



SCIF Sifi Rancho Cordova Sustainability Policy (SSRC- SPO01)

Introduction

SCIF-SiFi Rancho Cordova (SSRC) is responsible for building and managing an open access fiber optic network in the city of Rancho Cordova, California.

Through its activities, SSRC provides essential infrastructure for key digital services in urban areas and is dedicated to conducting itself in accordance with the highest legal, ethical and professional standards throughout its business and operations.

This Sustainability Policy (the Policy) sets out the aims and commitments related to Environmental, Social and Corporate Governance (ESG) issues of SSRC. The Policy applies to the Board of Directors (Board), Management Team, main service providers and Staff at SSRC.

The COO is responsible for updating and the Board of Directors for approving this document. The Management Team is responsible for its proper implementation and reporting to the Board.

SSRC is dedicated to a culture of continuous improvement with regard to sustainability, and will participate in the GRESB annual assessment to help identify areas of improvement and alignment to industry best practice.

The majority shareholders are signatories of the United Nations Principles for Responsible Investment

(UN PRI) and UN Global Compact and aim to adhere to all its standards in relation to ESG matters through all their investments.

This policy was prepared by Smart City Infrastructure Fund (SCIF) and approved by the board of SSRC. It is reviewed on an annual basis by the Board of SSRC.



ENVIRONMENTAL

Biodiversity and habitat

SSRC's aim is for its activities to have minimal impact on the surrounding biodiversity. Where possible it will look to improve biodiversity and where possible will monitor impacts, whether positive or negative of its construction activities. Where necessary and possible, it will investigate and complete adaptation and mitigation measures to support these aims.

Climate change adaptation and resilience

SSRC's aim is to understand the future risk and opportunities of climate change on its fiber optic network and will conduct and integrate climate risk studies in its operational decisions. Where necessary and possible SSRC will investigate and complete adaptation and mitigation measures for climate change. SSRC participates in physical and transition risk assessments annually to ensure a robust understanding of climate change related risks and opportunities impacting the business. SSRC ensures these risks and opportunities are properly captured, including scenario analysis. SSRC will engage with its clients and the municipality of Rancho Cordova to consider the role its fiber optic network can play in the resilience of the urban environment to catastrophe or natural disasters.

Energy and Greenhouse Gas Emissions

The nature of SSRC's activity positions it on the low side of the environmental impact spectrum and the underground infrastructure is not subject to soil contamination or other hazards linked to other utilities' assets. During the operation of the asset the focus will be put on an efficient use of power and aim to move to the use of renewable energy sources.

SSRC has the ambition of reaching net zero carbon where possible, or to align with the targets of the jurisdictions it is subjected to. SSRC will report on scope 1, 2, and 3 emissions on an annual basis and set/communicate decarbonization targets across the portfolio via the NZAM commitment in December 2022.

Pollution and Environmental Impact

During construction, the focus on the environment will lay on avoiding hazards linked to breaking of existing utilities in the ground which may not be identified. Avoiding these hazards, we aim to reduce our possible intrusion or cause of contaminated land and hazardous substances. SSRC will also abide by regulation in terms of disposal of waste produced during construction.

SSRC will strive to minimize air, noise and light pollution during development, and where applicable during the operation of the asset. During development SSRC will also look to minimize its impact on local biodiversity and habitats, considering the environment from the due diligence process through to operation.



Water

SSRC aims to ensure sustainable use of water resources by its operators and suppliers.

Waste

SSRC will aim to support its operators and suppliers in reducing waste generation and the diversion of materials to landfill. Where relevant SSRC itself will reduce its waste generation and work with its suppliers to improve recycling and circular efforts.

Pollution

SSRC intends to minimize air, light and noise pollution and where necessary and possible SSRC will engage with operators to further support this aim.

SSRC will put focused effort into and show results improvement in the areas of waste, water, and air pollution.

Sustainable Supply Chain

Where possible SSRC will look to ensure that it considers a sustainable supply chain, selecting materials to minimize environmental impact and increasing resource efficiency. Where possible this will focus on using locally sourced materials, reducing transportation requirements for material delivery and considering the embodied carbon of the development. SSRC will report upon embodied carbon where data is available.

Due diligence will be performed on any new suppliers, and alternative suppliers will be sought if a new supplier is identified as high risk.



SOCIAL

Labor Standards

SSRC's board, management team and main service providers will see that all employment engagements are subject to the labor laws of the United States of America.

SSRC strongly opposes the use of child labor and modern slavery and will pass this through to its engagement with its suppliers. SSRC will implement related checks through its due diligence and procurement processes.

Health and Safety

SSRC has an objective of zero accidents and has put in place a series of Health and Safety (H&S) KPI's which are monitored and discussed periodically during board meetings to identify improvement areas and prevent any incidents. This extends from contractors to the supply chain, and where applicable the community.

SSRC's main contractor has the responsibility of H&S during construction; its Project Monitor will be monitoring its performance and reporting to the main contractor and to the board any deviations or potential risks.

The main contractor will carry out training and tool meetings every day to identify potential risks and ensure they are dealt with and avoided. SSRC requires its main contractor to have in place an emergency and communication plan in case of accidents.

Local Community Support

SSRC aims to promote development in the local community, by not only supporting the technological advancement of the city, but also through hiring local people from disadvantaged backgrounds, highlighting its commitment to the community. SSRC also looks to connect with local social enterprises, supporting the area through multiple platforms.

Stakeholder Engagement

SSRC is committed to engaging with and fostering strong relationships with relevant stakeholders, these include local communities, contractors, operators, and customers. Where possible, SSRC will also look to gauge customer satisfaction through surveys. SSRC strives to improve upon services, facilities, and processes based on any identified gaps.



GOVERNANCE

Governance Processes

SSRC's board has an active role in its sustainability drive and supports continuous improvement of its ESG decision making. The Board is composed of PATRIZIA directors, the SiFi CEO, and one of the SiFi Cofounders. SSRC adheres and subscribes to its shareholder responsible investment practices, including those set by Smart City Infrastructure Fund (SCIF), PATRIZIA AG and APG. SSRC is aligned with the SCIF policy and practices to the PATRIZIA SE policies and external commitments to sustainability. This includes the 10 principles of the UN Global Compact principles around human rights as well as the Net Zero Asset Managers initiative. SSRC believes in an open, transparent and safeworking environment and recognizes and supports whistle-blower protection. SSRC ensures that any engagement with lobbying groups is aligned with our climate change and other sustainability commitments and align with our shareholder's corporate commitments. Political contributions are prohibited.

Fiduciary Duties

SSRC and all its board members are compliant with the highest anti-corruption standards and explicitly pursue non-ethical behavior at all the organization's levels. SSRC has zero tolerance to bribery. This applies to all the levels of the organization, particularly when dealing with public officers, including contractors and subcontractors. SSRC has zero tolerance to Money Laundering. It is discussed in Board meetings. All SSRC bank transactions are reviewed by the SCIF team on a monthly basis. The audit committee consists of the Board. Financial statements are audited on an annual basis via an independent auditor and reviewed/approved by the Board.

Data Protection and Cybersecurity

SSRC ensures it meets federal and state level data protection and cybersecurity requirements. As a fiber optic network, SSRC understands the importance of upholding strong data protection and cybersecurity measures, and therefore integrate these issues through due diligence in acquisition to operation.

Data Collection and Transparency

SSRC is committed to good corporate governance driven through transparency and supported by annual external audits.

To promote greater transparency around operational and developmental sustainability performance, SSRC commits to providing robust and timely data to support reporting by the shareholders for external regulatory and optional reporting requirements.

Its Board of Directors agrees to share any information which may result in a conflict of interest for SSRC and all Board directors have presented to the board a form in which they present all other positions held in other corporations.



Sustainability Governance

Control systems include approvals involving different organizations and different people as well as a monthly control on financials. During construction phases, SSRC will have an external Project Monitor in place which has control over construction cost and oversees, drives, and reports upon progress.

ESG is integrated throughout SSRC's activities, with the board having oversight and final decision making upon issues. The role of ensuring SSRC abides by this policy is delegated to the Management of SCIF and contractors and sub-contractors involved in projects.

Equality and Diversity

SSRC believes equality and diversity to be of significant importance and strives to have good levels of diversity across directors, management and staff. The SCIF COO is responsible for Equity, Diversity, and Inclusion in partnership with SiFi's Vice President.

| SCIF-SiFi Rancho Cordova LLC Sustainability Policy | |
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