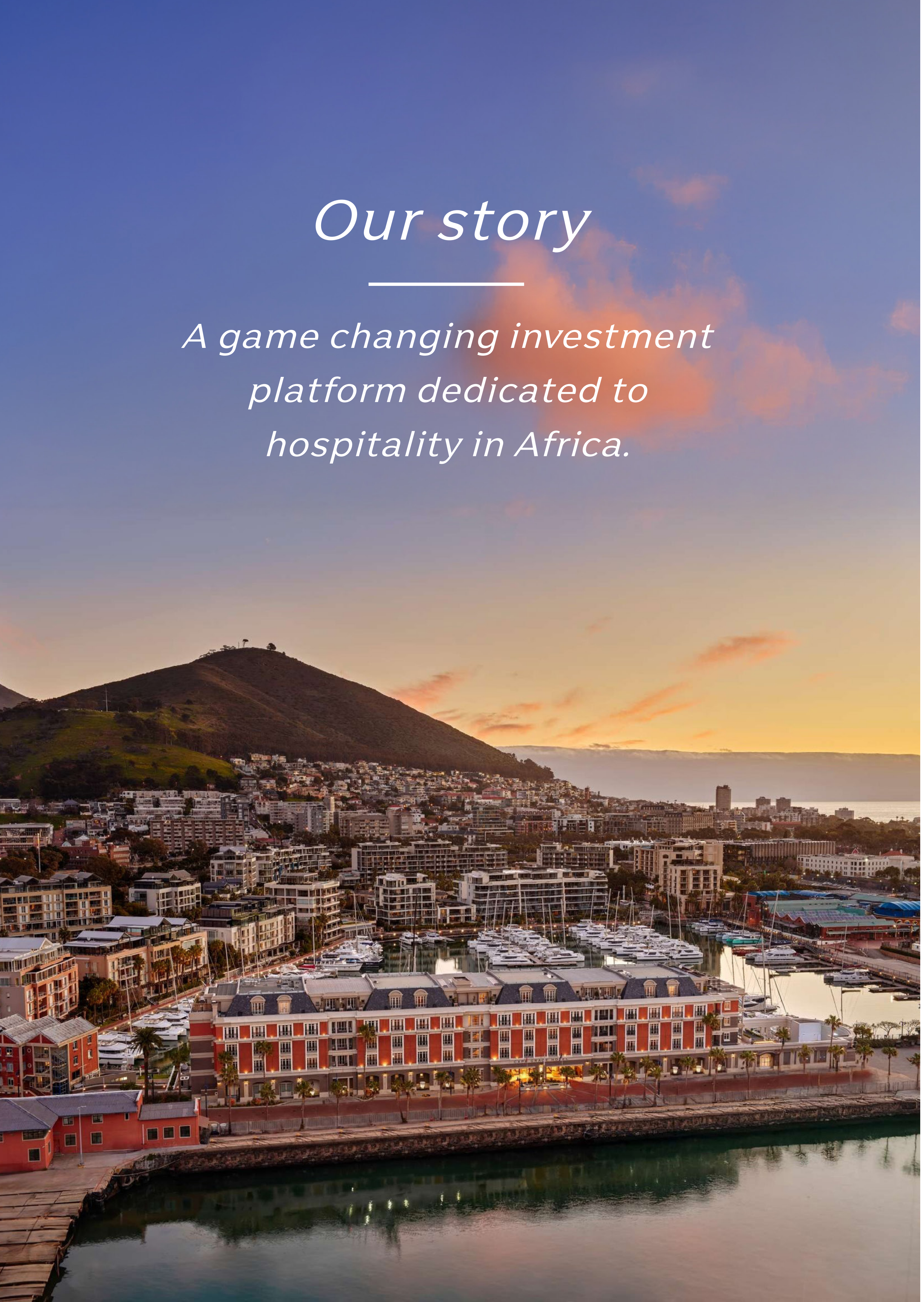
KASADA

Sustainability Report 2024


Our story
A game changing investment platform dedicated to hospitality in Africa.

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LEADERSHIP LETTER

We are pleased to present our first sustainability report. This report is a direct result of our focused, deliberate efforts to ensure that we provide our stakeholders with comprehensive, material information on our sustainability performance and path forward.

Sustainability reporting is a key stepping stone on our path to a more sustainable, inclusive, and rewarding future. This is our first report, providing our stakeholders with a transparent account of the complex and inter-related material sustainability risks, opportunities and impacts of the Kasada Hospitality Fund (Kasada). The report reflects on our journey, highlights our challenges and achievements, and outlines our future ambitions. The report also provides additional detail on our governance structures, processes and policies.

The content of this report is intended for all our stakeholders and informs them about our commitment to embedding sustainability governance and how we are accountable to stakeholders. As one of the fastest growing regions in the world, with rapid urbanisation and a strong and increasing middle class with increasing spending power, we believe that Africa could be home to a rapidly growing hospitality sector given its large untapped market segment.

We see significant opportunities to deliver attractive, risk-adjusted returns for our investors while simultaneously generating sustainable, positive impact in the African economies and communities where we invest.

Kasada is transforming the continent's hospitality sector with our world-class, multi-disciplinary team with deep sector expertise and successful track records across investment, construction, finance, ESG and operations and within the African context. Supported by our key strategic partnerships including Development Finance Institutions (DFIs), commercial banks, professionals, suppliers and regional public policy audiences across the hospitality value chain, Kasada has become the largest and most active institutional investor in hospitality in the region and the solution provider of choice.

"We understand sustainability reporting to be a key stepping stone on our path to a more sustainable, inclusive, and rewarding future."

Our continent has a lot to offer the world, and the world is slowly beginning to discover Africa again. As Africans we are making impacts on a global stage in a range of areas, from fashion and music to writing. However, to fully harness the changing perceptions of Africa, people need to visit Africa, and where they stay is often a key contributor to that decision. African hospitality is unique and underpinned by our culture and values. As an industry, we shape perceptions of safety and create memorable experiences that contribute to the way in which we are viewed. We are committed to playing a pivotal role in reintroducing Africa to the world.

Critically, our success is anchored by the region itself. We recognize that African consumers are the primary engine of our sector's stability and growth. We deliberately invest in facilities catering to the growing African middle class and intra-regional travel, a segment that represents the largest volume of travelers—often exceeding 75% of all tourist arrivals in major destinations—and providing crucial, year-round economic resilience.

Hospitality is one of the largest employers on the continent and a significant source of revenue for national economies, we believe that it is key to Africa's socio-economic development, supporting job creation among underrepresented groups, the promotion of small enterprises and micro industries, and developing local talent. It not only creates jobs in the tertiary sector, but it also encourages growth in the primary and secondary sectors of industry through a multiplier effect. Money spent in a hotel helps to create jobs directly in the hotel, in the communities where they operate, and the wider economy.

The hospitality sector plays a crucial, though frequently understated, role in economic development. It serves as a significant engine for growth by facilitating business and tourism through the essential provision of accommodation and associated services. This in turn stimulates wider demand for goods and services.

By embedding strong governance practices and principles of ethics, transparency, accountability, and effective risk management across our hotels, we contribute to the development of a more stable and predictable investment environment, leading to increased investment into an industry with strong positive sustainable development impacts.

Olivier Granet and David Damiba

1 - https://www.deloitte.com/uk/en/Industries/consumer/blogs/sustainable-carbon-credits-strategy-for-the-hospitality-industry.html
2 - Ibid

ABOUT KASADA

Kasada was established in 2018, with the support of two anchor investors, the Qatar Investment Authority, and Accor, out of the recognition that the hospitality market in Africa is fragmented, underdeveloped and underserved in terms of a hospitality offer of an international standard.

In April 2019, Kasada closed its first fund, Kasada Hospitality Fund L.P., with equity commitments of more than US$ 500 million. Our portfolio has grown to 20 hotels across seven countries.

We designed an investment strategy to capitalize on the African hospitality gap. Our strategy spans all segments, from budget to luxury, including lifestyle and leisure. It targets value-add investment opportunities and both operational and greenfield development projects.

Our investments benefit all segments across the local hospitality value chain in Africa by increasing employment opportunities and attracting local, regional and international business and leisure guests to the region. A thriving hospitality sector encourages both continental and international travel, accelerating job creation and income generation for the region.

During the past year, despite tough economic conditions, we successfully sold one of those eight portfolios. This reflects our deep skill and ability to navigate challenging markets.

Equity Commitments

USD Million

500

No. of Hotels (7 Countries)

20

Pullman Dakar

Pullman Nairobi

Our Team

We have a highly experienced team of professionals with extensive backgrounds in private equity investment, real estate and hospitality, gained from diverse experiences across the globe.

This seasoned team brings together individuals with long-term track records in investing, financing, constructing, and managing hotels. Their diverse skill sets, and expertise contribute to our comprehensive approach in the industry.

We have developed dedicated support entities staffed with specialised consultants exclusive to Kasada.

Our strong in-house hospitality asset management capabilities ensure that internally developed strategies are effectively deployed across our hotels. All Kasada hotels are currently branded and operated by Accor ("the operator"). The experience of collaborating with a major international hotel operator, combined with international hospitality knowledge and on-the-ground African market experience allows Kasada to be efficient at hotel take-over and during ownership.

A unique combination of Real Estate Private Equity and Hospitality Expertise

KASADA CAPITAL MANAGEMENT

Investing & Financing	Construction / Technical Services & Asset Management & Performance	Legal, Finance & Administration
10 Professionals	8 Professionals	6 Professionals

24 Professionals with a mix of Finance, Hospitality and African Expertise

Fund Leadership

The Fund's performance relies on a dedicated team of seasoned professionals with the capacity to deliver expected outcomes within a defined period, led by an experienced senior team led by two Chief Executive Officers.

Olivier Granet

Olivier has extensive hospitality industry experience gained over 20 years at Accor.

In his last position as CEO of AccorHotels Middle East and Africa, he was responsible for a portfolio of over 200 hotels consisting of 50,000 rooms in over 30 countries where he oversaw 30,000 employees.

He joined the Middle East team in 2011 when the Group had 40 hotels in the region. As a senior executive leading Accor's expansion in the region, Olivier made remarkable strides in growing the network, where he was ultimately acquiring one new property signature every two weeks and opening one hotel a month.

In 2016 Olivier took on the role of Chief Operating Officer Middle East, and in 2017 added Africa to his remit when he became Chief Operating Officer of Middle East and Africa.

Prior to joining Accor, he spent 10 years within Deloitte's Audit and Corporate Finance practice.

Olivier has a BA from Grenoble Institute of Political Studies (Sciences-Po Grenoble) and an executive MBA from ESSEC Business School.

Olivier is French and speaks English & French.

David Damiba

David has 25 years of finance experience with an extensive African fund management, portfolio construction and risk management track record covering all asset classes across more than 20 African countries.

Before joining Kasada in 2018, David was a Partner at Helios Investment Partners, where he co-founded and co-led the firm's activities in African mezzanine and structured credit. In that capacity, David originated, led, structured and executed a variety of transactions targeting equity-like returns with significant structural downside protection and an emphasis on yield and self-liquidation.

Prior to joining Helios in 2012, David was a Managing Director and founder of Africa Funds at Renaissance Asset Managers (UK). David's area of focus at Renaissance was on providing structured solutions across the capital
structure to a wide range of entities.

David has a BA in Economics from New York University (NYU) and an MBA from INSEAD. David is Burkinabé and British and speaks English and French.

ibis Styles Abidjan

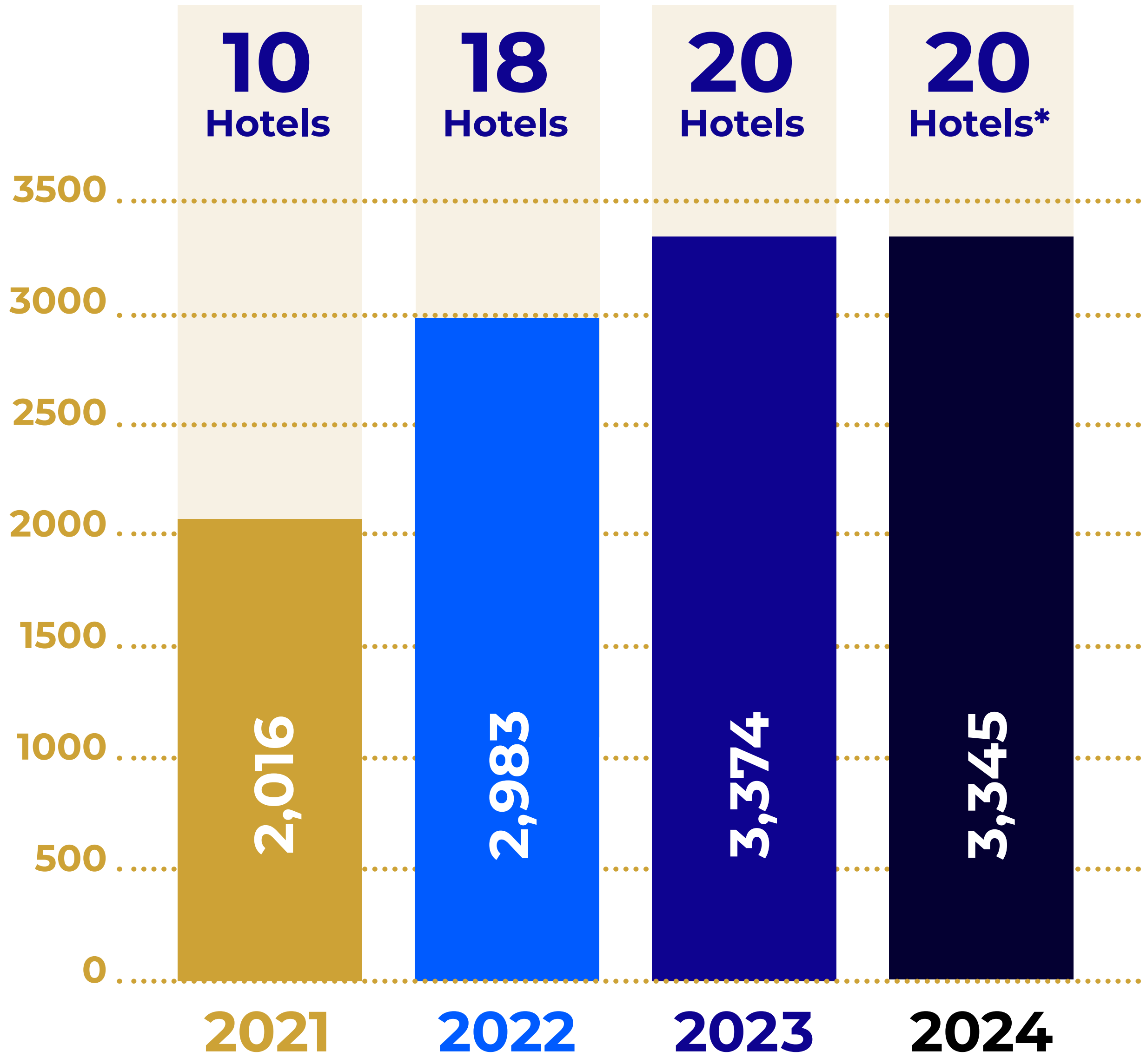
Cape Grace Hotel

Cape Grace Hotel

Business Model

Kasada is a leading independent real estate private equity platform.

Hotels & Hotel Rooms in Portfolio from 2021 - 2024



*One Hotel Exited

Our business model revolves around five key activities: identifying suitable opportunities, investment in commercial land, development of greenfield hotels, and refurbishment of existing hotels, and asset optimisation. Our strategy spans all segments, from budget to luxury, including lifestyle and leisure, and targets value-add investment opportunities from both operational and greenfield development projects.

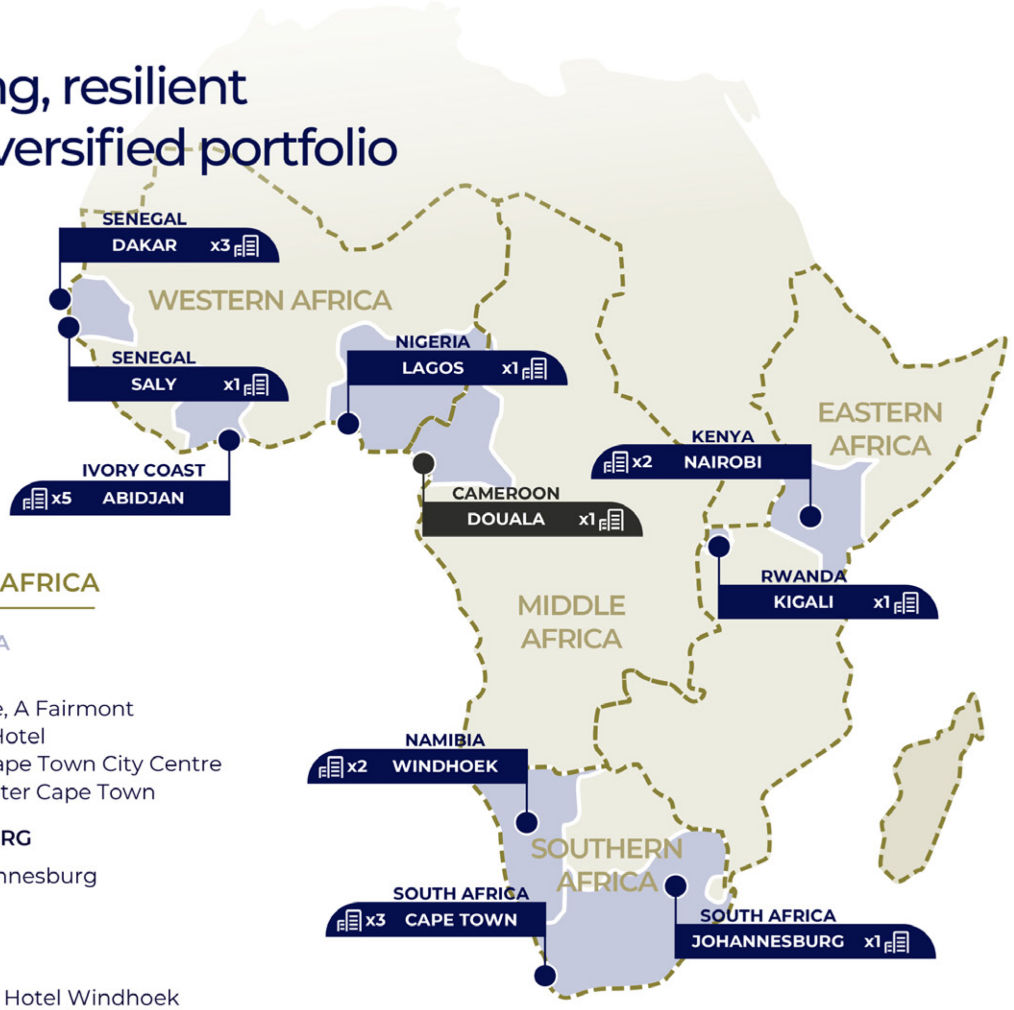
We have created a diversified portfolio of brownfield and greenfield assets, with 3,345 Hotel Rooms, across 20 Hotels in seven countries. Since our founding in 2018, and the close of our maiden fund in 2019, we have deployed more than US$650 million in total capital within the hotel sector in Africa. We work with our hotels to deliver low-carbon buildings, enhancing the motivation, benefits and training for all employees, providing the best guest experiences, reducing consumption of energy, water and resources, and the efficient management of resources and waste.

Activity	Property Origination	Capital Solutions	Construction	Operations	Exits
Key Advantage	First sight of majority of transactions	Ability to be counter-cyclical and use debt as a risk manage-ment lever.	Focus on green building	Partnerships with world leaders in hotel	Attractive positioning offering flexibility and optionality in terms of exit
Key Impacts	Carbon emissions due to travel	Carbon emissions due to travel	1. Employment 2. Economic Growth 3. Socio economic development 4. Waste generation 5. Resource consumption (energy and water)		Carbon emissions due to travel

Fund Investments

The Kasada portfolio comprises 20 hotels across seven countries, segmented into Luxury & Lifestyle (12%), Premium (44%), Midscale (25%), and Economy (19%). A total of 3,345 keys.

A strong, resilient and diversified portfolio



SOUTHERN AFRICA

SOUTH AFRICA
CAPE TOWN

- Cape Grace, A Fairmont Managed Hotel
- Pullman Cape Town City Centre
- Mama Shelter Cape Town

JOHANNESBURG

- Hyde Johannesburg

NAMIBIA
WINDHOEK

- Mövenpick Hotel Windhoek
- Mercure Hotel Windhoek

WESTERN AFRICA

IVORY COAST
ABIDJAN

- Pullman Abidjan
- Novotel Abidjan
- ibis Styles Abidjan Plateau
- ibis Styles Abidjan Marcory
- ibis & Adagio

NIGERIA
LAGOS

- Mövenpick Hotel Ikoyi Lagos

SENEGAL
DAKAR

- Pullman Dakar
- Novotel Dakar
- ibis Styles

SALY

- Mövenpick Resort Lamantin Saly

MIDDLE AFRICA

CAMEROON
DOUALA

- ibis Douala (exited)

EASTERN AFRICA

KENYA
NAIROBI

- Pullman Nairobi Upper Hill
- Mercure Nairobi Upper Hill

RWANDA
KIGALI

- Mövenpick Kigali

Awards

Hotel	Award	Year
Cape Grace Cape Town	• World Travel Awards - Africa's Leading Luxury Hotel • Conde Nast Readers' Choice Awards 2024 - Top 15 Hotel in South Africa • Travel and Leisure World's Best Awards - 3rd Place in the category of "The Top City Hotel in Africa" • Luxe Travel Awards - Design Hotel of the Year • TripAdvisor Traveler's Choice Awards • API Renovation of the Year	**2024**
Hyde Johannesburg	• Luxe Travel Awards - Best Business Hotel	**2025**
Pullman Abidjan	• National Barometer of Quality of Reception • World Luxury Award • Luxury Banquet/Event Hotel award	**2022** **2023** **2023**
ibis Styles Abidjan Plateau	• The Sublimes of Tourism, best hotel	**2023**
Pullman Dakar	• Best Luxury Sustainable Hotel in West & Central Africa • Best Luxury Art Hotel in West & Central Africa • Best Luxury Modern Hotel Spa in West & Central Africa • Best Luxury Wellness Spa in Senegal • Best Luxury City Spa in Africa • Best Luxury City Business Hotel in West & Central Africa	**2023 & 2024** **2023 & 2024** **2023 & 2024** **2023 & 2024** **2023 & 2024** **2024**

The ibis Styles Abidjan Plateau Hotel is in the heart of the business district close to St. Paul's Cathedral and the ministries. The large market of Adjamé, the Banco forest and the Abidjan museum are less than a kilometer from the hotel.

Layering local art and objects in interior design is a powerful way to reflect the local culture and environment, adding authenticity and creating a sense of place.

This approach enhances the aesthetic of a space and provides a deeper connection to the community and its traditions through the curation and layering of local artwork creates a meaningful immersive atmosphere.

The hotel features several artworks by Nuits Balnéaires, an Ivorian multidisciplinary visual artist, art director and poet based in Grand-Bassam.

He has always been fascinated by the energy emanating from the waters of the Gulf of Guinea. The history of the civilizations that populate this coastline serves as a compass to understand and capture its energy. Over the years, his works on the cultures and social structure of the N'zima people of Grand-Bassam have opened him to a new perspective of the collective imaginary of Côte d'Ivoire.

Air-conditioned Rooms

190

Meeting Rooms

3

"Layering local art and objects in interior design is a powerful way to reflect the local culture and environment, adding authenticity and creating a sense of place."

ibis Styles Abidjan Plateau

ibis Styles Abidjan Plateau

ENVIRONMENT

SUITABLE BUILDING DESIGN

Green Key Certifications achieved in South Africa and Senegal

10

FOOD WASTE

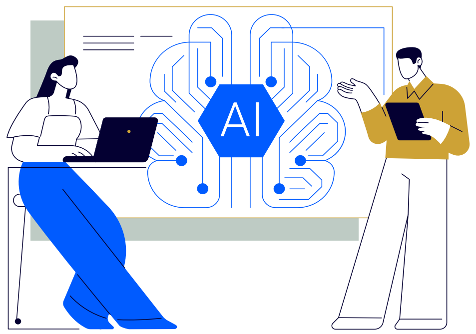
Training from internationally acclaimed zero- waste chefs

Waste generated baseline established

SUITABLE BUILDING DESIGN

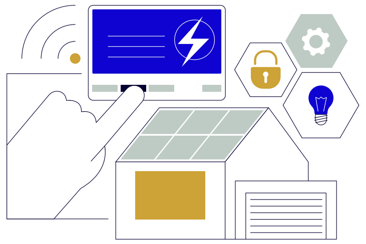
EDGE Preliminary Advanced Certifications achieved in Rwanda and Ivory Coast

2



FOOD WASTE

Deployment of Ai-based systems to measure and report food waste



ENERGY EFFICIENCY

Energy Intensity Decrease

16% ▼

WATER EFFICIENCY

Water Intensity Decrease

7% ▼

SOCIAL

LABOUR SUPPLIERS AND SKILLS

Partnership with an NGO promoting small-scale family farming near Kasada hotels

GENDER DIVERSITY

Increase in Women in Leadership

9% ▲

GENDER DIVERSITY

Women employees

41%

INCLUSION

Long-term partnerships with organisations supporting people from complicated social situations, e.g. GBVH victims and previously incarcerated individuals

GRIEVANCE MANAGEMENT

Trained all managers and union representatives on effective grievance management and workplace engagement

GOVERNANCE

ANTI-BRIBERY

No reports of bribery

ANTI-CORRUPTION

No reports of corruption

Spotlight on Pullman Nairobi

Hotels combining lifestyle and design, for business and leisure:

The Pullman Nairobi offers an immersive art experience, captivating F&B happenings, and stylish accommodations. Perfectly blending contemporary design and world-class service, Pullman Nairobi is your destination for a vibrant stay in the heart of Kenya's capital.

Over USD 7.8 million was invested in LED lighting, low flow taps, and low flow shower sets.

Approximately 50% of the contracting companies that worked with us on the refurbishment and other upgrades of this hotel were local vendors.

Investments (USD)

USD

7.8m

Contracting Companies

Local Vendors Used

50%

"The Pullman Nairobi offers an immersive art experience, captivating F&B happenings, and stylish accommodations. Perfectly blending contemporary design and world-class service."

Pullman Nairobi

Pullman Nairobi

SUSTAINABILITY STRATEGY

Message from the ESG Manager

We have always believed that good sustainability policies and practices will strengthen our performance. During the last two years we have acted on those beliefs in a significant way.

We began in 2023 by conducting a sustainability gap analysis. The aim of the analysis was to support the refinement of our approach to contributing to sustainable development outcomes, to better reflect our sustainability ambitions and goals. The assessment also benchmarked our existing sustainability management systems and procedures against that of industry peers, current investors, and future investor expectations. This resulted in a strategic roadmap for consideration as part of our continuously evolving approach to sustainability.

During the last year we have enhanced our ESG infrastructure, upgraded our environmental and social management system, established baselines related to sustainability topics, with a view to setting targets, and producing this sustainability report. Several audits and assessments have been commissioned to gain better insight into our impacts and to identify areas of opportunity. There are only a handful of hospitality funds with dedicated ESG professionals at hotel, regional, and Group levels, and we are proud to be included in that grouping.

A range of strategic initiatives to embed governance across the portfolio have been implemented. The ESG Committee now has approved Terms of Reference for its activities. Also, we enhanced our environmental and social management system (ESMS) updating and enhancing our ESG policy to formalise our sustainability commitments at the Fund level. We are one of the few hotel funds that employs a dedicated ESG manager, and we strengthened our capabilities even further with the addition of two ESG associates to support and enhance the ESG manager. Audits have been commissioned across a range of topics, including labour audits focused on a beyond compliance approach. Our staff are our ambassadors and we need to invest in our staff to retain and motivate them.


Mövenpick Resort Lamantin Saly


Mövenpick Resort Lamantin Saly

Our work is not without its challenges, we operate in diverse geographies, with many different cultures and beliefs. In addition, we have many different stakeholders within our stakeholder groupings, posing an additional challenge to ensuring that we are all aligned. However, in our staff complement, we have dedicated people, committed to our vision and values. Also, we are partnering with experts in various fields to ensure that we are aligned to best practices and to enhance our insight.

Supporting the adoption of international environmental, social and governance (ESG) standards in Africa by application of best practices across our portfolio is one of our key focus areas. We see significant opportunities to attract sustainable finance from enhancing our sustainability performance. As a result of our efforts, we secured a strategic partnership with the IFC through a US$160 million debt facility in July 2021, backing our plan to support the hospitality sector in Africa and instil globally recognised ESG practices in our hotels. Currently, 10 Kasada hotels have been awarded the esteemed Green Key certification, over the period of a year, making the Kasada one of the largest promoters of the guest facing certification in the African continent in the last year. More recently, we secured our first sustainability-linked loan valued at €19.4m, which will support initiatives to accelerate reductions in our carbon footprint, promote responsible and efficient resource management and contribute to sustainable development outcomes.

Our investments benefit all segments across the local hospitality value chain in Africa by increasing employment opportunities and attracting local, regional and international business and leisure guests to the region.

Strategic Partnership with IFC

USD Million

160

Sustainably-linked Loan

Euro Million

19.4

No. of Kasada Hotel Awards

Green Key Certification

10

A thriving hospitality sector encourages both continental and international travel, accelerating job creation and income generation for the region. We will continue to support the adoption of international environmental, social and governance (ESG) standards in Africa by application of best practices across our portfolio.

Originating and providing positive sustainable impact and value in the local economies and communities we invest in, is important to our long-term sustainability, as sustainable hotels require sustainable communities. We work closely with our local communities and local suppliers to support their socio-economic ambitions, because it is right to do so, and because it supports our shared goals. The development of local talent and positively impacting job creation with true career opportunities, contributes to transforming the lives of our local communities.

This includes working with our hotels to deliver low-carbon buildings, enhancing the motivation, benefits and training for all employees, providing the best guest experiences, reducing consumption of energy, water and resources, and the efficient management of resources and waste.

No. of IFC EDGE Certificates

12

Looking to the future, we will continue to deepen our stakeholder engagements and increase our use of technology that responds both to stakeholder needs, as well as our own needs in respect of our sustainability performance. We will continue to execute our strategy to transform the continent's hospitality sector with our world-class, multi-disciplinary team. Our focus will remain on the key segments of lifestyle hotels and look to identify opportunities to invest in existing assets which can be upgraded and refurbished, rather than developing new hotels. The development of partnerships with those who recognise the potential of the hospitality industry and the African continent to stimulate economic growth and prosperity will continue to be a cornerstone of how we build on our track record in developing one of the most prominent and diversified hospitality platforms in Africa.

Lopang Rapodile

Sustainability Gap Analysis

During 2023, we conducted a sustainability gap analysis. The aim of the analysis was to support the refinement of our approach to contributing to sustainable development outcomes, to better reflect our sustainability ambitions and goals better.

The assessment also benchmarked our existing sustainability management systems and procedures against that of industry peers, current investors, and future investor expectations. This resulted in a strategic roadmap for consideration as part of our continuously evolving approach to sustainability.

Sustainability Journey

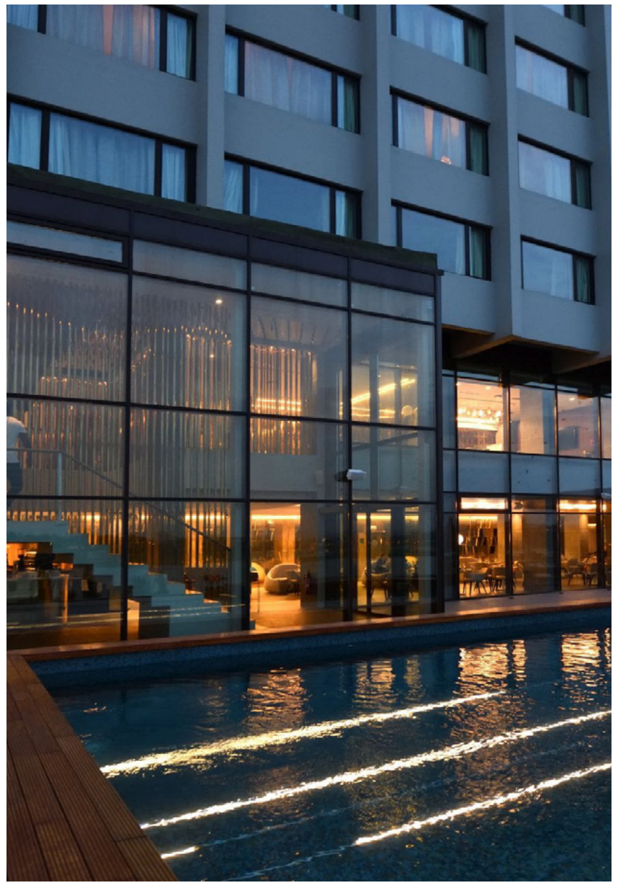
Activity	2021-2022	2023-2024	2025 Onwards
ESG Integration	• Integration of ESG Due Diligence in Investment Process	• Development of bespoke ESMS-C for construction activities	• ESMS implementation and embedding
	• Identification of initial 4 E&S focus areas	• Development of ESMS for investment activities	• Improve quality and accuracy of data reported
		• ESG gap analysis and benchmarking	• Become a signatory to UN Global Compact
		• Commission labour audits	
		• Enhance Fund level ESMS	
ESG Outcomes			
Environmental	• 1st Green Building (EDGE) Certification	• 1st Green Key Certificate	• Publish 1st ESG Report
		• Introduce Food Waste Technology	
Social	• Maintain staff wages and complement through COVID 19	• Obtain SAFEHOTEL Certification	
		• Sustainable Food Charter implementation	
Governance	• Become a UN Principles of Responsibility Investing Signatory	• Formalised portfolio E&S reporting against IFC PS standards	
	• 1st ESG Disclosure and ESRS	• Waste, water and carbon emissions baselines established	
		• ESG Committee Identified and Terms of Reference established	

Key Stakeholder Relationships and Stakeholder Expectations

Our stakeholders provide us with key inputs, resources, operating permits, and insights.

Also, stakeholder engagement helps us to navigate our operating environment, obtain ongoing insights, develop strong, mutually beneficial relationships, and ensure we remain accountable for our commitments and performance. This ultimately contributes to ensuring we remain sustainable. Our multi-stakeholder engagement approach also incorporates the provisions of appropriate channels and mechanisms to address any grievances raised from any individual or group of individuals.

The following table summarizes the importance of stakeholders, our various approaches to stakeholder engagement, they key concerns and our strategic responses. These are expanded on across the report.



“Our multistakeholder engagement approach also incorporates the provisions of appropriate channels and mechanisms to address any grievances raised from any individual or group of individuals.”

Stakeholder Relationships

Stakeholder	Importance	Engagement Methods	Driven by
Providers of capital (Investors, shareholders, and financial institutions)	Providers of capital (Investors, share-holders, and financial institutions)	• Regular Meetings • Annual Reporting	KASADA
Suppliers	Provide inputs needed for construction	• Procurement department • Written communications	KASADA / OPERATOR
Operating (Brand) Company	Provide critical hotel management skills and expertise	• Day to day engagement	KASADA / OPERATOR
Employees	Provide human capital, that is the driver of our productivity	• Performance reviews • Town hall meetings • Employee engagement surveys	OPERATOR
Customers	Provide revenue to Kasada hotels through patronage	• Website and other digital platforms • Conferences and events • Media releases	OPERATOR
Government	Provide policy guidance	• One on one meetings • Discussions on forums	KASADA / OPERATOR
Regulators	Provide clarity on tax regulations and compliance requirements	• One on one meetings • Discussions on forums • Oversight visits	KASADA / OPERATOR
Local Communities	Provide our social licence to operate	• Regular public participation meetings held with community stakeholders	KASADA / OPERATOR
Industry Bodies	Provides insights into new opportunities, and advice and approaches for existing problems	• Meetings • Attendance of forums	KASADA / OPERATOR

Our Operating Environment

The economic outlook for Africa is improving. According to the African Development Bank, average real gross domestic product (GDP) growth in Africa was estimated at 3.2% in 2024.

However, the Bank's latest projections indicate that the average real GDP growth for the continent will increase by 0.9 percentage points to 4.1% in 2025 and consolidate higher at 4.4% in 2026[3]. Although in 2025, Africa is expected to account for 12 of the world's top 20 fastest-growing economies, there are very real concerns regarding recent global economic growth.

Cost-of-living issues remain a significant concern, with risks relating to inflation and economic downturns becoming very real. The longer this situation persists, the more difficult it will be to achieve economic growth, and access to capital, especially for countries with large sustainable development challenges, such as the need to transition to a low-carbon economy and address key social outcomes such as health and education.

The rate of technological change and innovation remains rapid, and we at Kasada are excited to harness the power of technology to support the achievement of our environmental and social ambitions.

We've focused on enhancing the quality of data to make better decisions and respond more rapidly to our changing environment.

We have a range of resource efficiency initiatives underway, and we see these as being aligned and supportive of our corporate objectives. Our focus on developing low-carbon buildings is a cornerstone of how we intend to accelerate our transition to a low-carbon economy, as such buildings contribute to reduced water and energy consumption, alongside waste minimization.

We recognise the growing momentum for corporations and financial institutions to move away from short-term perspectives of risks and returns, to better reflect longer-term sustainability in investment performance. While adoption of ESG is often understood as a matter of compliance, of considerable importance to Kasada, we see this as being aligned to our strategy. While there are still challenges to resolve in terms of the cost, resources and effort required to remain in alignment with sustainability disclosure requirements, we expect that as we continue to improve our systems and processes, these challenges will diminish over time, and we will be more resilient and develop a competitive advantage through this process. During the past year we progressed our ESG maturity significantly, as you will read across this report.

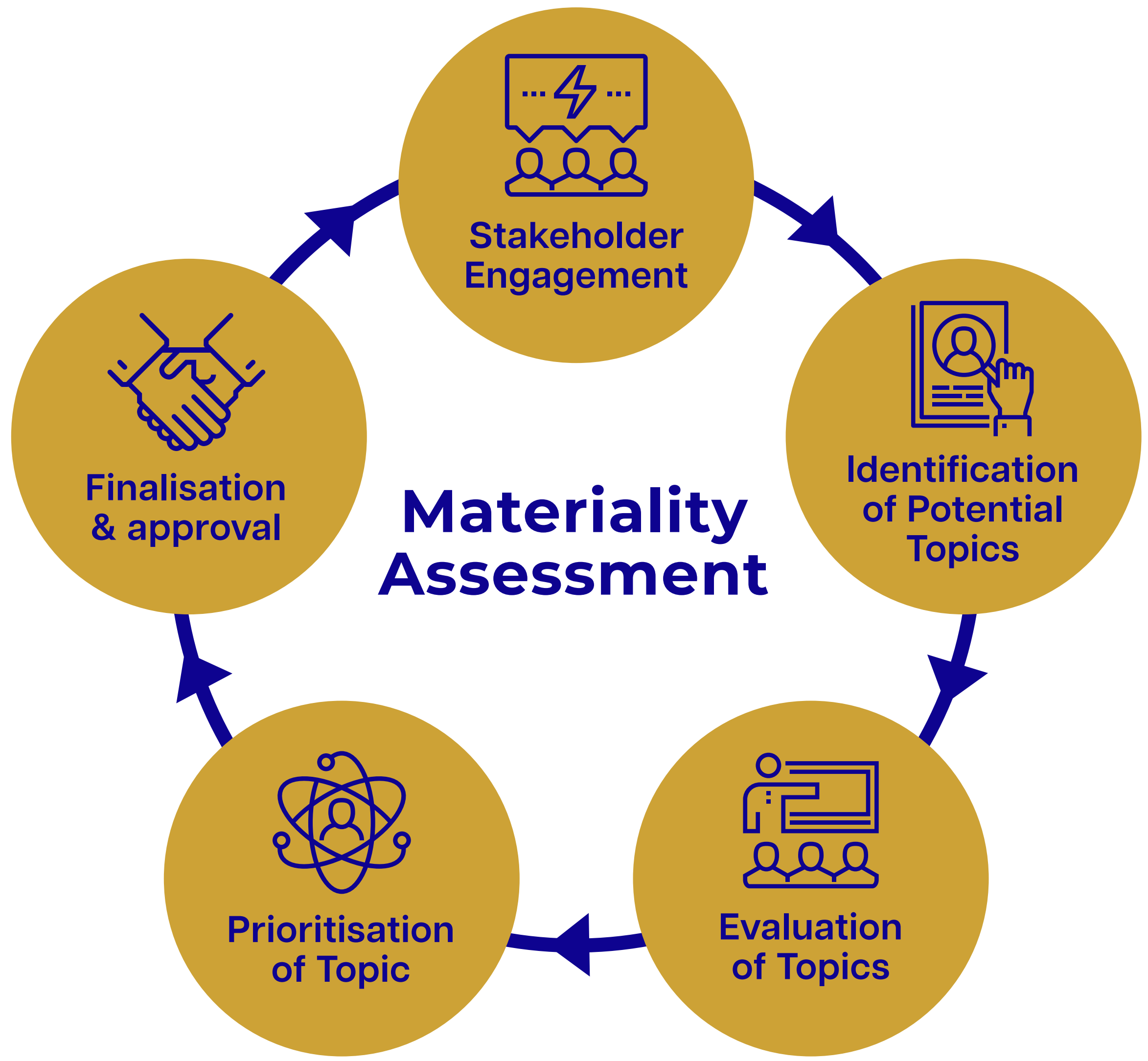
3 - Africa's Macro Economic Outlook, African Development Bank, 2025

Materiality Assessment

Our materiality assessment reflects our understanding of our operating environment, stakeholder feedback, and internal strategy and risk management feedback.

The process that was followed involved stakeholder engagement, industry analysis, review of sustainability frameworks and standards, business model review and review of internal documentation.

Our most important sustainability topics relate to social issues, followed by environmental topics.



Materiality Outputs

Importance to Key Stakeholders / Importance to Kasada	MODERATE	SIGNIFICANT	MAJOR
MAJOR		• Food Waste • Water Usage • Hazerdous Waste • Local Socio-Economic development • Community Health, Safety, Security • Responsible Business Conduct (Including Compliance with Legislation)	• Energy Efficiency • GHG Emissions • Diversity, Equity and Inclusion • Gender • Job Security • Job Quality • Grievance Management • Human Rights
SIGNIFICANT	• Other Waste (e.g. Plastics) • Soil, Ground and Surface Pollution	• Supply Chain Management • Stakeholder Engagement • Performance Management • Fraud and Corruption • Risk Management • Business Ethics	• Sustainable Building Design • Sustainable (Local) Raw Materials
MODERATE			

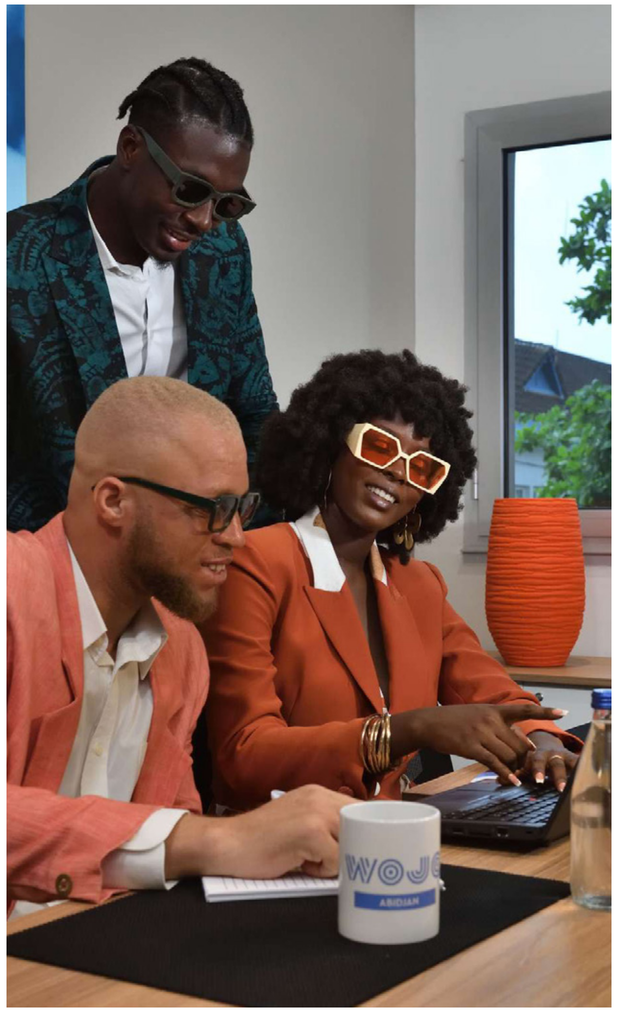
Importance to Kasada

ESG Key Focus Areas and Frameworks

We have made significant progress in establishing our ESG model in the past year and finalizing our environmental and social management system (ESMS).

Our sustainability strategy is based on the key factors affecting our ability to create value for stakeholders. As we implement our strategic initiatives, we will create value for our stakeholders and the Fund.

Our strategy focuses on a few ESG focus areas, which in turn are inter-related. The key priorities are energy efficiency and climate change; responsible design and procurement; operational efficiency and waste; gender, empowerment; labour, working conditions and job quality; and community engagement and socio-economic development (SED). The following ESG focus areas will guide our Fund-level activity and Portfolio of investments in 2025 and onward.



"Our sustainability strategy is based on the key factors affecting our ability to create value for stakeholders."

ESG Key Focus Areas and Frameworks

GUIDING FRAMEWORKS

International Bill of Human Rights	Sustainable Development Goals	International Labour Organisation (ILO) Conventions

STANDARDS, FRAMEWORKS, AND CERTIFICATIONS

GRI · IFC · PRI Principles for Responsible Investment · Sustainable Development Goals · Edge · Green Key · safe hotels

GOVERNANCE FOCUS AREAS – RESPONSIBLE AND ETHICAL BUSINESS PRACTICES; COMPLIANCE WITH LAWS, PROTECTION OF HUMAN AND LABOUR RIGHTS

Kasada Policies	Operator Policies	Hotel Policies

ESG THEMES AND FOCUS AREAS

ENVIRONMENTAL		SOCIAL		
Resource efficiency Energy efficiency Water efficiency Waste management Carbon emissions	**Responsible design** Sustainable building design	**Socio-economic development** Community engagement Community safety Local procurement	**Job Security & Job Quality** Employment practices Employee development Employee wellbeing	**Empowerment** Gender diversity Demographic representation

The following table briefly describes our key strategic initiatives and their alignment to our strategic goals and impact goals.

Sustainability	Strategic Initiatives	Sustainable Development	Link to Investment strategy objective	SDG Alignment
Energy efficiency and climate change	• Kasada will invest in low-carbon buildings, and innovative energy technologies adapted to the African local context (e.g. solar energy) for its owned hotels. • Obtain EDGE certification for all hotels in the Fund's portfolio	• By investing in low-carbon buildings and innovative technologies, we can increase the share of renewable energy in our energy mix • By investing in low-carbon buildings and innovative technologies, we can reduce significant levels of carbon emissions	• Foster social and economic development (Climate action) • Foster social and economic development (Responsible consumption and production) • Reduce operational costs through energy efficiency • Align portfolio with green financing requirements.	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION
Responsible design, sourcing, production and consumption	• Design briefs include an analysis of local climate conditions, with an eye on achieving maximum passive solar shading and creating spaces that are comfortable to use year-round with a minimum use of technical means • Extensive use of area schedules at each stage of the design to ensure maximum efficiency and reduce material use. • Key focus given to reusing any existing built elements, to utilise and source locally available materials and labour	• Main knock-on effect of utilising "environmental best practices" for design is the reduction of power consumption for cooling and lighting • Insistence on adaptive reuse of existing structures and sourcing locally directly reduces carbon footprint	• Foster social and economic development (Responsible consumption and production)	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Operational efficiency and waste (waste)	• Elimination of single-use plastic (SUP) items. • Establish a general waste baseline by the end of 2024 • Implementation of wide waste management systems at each hotel within the portfolio • Implement focused efforts on waste segregation, reduction, and sustainable disposal practices to improve overall waste management and minimizing environmental impact • All hotels to establish a Waste Management Policy by end of 2025 • Introduced an automated food waste monitoring tool to provide real-time insights into food waste patterns, enabling hotels to identify key areas for improvement minimise food waste and gain operation efficiencies • All hotels to report hotel water, energy, and waste consumption in Gaia 2.0 for 2024	• By reducing SUP items, we contribute to reducing waste to landfill, and reducing our material footprint • By implementing good waste management systems, we can then design more effective waste management strategies, with the aim of improving circularity and reducing waste to landfills • By implementing food waste systems, we contribute to reducing food waste at both the retail and consumer levels	• Drive operational savings and enhance ESG data transparency for investors	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Empowerment	• Establish an Executive Committee Baseline on Women in Leadership of not less than 40% • Committed to gender action plans • Partner with NGOs to create training pipelines for women • Enforce non-discrimination policies.	• By supporting the advancement of women, we contribute to creating a more equal and fairer world	• Foster social and economic development (Job creation and economic growth)	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Working conditions and job quality	• Conducted multi-phased social dialogue and workplace collaboration workshops between hotel management, Union representatives and Kasada representatives • Conducted Labour Audit reports for all new acquisitions to assess key aspects related to existing labour and working conditions to address and make recommendations as well as identify gaps and opportunities for improvement The following HR audit areas will include: - Regulatory labour compliance; - Existing hotel-specific HR Policies and Procedures and - the implementation thereof; - Industrial Relations - Freedom of Association and Collective Bargaining; - Grievance Management	• By aligning employees working conditions with international best practices, we support the goal of full and productive employment and decent work for all	• Foster social and economic development (Job creation and economic growth) • Strengthen community license to operate; drive local economic development	8 DECENT WORK AND ECONOMIC GROWTH
Community engagement and socio-economic development (SED)	• All hotels to host at least 2 Environmental and Social activities. The key focus areas to include health and well-being, education and youth empowerment, environmental conservation, gender equality, and social inclusion • A communication on WATCH (fight against sexual exploitation of children) is displayed, together with mandatory employee training. Place and format (printed or digital) at the choice of the hotel, anywhere in the hotel, visible to guests.	• By supporting community initiatives, we achieve a range of objectives including poverty alleviation, skills development • By supporting the fight against sexual exploitation of children, we contribute to ending abuse, exploitation, trafficking and all forms of violence against and torture of children	• Foster social and economic development (Job creation and economic growth) • Foster social and economic development (fight poverty)	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

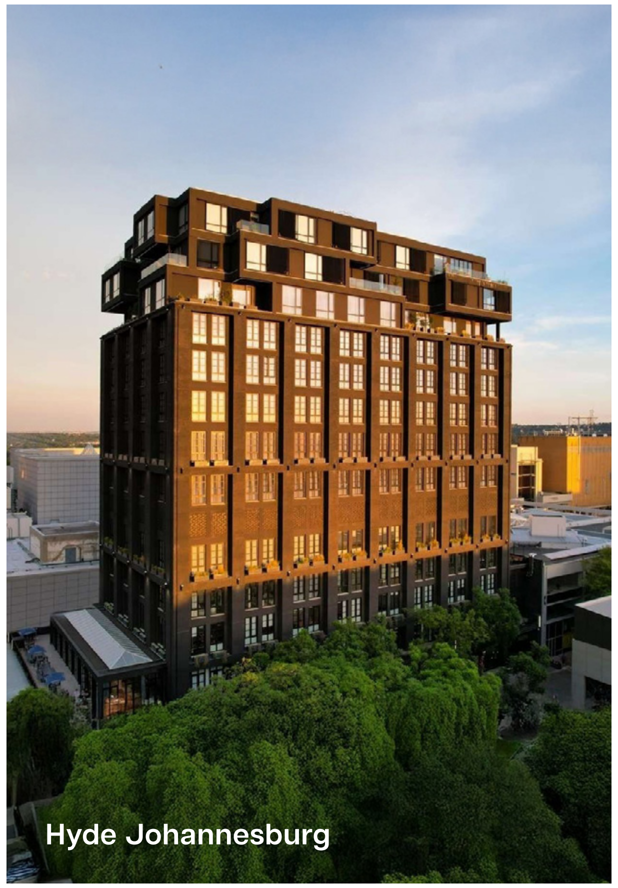
ENVIRONMENT

Resource Efficiency and Climate Change

We face risks associated with climate change. We have physical risks such as damage to infrastructure due to extreme weather events, which may increase insurance costs, lower property values and result in operational disruptions.

Changing weather patterns can result in droughts affecting water availability, and hotel bookings. Additionally, there may be impacts along our supply chain. Our coastal hotel may face risks from rising sea levels.

We are focused on both mitigation and adaptation interventions, recognising that adaptation will take longer than mitigation, but that we must engage in both.


Hyde Johannesburg


ibis styles Abidjan Plateau


ibis Styles Abidjan Plateau

Time Horizon	Climate Change Initiatives (Mitigation)		Climate Change Initiatives (Adaptation)			
	Resource Efficiency	Metrics & Targets	Governance	Risks	Strategy	Stakeholder
SHORT TERM	Implement initiatives to reduce energy and water consumption and waste generation	Establish baseline for climate-related KPIs	• Enhance climate change knowledge and skills across our portfolio • Ensure leadership teams have strategic insight on climate change	Enhance integration of climate risk into investment process	• Mobilise additional resources to support implementation of climate change strategies • Enhance cooperation and partnerships on climate responses	• Enhance stakeholder engagement on climate change topics • Identify appropriate climate-related awareness and discourses to engage with
MEDIUM TERM	Increase share of renewable energy in energy mix	Set targets for climate-related KPIs	Ensure leadership teams and committees are formally assigned responsibility for climate change, including relevant policies, terms of reference and related mandates	Develop policies and processes for identifying, assessing, prioritising, monitoring and reporting climate-related risks and opportunities	Develop a climate-change transition plan	Participate in climate-related awareness and discourse
LONG TERM		Maintain high levels of climate-related performance	Maintain alignment wih best practices for ESG	Maintain alignment wih best practices for ESG	Maintain alignment wih best practices for ESG	Assess opportunities to support our supply chain to enhance resource efficiency

In the execution of this plan, we aim to achieve the following long-term outcomes:

REDUCED RESOURCE INPUT COSTS:
As hotels constantly use resources such as energy and waste, reducing our resource consumption will have significant financial benefits, enabling us to offer better value to all our stakeholders.

ATTRACT ADDITIONAL INVESTMENT:
We note the increasing importance of ESG performance in attracting investment funding. Strong performance relating to environmental management will contribute to our existing competitiveness.

ENHANCE CLIMATE RESILIENCE:
By optimising a combination of technology and human insight, we will increase our ability to enhance our resilience to climate risk

ALIGNMENT WITH OUR ENVIRONMENT:
Embedding of strong governance and risk management policies and practices will support our continued efforts to ensure that we operate in a sustainable manner with minimal impact on our environment

TALENT ATTRACTION AND RETENTION:
We require a range of skills to operate successfully, and this need will continue to grow going into the future. Increasingly employee attraction and retention is being influenced by perceptions regarding companies' sustainability performance. Enhancing our sustainability credentials will support our talent pipeline.

PARTNERSHIPS AND COLLABORATION:
Our efforts on climate change will support the development of collaborative and productive partnerships with like-minded organisations to further our ability to contribute positively to a range of sustainable development goals.

Energy Efficiency

The primary source for baseline utility data used in our environmental inventory calculations is Schneider Electric's Resource Advisor platform, internally referred to as 'Gaia 2.0'. Gaia 2.0 automates utility bill data collection, integrating this data into the Resource Advisor platform.

The portfolio's energy mix is predominantly composed of electric power, which constitutes 90.5% of the total energy consumption. This is followed by diesel and liquefied petroleum gas at 5.9% and 3.5%, respectively.

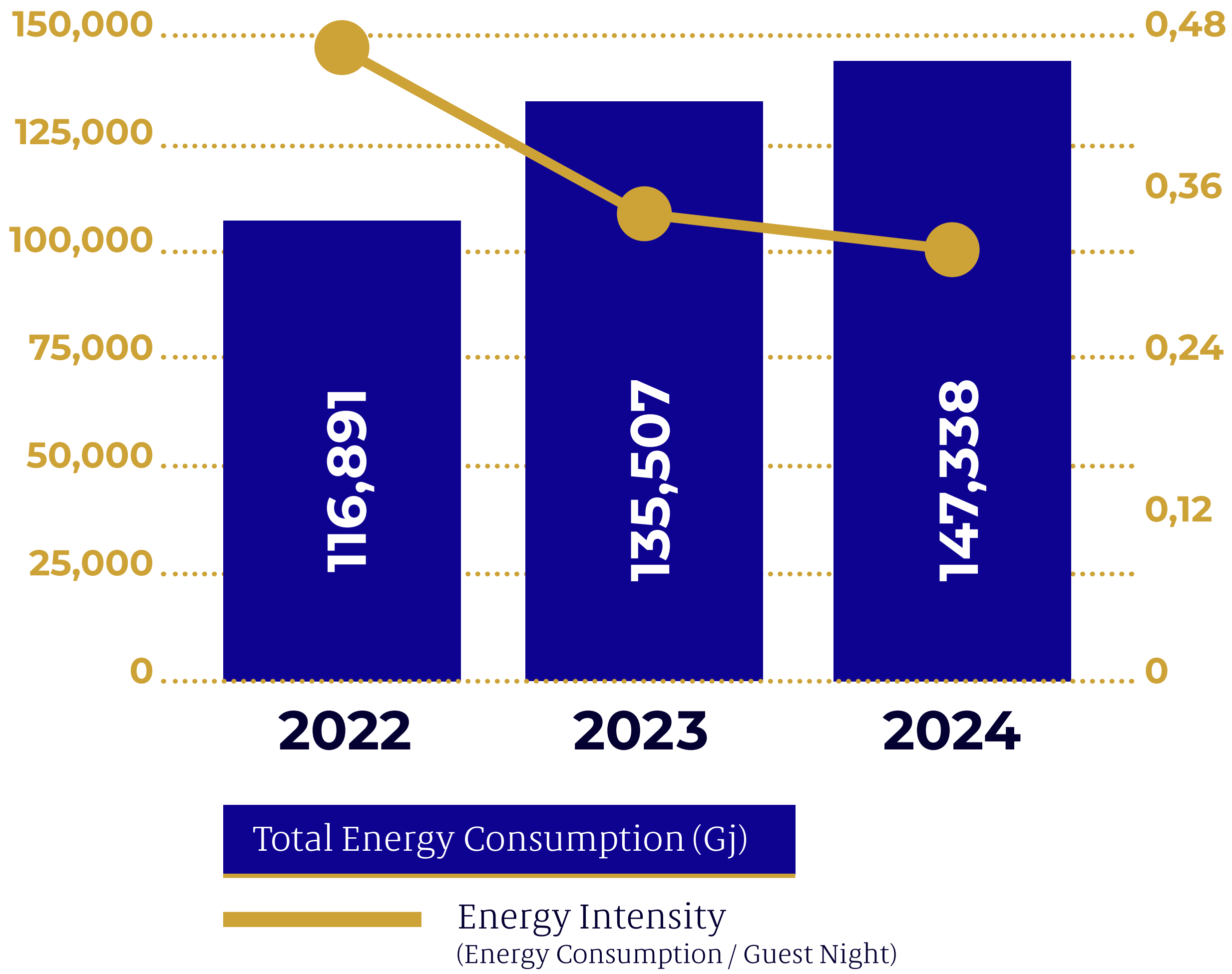
IFC EDGE is a green building certification system that focuses on resource efficiency in energy, water, and embodied carbon in materials. We have 10 operational hotels which already have IFC EDGE certification, and 2 which were certified in 2024.

In 2024, we introduced Green Key; a leading standard of excellence in the field of environmental responsibility widely recognized throughout the hospitality industry. Green Key is a complementary certification in which hotels are required to continuously implement and monitor energy saving measures (among other sustainability criteria) to reduce their carbon footprint arising from operations. Currently 10 of our hotels have Green Key certification.

Energy Reduction

8%

During the past year, our energy consumption has increased by 9%, driven by hotels in Southern Africa coming online. However, due to our focus on energy efficiency, our energy intensity decreased by 8%. We expect to continue increasing occupancy rates (room nights sold / room nights available) with a continuing decline in energy intensity.



FOCUS ON 2025:
We have begun conducting The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Level II energy and water audits to identify energy-saving measures. Additionally, a submetering system is being piloted in three hotels through Energy Resource Optimisers (ERO) to enable accurate monthly monitoring as part of a formalised energy management programme. This combination of actions will identify areas to reduce energy consumption portfolio to gain a clear understanding of opportunities and long-term capital planning needs.

Spotlight on Greenfield Project:

ibis Styles & Adagio, Abidjan (Côte d'Ivoire)

The ibis Styles & Adagio which energy efficiency in mind. The hotel has achieved Preliminary EDGE Advanced, as well as the expected savings (from the certificate).

Opening Date: 2026
Project Type: Greenfield
Location: Abidjan (Côte d'Ivoire)
Brand: ibis Styles & Adagio
Keys: 100 ibis Styles & 70 Adagio
Key Amenities: 1 F&B Outlets, Gym, Ballroom, and Meeting Rooms (including co-working space)

Energy & Sustainability Actions

TYPE

Energy measures assessed by EDGE

DESIGN FEATURES

- Reduced Window-to-Wall Ratio
- Insulated Roof
- Insulated Exterior Walls
- Efficient Cooling System
- Variable Speed Drive Pumps
- Efficient Interior / Exterior Lighting
- Lighting Control in Corridors
- Smart Meters for Energy

Energy Efficiency & Sustainability Capex

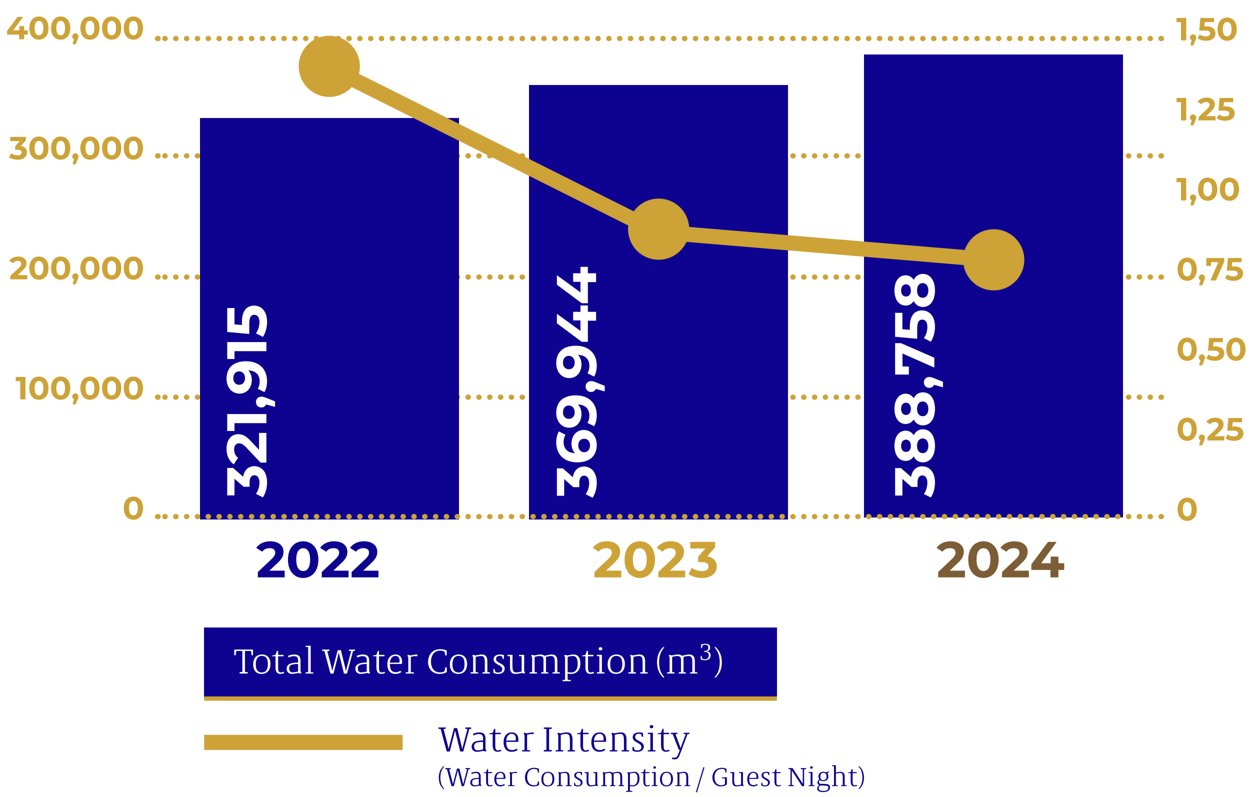
Type	Action
Electrical	PV System & LED Lighting
Mechanical and Wet Services	Heat Pumps, Variable Speed Drives, CO^2 Detection and Guest Room Heat Recovery
Electronic	GRMS (Guest Room Management System) and BMS (Building Management System)
Green Building Certification	EDGE Consultant Fees
Water & Sewage	Water retention pond and sewage system

Water Consumption

Hotels are large consumers of water, which is more pronounced for hotels in water stressed regions. Water availability is a key feature of guest comfort, for which our largest consuming areas are kitchens, general cleaning and landscaping. Apart from the Movenpick Ikoyi (Lagos) which sources its water from a borehole, our hotels source water from the municipal supply.

Accordingly mindful water usage is a critical element in our resource efficiency strategy. During the past year, our water consumption has increased by 5%. However, our water intensity continued to decline from 0.91 in 2023 to 0.81 in 2024, a decrease of over 10% per guest night sold.

Water Consumption and Intensity (m^3)



Spotlight on Mövenpick Ikoyi Lagos

Given the unique pressures of catering to international guests, the quality and reliability of this water source are paramount. Mövenpick Hotel Ikoyi Lagos, located in Nigeria, is a premier establishment that blends luxury with sustainability. With an increasing emphasis on resource conservation, the hotel invested in an efficient water treatment plant to ensure the highest quality water for its guests while minimizing environmental impact.

The hotel's water is sourced from a borehole located on the premises. This well water is critical for the hotel's operations, ensuring an uninterrupted supply for guests and operational needs.

The extracted water from the borehole undergoes a multi-stage treatment process designed to meet the hotel's rigorous health standards and guest expectations from chemical treatment, sand filtration, reverse flow filtration, to reservoir storage. The reservoir is equipped with water quality monitoring sensors to continuously assess parameters such as pH, turbidity, and chlorine levels. The hotel also monitors borehole water levels to prevent over-extraction.

Sustainable practices are implemented to manage the water resource responsibly.

The water treatment plant at Mövenpick Hotel Ikoyi Lagos showcases effective water management in hospitality. By using advanced technologies and sustainable sourcing, the hotel provides high-quality water for guests while aiding environmental conservation.

Waste Management

Hotel waste, especially food waste and plastics, when diverted to landfills, decomposes and releases methane, a potent greenhouse gas.

Packaging waste, especially plastics, contributes to resource depletion as it takes a long time to decompose and requires significant energy to produce.

The waste produced by our hotels comes from foodstuffs, complimentary products and other operating inputs, and from guest activities.

A significant volume of waste is also generated by hotel construction or refurbishment projects. In this regard, we have formulated a dedicated ESMS for construction for which the policy stipulates the objective of reducing waste volume, maximising recycling, reuse and recovery, preventing any construction waste/litter entering the environment in line with local legislation.

Our primary challenge in waste management lay in the development of appropriate waste management systems. In 2024, we aimed to establish a general waste baseline for each hotel as part of the key performance indicators for the year.

Hotels with an effective waste management system

Within the Portfolio

50%

"In 2024, we aimed to establish a general waste baseline for each hotel as part of the key performance indicators for the year."

Once finalised, this baseline will serve as a foundational benchmark for each hotel, enabling them to identify opportunities for reducing their overall waste output moving forward. Currently, 50% of hotels in the portfolio have an effective waste management system. Identifying reliable providers and implementing robust waste management systems and practices will be critical in bridging this gap in 2025.

Following the establishment of a baseline and identification of waste sources, hotels will develop a structured waste management policy. This policy will outline goals, actions, and accountability measures to address waste management effectively by the end of 2025.

Food Waste

Food waste is a significant issue in the hotel industry, contributing to economic losses, environmental damage, and social problems. Although hotel meals account for less than 0.5% of all meals consumed worldwide, they contribute 1% of global food-related emissions and 3% of global food waste[4]. There are several causes of food waste including overproduction, unintentional waste, customer behaviour, and menu design. These issues directly affect our profitability, increase our material footprint, and at a wider level reduce food security.

In late 2023, we took the strategic decision to purchase the Winnow Standard AI system, a tool designed to help reduce food waste efficiently. The implementation of this system is a crucial step in our sustainability efforts, as it aligns with our commitment to minimize waste and improve operational efficiencies.

Baseline capturing for food waste commenced in January 2024, marking the beginning of our efforts to quantify and analyse waste generation across our portfolio of hotels. Currently, the portfolio operates a total of 13 Winnow systems, each of which is equipped to provide real-time insights into food waste patterns, enabling hotels to identify key areas for improvement to achieve up to 40% reduction in food waste across the entire portfolio.

Food waste baseline per Cover

Within the Portfolio

319g

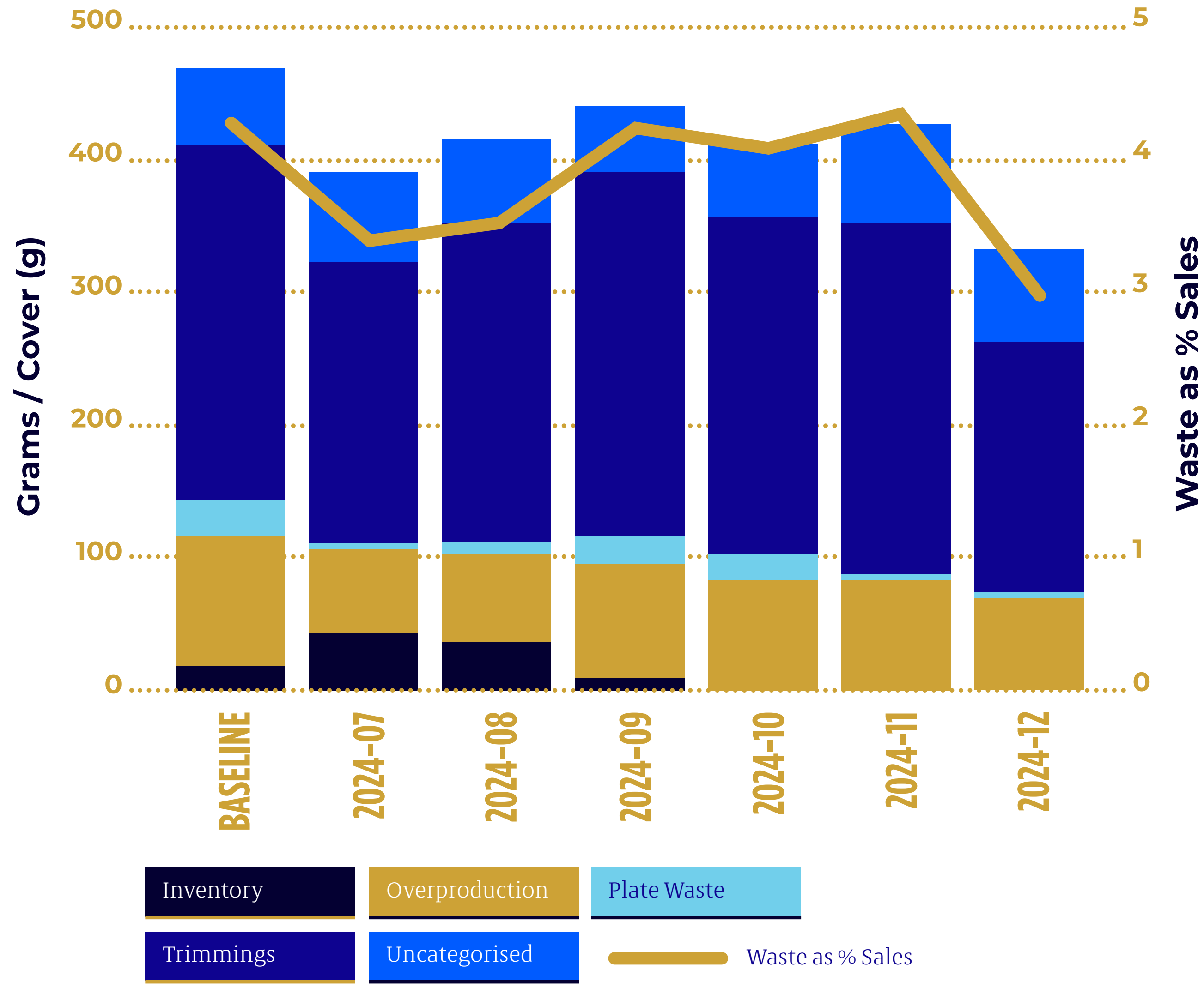
4 - Decarbonizing Hotel Food Systems, World Sustainable Hospitality Alliance, 2024

Food Waste Case Study

Spotlight on Cape Grace, A Fairmont Managed Hotel

To begin to understand what our food waste challenges are, in 2024, we began using a digital food waste platform, Winnow. This has assisted us to establish a baseline in terms of how much food is wasted, and where in the process it is wasted.

The bulk of food waste at the Cape Grace Hotel is related to trimmings, which are additional foods or parts of food that are typically served alongside a main dish, often completing or enhancing the overall meal. These can include sides, sauces, garnishes, and other edible items.



Having understood this, Cape Grace's chefs transformed what once would have been discarded into high-value menu components:

- Cauliflower off-cuts were transformed into a creamy vegan white sauce, turning trimmings into a plant-based staple.
- Butternut skins were either blended into soups or deep-fried to serve as crispy garnishes.
- Chili and pepper cores, usually discarded, were repurposed into favourful stocks and sauces.

Since the implementation of this approach to food waste, the Cape Grace Hotel has achieved the following good results:

- 45% reduction in food waste
- 23,000 meals saved
- 9.1 tons of food waste saved
- 39.3 tons of CO2e emissions avoided

RESPONSIBLE DESIGN

We are committed to minimising our environmental footprint and impact. A key priority in that regard is ensuring that we design and construct hotels in a responsible manner. This extends not just to the construction of hotels, but also the way we operate hotels and deliver services within the hotel.

We have a minimal impact on the natural environment as our hotels are in urban areas. In the selection of building materials, we consider factors such as the use of recycled and locally sourced materials, which contributes to reducing our emissions profile as well as building costs.

In September 2022, became an EDGE Champion. This distinction was given as a recognition of our ongoing collaboration with IFC in pursuit of our shared aspirations to move the construction industry on to a lower carbon, more resource-efficient path through certified green buildings.

Currently, 8 hotels have achieved the EDGE certification demonstrating our commitment to developing a hospitality platform that meets stringent international ESG standards. The remaining portfolio well on track to achieve certification thanks to rigorous process setup to review existing building and operations. By end of 2025, our existing portfolio is expected to be EDGE certified.

In addition to two EDGE Preliminary Advanced Certifications achieved in Rwanda and Ivory Coast.

"We are committed to minimising our environmental footprint and impact."

Hyde Johannesburg

Hyde Johannesburg

Luxury Hotel: Cape Grace by Fairmont

The Cape Grace is a Cape Town Landmark, together with the V&A Waterfront where it is located. It has been on Travel + Leisure's list of top city hotels in Africa for an impressive 20-plus years.

The hotel is home to the Heirloom Restaurant, which is a tribute to the heritage that defines Cape Town and its people. Our food tells stories of the past, from our team's personal histories to the traditions and landscapes that have shaped South Africa's identity. Drawing inspiration from local flavours, our new menu commemorates our land, the people, and the culinary practices passed down through generations.

Bascule Bar & Lounge combines the intimacy of a speakeasy with the sophistication of a cigar lounge featuring jazz in the backdrop and the largest whiskey selection in the Southern Hemisphere.

World Travel Awards

Africa's Leading Luxury Hotel 2024

Top 15

Hotel in South Africa

"Our food tells stories of the past, from our team's personal histories to the traditions and landscapes that have shaped South Africa's identity. Drawing inspiration from local flavours, our new menu commemorates our land, the people, and the culinary practices passed down through generations."

Cape Grace, Cape Town

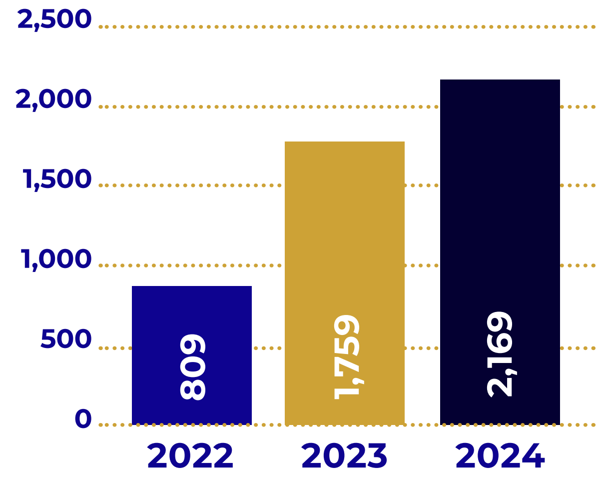

Cape Grace, Cape Town

SOCIAL

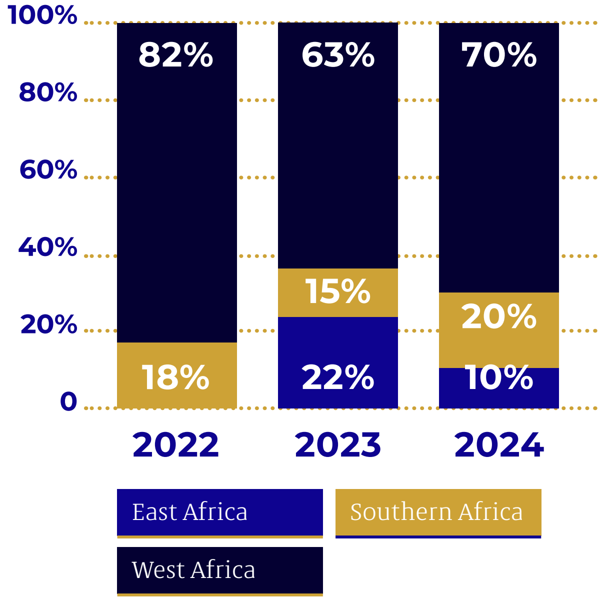
Employee Overview

The number of hotel employees increased by 23% during 2024. In part this is due to the opening of hotels in South Africa (Hyde Johannesburg and Pullman Cape Town City Centre).

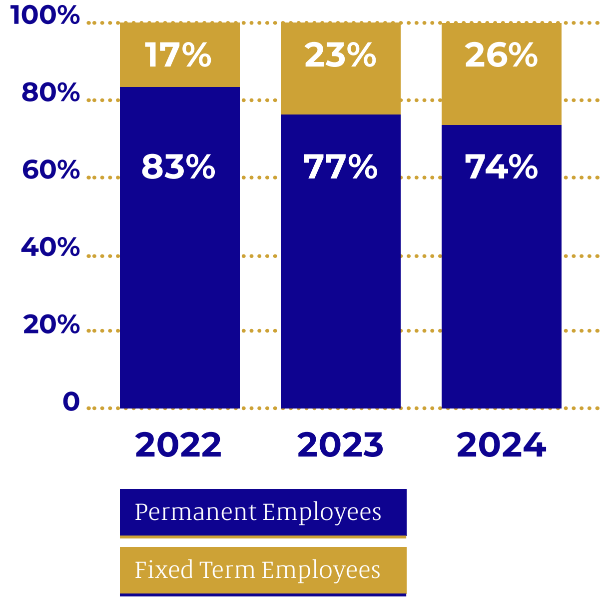
Total Employees



% of Employees by Region



Employees by Employee Type



Empowerment

Given the diversity of our customer base, empowerment of all employees to contribute meaningfully to our objectives crucial to providing great customer experiences and a welcoming environment. Our embrace of diversity supports our ability to create a productive and innovative workplace.

Gender Diversity

60-70% of workers in the hotels, catering and tourism sector are women. Diversity is very important considering the variety of people that patronise our hotels. Approximately 41% of all our employees are women. We have developed gender action plans for our greenfield projects to help proactively deal with this.

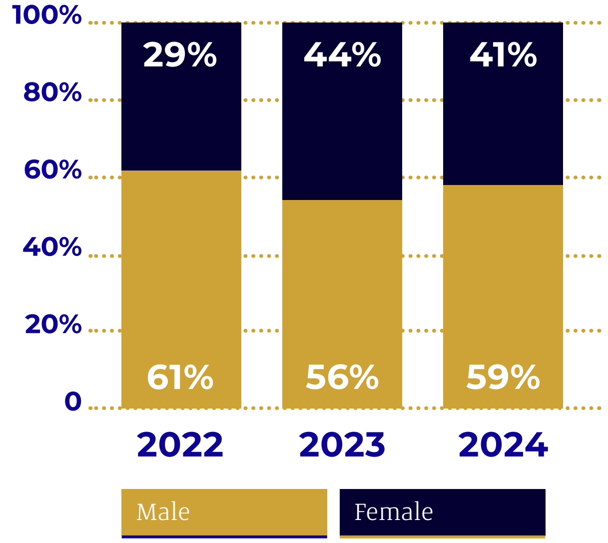
Women in Leadership

The Women in Leadership target for 2023 was 40% of women who are in the hotel's Executive Committee – as a baseline. As at the end of 2024, we have achieved 48% of executives being women.

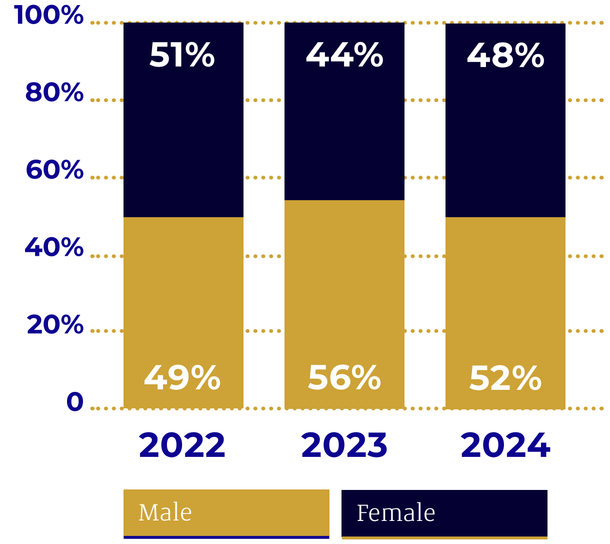
FOCUS ON 2025:

Dedication to boosting women's representation in leadership roles, empowering young talent, and building a diverse pipeline of future leaders. This focus aligns with the operator's Reveal Talent program, which identifies and nurtures high-potential women, preparing them for key leadership positions.

% Employees by Gender



% Employees in Leadership (Gender)



Spotlight on Novotel Abidjan

Simbu Gainer

Location: Novotel Abidjan (Ivory Coast)
Brand: Novotel
Keys: 258

SIMBU IS THE GENERAL MANAGER OF THE NOVOTEL ABIDJAN IN IVORY COAST

Q: Can you give us more background information on your experience/career? How do you feel about the work you've accomplished?

A: I studied hotel management and started working as a hotel switchboard operator. During my hotel career I held various positions within limited and full-service hotels. I am very happy with my achievement's, experiences and learnings gained along the way.

Q: What do you like about your job?

A: Every day is a new day. Working in the hotel industry offers diverse opportunities, such as interacting with people from around the world and experiencing different cultures. It is rewarding to create memorable experiences for our guest and see the impact of our efforts on their satisfaction.

Q: What challenges have you faced as a woman in the workforce? How did you overcome them?

A: Access to senior management roles / positions have been limited. I have overcome this challenge by becoming aware of the opportunities in the general hotel market and being willing to move/adapt accordingly.

Q: How do you support other women in the workforce?

A: By mentoring junior colleagues and promoting their growth and achievement.

Q: What advice would you give to young girls/women who want to do the same job as you?

A: Have a vision and believe in yourself. Do not be discouraged by difficulties and setbacks which are inevitable.

Q: How has Kasada supported your career growth?

A: By challenging me out of my comfort zone while providing me with the necessary tools to be successful.

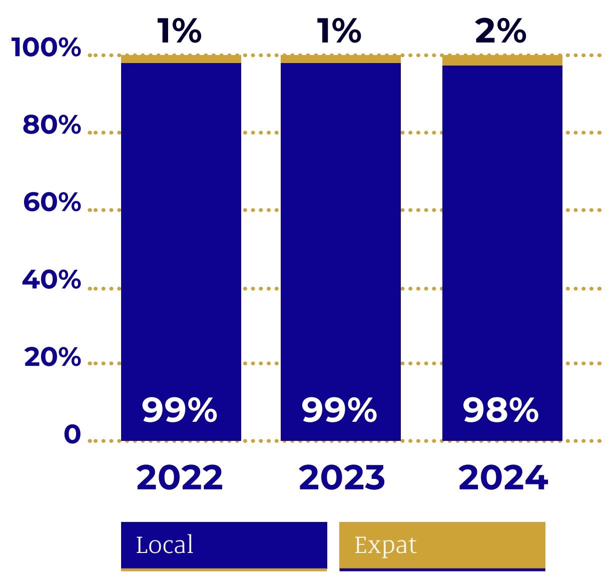
Novotel Abidjan

Novotel Abidjan

Local Employment

We take our commitment to support local economic development seriously. Almost all our employees are local to the areas where we operate.

Employees - Local vs Expat

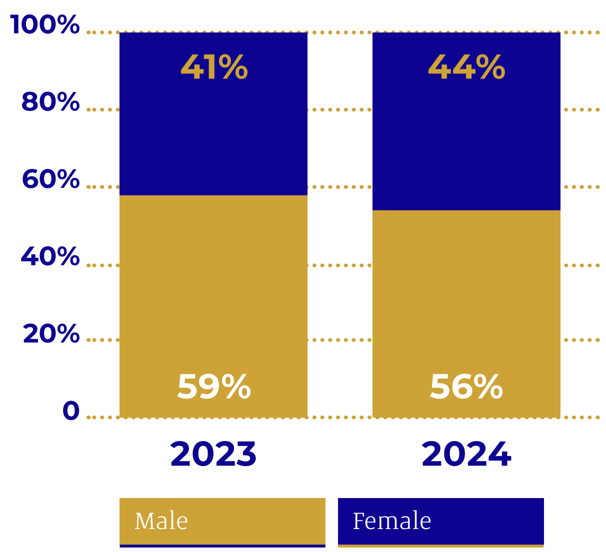


Skills Development

Our success depends on the experience of hotel guests, as they will only promote the hotel and/or return to the hotel if their experience was good. Training of employees contributes significantly to our ability to provide great experiences, as it enables them to provide better services to hotel guests. Also, the training of employees contributes to the overall employee value proposition and can enhance employee engagement and retention.

During the past year, the number of women trained has increased in line with our focus on empowering women.

Employees Trained by Gender



*The collection of this data began in 2023.

Spotlight on Ikusasa Lethu programme

Community Engagement and Socio-Economic Development

We benefit from strengthening our relationships with local communities, as good relationships with local communities enhance our brand reputation. Also, the more sustainable our local communities are, the more stable our operations will be. To support our local communities, we engage through several platforms, including supporting communities by hosting, sponsoring, and promoting community events.

We support socio-economic development by making efforts to source goods and services from local business, as well as highlighting the products and services offered by local businesses. Shortening our supply chain lowers our environmental footprint by reducing emissions caused by transportation.

Many of our hotel guests are international travellers who want to have an authentic experience of the countries in which we operate. Good relationships with our local communities enable us to provide the best possible authentic experience, from local cuisine and culture.

Hotels in our portfolio host at least two environmental and social activities per annum. Initiatives are selected by the sustainability committee, with the participation of the general staff. The presence of a dedicated ESG Analyst and ESG Champions has been crucial in advancing these initiatives, enabling us to mobilize our workforce for time-intensive, community-centred projects. This engagement reinforces our hotel's role as a committed social partner and strengthens employee connections to our values, fostering a culture of purpose and social responsibility.

"We support socio-economic development by making efforts to source goods and services from local business, as well as highlighting the products and services offered by local businesses."

Skills Development

Education is one of the bedrocks of a prosperous society. We support the development of skills needed for the hospitality sector. One example of how we support skills development is our partnership with Nukakamma Hospitality School, which is dedicated to training young professionals in hospitality. This collaboration provides select students with hands-on apprenticeships to develop real-world experience in professional cookery and pastry arts, bridging education with career opportunities.

In 2024, 110 mentors (mainly South African black women) have been providing guidance to 135 mentees from Grades 8 to 12. Mentees are selected among the 378 learners from Alexandra high schools, attending the Saturday classes at St Mary's school, through the Ikusasa Lethu programme. See some of the comments from the programme's beneficiaries:

"Both my mentors Mr. Bonga Hlongwane and Mrs. Reseda are always supporting me academically and emotionally", says Moshe Kolotsi, grade 11. "I always get the attention I need from them. We visited the Mall of Africa on my birthday, and it was a fascinating day. We also went to the Circus show. Having mentors made a huge difference. I feel like they helped me to reveal my interests which are parts of who I am".

"Bonga's guidance, especially the tips on managing stress, has been invaluable", says Khensani Chauke (gr 12). "Navigating this important year would have been much more difficult without his help, and I'm truly grateful for the time and effort he has invested in me. His monthly provision of internet access has been a huge blessing, allowing me to keep up with my studies. His belief in me has kept me motivated, and their advice has given me the tools to not only manage my workload but also to maintain a healthier mindset. I'm deeply appreciative of his mentorship and will carry the lessons he has taught me forward".

In 2024, 8 companies invited and hosted about 200 learners, including Kasada which welcomed 8 Gr 12 learners on July 1st.

"The visit to Kasada was great because we learnt about how the hospitality sector works. I learnt that hotels don't focus on hospitality only, but that there are other important sectors that mould hotels. I learnt that you must have passion and drive to reach where you want to be in life, and that you cannot achieve a certain goal alone but by interacting with people and that asking for help can also invest in your success. In a nutshell, persistence and perseverance are the qualities that a person must have."

- Jabulile Khumalo gr 12.

Liz Kakupa, Candice Baloyi and Bonga Hlongwane spoke about jobs in finance at our annual Career Fair in May. About 30 professionals spoke about a variety of careers to all the learners from grade 8 to 12.

Nukakamma Case Study

Spotlight on Nukakamma

As the hotel industry and restaurant industry continue to grow, along with increasing demand for a range of new, and high-quality food and travel experiences, we will need to increase support for the development of skills within our industry.

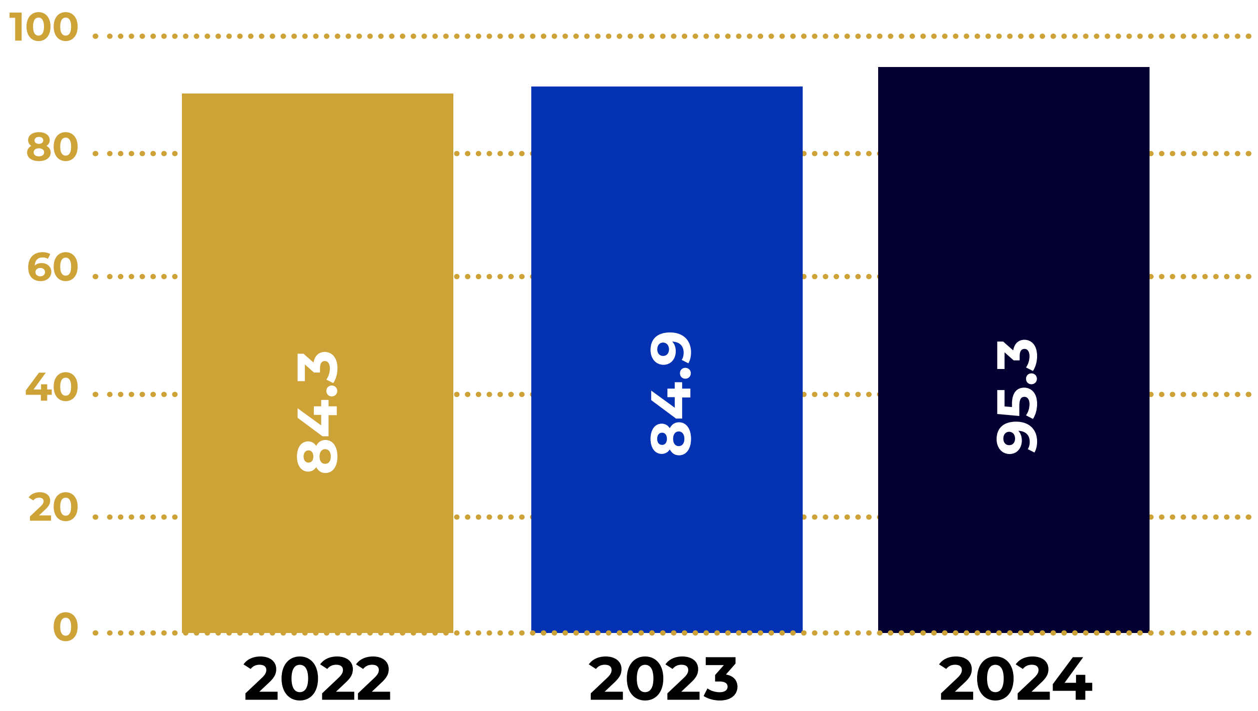
We partnered with Nukakamma Hospitality School to offer an opportunity to young South Africans with hands-on apprenticeships to develop real-world experience in professional cookery and pastry arts, bridging education with career opportunities.

Over a period of six months during 2024, 20 young people were trained in a variety of hospitality roles at Nukakamma Hospitality School and the Cape Grace and Pullman Cape Town City Centre Hotel's in Cape Town.

Customer Satisfaction

Customer satisfaction is a key indicator that we track. Our performance in this regard has remained high over the past three years, with consecutive improvement in the average score for the portfolio from 84.3 in 2022 to 95.3 in 2024.

Customer Satisfaction Rating across Portfolio



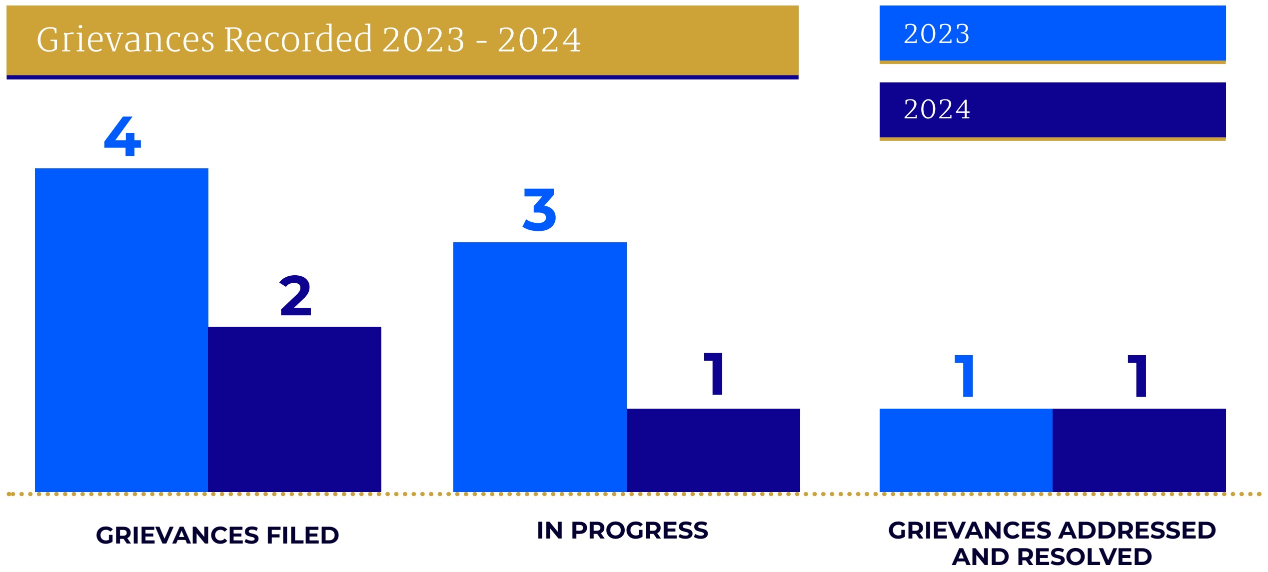
GOVERNANCE

Whistle-blowing and Grievance mechanisms

Employees may, in any circumstances, where they have a concern, are uncertain or have a question, discuss it with their managers or supervisors, or Talent & Culture Department.

They may also use the Operator's whistle-blowing hotline in complete confidentiality to report any conduct or situation that may be contrary to the Operator's Ethics and Corporate social responsibility Charter or any laws, regulations, rule or standards defined by treaty or agreement, according to the Group's internal reporting procedure. This alert mechanism is offered on an Internet platform accessible 24 hours a day, 7 days a week and is available in 29 languages.

Our strong culture and values contribute to reducing conflicts in the workplace, from time-to-time employees do report grievances. Over the last two years we have seen a 50% decrease in grievances filed.



Hyde Johannesburg

Hyde Johannesburg

Job Security and Job Quality

Non-Discrimination

We have strong human rights policies and processes in place. All staff members have been trained on the gender-based violence module (Mandatory for general managers). All staff members have received awareness-raising or training on sustainability issues (environmental, social), according to their role. All general managers and employees have been trained on WATCH (We Act Together for Children) programme. There have been no instances of discrimination reported during the last three years.

Freedom of Association and Collective bargaining

We have implemented policies and procedures to ensure that employees' rights to freedom of association and collective bargaining are upheld. There have been no reports of risks to freedom of association and collective bargaining during the last three years.

Child Labour and Forced Labour

We are committed to the principles of the International Labour Organization (ILO) and the U.N. Convention on the Rights of the Child. We believe that our employees must engage with us of their own free will, without any type of coercion, and be compensated according to agreed terms that are in line with the local legal regulations.

Due to our focus on labour rights and children's rights, we have implemented policies and procedures to ensure that children are protected from harm. This includes ensuring that we comply with the minimum legal working age in each host country and never to employ a child under the age of 14 in any country; being vigilant when choosing suppliers and service providers (and ensuring they comply with our supply chain policies, and informing them that we will not work with any supplier or service provider operating in breach of child labour laws, employing children aged under the legal limit or less than 14 years old. We support the operator's program on preventing child exploitation, was implemented across all 15 hotels in the portfolio, alongside the mandatory Gender-Based Violence training. These initiatives reinforce the commitment to safeguarding vulnerable individuals and empowering employees with the knowledge to recognize and respond effectively. There have been no reports of child or forced labour since inception of the Fund.

"We have implemented policies and procedures to ensure that employees' rights to freedom of association and collective bargaining are upheld. "

Employee Health & Safety

We strive to maintain a safe working environment for our employees. We have instituted various policies, procedures, and training to support that effort. During the past year, we have had no fatalities, despite a 26% increase in hours worked.

Employees have the right to a safe working environment. Our employees face safety risks relating to slips, trips, falls, and handling injuries. As some hotels have pools, there are also risks from drowning. There are risks relating to fire and electrical hazards, as well as foodborne risks.

We have implemented an occupational health and safety system to ensure the safety of all our employees, in line with international best practices and national legislation. Our policies require individuals in specific positions to identify, assess and develop mitigations to health and safety risks.

We provide training and resources to reduce the number of workplace accidents and cases of occupational and other illnesses (including training in healthfulness and well-being, covering areas such as HIV-AIDS prevention, chronic diseases, nutrition, psychosocial risks and first aid.

In October 2024, Movenpick Hotel Ikoyi actively embraced Breast Cancer Awareness Month with a series of impactful initiatives aimed at promoting health and solidarity. Throughout the month, the team proudly wore pink ribbons to show their support. A key highlight was the "Walk for the Ribbon," a 1km community walk that brought participants together to demonstrate unity in the fight against breast cancer. Additionally, an informative health talk was conducted, focusing on breast cancer awareness, early detection, and prevention strategies, which encouraged open discussions on the topic.

Fatalities Reported

During the previous year

0

Health and safety committees are in place in all hotels and have employee representatives on these committees. Employees receive a variety of training on health and safety management including gender-based violence, breast cancer awareness, mental health, firefighting, first aid, emergency response, and food and hygiene safety.

Community Health & Safety

We take the health and safety of our guests very seriously. During 2024, across our entire portfolio, security trainings, including essential fire drills and safety protocols, were conducted to ensure staff preparedness and enhance overall safety. These efforts underscore our commitment to a secure environment for both employees and guests.

63% of the portfolio is currently SafeHotels certified.

Safehotels certification is a globally recognized independent verification of a hotel's safety and security standards. It's offered by Safehotels Alliance AB, a company founded in Sweden in 2001, and is considered the leading certification in the hotel and meeting industry.

The core purpose of Safehotels certification is to provide assurance to guests, corporate travel managers, and MICE (Meetings, Incentives, Conferences, and Exhibitions) planners that a hotel has undergone rigorous assessment and meets stringent benchmarks for safety and security. This helps in disaster risk reduction and enhances overall peace of mind for travelers.

safe | hotels

SafeHotels Certified

Within the Portfolio

63%

Sustainability Policies and Commitments

Our commitment to sustainability is evident in our actions and the disclosures contained in this report. We draw inspiration from several key frameworks including the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the International Labour Organisation's Conventions and Protocols, and the Paris Agreement.

Flowing from these international frameworks, we have developed Fund-level sustainability commitments, which are articulated in our ESG Policy.

Fund-level Commitments:

- Operating in alignment with the Group-level Exclusion List by investing within its parameters of permitted industries and activities;
- Upholding and adherence towards the laws, rules and regulations and the relevant international treaties and conventions of the countries in which we operate and / or have a presence within;
- Ensuring that our current and future investor ESG requirements are upheld and implemented throughout our investment procedures and activities at Group, Fund and Portfolio-levels;
- Maintaining a robust and effective Group-level ESMS that is receptive towards and consistently aligned with the dynamic landscape of industry best practice measures;
- Ensuring that the Group-level ESMS and its procedures are implemented with accuracy, consistency, and integrity at Fund-level and portfolio of investment-level;

"We draw inspiration from several key frameworks including the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the International Labour Organisation's Conventions and Protocols, and the Paris Agreement."

- Allocating sufficient and appropriate financial and non-financial resources that are fit-for-purpose in support of the optimized implementation of the Group-level ESMS and its resultant ESG investment performance by way of a dedicated ESG Committee, ESG personnel appointments, periodic ESG Training, and other measures deemed necessary by the ESG Committee;

- Implementing dedicated measures towards the identification, management, and mitigation of ESG risks that surface throughout our investment procedures and other activities to limit overall Fund and Portfolio-level risk;

- Implementing appropriate measures required to track, measure, and periodically report on both ESG performance and underperformance at Fund and Portfolio-levels recognizing not only where targets have been sufficiently met with, but also where we are required to reassess and improve our approach;

- Maintaining an internal and external-facing culture of transparency, accountability, and disclosure;

- Continuously leveraging the developments within ESG through evolving best practice standards, frameworks, innovations, and other industry-relevant guidance and resources;

- Ensuring that our ESG Policy is reviewed on a periodic basis and that improvements account for lessons learnt throughout implementation and user experience; and

- Actively participating within relevant associations, thought-leadership platforms, industry initiatives, community-led engagements, and other forums that encourage ESG knowledge transfer.

Our updated ESG Policy, approved in Dec 2024, more clearly describes our commitments in terms of these international frameworks.

Our ESG Policy represents the Group-level commitment and approach to ESG. Our Policy incorporates a set of ambitions, goals and objectives that recognize the sustainable development agenda and the need to exercise responsible corporate stewardship.

The policy governs our approach with respect to ESG where our current and future investment decision-making, investment procedures, and other relevant activities are concerned and therefore, serves to complement our existing Group-level Investment Strategy and overall Fund Mandate.

Kasada's ESG Policy is applicable at Group-level and extends to the Kasada Hospitality Fund and our portfolio of investments. The Policy is operationalized through Kasada's Environmental and Social Management System (ESMS) for Kasada GP Limited which is comprised of an ESMS Manual and supporting Annexures and is applicable throughout all stages of the investment lifecycle from origination to exit.

All hotel employees and third parties are subject to the operator's sustainability policies. We have reviewed these policies and are very satisfied that they are complimentary and aligned to the Fund's ambitions.

ibis Styles Abidjan Plateau

ibis Styles Abidjan Plateau

UNGC principle	Kasada ESG focus area	Kasada Hotel commitment
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Responsible and ethical business conduct	Our hotels are committed to upholding internationally recognized human rights, as defined by international standards. We have policies in place to uphold human rights, that include requirements to proactively conduct due diligence.
Principle 2: Make sure that they are not complicit in human rights abuses.	Responsible and ethical business conduct	Our hotels make training and guidance available to assist franchisees in meeting these expectations and is committed to working with them to identify, prevent, mitigate and address adverse impacts on human rights.
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Working conditions and job quality	Our hotels recognize freedom of association and the right to collective bargaining. The Group commits to adhering to the provisions of ILO Conventions 87 and 98 on freedom of association and the right to collective bargaining. Our hotels are committed to the following: • Ensure compliance with locally applicable legislation governing the freedom of association of its employees; • Not to prohibit or obstruct any process of founding an internal employee representative body; • Respect the timetable for consulting stakeholders and employee representatives, particularly in the case of reorganisations or disciplinary procedures; and • Ensure that employees can express themselves freely within the company on issues to do with their working conditions.
Principle 4: the elimination of all forms of forced and compulsory labour	Working conditions and job quality	Our hotels exercise meticulous scrutiny of any suppliers and service providers that may be using the labour of people coerced into working by threat or intimidation. Should this prove to be the case, the hotel will implement a corrective action plan with the partner and, if the results are not satisfactory, will sever all relations with that supplier or service provider
Principle 5: the effective abolition of child labour	Working conditions and job quality	Our hotels are committed to upholding the provisions of ILO Conventions 182 on the prohibition of child labour and 138 on the minimum age for admission to employment They will: • Comply strictly with the minimum legal working age in each host country and never to employ a child under the age of 15 in any country • Be extremely vigilant when choosing its suppliers and service providers • Refuse to work or immediately stop working with any supplier or service provider operating in breach of child labour laws, employing; and children aged under the legal limit or less than 15 years old.
Principle 6: the elimination of discrimination in respect of employment and occupation.	Working conditions and job quality	Our hotels will: • Complying with a selection process, applying the same criteria to every applicant for a given position; and • Basing all recruitment decisions exclusively on professional skills and personal qualities, in line with our needs and the applicant's own attributes.
Principle 7: Businesses should support a precautionary approach to environmental challenges	Energy efficiency and climate change	Our hotels will: • Defining Group-wide environmental performance improvement objectives, roll them out and track progress towards achieving them using appropriate indicators and environmental management and control systems • Follow disciplined environmental management processes by deploying sustainable construction and refurbishment guidelines for new hotel projects • Include non-financial performance criteria also covering carbon emission reductions in the calculation of the variable compensation of managers and employees (Long-Term Incentive Plan)
Principle 8: undertake initiatives to promote greater environmental responsibility	Energy efficiency and climate change	Our hotels will: • Conserving water resources by regularly tracking use, rolling out water-saving programs and equipment, particularly in water-stressed regions • Managing the impact of its wastewater effluent • Reducing the quantity of raw materials used by limiting packaging and other disposable items, and prioritising recycled and/or recyclable materials, in particular when it comes to plastics • Combatting food waste in our hotels by deploying solutions adapted to the typology of each restaurant • Increasing the proportion of sorted and recycled hotel waste by setting up or operating treatment and processing procedures for the main; categories of waste produced by our operations, particularly, by opting for selective collection, reuse, recycling, or composting for bio-waste; and • Ensuring the correct treatment of waste produced by the hotel in the appropriate channels, duly approved by the local authorities, especially when dealing with hazardous waste.
Principle 9: encourage the development and diffusion of environmentally friendly technologies	Energy efficiency and climate change Operational efficiency and waste	• Reporting of fluid consumption (energy, water) with the help of the tool based on real data; • Descriptive data relative to the features of the hotels (number of rooms, number of restaurant-bar points, technical equipment, etc.) and logs of their consumption (monitored since 2005 for energy); and • Reporting of other sustainable development indicators such as waste, the elimination of single-use plastics, volumes of food waste etc.
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Responsible and ethical business conduct	Our hotels: • Have implemented measures to detect and prevent bribery and trading in influence offences. • A zero-tolerance policy for any offence of this type. Anyone committing such an offence will be liable to disciplinary sanctions that may result in dismissal for misconduct of the employee or employees concerned, civil court proceedings or criminal prosecution. • Will take all necessary steps to avoid all forms of bribery, corruption or trading in influence in relation to its businesses and to ensure that no direct or indirect remuneration, facilitation payment, advantage or reward is paid or granted under any of its contracts or in its relationship with public authorities, or to any public or elected official.

Sustainability Frameworks

Our ESG approach is guided and informed by a range of industry-recognized standards, frameworks, and certifications that we have identified. We adhere to the standards, frameworks, and certification measures that are relevant to our ESG focus areas by way of incorporating its recommended measures into our Group-level management processes, Fund-level investment activities, and amongst our Portfolio. The set of standards, frameworks, and certifications include:

Standards and Frameworks

- Applicable national and local E&S laws, rules, and regulations;
- International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability (2012);
- The World Bank Group's IFC Environmental, Health, and Safety (EHS) Guidelines (2007);
- The World Bank Group's IFC Industry Sector Guidelines (2007 – 2016);
- The United Nations (UN) Principles for Responsible Investment (2006);
- International Labour Organisation (ILO) Labour Conventions and the ILO Decent Work Agenda (2015);
- United Nations Global Compact (2020);
- UN Guiding Principles on Business and Human Rights (UNGPs) (2011);
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct (2023); and
- The Sustainability Accounting Standards Board (SASB) Standard for Hospitality and Lodging (2022) of the International Sustainability Standards Board (ISSB) under the International Financial Reporting Standards (IFRS) Foundation.

We seek to continuously improve our positive impact from our investments and intend to adopt further frameworks as we progress along our ESG journey. As part of this journey, we are actively working towards the adoption of the following standards:

- The 2X Challenge (2024); and
- Task Force on Climate-related Financial Disclosures (TCFD) (2015).

Reporting Guidelines

Furthermore, our suite of standards and frameworks are complemented by a set of reporting guidelines that we adopt. These include: The Global Impact Investing Network's (GIIN) IRIS+ (2009); and The Global Reporting Initiative Standards (GRI) (2021).

Certificates

To reinforce our ESG commitments and assurance of our performance, Kasada seeks to maintain ESG compliance and performance in line with the following certifications:

- The World Bank Group's IFC Excellence in Design for Greater Efficiencies (EDGE) (2014);
- International Organization for Standardization (ISO) 14001 and 45001;
- The Global Hotel Security Standard of Safehotels Alliance; and
- GreenKey Global.

Sustainability Integration

Kasada's approach towards investments is representative of the ESG ambitions and goals we strive towards achieving, the ESG commitments that we pledge to uphold, and the ESG focus areas that we seek to influence. These elements collectively shape our ESG investment approach and procedures which are governed by our integrated ESMS.

Kasada's GP-level ESMS describes how ESG considerations are factored into our investment decision-making, investment procedures, and other relevant activities. The integrated ESMS is comprised of Kasada's ESG Policy, Manual, and supporting Toolkit and provides technical guidance on assessing the ESG focus areas throughout each stage of the investment lifecycle by outlining the specific procedures to be undertaken, tools and templates to be used, and criteria to be applied when determining suitability for Kasada investment. Kasada's ESG investment approach and procedures are illustrated in the following pages:

"Kasada's approach towards investments is representative of the ESG ambitions and goals we strive towards achieving, the ESG commitments that we pledge to uphold, and the ESG focus areas that we seek to influence."

	Pre-Investment				Post-Investment	
	Sourcing	**Screening**	**Due Diligence**	**IC Review & Approval**	**Investment Monitoring**	**Exit**
E&S PROCEDURES	• Pipeline Investee verification against Kasada Exclusion List • Preliminary ESG risk assessment of Pipeline Investee against ESG Focus Areas	• Pipeline Investee High-level Screening assessment against ESG Focus Areas • Based on the above, assigning the Pipeline Investee with an appropriate E&S risk categorization to inform the nature of External Due Diligence to be conducted	• Compilation and commissioning of the ToR for External E&S DD to be conducted on the Pipeline Investee • Identification and documentation of identified E&S risks and recommended actions within the E&S Pipeline Investee Action Plan • Overall E&S Risk and Focus Area rating	• Presentation of E&S finding to IC • Incorporation of legal covenants into legal agreements and incorporation of E&S Action Plan into Investee Term Sheets	• On-going self-monitoring and reporting of ESG performance by Portfolio Investee • E&S performance and improvements through selected interventions and engagement • Responding and investigating occurrence of major incidents reported and actions taken to mitigate associated risks • Periodic Investee E&S Action Plan updates	• Identification and management of outstanding E&S issues prior to divestment • Evaluation and demonstration of outcomes and additionality from E&S interbventions
TOOLKIT	• Exclusion List • Investment Sourcing Network Library • E&S Sourcing Tool • E&S Sourcing Tool • E&S Section for Opportunity Sheet	• E&S Screening Tool • E&S Section for Early Warning Memo • E&S Risk Categorization Assessment • Terms of Reference for External E&S Due Diligence	• IC E&S Summary Template • Action Plan Templates • Guiding E&S Clauses for LoI and Transaction Agreements	• IC E&S Summary Template • Action Plan Templates • Guiding E&S Clauses for Transaction Agreements	• E&S Performance Monitoring and Reporting Template - Internal • E&S Performance Self-monitoring and Reporting Template - External (Portfolio Company)	• E&S Exit Assessment Template
			• Grievance Form and Register	• Major Incident Reporting Template		
CRITERIA	FUND INVESTMENT THRESHOLDS / ELIGIBILITY CRITERIA					

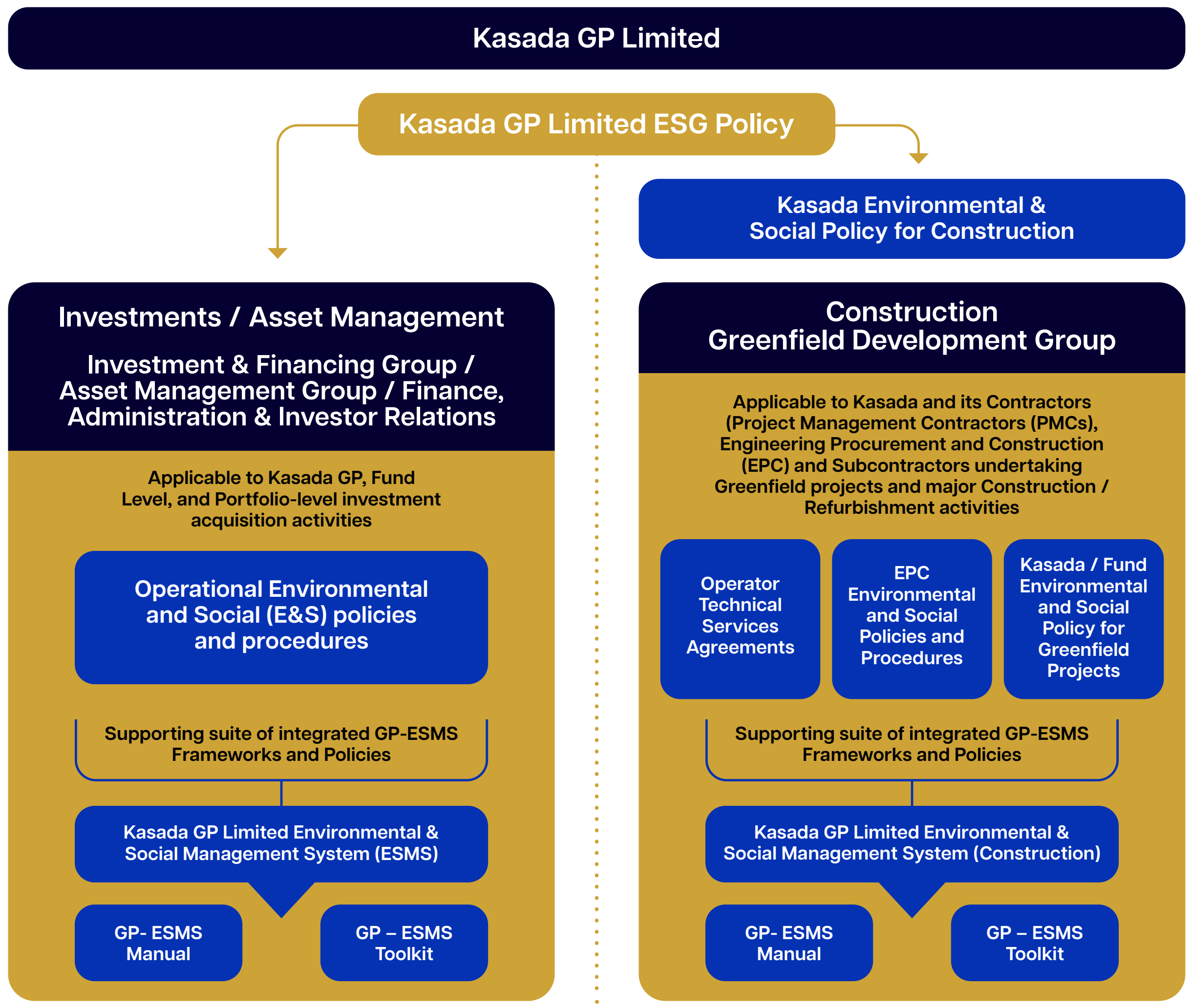
Kasada's investment acquisition activities catalyze greenfield projects and major construction/refurbishment activities. Kasada recognizes the importance of ensuring that responsible corporate stewardship is exercised across the Group and all its activities. In upholding our ESG commitments where investment activity catalyzes construction / refurbishment activities, Kasada undertakes an approach which requires that our Project Management Contractors (PMCs) and Engineering Procurement and Construction (EPC) contractors and subcontractors adhere with the necessary legal and regulatory compliance measures as indicated within the Environmental and Social Management Policy for Construction that is operationalized through the Kasada Capital Management Environmental and Social Management System-Construction (ESMS-C).

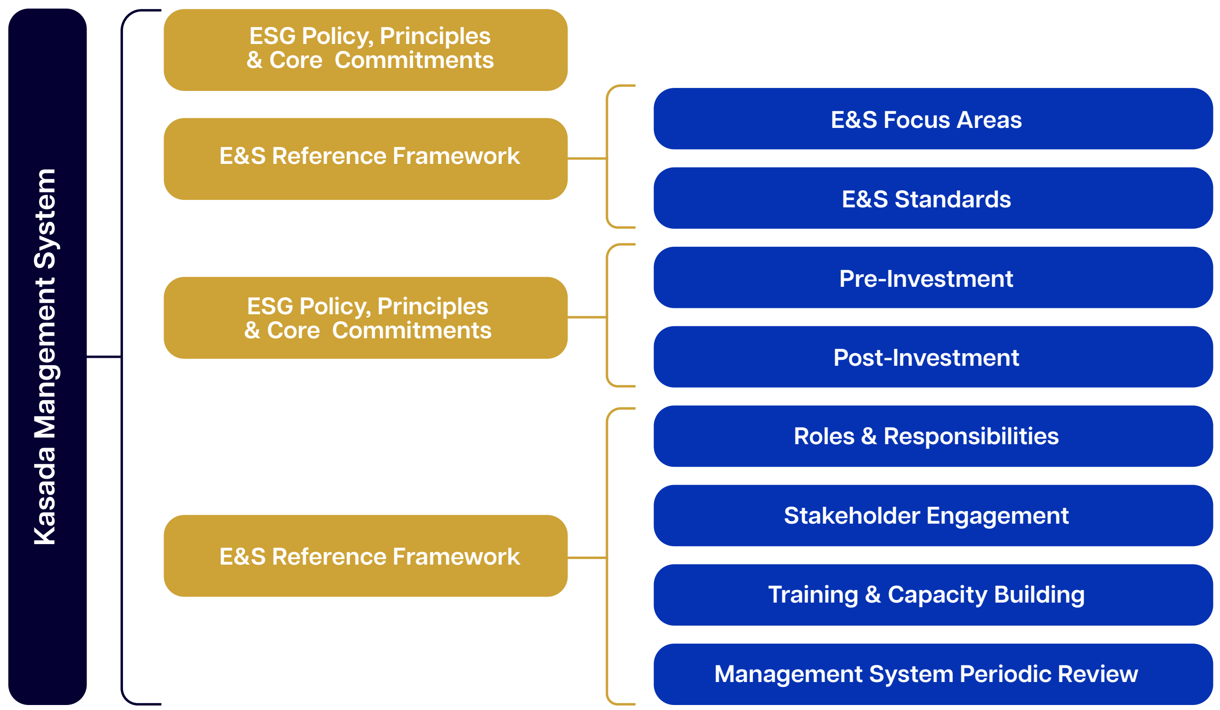
Sustainability Risk Management

In 2023, Kasada appointed a third-party consultant to conduct an ESG gap analysis and benchmarking was conducted end 2023 which highlighted areas of non-alignment against ESG measures taken by other General Partners and other Hospitality and Real Estate benchmarks.

"We have now implemented a bespoke Environmental, Social and Management System (ESMS) to encompass every aspect of how we integrate ESG in our investment process."

We have now implemented a bespoke Environmental, Social and Management System (ESMS) to encompass every aspect of how we integrate ESG in our investment process. The ESMS contains the overarching ESG framework that Kasada has adopted to ensure a consistent approach towards ESG integration. The ESMS Manual serves as a guide for Kasada and its professionals on how to manage its investment portfolio and investment relations whilst ensuring that the regulations and standards that are recognised by Kasada are consistently upheld. In addition, the ESMS Manual serves to ensure that E&S considerations are consistently applied throughout the investment lifecycle and all its stages (i.e., Sourcing, Screening, Due Diligence, Investment Committee Review & Approval, Monitoring and Reporting, and Exit). The ESMS processes as contained in the Manual apply to all investment opportunities that are considered by Kasada. The ESMS Manual and its procedures shall also be applied by Kasada and its professionals to ensure that maximised E&S value is prioritised throughout each of the activities undertaken and that a high standard of investment integrity is maintained.





Organisational Structure & Governance

The implementation of Kasada's ESMS require the appointment of competent E&S resources and functions with sufficient capacity to drive E&S efforts within Kasada and its investee companies. This comprises of Kasada level E&S resources (and support functions), and investee company level E&S resources.

The specific E&S roles and responsibilities associated with the implementation of Kasada's ESMS consists of the following representatives:

- Kasada's Partners (Senior Management);
- ESG Committee;
- ESG Manager;
- Investment Team;
- Portfolio Company ESG Officer / Representative(s); and
- External Service Providers.

Training

Kasada provides appropriate E&S training capacity to ensure that management, analysts and E&S resources are equipped with the necessary competencies and expertise to effectively implement the ESMS. This involves conducting an annual review which will set out Kasada's internal training requirements and what skills and competencies are needed within the organisation to address any existing gaps identified.

Periodic Review

Kasada recognises the need to ensure that the ESMS Manual and Toolkit remains up to date with emerging ESG trends and best practice and its management systems are continuously assessed in terms of their adequacy, effectiveness and overall performance. In this regard, Kasada will undertake a performance review assessment on a yearly basis, focusing on various key elements, but is not limited to:

- Evaluating E&S related policies and principles against any changes in its investment strategy;
- Ensuring that the ESMS remains up to date with emerging ESG trends, best practice and any organizational changes (e.g., resources, mandate, investors, etc.);
- Evaluating the internal capacity and competencies against set objectives in alignment with their defined roles and responsibilities;
- Reviewing the internal needs for additional training and awareness raising on ESG matters;
- Sourcing and reviewing any feedback from various internal teams including successes, challenges faced, and lessons learnt as part of constructive iterative process driving ESMS effectiveness;
- Assessing the degree to which management expectations, requirements and commitments are being met with and the impact of such efforts towards operational and investment performance;
- Addressing any gaps, limitations and improvement areas within the ESMS and defining appropriate, corrective measures against them. These may include:
  - Additional ESMS training and awareness raising;
  - Improving the oversight of the Kasada ESMS Framework and ESMS procedures;
  - Inclusion of ESG performance metrics for staff members;
  - Improved E&S procedures, tools, and templates;
  - Use of external E&S specialists to supporting teams;
  - Peer-to-peer learning within and across Firm departments; and
  - Investigate and remain up to date with global ESG trends and competitors' approaches to ESG.

Performance reviews may also be conducted by Kasada on an ad hoc basis if triggered by any factors that might deem such a review necessary, such as any: modifications to shareholder and/or investment agreements; Kasada ESMS Framework and/or ESMS approach, or apparent failures to manage any surfacing ESG-related risks adequately and appropriately.

To ensure and maintain their success, performance reviews are supported through robust procedures that govern aspects of their implementation such as recording, documenting, storing and filing of ESG related activities and initiatives which also include capturing key information on the investment processes, outputs and challenges encountered.

In addition, Kasada consistently and timeously informs its investors, investees and third-party contractors of any updates or modifications made to either the Kasada's ESG Policy or ESMS approach to ensure accountability and that each stakeholder is always up to date with any progress or improvements made.

"Kasada consistently and timeously informs its investors, investees and third-party contractors of any updates or modifications made to either the Kasada's ESG Policy or ESMS approach to ensure accountability and that each stakeholder is always up to date with any progress or improvements made."

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GRI 303: Water and Effluents 2018

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KASADA

Sustainability
Report 2024