

ESG Policy

Kyron Capital Group comprising Kyron Capital Limited (ABN 33 169 308 187) and Kyron Group RE Limited (ABN 70 688 908 876, Australian Financial Services Licence Number 700092) as Responsible Entity of Kyron Investment Fund (ARSN 169 450 926); and

Kyron Managed Funds RE Limited (ABN 39 125 903 031, Australian Financial Services Licence Number 398196) as Responsible Entity of Elanor Opportunity Fund (ARSN 158 290 254) and as Trustee of the various unregistered managed investment schemes

(together “**Kyron**” or “**the Group**”)

1 Introduction

Kyron Capital Group (Kyron) is a real estate funds management business operating across Australia and New Zealand. We’ve always strived to do business the ‘right-way’ and it is Kyron’s Environmental, Social and Governance (ESG) Committee that helps permeate this approach to business throughout the Group’s operations, investment process and asset management.

Kyron’s ESG Committee, reporting to the Board as a Management Committee, has participation from every division and plays a significant role in assessing and overseeing the implementation of important and impactful ESG initiatives across the business, so as to deliver long-term value to our stakeholders.

Our efforts are broadly summarised as follows:

- **Environment** - to minimise the impact of our business on the environment through direct action across the assets we manage.
- **Social** - to create stronger communities by giving back to those in need and building an inclusive, diverse culture within our company that focuses on the wellbeing of employees.
- **Governance** - to use internal systems and processes to make sound decisions that support performance, builds on our integrity and long-term value for our stakeholders.

2 Application

This policy applies to all of Kyron’s ‘Assets Under Management’ across Australia and New Zealand regardless of the underlying owner(s) and asset class. This policy also extends to our leased office space that we occupy and our operating business.

We recognise that pursuing ESG initiatives is essential for delivering sustainable long-term returns for all of our investors across our funds as well as our listed management company (ASX:KYN) and will ultimately contribute to a more equitable and environmentally conscious society for the benefit of future generations.

3 Purpose

This policy outlines Kyron’s commitment and approach to integrating ESG principles across our business and the entire investment lifecycle, from the initial due diligence process through to investment management and ultimately, divestment. It also outlines how we manages ESG risks and opportunities across the business.



4 Policy commitments

- We will evaluate the impact and importance of ESG topics through stakeholder analysis, so as to determine materiality and priorities.
- We will establish good governance, clear roles and responsibilities for integrating ESG considerations into our investment processes.
- We will report annually on our ESG progress and initiatives and make this available on our website.
- We will, where applicable, adhere to the ESG reporting obligations relevant to the given sector and geographic location.
- We will, where possible, responsibly source and reduce our electricity consumption through energy efficiency projects, renewable energy generation and procurement.
- We will assess climate change vulnerability across all new assets, by assessing transitional and physical risks and opportunities relating to climate change.
- We will, where possible, benchmark building performance using industry tools such as NABERS, targeting leading environmental performance.
- We will provide a healthy and safe environment and promote wellness amongst our employees and other stakeholders.
- We will implement physical, emotional, mental health and education programs across the Group.
- We will contribute positively to communities in which we operate through partnerships and engagement initiatives, including encouraging community events in our retail buildings.
- We will generate impact through providing financial support, mentorship, volunteer time and gifting to those in need.
- We will identify and assess risks within our supply chain including vulnerabilities, environmental malpractice, or the existence of modern slavery.
- We will, where possible, promote species conservation and animal welfare.

5 Process and integration

Policy commitments are reviewed by the ESG committee and implemented into our investment processes, supported by expert consultants as required.

ESG risks, considering both systemic risks such as climate change and specific risks associated with individual investments, are integrated into our transaction underwriting and risk management framework, so that they can be monitored.

Current ESG considerations in acquisition due diligence and asset management include, but are not limited to:

Acquisition Due Diligence	Asset Management
• Site contamination • Flooding • Bushfire • Sever storm • Climate change vulnerability • Electronic gambling machines • Supply chain • Conflicts of interest	• Acquisition Due Diligence considerations • Energy efficiency • Renewable energy procurement and/or on-site renewable energy generation • Health, safety and wellbeing • Community engagement • ESG KPI measurement and monitoring • ESG targets and reporting



6 Continuous improvement

Kyron's ESG committee will pursue these policy commitments and continue to evolve them by:

- Establishing annual goals, priorities and responsibilities under identified material ESG topics, with regular monitoring and reporting of progress to the board
- Where able, measuring and target setting of any relevant ESG KPI's
- Publishing an annual ESG report on our website
- Engaging with stakeholders to advance ESG outcomes, including, but not limited to:
 - *People*: to foster an internal ESG learning and continual improvement culture
 - *Investors & Capital Partners*: to respond to increased investor demand for ESG factors in decision making
 - *Customers*: to create a sense of community and shared value through our privileged position as asset managers
 - *Suppliers, Service Providers and Partners*: to promote an ESG culture and develop a consistent approach to the sharing of information across the supply chain
 - *Community*: to partner with best-in-class community organisations

7 Conclusion

Kyron and our ESG Committee is committed to incorporating material ESG topics into our investment decision-making processes, risk management practices, and engagement activities. By doing so, we aim to deliver sustainable financial returns for our investors while positively contributing to society and the environment. We believe that integrating ESG principles is crucial for long-term value creation and aligning investment outcomes with the broader goals of a sustainable and inclusive world.

8 Review

This policy has been developed as of 1 July 2023 and will be reviewed annually, with Kyron's ESG report to showcase our ESG progress and initiatives annually.

9 Approval

This policy was developed by Kyron's ESG Committee and approved by the board on 23 June 2023.

10 Related policies

- Diversity Policy
- Modern Slavery Statement