



SUSTAINABILITY STRATEGY 2030

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1. MESSAGE FROM THE CEO

Reflecting on the current economic and social landscape, it is clear that we are at a critical juncture. Economic and social dynamics are evolving at an unprecedented pace, and the multifaceted problems we face range from the urgency of climate change to the alarming growth of social inequalities. At Insula, we recognise our responsibility to solve these problems. We believe that economic growth and prosperity must be pursued alongside social well-being and environmental stewardship.

Climate change is no longer a distant threat; it's here, affecting our ecosystems, economies, and communities. As an Asset Management Company, we understand our contribution to the carbon footprint and recognise the pressing need for immediate and continuous action. Our commitment to sustainability extends to minimising our environmental impact and actively working towards a sustainable transition.

In turn, our investors are increasingly recognising the importance of integrating Environmental, Social and Governance (ESG) factors into their decisions. We are proud to align ourselves with this trend, helping our investors in their transition. Our dedication to ESG principles not only reflects our values but also positions us to attract and retain conscientious investors who share our vision for a sustainable future.

At Insula, sustainability is more than just a slogan; it is an intrinsic value in every decision we make. We are committed to integrating sustainability into our corporate culture, our assets and our operations. This Sustainability Strategy is not a mere document, but a roadmap that guides us towards tangible and measurable progress.

We aspire to set the benchmark for excellence in ESG in the Asset Management sector. To this end, we recognise that our success depends on a collective effort and a shared commitment. Together, we can promote positive change and making a lasting impact on the world in which we live.



Florence Ricou
CEO of Insula Capital

2.ABOUT INSULA

Insula (hereinafter referred to as "Insula" or the "Company") is a company originally set up in 1987 as Fibeira Fundos. In 2019 it was acquired by the current shareholders Florence Ricou and PNI Portugal, who in close collaboration with the team of employees, have created an independent operator with its own vision offering quality solutions to its clients in a close relationship.

Insula structures and manages property and venture capital investments for private and institutional investors.

As a Collective Investment Schemes Management Company ("SGOIC"), it is subject to supervision by the Securities and Exchange Commission and its activity is covered by the sector's legislation, namely the Asset Management Regime and the Sustainable Finance Disclosure Regulation (SFDR).

A.COMMITMENT TO SUSTAINABILITY

Insula sees sustainability as a central theme in its activity as a benchmark operator in the domestic market and, more broadly, in society and the surrounding environment.

Insula's commitment is the result of realising that the world has changed, so have its needs, and each entity must make its contribution and be a part of the whole, proactively, and consciously. More than an exercise in monitoring or complying with requests and demands, sustainability is the way in which management and employees act in all their material areas. As such, sustainability is seen as a necessary condition for the company's permanence and continuity in a harmonious and balanced way, reconciling the aspirations of its *stakeholders* with the responsible use of material and human resources.

Declinations of this generic commitment are: the search for efficient solutions to environmental issues, such as reducing energy waste; the ambition to provide employees and the community with an experience of inclusion and equality; and a serious and transparent attitude that guides the company's actions.

3. SUSTAINABILITY STRATEGY

To urgently embrace the issue of sustainability, Insula got involved in training and capacity-building activities to define the company's roadmap towards sustainability, and in these first steps, procedures and policies were redefined to include ESG principles.

Throughout 2023, this training process was extended, involving all internal stakeholders in this process, through training sessions, attendance at seminars and lectures, as well as a collaborative face-to-face workshop, with the aim of jointly developing Insula's Sustainability Strategy.

As a joint endeavour, these working sessions reflected everyone's feelings and commitment, allowing us to draw up an outline:

- Insula's sustainability vision and mission for 2030
- Identifying priority stakeholders
- Mapping Insula's value chain
- Realising the impacts (positive or negative) along the value chain
- What is Insula's contribution to the Sustainable Development Goals (SDGs)?

Subsequently, Insula's employees were invited to answer a questionnaire, and the answers were analysed and consolidated into this document, which is Insula's first step, now with a clear and defined direction, on its path to sustainability.

A. VISION AND MISSION

VISION FOR SUSTAINABILITY 2030

How Insula would like to present itself

In 2030, Insula will be an agent of change that promotes investment with awareness, responsibility and proximity, creating prosperous and sustainable relationships.

MISSION FOR SUSTAINABILITY 2030

How Insula will achieve Vision

Guided by a dedicated team that promotes and develops sustainable investment, adopting responsible practices and aiming to have a positive impact on society.

B. STAKEHOLDER INVOLVEMENT

It is essential to identify Insula's main stakeholders. We therefore used the workshop to map the various internal and external stakeholders and identify their relevance along two axes: i) Insula's impact on stakeholders; ii) the impact of stakeholders on Insula's performance and activity.

Based on this exercise, we defined the priority stakeholders for Insula. As shown in the matrix below, of the 14 stakeholder groups identified, 8 were considered priorities for Insula.

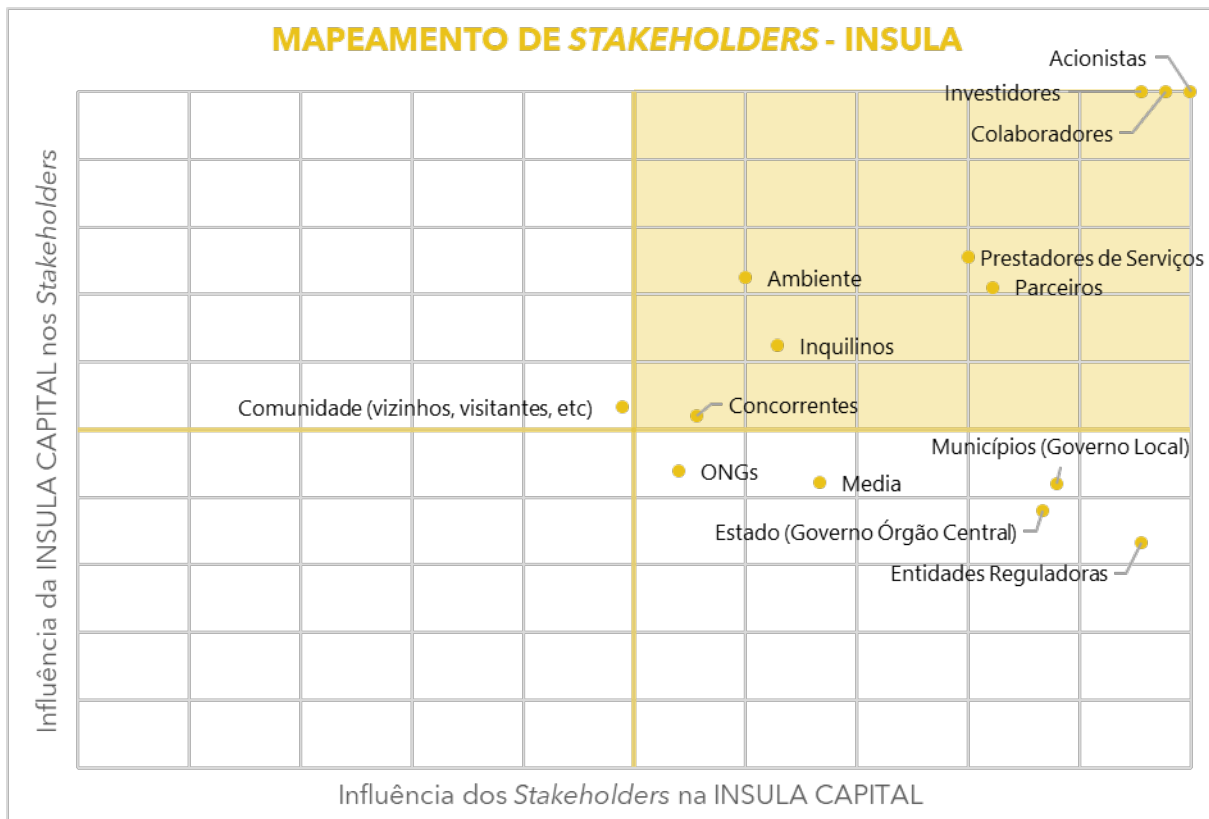


Figure 1: Stakeholder Matrix

We are committed to engaging all our stakeholders in order to understand how ESG issues are managed by them and to support them in introducing ESG factors into their activities. We believe that it is by aligning our efforts with stakeholders that we can work effectively to increase our positive impact on society and the environment.

Table 1: Engagement with Priority Stakeholders

Group of Stakeholders	Engagement
Shareholders	<ul style="list-style-type: none"> • We are committed to integrating ESG issues and publicising how these issues are incorporated and managed. • We regularly communicate and publicise ESG performance (in Insula's Sustainability Reports and fund reports).
Environment	<ul style="list-style-type: none"> • We introduce ESG issues into investment decisions. • We guarantee the efficient management of assets, the preservation of the environment and promote more sustainable practices.
Employees	<ul style="list-style-type: none"> • We train and sensitise employees on sustainability issues. • We periodically assess the alignment of employees with ESG practices. • We share information about the company in the field of sustainability.
Competitors	<ul style="list-style-type: none"> • We monitor the progress of our competitors and use them as a <i>benchmark</i> for best practice. • We share our progress, good practices and challenges at forums, conferences and industry associations.
Tenants	<ul style="list-style-type: none"> • We train and sensitise tenants on sustainability issues. • We make regular requests for information on the ESG performance of the assets, and we assist in responding.
Investors	<ul style="list-style-type: none"> • We ensure the implementation of ESG themes and transparently disclose how these themes are incorporated and managed. • We communicate regularly, integrate ESG issues into the decision-making process and present ESG performance in Insula's Sustainability Reports and fund reports. • We ensure that investors' interests are taken into account and that we respond effectively to regulation.
Partners	<ul style="list-style-type: none"> • We have established partnerships in the development of projects that contribute to the implementation of sustainable management practices.
Service Providers	<ul style="list-style-type: none"> • We train and sensitise service providers on sustainability issues. • We guarantee that your practices are aligned with Insula's sustainability objectives. • We make regular requests for information on the ESG performance of the assets.

C. MATERIAL AXES AND THEMES

In these workshops, Insula employees carried out the following activities, among others:

- **Value Chain Mapping:**

The first step was to map Insula's value chain. This step involved identifying and analysing all the stages in Insula's value chain.

- **Analysis and Identification of Positive and Negative Impacts:**

Once the value chain mapped, Insula's employees identified the positive and negative impacts present along it. This involved assessing how Insula's activities directly or indirectly affect environmental, social and governance (ESG) factors.

Based on the impacts identified at the workshop, it was possible to define a set of material sustainability issues, which employees prioritised according to their relevance to Insula, by completing the questionnaire sent out afterwards.

Table 2: Material themes

STRATEGIC AXES			
	ENVIRONMENTAL	SOCIAL	GOVERNANCE
MATERIAL THEMES	Energy and Water Efficiency	Diversity, Equity and Inclusion	Proximity in Investor Relations
	Greenhouse Gas (GHG) Emissions	Employee Well-being	Responsible Investment
	Green and Sustainable Products	Training and Professional Development	ESG Compliance and Reporting
	Efficient Use of Resources	Community Engagement	Transparency and Business Ethics
	Digitisation		

These themes will guide Insula's actions over the coming years. The specific actions, indicators and responsibilities within each of the themes will be detailed in our **2024-2026 Action Plan**. Performance on these themes will be presented annually in our **Sustainability Report**.

ENVIRONMENTAL

ENERGY AND WATER EFFICIENCY

At Insula we advocate a comprehensive strategy for energy and water efficiency. As a property asset manager, our influence extends beyond our own operations, allowing us to promote positive change across our portfolio:

- **Internally:** We are committed to reducing energy and water consumption in our operations by implementing new technologies and promoting sustainable practices.
- **Externally:** We actively engage and collaborate with our stakeholders, empowering and encouraging them to adopt more responsible and efficient practices (energy and water). In turn, when selecting investments, we prioritise properties with high energy and water efficiency or with high potential for improvement.

GREENHOUSE GAS EMISSIONS (GHG)

At Insula we are fully aware of the profound impact that greenhouse gas (GHG) emissions have on the environment and society in general. Recognising the potential environmental impacts associated with its activity, the company is committed to reducing the carbon footprint of its operations and investments and contributing to a low-carbon future.

GREEN AND SUSTAINABLE PRODUCTS

Insula's commitment to sustainable finance is based on the conviction that responsible investment not only aligns with environmental and social objectives, but also presents financial opportunities that can drive long-term value creation.

Insula believes that green and sustainable financial products (Article 8 and Article 9 funds according to the [SFDR Regulation](#)) play a key role in redirecting capital towards projects that benefit the environment and society, and is committed to actively participating in this transition by creating and promoting these products.

EFFICIENT USE OF RESOURCES

Recognising the importance of responsible resource management, Insula is committed to optimising resource consumption in its development funds. Giving priority to more sustainable materials from recycled and recyclable sources during construction and renovation projects, minimising environmental impact and reducing the use of virgin raw materials.

This line of action underlines Insula's commitment to contributing to sustainable development, preserving resources for future generations.

DIGITALISATION

Recognising the transformative impact of digitalisation on companies and society, Insula recognises the importance of every digital step it takes. We are committed to harnessing the power of digital technology, to leverage digital tools, processes and technologies that drive greater efficiency and innovation. Our digitalisation strategy emphasises issues such as data security and privacy, greater accessibility to information and sustainability in the digital domain.

SOCIAL

DIVERSITY, EQUITY AND INCLUSION

In recognition of the importance of Diversity, Equity and Equality (DEE) in line with best business and inclusion practices, the company emphasises the importance of the individuality of each employee and worker throughout the value chain, reinforcing its commitment to citizenship, social responsibility, and sustainable growth.

To this end, Insula invests in promoting inclusion in the workplace, regardless of gender, age, ethnicity, religion, disability(ies) and/or sexual orientation, guaranteeing all employees fairness and equal conditions and opportunities.

EMPLOYEE WELL-BEING

Insula endeavours to meet the best practices for reconciling and balancing the professional and personal/family lives of its employees. The most common actions developed internally include making working time and working methods more flexible, in order to improve working conditions and support the compatibility of professional and personal life, thus adding value to the business and its employees.

TRAINING AND PROFESSIONAL DEVELOPMENT

Employee development is a constant concern and practice that is crucial to Insula's success. It is aligned with the internal development policy for its human resources and the organisation's strategy, and it is defined according to individual and corporate needs.

Promoting individual appreciation in the company is a key factor in achieving positive results based on commitment, competence, and contribution to the organisation, while enhancing the personal, professional, and organisational development of the employees.

COMMUNITY ENGAGEMENT

At Insula, we deeply value community involvement as an integral part of our entrepreneurial spirit. We recognise that our success is intertwined with the well-being of the communities where we operate. Knowing that our assets energise the communities in which they are located, we hope to contribute to residents' access to services, health, and leisure. In addition, at the assets we manage, we actively engage in educational and sustainability awareness initiatives, which also develop close ties between the local community.

Through partnerships with associations, and, to respond to the most pressing needs of the communities in which we operate, we give back by carrying out corporate volunteering activities.

GOVERNANCE

CLOSENESS IN RELATIONS WITH INVESTORS

The company values building close and transparent relationships with its investors. This commitment focuses on direct communication, personalised solutions, transparency in the disclosure of information, responsiveness to ESG concerns and the promotion of long-term partnerships.

This approach ensures that investors receive timely information and that their specific needs are met, allowing them to make informed decisions. By prioritising investor proximity, Insula aims to build trust and create a collaborative environment where both the Company and investors work together to achieve their objectives (financial and non-financial).

RESPONSIBLE INVESTMENT

At Insula our approach to Responsible Investment is guided by a commitment to ethical and sustainable practices, with a focus on ESG factors. We endeavour to manage according to our values, in compliance with current sustainability regulations, incorporating ESG criteria into our investment decisions, excluding investments that are harmful to the environment and society, thus generating positive results for both our stakeholders and the community in general. We demonstrate this commitment by signing the UN Principles of Responsible Investment (*PRI*¹).

COMPLIANCE AND ESG REPORTING

We believe that compliance with regulations and ESG reporting play a fundamental role in promoting sustainable practices, transparency in the disclosure of information, and also

¹ UN PRI: <https://www.unpri.org/>

appeal to the responsibility of organisations. We see increasing sustainability regulations not just as obligations, but as opportunities to continuously improve, mitigate risks and promote positive change. At the same time, we expect our ESG reporting to provide all our *stakeholders with* a comprehensive, factual and reliable view of our sustainability performance.

TRANSPARENCY AND BUSINESS ETHICS

At Insula, transparency and business ethics are fundamental principles that guide our operations. We are committed to maintaining the highest standards of integrity and responsibility, through actions such as:

- Anti-corruption and anti-bribery practices;
- Preventing greenwashing;
- Transparency in the dissemination of information;
- Independence in the composition of governing bodies;
- Cybersecurity, data protection and privacy;
- Effective due diligence processes;
- Promotion of ESG principles in AIOs under management.

Actions described in greater detail in our Sustainability Policy [\(Link\)](#).

D. CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals (SDGs) were created in 2015 by the United Nations (UN) and make up the 2030 Agenda. These 17 goals comprise the main areas of sustainability that must be reinforced by all economic agents. Among the various goals, the aim is to eradicate poverty and hunger, improve health and education and reduce inequalities by 2030, while at the same time combating climate change, preserving biodiversity, maintaining peace and stimulating economic growth.



To guide Insula in identifying the priority SDGs, we used the "SDG Compass²" methodology as a basis, consistent with the rest of the exercise carried out in mapping the value chain and identifying the main impacts (positive and negative) along it.

Through the involvement of internal stakeholders, during the group discussion and subsequent questionnaire, the following Sustainable Development Goals (SDGs) were identified as Insula's priority SDGs:



Figure 2: Insula's Priority SDGs

Thus, the three Sustainability Axes (and their respective material themes) contribute to the four priority SDGs, resulting in the following allocation:

Table 3: Contribution to the SDGs

		STRATEGIC AXES		
		ENVIRONMENTAL	SOCIAL	GOVERNANCE
CONTRIBUTION TO THE SDGs				

² SDG Compass: <https://unglobalcompact.org/library/3101>

4. GOVERNANCE MODEL FOR SUSTAINABILITY

Effective implementation of the strategy requires a robust governance model in which sustainability is integrated across the organisation.

Thus, the ESG Department and its Head report to the Board of Directors (BoD) on the development of work, with the support and coordination of the Executive Committee and all the Directorates, as illustrated in the organisational chart below.

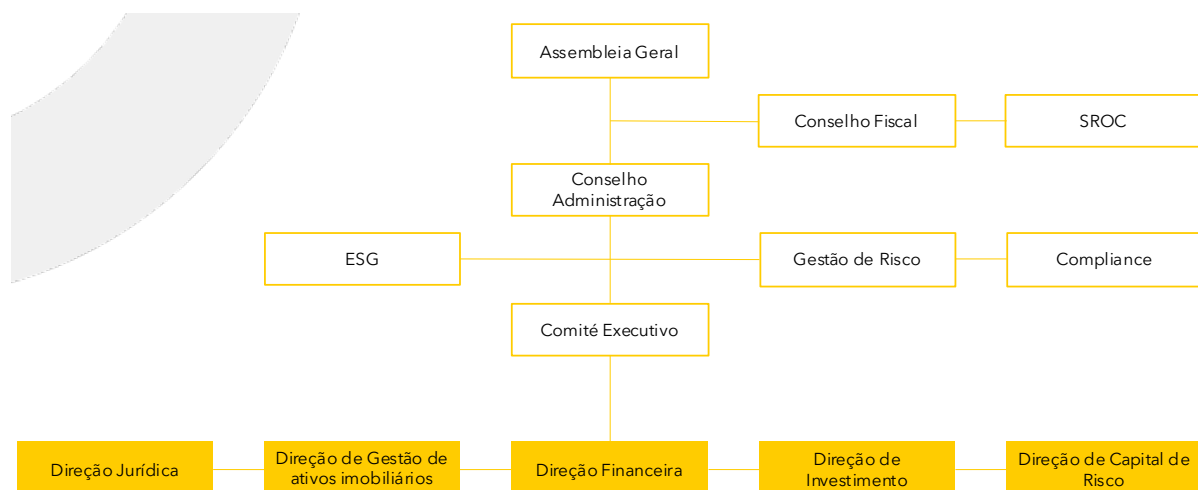


Figure 3: Insula Governance Model

Information on the responsibilities of the departments is presented in the Sustainability Policy [\(Link\)](#).

5. NEXT STEPS

This Sustainability Strategy presents Insula's commitment to sustainability. In pursuit of this, Insula will carry out several projects, including:

- **Action Plan for 2024-2026**

To concretely comply with the commitments outlined in this 2030 Sustainability Strategy, Insula is developing its Action Plan for the 2024-2026 biennium. This Action Plan will serve as a roadmap, outlining specific actions that align with the commitments set out in this Strategy. By focusing on the short term (Action Plan), we aim to make tangible progress towards our long-term sustainability goals (Sustainability Strategy).

- **Analysing Dual Materiality**

In our commitment to transparency and the involvement of our stakeholders, Insula recognises the importance of conducting a Dual Materiality analysis. As part of our materiality analysis, we will involve our internal and external stakeholders (preferably) to robustly assess the impact of material topics on Insula's business (outside-in impacts) and Insula's impact on material topics (inside-out impacts). This inclusive approach ensures that our sustainability efforts address the concerns and priorities of all stakeholders, reinforcing our commitment to responsible business practices.

- **Response to the SFDR Regulation and Creation of Funds Article 8**

We are currently working diligently to fulfil the mandatory disclosure requirements under the SFDR Regulation. In parallel, Insula is dedicated to expanding its portfolio of sustainable financial products with the aim of categorising one or more funds as an "Article 8" or "light-green" fund that promotes social and/or environmental characteristics. This strategic move reinforces our ambition to offer sustainable investment options.

- **Sustainability Report 2023**

One of the milestones we are most excited about is the publication of our first Sustainability Report for the year 2023. This report will provide an overview of our sustainability initiatives, progress, and performance. This report will serve as a vital communication tool to transparently share our sustainability journey with all our stakeholders and demonstrate our commitment to sustainability throughout this first year of work.

6. ANNEXES

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C. GLOSSARY

	<i>ING</i>	<i>PT/ Translation</i>
CA		Conselho de Administração
CSRD	Corporate Sustainability Reporting Directive	Diretiva de Reporte Corporativo de Sustentabilidade
DEI		Diversidade, Equidade e Igualdade
ESG	Environmental, Social and Governance	Ambiental, Social e de Governança
GEE		Gases com Efeito de Estufa
SDGS		Objetivos de Desenvolvimento Sustentável
OIC		Organismos de Investimento Coletivo
PRI	Principle of Responsible Investment	Princípios de Investimento Responsável
RGA		Regime da Gestão de Ativos
SFDR	Sustainable Finance Disclosure Regulation	Regulamento de Divulgação sobre Finanças Sustentáveis
SGOIC		Sociedade Gestora De Organismos De Investimento Coletivo
TCFD	Taskforce on Climate-related Financial Disclosures	

<i>EU</i>		União Europeia
<i>UN</i>		Nações Unidas

Sustainability Strategy

Insula

Year

2023 (version 1)