

Financial Product Website Disclosure

Crossbay Fund II SCSp SICAV-RAIF (the "Fund")

This document provides the investor with detailed information about the Fund in relation to the promotion of the environmental and/or social characteristics of the Fund, in accordance with art. 10 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (as amended, the "SFDR"), and art. 24 to 36 of the Commission Delegated Regulation (EU) 2022/1288 (as amended, the "RTS"). . This document should be read in conjunction with other relevant regulatory documentation so the investor can make an informed decision.

(a) Summary

Investment strategy of the Fund

Crossbay Fund II SCSp SICAV-RAIF (the "Fund") is a Pan European Urban Logistics fund, which will target small to mid-sized urban/last mile logistics assets and build to core infill developments. The assets targeted will be typically value add affording opportunities for asset management improvements, particularly with energy and carbon performance.

What is the policy to assess good governance practices of the investee companies?

The Fund's investment advisor, MARK Capital Management LP ("MARK") has a dedicated ESG committee who will oversee the good governance aspect of the Fund's investment committee. Every asset acquired will go through the same ESG due diligence process to ensure that good governance issues (including, sound management structures, employee relations, remuneration of staff and compliance) are addressed in all aspects of the decision-making process.

What environmental and/or social characteristics are promoted by this financial product?

The following environmental characteristics (the "E Characteristics") are promoted by the Fund:

- Operational scope 1, and 2 energy data will be collected. This will be achieved by installing automatic meter reading devices, if feasible or the use of manually read meters if not.
- Carbon intensity of assets will be calculated. This will be based on operational energy data where sufficient metered data are available.
- Physical climate risk assessments will be undertaken as part of the due diligence process for acquiring new assets.
- Operational green building certification. This will be achieved by certifying assets that are new developments to a green building certification of BREEAM Very Good or equivalent.
- Energy Performance Certificate ratings. We will aim to achieve EPC ratings of at least C (or equivalent) for assets that are either new developments or will undergo a major refurbishment.
- Green lease clauses will be implemented in new leases and lease renewals.

The following social characteristics (the "S Characteristics", and together with the "E Characteristics", the "E/S characteristics") are promoted by the Fund:

- Tenants will be invited to participate in annual tenant satisfaction surveys.
- All employees of MARK and its affiliates with responsibility for the investment advice, and operation of the assets of the Fund will complete annual environmental and/or social training programs.

Binding elements of the investment strategy used to select the investments to attain the environmental and social characteristics promoted by the Fund

Prior to acquisition, all assets will undergo full technical and sustainability due diligence (the "**Due Diligence**"). The findings of the Due Diligence will be taken into account during the decision-making process of MARK ahead of presenting its investment advice to the alternative investment fund manager, IQ EQ Fund Management (Luxembourg) S.A. (the "**AIFM**"). The Due Diligence will consider the following ESG factors for each asset: physical risks due to climate change, energy, and carbon performance, evolving regulatory expectations specific to the location, capital expenditure associated with improving the asset in line with the E/S Characteristics of the fund and in the context of transition risk.

During the investment hold period, MARK, in coordination with the AIFM, as applicable, will implement the business plan – including E/S Characteristics to improve the performance of the asset. MARK will consider the findings of the Due Diligence and, should it have been determined in the analysis that it is not financially viable or viable within the investment hold period to meet the criteria/threshold targeted in this document, the Fund will not invest in the asset.

A number of the E/S Characteristics such as metering, operational energy data, undertaking physical climate risk assessments, operational green building certification, green lease clauses, tenant satisfaction surveys and staff training, can be implemented and/or improved irrespective of the condition of the asset at the time of acquisition. Therefore, potential investments not meeting these characteristics at the time of acquisition do not automatically preclude investments in certain assets.

However, the ability to achieve a minimum Energy Performance Certificate rating of C could be impacted by the condition of an asset at the time of acquisition as well as whether or not the Fund will have the opportunity to redevelop or refurbish the asset if it is not already at the required level.

Therefore, the Fund will not invest in assets where:

- EPC rating is D or below; and
- the cost of improving rating to C or above is excessive; or
- the Fund will not have sufficient access or opportunity to redevelop or refurbish the asset during the planned hold period, e.g., no lease expiry or break.

Once an asset has been acquired, E/S Characteristics will be monitored, both to allow the Fund to make the necessary periodic disclosures, but also to assess the progress being made in improving performance through delivery of the asset management plan for each asset.

Where the Fund has the opportunity to refurbish or redevelop and assets, it will seek to improve energy and carbon performance, including the EPC rating of the assets, as well as the asset carbon intensity.

What is the asset allocation planned for this financial product?

The Fund will make investments in accordance with the investment strategy described above.

In accordance with the binding elements of the Fund's investment strategy, a minimum proportion of 90% of the Fund's invested capital will be invested in investments aligned with the E/S Characteristics.

The remaining proportion of the investments made by the Fund are in cash and accruals which is used for efficient liquidity, portfolio management and/or costs management purposes, and which do not form part of the Fund's invested capital. Such assets will fluctuate during the life of the Fund and minimum environmental and/or social safeguards are not expected to apply to such assets.

The Fund does not use any reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

(c) Environmental or social characteristics of the financial product

The following E Characteristics are promoted by the Fund:

- Operational scope 1, and 2 energy data will be collected. This will be achieved by installing automatic meter reading devices, if feasible or the use of manually read meters if not.
- Carbon intensity of assets will be calculated. This will be based on operational energy data where sufficient metered data are available.
- Physical climate risk assessments will be undertaken as part of the due diligence process for acquiring new assets.
- Operational green building certification. This will be achieved by certifying assets that are new developments to a green building certification of BREEAM Very Good or equivalent.
- Energy Performance Certificate ratings. We will aim to achieve EPC ratings of at least C (or equivalent) for assets that are either new developments or will undergo a major refurbishment.
- Green lease clauses will be implemented in new leases and lease renewals.

The following S Characteristics are promoted by the Fund:

- Tenants will be invited to participate in annual tenant satisfaction surveys.
- All employees of MARK and its affiliates with responsibility for the investment advice, and operation of the assets of the Fund will complete annual environmental and/or social training programs.

(d) Investment strategy

The Fund is a Pan European Urban Logistics fund, which will target small to mid-sized urban/last mile logistics assets and build to core infill developments. The assets targeted will be typically value add affording opportunities for asset management improvements, particularly with energy and carbon performance.

The Fund promotes environmental characteristics such as climate change action, and environmental opportunities via monitoring of operational energy data, physical climate risk assessments, operational green building certifications, aiming to achieve energy performance certificate ratings of at least C (or equivalent) and implementing green lease clauses. The Fund promotes social characteristics such as stakeholder engagement and human resources management via tenant satisfaction surveys and staff training respectively.

The Fund invests in pan European core urban logistics assets and as part of a rigorous pre acquisitions screening and due diligence process, including ESG considerations such as undertaking physical and climate risk assessments, and ensuring mitigation measures are appropriately considered and factored into the business plan.

Once an asset has been acquired, E/S Characteristics will be monitored, both to allow the Fund to make the necessary periodic disclosures, but also to assess the progress being made in improving performance through delivery of the business plan for each asset. Asset teams located in respective regions deliver capex works around lease events or in coordination with tenants for asset improvement measures.

Prior to acquisition, all assets will undergo Due Diligence. The findings of the Due Diligence will be taken into account during the decision-making process of MARK ahead of presenting its investment advice to the AIFM. The Due Diligence will consider the following ESG factors for each asset: physical risks due to climate change, energy,

and carbon performance, evolving regulatory expectations specific to the location, capital expenditure associated with improving the asset in line with the E/S Characteristics and in the context of transition risk.

During the investment hold period, MARK, in coordination with the AIFM, as applicable, will implement the business plan – including E/S Characteristics to improve the performance of the asset. MARK will consider the findings of the Due Diligence and, should it have been determined in the analysis that it is not financially viable or viable within the investment hold period to meet the criteria/threshold targeted in this document, the Fund will not invest in the asset.

A number of the E/S Characteristics such as metering, operational energy data, undertaking physical climate risk assessments, operational green building certification, green lease clauses, tenant satisfaction surveys and staff training, can be implemented and/or improved irrespective of the condition of the asset at the time of acquisition. Therefore, potential investments not meeting these characteristics at the time of acquisition do not automatically preclude investments in certain assets.

However, the ability to achieve a minimum Energy Performance Certificate rating of C could be impacted by the condition of an asset at the time of acquisition as well as whether or not the Fund will have the opportunity to redevelop or refurbish the asset if it is not already at the required level.

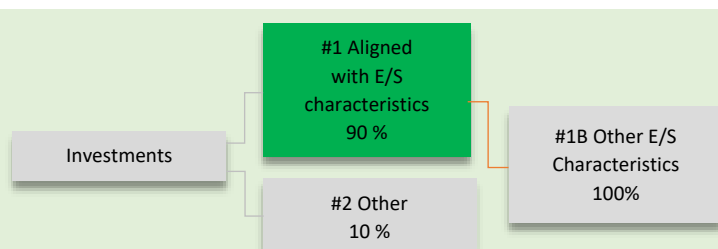
Therefore, the Fund will not invest in assets where:

- EPC rating is D or below; and
- the cost of improving rating to C or above is excessive; or
- the Fund will not have sufficient access or opportunity to redevelop or refurbish the asset during the planned hold period, e.g., no lease expiry or break.

Once an asset has been acquired, E/S Characteristics will be monitored, both to allow the Fund to make the necessary periodic disclosures, but also to assess the progress being made in improving performance through delivery of the asset management plan for each asset.

Where the Fund has the opportunity to refurbish or redevelop and assets, it will seek to improve energy and carbon performance, including the EPC rating of the assets, as well as the asset carbon intensity.

(e) Proportion of investments



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Fund will make investments in accordance with the investment strategy described above.

In accordance with the binding elements of the Fund's investment strategy, a minimum proportion of 90% of the Fund's invested capital will be invested in investments aligned with the E/S Characteristics.

The remaining proportion of the investments made by the Fund are in cash and accruals which is used for efficient liquidity, portfolio management and/or costs management purposes, and which do not form part of the Fund's invested capital. Such assets will fluctuate during the life of the Fund and minimum environmental and/or social safeguards are not expected to apply to such assets.

(f) Monitoring of environmental or social characteristics

The AIFM, in coordination with MARK, as applicable, with respect to the Fund, use the following sustainability indicators to measure the attainment of the E/S Characteristics:

- Operational energy data - Operational scope 1 and 2 energy data will be collected for 90% of assets under management by the end of 2025. The collection of operational energy data for new assets will commence within 12 months of the date of acquisition.
- Carbon intensity - Asset carbon intensity will be calculated for at least 90% (by floor area) of the assets for which sufficient operational data is available by the end of 2023. Whole building data will be required to calculate the carbon intensity, i.e. scope 1, and 2 operational energy data.
- Physical climate risk assessments - By 2023 we will undertake an assessment of 100% of assets during acquisition.
- Operational green building certification - From 2023 we will achieve a minimum rating of BREEAM Very Good or equivalent for 100% of assets that are new developments. Assets will be certified within 12 months of the completion of the redevelopment
- Energy Performance Certificate ratings. Percentage of new or refurbished assets under management (by floor area) - From 2023 we will achieve a minimum rating of C (or equivalent) for at least 90% of assets that are new developments or will undergo a major refurbishment.
- Green lease clauses - From 2022, at least 90% of new leases and lease renewals will include green lease clauses.
- Tenant satisfaction surveys - By 2023 we will invite 100% of tenants to participate on an annual basis. For newly acquired assets, the first survey will be undertaken within 12 months of the date of acquisition.
- Annual environmental and/or social training programs:
 - By 2023, 100% of staff of MARK and its affiliated companies providing investment advice to the AIFM with respect to the Fund attended and successfully completed annual environmental and/or social training programs.

(g) Methodologies

The Fund will use the following methodologies to measure social and environmental characteristics:

- Independent metering of operational energy data and water within the assets. This will enable accurate measurement of water, gas and electricity usage.
- The data will be held by a third-party data management company who will act as an independent monitor of the data and be independently verifying the authenticity.
- Carbon intensity of the assets will be measured using the utilities data.
- Physical climate risk assessments will be carried out at acquisition. This will be carried out by a third-party firm of specialist consultants.
- Operational green building certification. This will be achieved by certifying assets that are new developments to a green building certification.
- Energy Performance Certificate ratings. We will aim to achieve EPC ratings of at least C (or equivalent) for assets that are either new developments or will undergo a major refurbishment.
- Green lease clauses will be implemented in new leases and lease renewals.
- Tenants will be invited to participate in annual tenant satisfaction surveys.
- All employees of the Fund with responsibility for the management and operation of the assets will complete annual environmental and/or social training.

(h) Data sources and processing

- (a) The data sources used to attain each of the environmental and social characteristics promoted by the Fund are:
- Operational energy data from the assets
 - Water usage data from the assets
- (b) The Fund will install an independent metering system within the assets where possible. The data from the meters is processed by an independent data management system run by a third party.
- (c) The system is fully flexible and can be processed and presented in any number depending on which analysis is required. It is anticipated that annual data will be used for GRESB reporting and calculating GHG emissions/CRREM analysis.
- (d) The Fund anticipates that less than 10% of the data will be estimated.

(i) Limitations to methodologies and data

The Fund invests principally in single let assets, with one tenant who contracts directly with the utilities company for gas, water and electricity. Therefore, the availability of operational energy data and water use is dependent upon the cooperation of the tenant in either supplying the data or allowing access to install independent meters.

The Fund can overcome the limitations in several ways:

- Green lease clauses requiring the tenant to cooperate by sharing accurate data and cooperating on other sustainability initiatives.
- Installing independent meters during periods when the building is vacant.
- Incentivizing the tenant to share data/allow the installation of meters.
- Government legislation requiring the tenant to submit data (e.g. *décret tertiaire* in France).

(j) Due diligence

Prior to acquisition, all assets will undergo Due Diligence. The findings of the Due Diligence will be taken into account during the decision-making process of MARK ahead of presenting its investment advice to the AIFM. The Due Diligence will consider the following ESG factors for each asset: physical risks due to climate change, energy, and carbon performance, evolving regulatory expectations specific to the location, capital expenditure associated with improving the asset in line with the E/S Characteristics and in the context of transition risk.

(k) Engagement policies

Not applicable.

(l) Designated reference benchmark

Not applicable.

The Fund does not use any reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

(m) Résumé

Stratégie d'investissement du Fonds

Crossbay Fund II SCSp SICAV-RAIF (le "**Fonds**") est un Fonds de Logistique Urbaine Paneuropéen, qui ciblera des actifs de logistique du dernier kilomètre/urbaine de petite et de moyenne taille et contribuera à des projets de développement de réaffectation stratégiques. Les actifs ciblés permettront normalement des améliorations en termes de gestion d'actifs par la création de valeur ajoutée, notamment en ce qui concerne les performances énergétiques et les émissions de carbone.

Quelle est la politique d'évaluation des pratiques de bonne gouvernance des sociétés cibles ?

Le conseiller en investissement du Fonds, MARK Capital Management LP ("**MARK**"), dispose d'un comité GSE dédié qui supervisera la bonne gouvernance du comité d'investissement du Fonds. Chaque actif acquis sera soumis au même processus de vérification préalable GSE afin de garantir que les points relatifs à la bonne gouvernance (y compris les structures de gestion solides, les rapports avec les employés, la rémunération du personnel et la conformité) soient traités à tous les stades du processus décisionnel.

Quelles caractéristiques environnementales et/ou sociales ce produit financier promeut-il ?

Le Fonds promeut les caractéristiques environnementales (les "**Caractéristiques E**") suivantes :

- Les données énergétiques sur les émissions de gaz à effet de serre de niveau 1 et 2 d'exploitation seront recueillies. Cela sera rendu possible par l'installation de dispositifs de lecture de compteurs automatiques, si possible. À défaut de mieux, il sera procédé manuellement à ces opérations.
- Un calcul de l'intensité carbone des actifs sera réalisé. Il reposera sur des données énergétiques d'exploitation lorsque suffisamment de données de mesure sont disponibles.
- Dans le cadre de la procédure de vérification préalable en vue de l'acquisition de nouveaux actifs, des évaluations physiques du risque climatique seront réalisées.
- Certification de bâtiment vert. Elle sera obtenue en accordant aux actifs qui sont de nouveaux projets une certification de construction écologique BREEAM "Très Bien" ou équivalente.
- Classements en matière de Performance Énergétique. Nous viserons au moins la classe C (ou son équivalent) sur l'échelle de performance énergétique pour les actifs s'inscrivant dans le cadre de nouveaux projets ou qui feront l'objet d'une importante rénovation.
- Des clauses vertes seront mises en œuvre dans de nouveaux baux et dans le cadre de renouvellements.

Le Fonds promeut les caractéristiques sociales (les "**Caractéristiques S**", et conjointement avec les "**Caractéristiques E**", les "**Caractéristiques E/S**") suivantes :

- Les locataires seront invités à répondre chaque année à des enquêtes de satisfaction.
- L'ensemble des employés de MARK et ses sociétés apparentées responsables des conseils en investissement, et de la gestion et de l'exploitation des actifs du Fonds suivront tous les ans des programmes de formation couvrant les aspects environnementaux et/ou sociaux.

Éléments contraignants de la stratégie d'investissement utilisés pour sélectionner les investissements afin de présenter les caractéristiques environnementales et sociales promues par le Fonds

Avant l'acquisition, l'ensemble des actifs seront soumis à un processus intégral de vérification préalable (la "**Vérification Préalable**") en matière technique et de durabilité. Les résultats de la Vérification Préalable seront pris en compte lors du processus décisionnel de MARK avant de présenter son avis d'investissement au gestionnaire du fonds d'investissement alternatif, IQ EQ Fund Management (Luxembourg) S.A. (le "**GFIA**"). La Vérification Préalable couvrira les aspects GSE suivants pour chaque actif : risques physiques dus au changement climatique, performances énergétiques et émissions de carbone, exigences réglementaires propres au lieu en constante évolution, dépenses en capital liées à l'amélioration de l'actif conformément aux Caractéristiques E/S du fonds et dans le cadre de la prise en compte du risque de transition.

Au cours de la période de détention de l'investissement, MARK, en coordination avec le GFIA le cas échéant, mettra en œuvre le plan d'entreprise – y compris les Caractéristiques E/S - afin d'améliorer la performance de l'actif. MARK examinera les résultats de la Vérification Préalable et, s'il résulte de l'analyse qu'il n'est pas viable financièrement ou assez viable durant la période de détention de l'investissement pour satisfaire aux critères/au seuil visés dans le présent document, le Fonds n'investira pas dans l'actif.

Plusieurs des Caractéristiques E/S, comme le recueil de données énergétiques d'exploitation, la réalisation d'évaluations physiques du risque climatique, les certifications de bâtiment vert en exploitation, les clauses baux verts, les enquêtes de satisfaction destinées aux locataires et la formation des employés, peuvent être adressées et/ou améliorées, indépendamment de l'état de l'actif au moment de l'acquisition. Par conséquent, les investissements éventuels qui ne répondent pas à ces caractéristiques au moment de l'acquisition n'empêchent pas de manière automatique de réaliser des investissements dans certains actifs.

Néanmoins, la capacité à atteindre au minimum un niveau C en matière de Performance Énergétique pourrait être affectée par l'état d'un actif au moment de l'acquisition ainsi que par la présence ou l'absence de possibilité pour le Fonds de redévelopper ou rénover l'actif s'il n'est pas déjà au niveau requis.

Par conséquent, le Fonds n'investira pas dans des actifs :

- présentant un niveau de performance énergétique D ou inférieur à D; et
- impliquant des frais excessifs pour assurer une amélioration de la performance énergétique en vue de l'obtention d'un niveau C ou d'un niveau supérieur à C; ou
- dans le cas où le Fonds n'a pas d'accès ou de possibilité suffisant(e) pour redévelopper ou rénover les actifs durant la période de détention prévue (aucune expiration ou rupture de bail).

Une fois un actif acquis, les Caractéristiques E/S feront l'objet d'un contrôle, non seulement pour permettre au Fonds de réaliser les publications périodiques nécessaires, mais aussi pour évaluer le progrès obtenu sur la voie de l'amélioration de la performance par la remise d'un plan de gestion d'actifs pour chaque actif.

Lorsque le Fonds a la possibilité de rénover ou redévelopper des actifs, il cherchera à améliorer les performances énergétiques et à réduire les émissions de carbone, améliorer le niveau de performance énergétique des actifs, ainsi que l'intensité carbone.

Quelle est l'allocation d'actifs prévue pour ce produit financier ?

Le Fonds effectuera les investissements conformément à la stratégie d'investissement décrite ci-dessus.

Conformément aux éléments contraignants de la stratégie d'investissement du Fonds, une part minimale de 90% du capital d'investissement du Fonds sera investie dans des investissements alignés sur les Caractéristiques E/S.

La part restante des investissements du Fonds est constituée de liquidités et de régularisations qui sont utilisés à des fins de liquidité, de gestion de portefeuille et/ou de gestion des coûts et qui ne font pas partie du capital investi du Fonds. Ces actifs varieront au cours de la vie du Fonds et il n'est pas prévu qu'ils soient soumis aux garanties minimales en matière environnementale et/ou sociale.

Le Fonds n'utilise aucun indice de référence pour atteindre les caractéristiques environnementales et/ou sociales promues.