

Responsible Investment

Atrato Responsible Investment Policy

Introduction

Atrato group is an investment and advisory group established in December 2016.

Atrato group comprises, amongst other entities, Atrato Partners Limited (“Atrato Partners” or “the Company”) and Atrato Capital Limited (“Atrato Capital”) (together “Atrato”). Atrato Partners is authorised and regulated by the Financial Conduct Authority (FRN 830613), Atrato Capital (FRN 777587) is an appointed representative of Atrato Partners.

Atrato works across a number of strategies and investment mandates, with expertise in social housing, commercial real estate, private credit, energy transition and business services. Atrato Partners and Atrato Capital, each advise a closed-ended listed fund (together our “Funds”). Atrato is experienced in managing and advising Funds that invest in assets which support sustainable development and provide essential societal services. As of March 2025, the Atrato group has over £500m in total assets under management.

Our Investment Strategies

Social Housing <ul style="list-style-type: none">• Social Housing REIT (LON:SOHO)<ul style="list-style-type: none">◦ Managed by Atrato Partners◦ FTSE All-share◦ Seeks to address the ongoing UK social housing sector demand-supply imbalance, providing sustainable high-quality homes which have been adapted for vulnerable adults with long-term care and support needs.
Commercial Real Estate <ul style="list-style-type: none">• Dedicated to exploring new business opportunities in commercial real estate that can generate long-term, asset backed inflation linked income.
Private Credit <ul style="list-style-type: none">• Dedicated to providing senior secured loans to European mid-market companies.
Energy Transition <ul style="list-style-type: none">• Dedicated to exploring new business opportunities to support the energy transition and evaluating the potential for future sustainability-focused funds.

Policy Purpose

This Responsible Investment Policy (the “Policy”) has been developed to detail and disclose Atrato’s approach to responsible investment. The Policy sets out our responsible investment commitments and the overarching process, detailing how ESG is integrated into all phases of investment processes. The Policy applies to all assets under management or advisement by Atrato.

About us

At Atrato we have targeted responsible investing since our inception.

We believe we have a duty to uphold responsible investment practices and act in the long-term interests of all of our stakeholders. This belief is reflected in our purpose statement:

Our purpose is to identify and support responsible investment opportunities creating long-term value and contributing to a sustainable future.

Our approach to responsible investment includes commitments against all three fundamental ESG pillars:

- **Environment:** Reducing our emissions and mitigating the environmental impact of our business (including with respect to the climate, water, waste, pollution and biodiversity).
- **Social:** Acting in accordance with our purpose and values, respecting human rights and delivering broader value to all our stakeholders.
- **Governance:** Strengthening our ESG performance and upholding responsible business practices.

Principles for Responsible Investment

Atrato Partners has been a signatory to the United Nations (“UN”) Principles for Responsible Investment (“PRI”) since May 2022. As a PRI signatory, Atrato Partners has committed to adopting the six Principles for Responsible Investment (see **Appendix A** for details). Atrato Partners is also an endorser of the PRI Spring stewardship initiative for nature.

Net Zero Asset Managers initiative

In addition, Atrato Partners and Atrato Capital have been signatories to the Net Zero Asset Managers initiative (“NZAM”) since March 2023. As NZAM signatories, we support investing aligned with net zero emissions by 2050 or sooner. This reflects our commitment to the goal of net zero emissions with the aim of mitigating financial risk and to maximising long-term asset value for ourselves and for our clients.

UN Sustainable Development Goals

Our approach to sustainability aims to support the most material UN Sustainable Development Goals ("SDGs") to our business, including:

- SDG 8: Decent work and economic growth
- SDG 10: Reduced inequalities
- SDG 11: Sustainable cities and communities
- SDG 13: Climate action

We have also supported our Funds to align their sustainability strategies with those SDGs which are most relevant to their activities.

Task Force on Climate-related Financial Disclosures

We are proud to publicly support the Task Force on Climate-related financial Disclosures ("TCFD") and the Paris Agreement. We have supported our listed Funds to report in line with the TCFD recommendations within their Annual Reports, to improve disclosure of climate-related risks and opportunities.

UN Global Compact

In May 2024, we joined the United Nations Global Compact ("UN Global Compact") initiative — a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. The UN Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the SDGs. We are proud to join thousands of other companies globally committed to taking responsible business action.

Human Rights

Atrato is committed to respecting human rights at a company-wide level and to upholding socially responsible business practices. Specifically, Atrato is committed to respecting international human rights in accordance with internationally accepted standards, including the Universal Declaration of Human Rights, and acting in accordance with the UN Guiding Principles on Business and Human Rights, the UN Global Compact and the International Labour Organisation's ("ILO") Declaration on Fundamental Principles and Rights at Work.

This includes the ILO obligations and commitments in respect of:

1. Freedom of association and the effective recognition of the right to collective bargaining;
2. The elimination of all forms of forced or compulsory labour;
3. The effective abolition of child labour;
4. The elimination of discrimination in respect of employment and occupation;
- and
5. A safe and healthy working environment.

We expect our suppliers to act in accordance with these principles and commitments. Risk assessments are conducted periodically over our own operations and in our value chain and, as necessary, in any new business relations. This involves a proportionate due diligence process focused on identifying actual

or potential human rights issues through activities such as desktop assessments, research, benchmarking and engagement, as applicable.

Modern Slavery

Atrato has a zero-tolerance position on violations to the UK's anti-human trafficking and anti-modern slavery laws. Atrato has taken steps to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of our business.

Our business largely uses professionally qualified people employed directly by Atrato. Our CORE values of Collaborative, Open, Resourceful and Entrepreneurial, are the pillars of our culture. They outline the expectation of our people's behaviour with colleagues, clients, suppliers and wider stakeholders. Our people policies ensure fair treatment of our people in the workplace and promote an open and inclusive workplace.

Our external suppliers are mostly UK-based companies in low-risk sectors (such as professional services). The implementation of our policies and procedures includes due diligence on suppliers that we engage with, in accordance with our compliance policies (including Anti-money Laundering, and Anti-bribery and Corruption policies) and this Responsible Investment Policy. We provide periodic training to all employees on the subject of modern slavery to help increase education and awareness.

Living Wage Accreditation

Atrato is committed to fair pay and supporting its employees with a decent standard of living. We are proud to be an accredited Living Wage Employer, having been certified by the Living Wage Foundation.

For further information on ESG activities and initiatives at Atrato, including within our workplace, please see Atrato's Responsible Investment Report.

Responsible Investment Commitments

As a future-focused alternatives investment advisory group, we believe that by incorporating environmental, social and governance (ESG) factors into investment policies, practices and processes, we can enhance returns and better manage risks over the long-term.

Specifically, Atrato is committed to:

- Transparency of approach;
- Engagement with stakeholders;
- Adherence to a robust governance framework that includes the consideration of ESG risks and opportunities;
- Integrating ESG into day-to-day operations through alignment with Atrato's core values;
- Ongoing training on ESG issues; and
- Implementation of ESG objectives in the performance plans of key individuals.

We are committed to continually improving our Responsible Investment approach and activities in line with best practice and as our business evolves.

Responsible Investment Process

Our responsible investment process aims to:

1. Avoid, mitigate and manage potential ESG risks associated with assets; and
2. Optimise the ESG potential of investments at all stages of the investment cycle.

These aims are achieved through both ESG incorporation and stewardship activities, including:

	Definition	Activities
ESG incorporation	Assessing, reviewing and considering ESG factors in existing investment practices.	ESG integration through considering ESG issues in investment analysis and decisions to better manage risks and improve returns. Embedding ESG considerations in policies and processes.
Stewardship	Using influence to protect and enhance overall long-term value, including the value of common economic, social and environmental assets, on which returns and client and beneficiary interests depend.	<p>Engagement with stakeholders (including investors, policy makers/regulators and other key stakeholders) via written interactions and dialogue to improve practice on ESG factors as relevant to Atrato and its clients, make progress on sustainability outcomes and/or improve public disclosure.</p> <p>Collaboration with stakeholders to pool resources and enhance the effectiveness of pursuing stewardship objectives.</p>

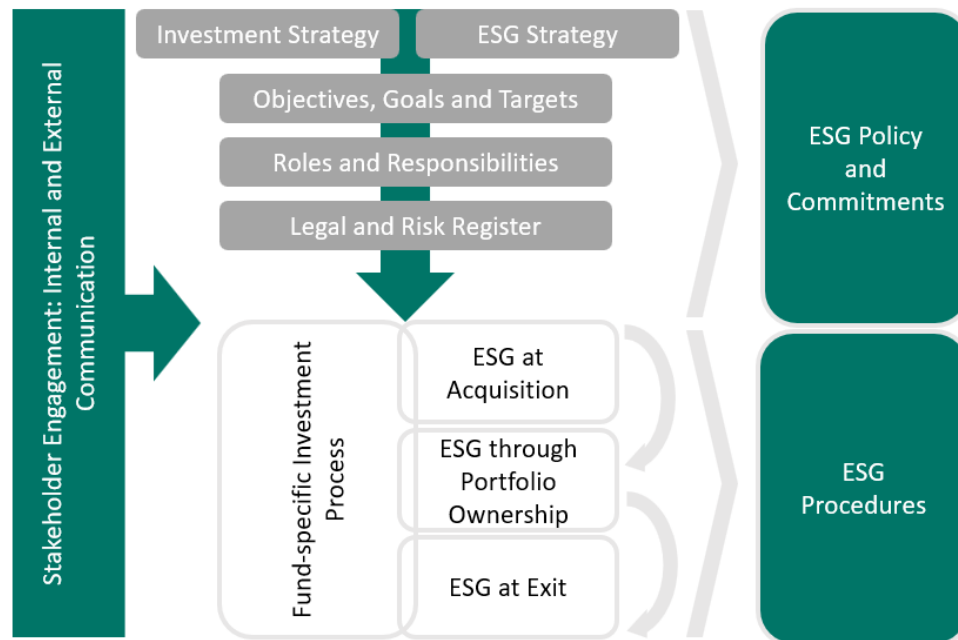
Our approach to ESG incorporation and stewardship seeks to deliver real-world positive sustainability outcomes as far as possible.

The type and extent of ESG incorporation and stewardship activities differs per Fund, in line with the Fund's investment objective(s), investment policy and restrictions.

ESG Integration

The below figure shows how Atrato's Responsible Investment process is intertwined with our core investment processes, including acquisition, due diligence, ownership and asset management and exit.

Figure 1: Responsible Investment Process



Atrato's core Responsible Investment process involves:

- **Implementing Atrato's ESG Strategy:** Our Funds invest in assets that support sustainable development and provide essential societal services (such as grocery and social housing). We look to identify and support new investment opportunities and strategies that create long-term value, in line with our purpose and values.
- **ESG Due Diligence:** We conduct ESG assessments as part of the acquisition due diligence process for potential investments. The specific criteria of these assessments and the contents of the ESG section within Investment Committee reports is tailored for each Fund, depending on the type of investment being considered and the Funds' investment and asset management processes. Atrato's Head of Sustainability, who conducts these assessments with support from the Fund management teams, is a standing attendee of Atrato's Investment Committee meetings.
- **ESG Materiality:** As part of our due diligence process during the pre-investment phase, we analyse material ESG factors for the asset(s). This assessment differs by asset type but is informed by tools, standards and data such as the relevant Sustainability Accounting Standards Board ("SASB") standards, the UN SDGs, the UN Guiding Principles on Business and Human Rights ("UNGPs"), Energy Performance Certificate ("EPC") ratings and similar

green building certifications, TCFD recommendations, MSCI's Climate Value at Risk ("VaR") tool and the UK Government's Flood Risk Map tool.

- **Fund Sustainability Strategies:** We develop and deliver specific sustainability strategies for each Fund, in conjunction with their relevant Boards, reflecting the most material ESG risks and opportunities for the asset class. These are reviewed and updated annually, reflecting completed deliverables and changes to stakeholder expectations.
- **Monitoring and engagement:** We monitor the ESG performance of our Funds against industry and peer performance and conduct active stakeholder engagement on ESG issues. The specific indicators used to monitor performance and focus engagement are tailored for each Fund in line with best practice ESG standards and frameworks.

See **Appendix B** for further details on ESG Integration practices for SOHO.

Exclusions

We believe that ESG issues can have a material impact on investment returns and shareholder outcomes. As our purpose statement reflects, we are committed to identifying and supporting responsible investment opportunities that create long-term value and contribute to a sustainable future.

Atrato's investment policies avoid investment opportunities that are not acceptable from an investment risk perspective either because the asset or business activities in question pose material ESG risks which cannot be remediated or managed through active ownership, or which are not compliant with international, regional or local laws.

SOHO has a defined investment policy which limits the scope of investments to certain asset classes, namely, to invest in a diversified portfolio of freehold or long leasehold social housing assets in the UK, of which at least 80% will be supported housing.

In addition, Atrato is committed to applying a number of baseline exclusions (collectively, the "Baseline Exclusions") across all current and future strategies. The Baseline Exclusions include companies whose primary business activity revenues are derived from:

- (i) The development, production or sale of **controversial weapons/arms**, (including cluster munitions and land mines, nuclear weapons, biological and chemical weapons);
- (ii) The mining or extraction of **thermal coal, arctic oil and oil sands**;
- (iii) The production of **tobacco products**;
- (iv) **Gambling operations** (unless such operations are principally related to lotteries conducted on behalf of charitable organisations);
- (v) **Predatory lending** including payday lending or short-term consumer lending; and
- (vi) The production or distribution of **adult entertainment**.

Governance and Responsibilities

Atrato has defined roles and responsibilities for integrating ESG considerations into investment processes.

Our fund management teams are responsible for assessing and monitoring investments. These teams report to Atrato's Operations Committee ("OpCom") who collectively oversee adherence to this Policy, alongside Atrato's Head of Sustainability. All investments must be approved by an Atrato Investment Committee and all Investment Committee members receive ESG training. Atrato's Head of Sustainability is a standing attendee of Atrato's Investment Committee meetings to ensure investment decisions are aligned with this Policy and Atrato and/or Fund-level ESG commitments.

Atrato's Head of Sustainability has responsibility for developing, in alignment with this Policy, specific sustainability strategies at the Fund and group-level, sharing best practices with the Funds and providing advice on ESG topics.

Atrato has also appointed external ESG consultants to provide additional support for the delivery of Atrato's responsible investment and broader ESG activities, as and when needed. Atrato welcomes the appointment of ESG specialists to its Funds' Boards along with the additional oversight and challenge it offers.

Risk Management

ESG risks include environmental, social and governance risk factors that, if materialised, could have a significant adverse impact not only on a company's financial position or operating results, but also on its stakeholders. Where applicable, ESG risks are included in Atrato and fund-level risk registers, which are reviewed at least annually. Atrato also recognises that ESG factors and effective ESG management can create value generating opportunities. Both ESG risks and opportunities are regularly communicated to the Board of Directors of the Funds by Atrato's Head of Sustainability.

Reporting

We have committed to publish an annual Responsible Investment Report on the Atrato website which provides details of the activities that underpin our responsible investment commitments. Our Responsible Investment report is accompanied by Atrato Partners' annual PRI report. Each of our Funds also make sustainability disclosures either through standalone Sustainability Reports or sustainability updates included within the Annual Reports. In addition, SOHO publishes an annual Impact Report, produced by The Good Economy, which outlines the Fund's progress against its social impact commitments and is available on the Fund's website: www.socialhousingreit.com

Policies

In addition to this Responsible Investment Policy, we have developed and apply a number of corporate policies to support good governance, including:

- Conflicts of Interest Policy;
- Anti-Bribery and Corruption Policy;
- Whistleblowing Policy;
- Equal Opportunities Policy;
- Human Rights Policy;
- Labour Standards Policy
- Data Encryption Policy;
- IT Security and Cyber Risk Policy;
- Stakeholder Policy;
- Community Engagement Policy; and
- ESG Policy

Review

Atrato recognises that the landscape of responsible investing is continuously evolving. Therefore, we remain committed to staying informed about developments in responsible investment practices and will proactively assess and integrate additional relevant aspects as necessary. This Policy will therefore be reviewed periodically and updated if required. More frequent updates may be made in response to best practice and regulatory changes.

Version history

Version	Document Name
V1	Responsible Investment Policy June 2024
V2	Responsible Investment Policy March 2025
V3	Responsible Investment Policy April 2025
V4	Responsible Investment Policy May 2025 (Current)

Appendix A – PRI Principles

Principles for Responsible Investment: Six Principles

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Appendix B – SOHO ESG Integration

Investment & Asset Management Processes

Investment Step	Action
Origination	<ul style="list-style-type: none"> • Key ESG and impact factors are considered when filtering opportunities which meet the investment strategy. • Fund Management team seek information about key ESG risks and assess anticipated positive ESG outcomes relating to potential new investments.
Initial Due Diligence	<ul style="list-style-type: none"> • Fund Management team in conjunction with Head of Sustainability conduct thorough due diligence on new projects, encompassing key environmental, social and governance considerations on a deal-by-deal basis. • Due diligence covers specific ESG and Impact metrics, categorised by: Social Need; Affordability; Funding Sustainable Developments; Quality Services; Increase Supply; Value for Money. • Key due diligence data points include: EPC ratings and other building fabric assessments / Code of Considerate Constructors / Nationally Described Space Standards / site waste management plans.
Investment Committee	<ul style="list-style-type: none"> • Before material due diligence costs are incurred (valuations, surveys, and legal instructions), ESG factors are considered in conjunction with headline financial, legal and strategy characteristics of an opportunity to determine whether it should be presented to the Investment Committee ("IC"). • The first IC stage seeks approval for a potential transaction to progress through due diligence based on the budget and parameters presented. • The minutes of the IC record any ESG issues or concerns raised. An opportunity can progress despite an ESG issue or concern if the IC believes that, once any conditions are satisfied, the deal will align with the Fund's impact objectives. • Subject to first stage IC approval, due diligence commences and ESG factors are evaluated, in addition to other financial and non-financial characteristics. • If following due diligence the investment team and IC members are satisfied that the transaction should proceed, a Completion Committee reviews the due diligence findings and approves any additional costs required (if any), providing approval to complete. • The final due diligence tracker will record any IC comments or actions on ESG to be considered during the acquisition and/or development process.
Ownership and Asset Management	<ul style="list-style-type: none"> • Fund Management team, liaising with Head of Sustainability (as necessary) and relevant counterparties, discuss and gather

	<p>insight and identify any challenges which may present during the development of hold period of the asset(s) being considered.</p> <ul style="list-style-type: none"> • Conduct on-going due diligence to ensure implementation of agreed service levels. • Energy efficiency is monitored at the portfolio level through EPC ratings and engaging with RPs to improve the energy efficiency of their properties. • Asset performance is monitored to ensure that social needs continue to be met. • The governance of existing counterparties is monitored through regular meetings and Companies House updates. • We consider how to optimise ESG performance across the portfolio – for example, upgrading the EPC ratings of existing properties through the comprehensive EPC upgrade programme. • We engage in sector-wide discussions (including with government) about ESG performance and best practices
Exit	<ul style="list-style-type: none"> • When properties are sold, the fund will disclose investment made to improve property quality and ensure tenants are not disadvantaged as a result of the sale.

ESG Data

Atrato, together with the SOHO Board, recognise the importance of transparent, decision-useful sustainability reporting to improve our accountability to our stakeholders. As such, outcomes against the following key ESG metrics are reported against in SOHO's annual Sustainability Report:

Environmental	Social	Governance
<ul style="list-style-type: none"> • Portfolio Energy Performance Certificate ratings (% A – E) • Full GHG Emissions Inventory (Scope 1, 2 and 3 emissions) 	<ul style="list-style-type: none"> • Number of housing units and location of these units • Percentage of residents satisfied with the quality of their home 	<ul style="list-style-type: none"> • Quality rating of care providers (Care Quality Commissions) % at outstanding/good rating • Board Composition (including number of Board members, average tenure, gender diversity and environmental and social competencies)

Theory of Change

SOHO's Impact Goal is to increase the provision of Specialised Supported Housing that delivers positive outcomes for vulnerable adults with care and support needs. SOHO's Theory of Change, outlining its impact objectives and targeted outcomes can be found on its website: www.socialhousingreit.com