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## Letter from the CEO

As we reflect on the past year, I am proud to present Buligo Capital's first Environmental, Social, and Governance (ESG) Review. This report marks an important milestone in our ongoing journey toward integrating sustainability and responsible governance into our practices. At Buligo, we recognize that our role extends beyond financial performance; it's about striving to create lasting, positive impacts on the communities we serve and the people who work alongside us.

We aim to align the interests of our investors, partners, and communities by fostering long-term relationships based on trust, transparency, and integrity.

In recent years, we have begun making strides toward expanding our portfolio of green-certified buildings, exploring innovative energy efficiency measures, and enhancing our responsible construction practices. These efforts are a step forward in reducing our environmental footprint and contributing to more sustainable and resilient communities.

We also remain focused on the well-being of our employees and the communities in which we operate. By investing in our people and fostering a culture of inclusivity and respect, we strive to ensure that our workforce is motivated and empowered to deliver exceptional results.

Our operating partners continue to play a crucial role in implementing these sustainability initiatives, ensuring that our commitments are reflected in the daily operations of the properties we invest in.

Looking ahead, Buligo Capital is dedicated to further integrating ESG principles into our operations. We view sustainability and responsible governance as opportunities to create value for our investors and society at large.

Thank you for your continued support as we work to make a meaningful difference,

Sincerely,  
**Itay Goren**  
Chief Executive Officer  
Buligo Capital



## About Buligo

Buligo Capital is a real estate investment firm founded in 2012 by experienced real estate entrepreneurs. Buligo focuses on raising funds and managing partnerships that invest in the acquisition, improvement, and development of income-generating real estate assets in the United States.

Since inception, Buligo has managed an aggregate total of \$4.6B in asset value in a wide variety of sectors in the US. The firm went public in 2021 with a successful IPO on the Tel Aviv Stock Exchange. Buligo is known for its hands-on approach, actively involved in all aspects of the deal cycle, including sourcing, due diligence, financing, planning, development, asset management, value maximization, and exit strategies.

With core competencies in ground-up developments, value-add initiatives, and income-producing opportunities, Buligo targets growth markets in the US Southeast and Mountain West. The firm focuses on the multifamily, senior housing, industrial, and retail sectors. Buligo has a strong track record and a solid reputation in the industry, driven by its commitment to excellence and strategic investment practices.

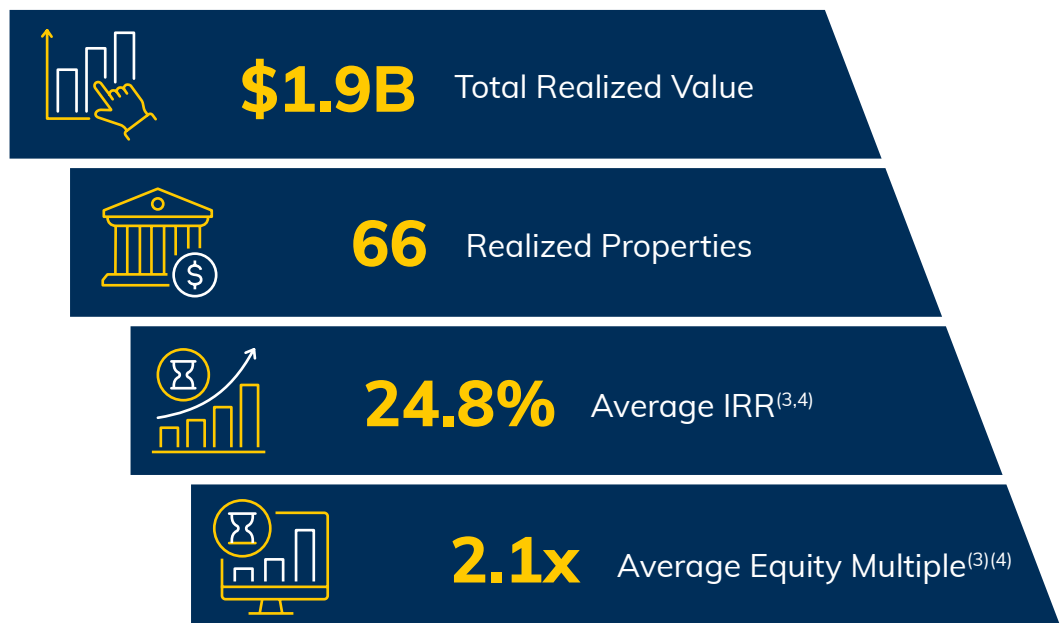
### U.S. Activity – Since Inception<sup>(1)</sup>

Data taken from public report published on August 22, 2024.

#### Investments



#### Realized Investments



(1) From the date of Buligo's establishment until August 22, 2024.

(2) Net of Buligo's GP/LP equity position.

(3) Weighted average at Buligo's investor level, not the deal level.

(4) Includes two projects that resulted in losses (negative returns) for investors

Key Sectors<sup>(1)</sup>

## Retail



19

Properties

2,512,501

Total SF (including area under construction)

95%

Average occupancy rate<sup>(3)</sup>

192

Million USD total equity<sup>(4)</sup>

## Senior Housing



13

Properties

1,474

Units (including units under construction)

97%

Average occupancy rate<sup>(3)</sup>

117

Million USD total equity<sup>(4)</sup>

## Industrial



18

Properties

2,919,344

Total SF

99%

Average occupancy rate<sup>(3)</sup>

133

Million USD total equity<sup>(4)</sup>

## Multifamily



9

States

7,594

Units (including units under construction)

94%

Average occupancy rate<sup>(3)</sup>

713

Million USD total equity<sup>(4)</sup>

32

Properties<sup>(2)</sup>

(1) From the date of Buligo's establishment until August 22, 2024.

(2) Of these, 16 properties are in development projects.

(3) As of 30 June 2024. Excludes assets in the process of lease up or construction, and properties purchased after 30 June 2024.

(4) As of the closing date and not including any additional capital injections.

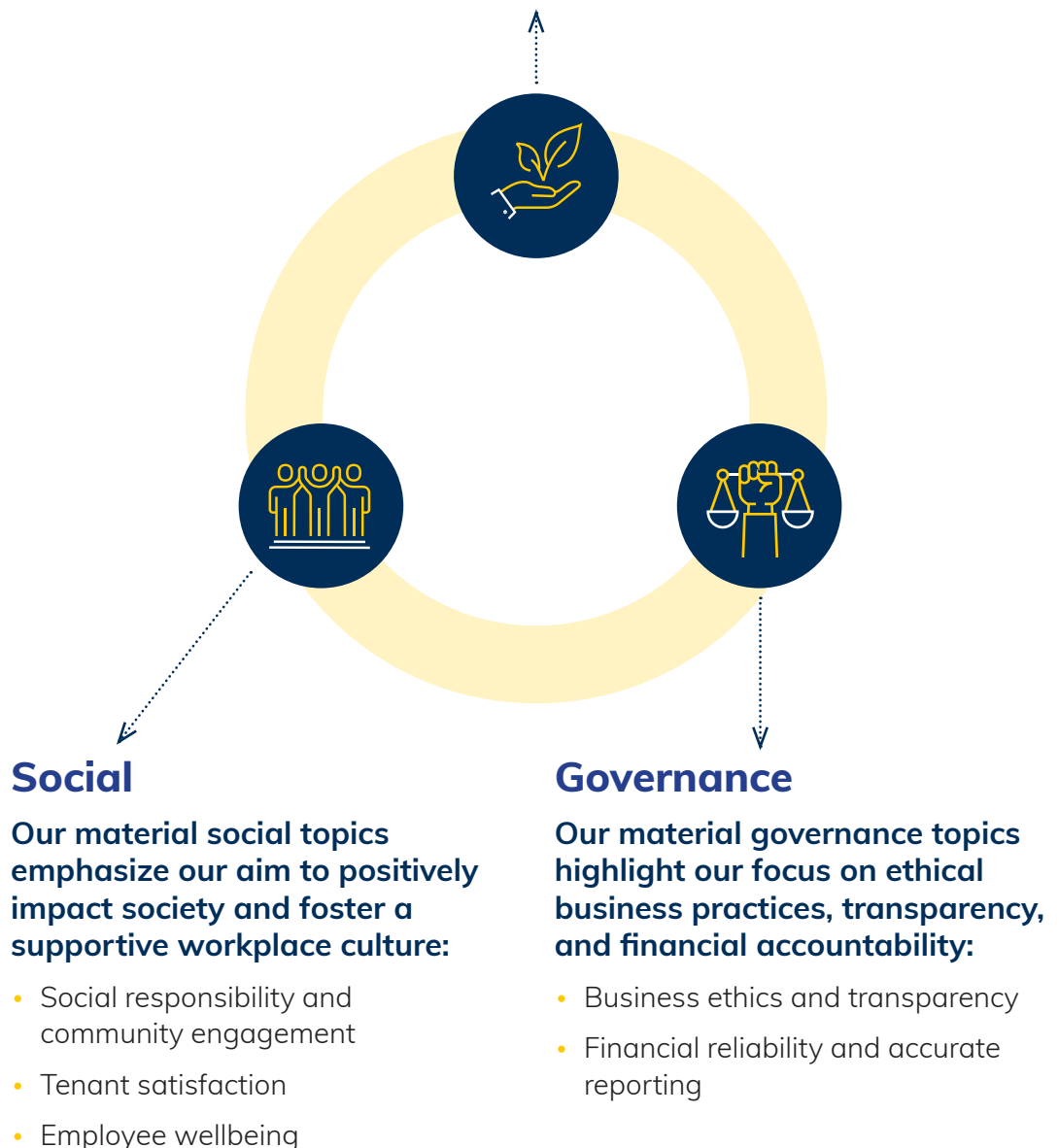
## Our Material Topics

The material topics were determined based on an industry-wide benchmark analysis, the ESG reporting standard - Global Reporting Initiative (GRI), the UN Sustainable Development Goals, and dialogue with stakeholders. The topics were reviewed and finalized with senior management.

### Environment

**Our material environmental topics reflect our commitment to minimize our environmental impact:**

- Energy efficiency and environmental impact
- Waste management and resource efficiency
- Climate change mitigation
- Sustainable development and green buildings



## Our Contribution to UN Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet, and ensure prosperity for all. Out of the 17 SDGs, Buligo has identified eight key indicators to align with our core competencies and strategic initiatives. This high-level summary highlights how Buligo contributes to each selected SDG, showcasing our commitment to sustainable development through targeted actions in various categories.

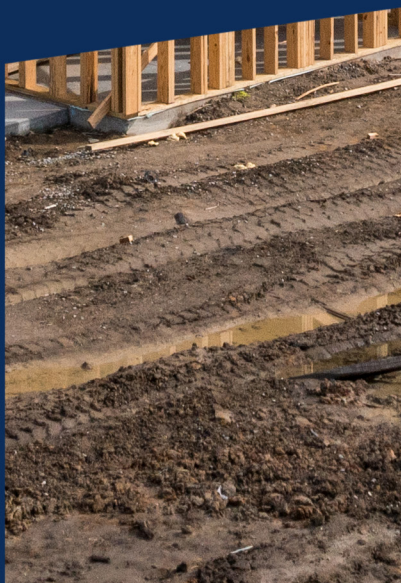
Category	SDG	Buligo's contribution to the SDGs
Environmental	Responsible Consumption and Production (SDG 12)	Implement waste management practices and promote resource efficiency across operations.
	Climate Action (SDG 13)	Incorporate climate change mitigation strategies and reduce greenhouse gas emissions.
	Life on Land (SDG 15)	Promote sustainable land use and biodiversity conservation in real estate projects.
Environmental and Social	Sustainable Cities and Communities (SDG 11)	Develop sustainable, inclusive, and resilient cities and communities through responsible real estate development.
Social	Affordable and Clean Energy (SDG 7)	Focus on energy efficiency and renewable energy initiatives in properties.
Social and Governance	Decent Work and Economic Growth (SDG 8)	Promote job creation, economic growth, and fair employment practices.
	Industry, Innovation, and Infrastructure (SDG 9)	Invest in sustainable and resilient infrastructure, promoting innovation and technology adoption.
	Partnerships for the Goals (SDG 17)	Engage in partnerships with various stakeholders to achieve sustainable development objectives.



**Buligo**  
Building Growth



# Our **Environmental** Impact





## Our Environmental Impact

At Buligo Capital, we recognize the significant impact the real estate sector has on the environment. Therefore, we aim to implement sustainable practices that minimize our footprint. Our approach is guided by the principles of energy efficiency, resource conservation, and sustainable development.

The relationship between climate change and real estate is profound, as buildings account for approximately 40% of global carbon emissions<sup>1</sup>. This significant percentage underscores the real estate sector's critical role in both contributing to and mitigating climate change. The energy consumption required for heating, cooling, lighting, and operating buildings generates substantial greenhouse gas emissions, accelerating global warming.

As such, adopting sustainable building practices, improving energy efficiency, and reducing emissions offer significant opportunities for the real estate industry to combat climate change effectively.

Buligo strives for responsible investment and ethical business practices. We aim to avoid investing in assets that may harm the environment. Additionally, we seek to work with vendors who align with our code of conduct, which addresses areas such as business ethics, human rights, and environmental priorities. Through these efforts, we endeavor to make a positive impact via our investments and business relationships.

In this chapter, we outline our key initiatives, achievements, and future goals that reflect our commitment to environmental responsibility and the creation of greener, more sustainable communities.



(1) Source: [UN environment program](#)

## Green Building Certifications

Four properties that Buligo has invested in, have achieved notable green certifications, reflecting our dedication to environmentally responsible practices. These properties include two with Energy Star certification—Waterleaf at Murrells Inlet and Ironwood—and two certified under Green Globes—Encore at Murrells Inlet and Encore at Heritage.



### Case Study - Encore at Heritage



Encore at Heritage Apartments stands out with two Green Globes. This demonstrates significant achievement in resource efficiency, reducing environmental impacts, and improving occupant wellness.

City, State	Wake Forest, NC
Asset Type	Multifamily
Deal Date	April, 2021
# of Units	182
Net SF	159,162



### Case Study - Encore at Murrells Inlet



Encore at Murrells Inlet in South Carolina has demonstrated a strong commitment to sustainability, earning one Green Globe and achieving an impressive Energy Star rating of 90. This recognition underscores the property’s energy efficiency and environmental performance.

City, State	Murrells Inlet, SC
Asset Type	Multifamily
Deal Date	October, 2020
# of Units	143
Net SF	186,014



## Responsible Construction

At Buligo Capital, we integrate sustainable materials and resources into our projects, whenever possible. This is evident in the practices with Manor Lake, our senior housing operating partner, where we emphasize the use of sustainable materials in our development processes. Most of our structural metal is recyclable, and approximately 50% of our wood is non-virgin. Additionally, our sheet rock is often made from recycled material. At our multifamily development properties, we choose LVP flooring instead of carpet because it can be recycled, and we use low-VOC (volatile organic compounds) paint to further reduce environmental impact.



Keys Crossing



Murrells at Inlet

## Energy Efficiency and Climate Impact

### Energy Efficiency

Recognizing the impact on the climate from our operations, we strive to integrate energy management practices to reduce our carbon footprint and enhance operational efficiency. By adopting, wherever possible, sustainable technologies and practices, we aim to minimize our environmental impact while delivering high-performance, eco-friendly solutions for our tenants and stakeholders.

A selection of our developments, including Encore at Murrells Inlet and Encore at Heritage Apartments, showcase significant achievements in energy efficiency:

### Lighting Improvements

- All of operating partners have converted their buildings to have LED lighting within the units, parking lots and throughout the common areas.
- Some properties feature total lighting power density, lighting controls and controls for daylight zones, demonstrating our commitment to reducing energy usage and enhancing occupant comfort.

### Energy Performance

- Encore at Murrells Inlet has an impressive Energy Star rating of 90 and achieved a perfect score of 100% for its equipment reflecting its high energy performance.
- Similarly, Encore at Heritage Apartments has implemented robust energy performance measures, achieving a score of 76%, demonstrating our commitment to assessing and benchmarking energy usage to ensure efficient consumption.

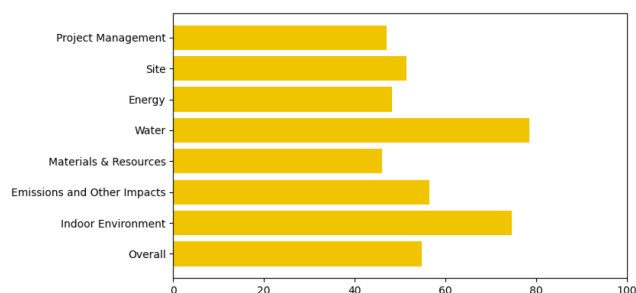
### HVAC Systems

- Effective HVAC systems and controls are crucial for maintaining energy efficiency. Encore at Murrells has achieved a perfect score of 100% in Green Globes certification for minimizing re-heat and re-cool, reflecting our effective HVAC management strategies.

### Building Envelope

- Our Green Globes certified developments, as listed above, excel in maintaining superior insulation and energy conservation capabilities including their thermal resistance, transmittance, and fenestration systems, showcasing their advanced building envelopes.

### Rating for Encore at Heritage:

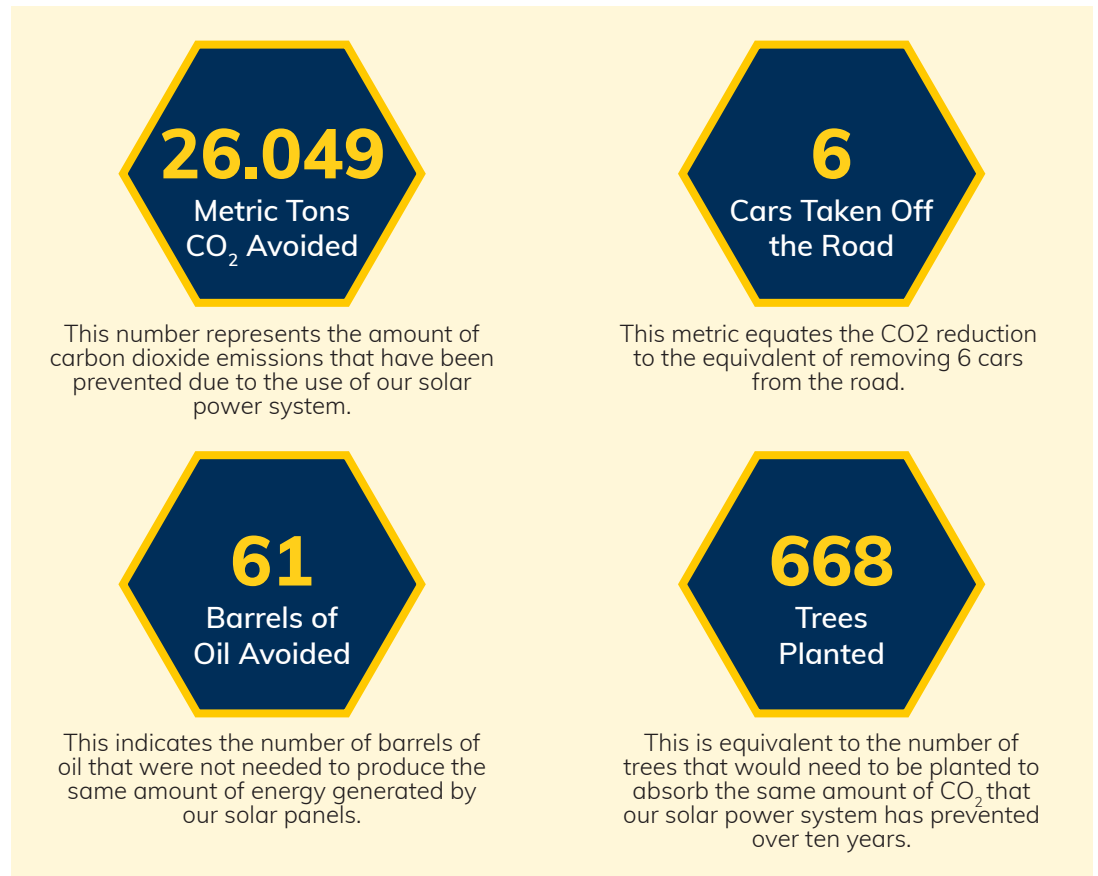


## Renewable Energy

At our **Manor Lake** sites, we've installed heat pumps at several properties specifically to support our senior residents, who are more sensitive to cold temperatures, ensuring their comfort throughout the year. The site utilizes all-electric heating, which is operational for approximately three months each year. Looking ahead, we are exploring the feasibility of implementing an all-electric heating system for our upcoming development deal, as part of our ongoing commitment to sustainability.

At **Ironwood**, one of our multi-family, income-producing properties, we have installed a **25.6 kW** solar PV array. This investment is projected to achieve a **17%** internal rate of return (IRR) through savings on energy costs, with a payback period of 5.4 years. This project moves us closer to our goal of creating more sustainable communities.

We are proud to report the following environmental benefits of our PV array:



Buligo Capital is considering implementing a community solar program at our **McGaw** industrial site. In this approach, a percentage of the generated PV energy will be sold back to the community at a lower rate. This initiative would provide significant social and financial benefits, especially for lower-income groups, by offering discounted energy prices. This effort shows Buligo's commitment to exploring solutions for renewable energy.

## Waste Management

### Waste Management

Waste reduction and effective waste management are important for minimizing environmental impact. We adopt best practices to optimize, evaluate, and continuously improve our use of resources and waste management strategies. Recognizing the critical role of responsible waste management in environmental protection, we are dedicated to reducing the amount of waste that ends up in landfills. During both construction and operation, Buligo advances recycling and reuse of materials to minimize landfilled waste.

### Water Conservation

Inspired by leading industry practices, we are dedicated to minimizing our environmental impact through efficient water usage strategies. Our approach encompasses the following key initiatives:

- At **Buligo Capital**, we conserve water consumption through efficient management practices, such as using low-flow fixtures and effective landscape irrigation systems.
- **Water Consumption Tracking:** All our operating partners monitor water usage at a property level, helping us identify areas for improvement and implement effective management measures.
- **Tenant Sub Meters:** Most of our operating partners have installed tenant sub meters, providing detailed insights into individual usage, promoting accountability, and encouraging water-saving behaviors.
- **Water Audits:** One partner conducts regular water audits to identify inefficiencies and opportunities for reducing consumption, leading to more sustainable management practices.
- **Leak Detection Systems:** Implemented by one partner, these systems promptly identify and address leaks, preventing water waste and reducing the risk of damage.
- For our **Green Globes** properties, we have implemented various water conservation measures across all apartments, including the installation of low-flow aerators in bathroom and kitchen faucets, low-flow WaterSense-certified showerheads, and WaterSense-certified toilets.

These initiatives help our tenants reduce their water usage, contributing to our overall sustainability goals.



## Promoting Green Spaces

Urban green spaces are a vital attribute of healthy cities, providing numerous benefits for the environment, residents, and economic development. Pockets of vegetation and open areas contribute to cleaner air, enhanced biodiversity, and improved mental and physical well-being for citizens.

To maximize green space on site, we adhere to each municipality's requirements for green space. During development, we meet minimum parking space requirements, thus maximizing green spaces and often going beyond local regulations.

### Sample Green Space Information for our multifamily developments

Property	Acres of open space	% composition of the site
The Summit at Hendersonville	9.3	60%
Classic City Flats	12.6	58%
Lullwater Phase II	11.9	77%



## Biodiversity

Wherever possible, we assess and mitigate the impact of construction activities on local biodiversity and ecosystems. This involves conducting Environmental Impact Assessments (EIAs) before starting projects, and where sensitive habits are identified, implementing buffer zones, utilizing non-invasive construction methods to minimize habitat disruption, restoring native vegetation, and rehabilitating landscapes post-construction. Additionally, we monitor environmental impacts throughout the construction process. We often work with landscapers that plant native species to further support local biodiversity.

## Transportation & Sustainable Mobility

Buligo-managed properties frequently incorporate bicycle-friendly infrastructure, such as secure bike storage, dedicated bike lanes, and repair stations.

We also promote the adoption of electric vehicles by installing EV charging stations at select properties, enhancing convenience for tenants with electric cars. At present, EV chargers are operational at Ironwood and Mason. Additionally, seven of our development sites are equipped with conduit for future EV charging station installations. We are also assessing the potential for EV charger installations at certain retail locations.

Each of our senior living properties have their own community transportation bus, accommodating 12-14 people. These buses are utilized to take residents to various events outside of the community, such as restaurants and concerts.

Through these initiatives, we aim to promote sustainable commuting practices and reduce our overall environmental impact.



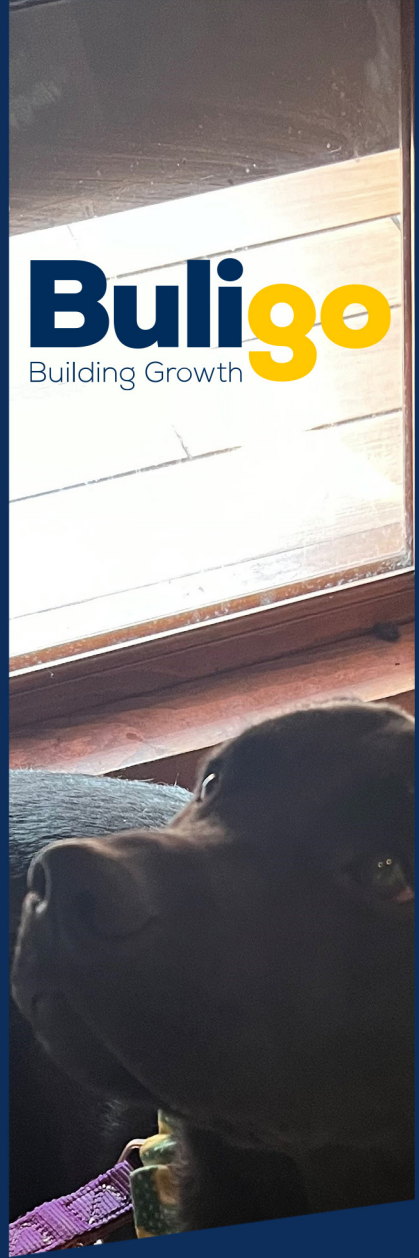
EV charging station at Ironwood Apartments

## Our Future Ambitions:

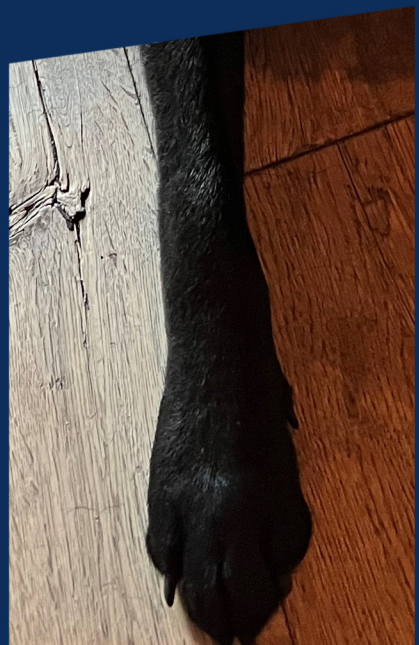
We are aiming to work towards:

- Continuing to increase the number of properties certified under green building standards.
- Encouraging all operating partners to adopt energy management systems.
- Promoting upgrades to energy-efficient appliances and systems.





# Our **Social** Impact



## Our Employees, Tenants and Communities

### Our Employees

Buligo is committed to fostering a positive and inclusive culture for both employees and tenants, prioritizing health, wellbeing, and community engagement.



## Workplace Culture and Employee Development

### Work-Life Balance and Employee Satisfaction

At Buligo, we foster an inclusive and collaborative workplace environment and aim that every employee feels valued and empowered to contribute.

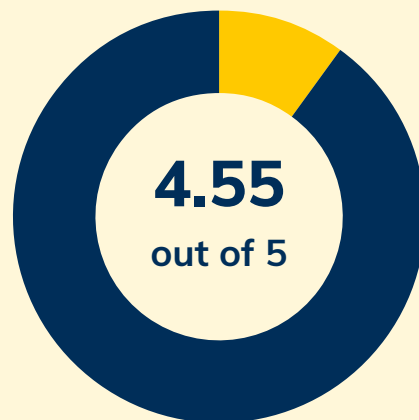
Creating a supportive and balanced work environment and ensuring the health and wellness of our employees is a top priority. As such, we offer flexible work schedules and remote working options to help employees balance their professional and personal lives. Employees are able to work from home one day a week. We also provide comprehensive health and wellness programs, including fitness initiatives, mental health support, and access to wellness resources. We also offer yoga and meditation events, in addition to healthy food deliveries twice a week.

In line with prioritizing employee satisfaction, we actively seek and incorporate employee feedback to enhance job satisfaction and work towards a positive working environment. Our cornerstone Open-Door policy facilitates open and honest communication and enables employees to address any questions, suggestions, or problems they encounter directly with our management team.

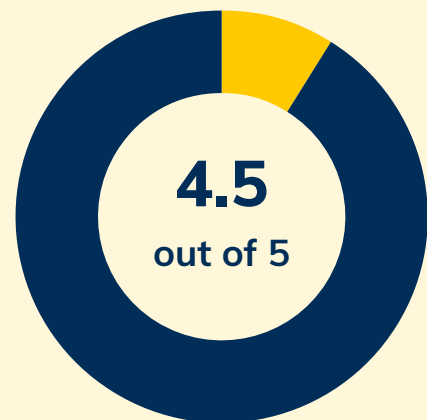
We are proud to announce that we completed our first employee satisfaction survey in 2024 and received positive feedback. Our employees rated us 4.55 and 4.5 out of 5, respectively, when asked how much they enjoy and are proud to work at Buligo Capital. We also received an employee net promoter score that places us in the top quartile for employee satisfaction and loyalty, thereby signaling a highly engaged workforce, and we are committed to improving even further.

#### 2024 Employee satisfaction survey results

"How much do you enjoy working at Buligo Capital?"



"How proud are you to work at Buligo Capital?"



## Programs for Upgrading Employee Skills

One of Buligo's core values is investing in our people. We offer continuous learning and growth opportunities for our employees through training, development programs, and career advancement opportunities. We regularly host in-house training sessions, which we call Buligo Academy. These sessions, which are led by industry experts, cover a wide range of topics, including debt financing, market sector updates, AI training and cybersecurity awareness.

We offer foreign language and finance classes, enhancing both personal growth and professional capabilities. If individuals become aware of a particular seminar or class of interest that will enhance their skills and those of fellow employees, we encourage them to bring it to the attention of our management team.

Our commitment to employee development is further supported by annual performance reviews, which 100% of our employees go through. We also provide new employees with a feedback session within their first 90 days to ensure they are well-integrated and supported from the start.

## Health and Safety

At Buligo Capital we value our employees and want to prioritize their health and well-being at all times, within and beyond the bounds of our work place. We work with a Professional Employer Organization to deliver health benefits for US employees.

Our commitment to health and safety is reflected in our Employee Handbook, which addresses Employee Health & Safety and Equal Opportunity Employment, ensuring a safe and equitable working environment for all our employees.



## Diversity & Inclusion

Despite being a small company, Buligo Capital maintains a focus on diversity and inclusion. Our commitment to diversity includes fostering a workplace where different perspectives are valued and every employee feels included, as we strongly believe that a diverse workplace with differing points of view leads to good decision-making. We recognize the importance of diversity as being scale-appropriate, ensuring that our initiatives are tailored to fit our company's size and resources.

We aim to create an inclusive culture that reflects the diverse communities we serve, promoting equity and respect across all levels of our organization. We are committed to fostering a workplace environment free from discrimination, harassment, or violence, and take these matters and individuals involved very seriously. Our talented employees are critical to our success, and we are committed to compensating our employees fairly for the work that they complete.

For our US based employees, we offer paid maternity leave and short-term disability insurance, and fathers five days of paid paternity leave. We believe that families can take different shapes and sizes and, as such, we provide similar support to individuals that decide to embark on the foster care, adoption or surrogacy process.



## Health & Wellbeing

### Tenant Health and Wellbeing

We have earned our clients' trust through our reputation, and we continue fostering this trust with professionalism and integrity in managing our investments, something that is deeply intertwined with our relationship with our tenants.

A selection of the properties have physical fitness facilities, green spaces and wellness incentive programs and discounts.

At our Green Globes certified property, Heritage Apartments, we go above and beyond local regulations, regarding the health and comfort of its residents. We were proud to achieve a score of 74.7% in the indoor environment category. This includes measures to ensure good air quality and natural lighting within living spaces.

Our senior living developments are fitted with ADA ramps which have been inspected by authorities and many multi-family properties are also ADA accessible. All of the properties Buligo invest in also have up-to-date fire codes with regular inspections to enhance the safety of our tenants.

### Senior Living Developments

To make settings more comfortable for our senior living tenants, we offer:

- Wider doorways
- Hallways for wheelchair access
- Ample natural lighting
- High-contrast color schemes for better visibility
- Level handles for doors and faucets

### Affordable and workforce Housing

We provide housing units as required by local municipalities, with rents set at 80%-120% of the Area Median Income (AMI)\* to support workforce housing.

#### Affordable Housing at Tribute Verdae

Tribute Verdae, our multifamily development in Greenville, SC, designates 20% of its units (54 units) as affordable housing, ensuring a mix of housing options within the community. These units are leased at below-market rates to tenants meeting specific income requirements, based on a designated percentage of the AMI.

\*The AMI, which determines eligibility for discounted rent, is calculated and updated annually by the U.S. Department of Housing and Urban Development (HUD).

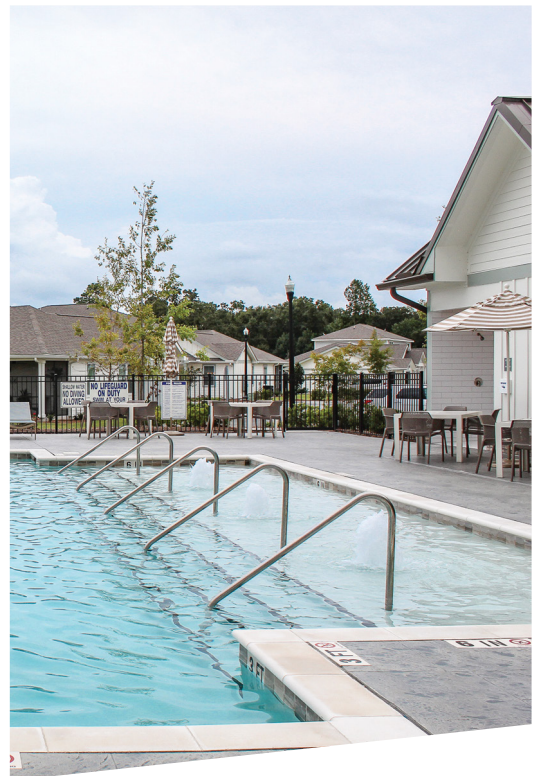
## Tenant Wellbeing

At Buligo Capital, we prioritize tenant satisfaction by providing exceptional service and maintaining high-quality living environments. Across many of the properties, we actively seek tenants' feedback through various steps in the construction process and through means like posters, leaflets, or meeting directly with residents and their families.

Some of our senior living sites offer vibrant and active social calendars for their senior living residents, featuring weekly offsite activities and daily on-site programs such as arts and crafts, bingo, trivia, karaoke, and piano lessons, all managed by dedicated activity directors.

At our industrial sites, we prioritize engaging with prospective tenants to ensure a seamless transition and address their needs effectively. During the due diligence phase, we conduct interviews to understand tenant pain points. Post-closing, we arrange face-to-face meetings and provide welcome gift baskets. The property management and leasing teams collaborate closely to ensure smooth transitions. To further enhance tenant satisfaction, we are introducing a tenant satisfaction survey in Q4 2024, targeting 70 tenants. This survey will be repeated annually. Additionally, we hold annual meetings with larger tenants to discuss their business and concerns.

We aim to create a vibrant and inclusive atmosphere for residents and strengthen local businesses by hosting on-site activities, such as food trucks, community spring markets, pet adoptions, and blood drives. This holistic approach not only enhances tenant satisfaction but also strengthens community bonds, making the properties we invest in more than just places to live.



## Our Community Engagement

At Buligo Capital, we strongly believe in forming a relationship with the communities around us. Some of our operating partners engage with the community directly. For example, our senior housing properties host town hall meetings, public comment hearings, chamber of commerce events, and other social or communal events. Additionally, the staff engage with churches and rotary clubs and conduct hospital visits.

We support the property managers who actively foster a strong sense of community across all of the properties that they manage. Their commitment to community involvement is evident through their participation in various charitable initiatives.

We empower our employees to support causes they care about, and allow them to choose organizations for Buligo to donate up to NIS 2,000 annually. At our company retreat, we hold companywide discussions focused on engaging with community-related initiatives.

This past year, Buligo has actively supported communities in Israel that were displaced by the war. Our efforts included donating resources and volunteering at a food recovery and distribution center, as well as assisting farmers with planting crops in the fields.

We support our operating partners and property managers who actively foster a strong sense of community across the properties that they manage. Their commitment to community involvement is evident through their participation in various charitable initiatives.

Manor Lake maintains relationships with organizations like the Georgia Senior Living Association and participates in outreach activities, including raising money for Alzheimer's research and various 5k walks. Additionally, the Hamilton Mill facility has a special relationship with a local high school, where the football team regularly visits residents, fostering a sense of community and connection.

### Responsible Construction

At a selection of our senior living properties, Buligo Capital practices responsible construction initiatives to reduce the impact on local communities. We installed barriers and buffers to minimize noise spreading to nearby areas and use directional lighting to reduce light spillage and glare on surrounding areas. To further enhance community members' experience, we implemented specific work hours to minimize noise during the early morning and late evening, utilize noise-reduction techniques and equipment on-site, and engage with the local community to address concerns and adjust practices accordingly.

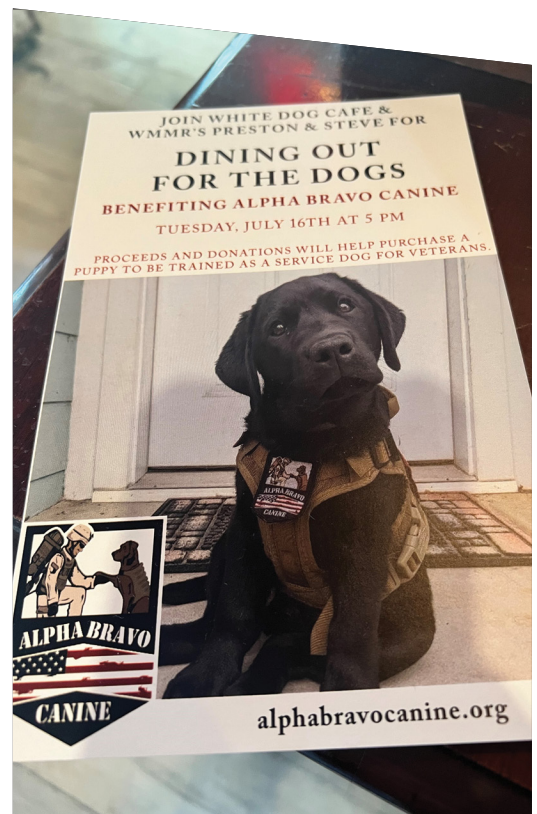
For Manor Lake, community engagement during the construction and post-construction phases involves a multifaceted approach to ensure residents' concerns are heard and addressed. Practically, this includes attending townhall meetings with county representatives and holding open townhalls specifically for residents to voice their concerns. Additionally, representatives from Manor Lake participate in meetings for some of our managed developments and proactively reach out to residents' forums if any issues arise.



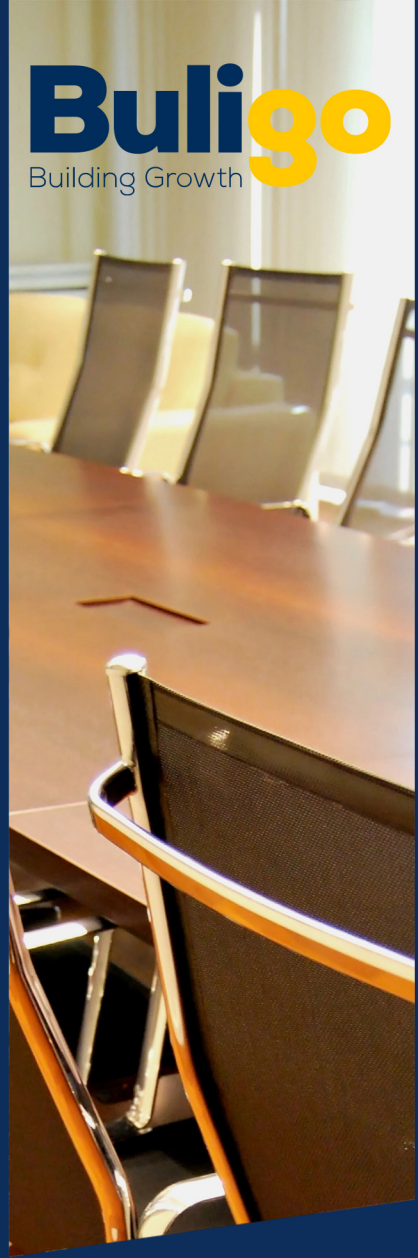
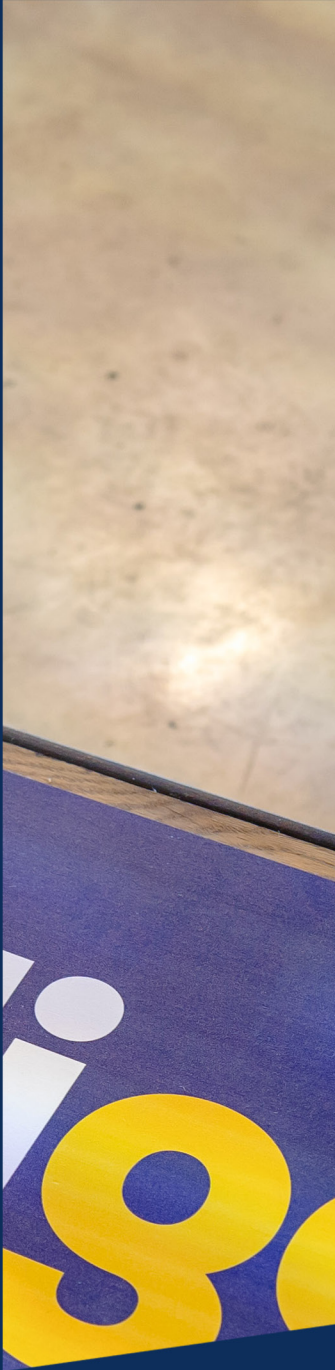
## Our Future Ambitions:

We are aiming to work towards:

- Enhancing programs for continuous employee skill development.
- Fostering a more balanced work-life environment to boost employee satisfaction and productivity.
- Fostering deeper community involvement and engagement through organized company activities and partnerships.
- Increasing the impact of community donations and volunteer efforts.
- Developing and implementing direct tenant engagement programs to better understand and meet tenant needs and expectations.
- Increasing collaboration with property management companies to enhance tenant satisfaction and community involvement.
- Ensuring all properties meet and exceed accessibility standards.



Philadelphia Office Staff Supporting Local Dog Shelter



# Our **Governance** Impact



## Our ESG Leadership

At Buligo, we are committed to ESG practices. Our initiatives are designed to foster sustainable growth, enhance community well-being, and ensure robust governance. Our leadership reflects our commitment to long-term value creation and sustainable success for our investors, tenants, and communities.



## Integrity and Ethics

### Code of Ethics

Integrity and ethics are the foundation of our operations at Buligo. In 2023, the Board of Directors adopted a comprehensive Code of Ethical Conduct that includes guidelines on anti-bribery and corruption. To ensure all employees understand and adhere to these standards, annual Code training and signing are mandatory for all employees in Israel and the US.

Our Handbook and our Code of Ethical Conduct includes a 'Business Gift' section and a Whistleblower Code that emphasizes the importance of reporting suspicious activity, with a strict non-retaliation policy in place.

### Our Values

At Buligo, we are committed to our investors, partners and people. We conduct business with full integrity and strive above all to uphold our fiduciary duties through our core philosophy of partnership and ethical conduct. Our core values include aligning our interests with those of investors and operating partners; being transparent about investment; investing in highly experienced, passionate individuals; and fostering trust with professionalism and integrity in managing our investments.

#### Alignment of Interests

Buligo cements its partnerships by investing alongside investors. Buligo shares in the successes of its clients and strives to maximize value for all parties involved. Investors and operating partners trust in this strategic alliance and maintain long term relationships with the company across many projects.

#### Investment in People

The value of an investment firm is defined by the quality of its decisions. Buligo invests in highly experienced, passionate professionals so the best decisions can be made on behalf of investors. The Buligo team brings diversified, institutional knowledge and connections to source and manage its investments.

#### Transparency

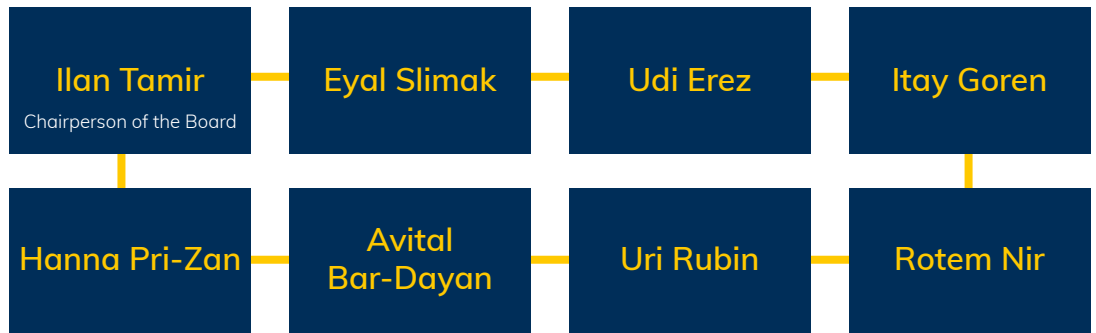
Buligo provides easy access for investors to view their portfolio allocations, download investment documentation and use tools to analyze their entire portfolio. Investors receive detailed quarterly reports and are kept apprised of important project developments through interim reporting. Investors are invited to reach out for support and to conduct on-site visits of their investments.

#### Integrity

Trust is the foundation of investment management. Buligo has earned its clients' trust through its impeccable reputation and continues to foster this trust with professionalism and integrity in managing their investments. It is imperative for each member of Buligo's team to uphold the strictest ethical code.

## Our Board of Directors

## Board of Directors



### Board Members



**Ilan Tamir** is one of the founders of Buligo and currently serves as a non-executive director. In addition to his role at Buligo, Mr. Tamir is a partner in the Rubinstein Senior Housing franchise which is the leading senior facility franchise in Israel. Mr. Tamir was one of the early pioneers of the senior housing industry and co-founded Rubinstein Senior Housing 25 years ago.



**Itay Goren** is one of the founders of Buligo and serves as its Chief Executive Officer. Mr. Goren has extensive experience in sourcing, negotiating, structuring, financing and closing private equity real estate transactions, investment programs, funds, and funds of funds.



**Eyal Slimak** is one of the founders of Buligo and currently serves as a non-executive director. Mr. Slimak is a real estate entrepreneur with over 30 years in real estate development. In addition to his role at Buligo, he is the founder of a hospital in Israel for the severely disabled, individuals that are 100% reliant on round-the-clock nursing care, a family business he has owned for the last 20 years.



**Udi Erez** was elected to Buligo Capital's board of directors in November 2021 and serves as an external director on its Audit Committee, Financial Statements Approval Committee (aka Balance Committee), and Compensation Committee. Mr. Erez has over two decades of experience leading large, complex commodities and real estate organizations specializing in construction and income-producing assets. He has demonstrated success in both small and large-scale transactions and possesses expertise in finance, marketing, corporate governance, and establishing control systems to grow sizable long-term businesses.



**Avital Bar Dayan** was elected to Buligo Capital's board of directors in November 2021 and serves as an external director on its Audit Committee, Financial Statements Approval Committee, and Compensation Committee. Ms. Bar Dayan has over twenty years of experience in senior management positions at leading public companies, specializing in capital markets, financing, and credit risk assessment.



**Hanna Pri-Zan** was elected to Buligo Capital's board of directors in November 2021 and serves as an independent director on Buligo's Audit Committee, Financial Statements Approval Committee, and Compensation Committee. Ms. Pri-Zan is a prominent figure in Israel's finance and nonprofit sectors. She held various leadership positions at Bank Hapoalim, Israel's leading bank, over several decades.

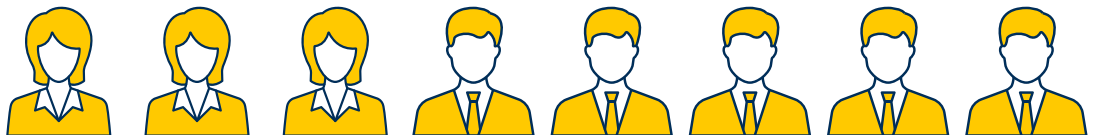


**Rotem Nir** was elected to Buligo Capital's board of directors in November 2021 and serves on its Audit Committee and Financial Statements Approval Committee. Ms. Nir is an accomplished corporate and commercial attorney with expertise in corporate governance, international business transactions, investments, risk assessment, and commercial negotiations.



**Uri Rubin** was elected to Buligo Capital's board of directors in November 2021. Mr. Rubin has two decades of experience in investment banking, mergers and acquisitions, and capital markets.

## Breakdown of Male-Female Ratio in the Board of Directors



Our board comprises eight directors, including three independent directors, two of which are external directors. Notably, the board's diversity is highlighted by the inclusion of three women directors among the eight members, representing **38%** of the Board of Directors. In 2023, **18** board meetings were held (not including the board committees' meetings).

Our Board Committees play a crucial role in maintaining the integrity and transparency of the company's financial and governance practices.

## Board Committees

### Audit Committee

The audit committee is made up of four members, including two external directors and one independent director. The committee's role includes overseeing the financial reporting process, monitoring the choice of accounting policies and principles, supervising internal audit functions and a significant role in classifying transactions with stakeholders.

### Financial Statements Committee

The Financial Statements Committee is responsible for overseeing the company's financial reporting process. This includes ensuring the accuracy and completeness of financial statements, compliance with accounting standards, and the adequacy of internal controls over financial reporting. This committee has three members.

### Compensation Committee

The Compensation Committee is tasked with determining the compensation of the company's executives and directors. It reviews and approves policies related to salaries, bonuses, equity awards, and other forms of compensation. The committee ensures that the compensation packages are aligned with the company's performance, strategic goals and yielding returns to the company's shareholders. This committee has three members.

### Management Committees

In addition to our board committees, we have a management cyber security and privacy committee, as well as, a management committee to oversee donations.



## Our Investors

In 2024, Buligo implemented a process to solicit and measure investor satisfaction through the means of a survey.

## Anti-money Laundering

Buligo's policy requires all limited partners to provide necessary information to ensure compliance with applicable AML laws. Each partner must ensure that the funds they contribute are not connected to any illegal activities and must notify the General Partner if they become aware of any potential violations. The General Partner may disclose relevant information to authorities as required by law and can take necessary actions to ensure full compliance with AML regulations.

## Our Securities Disclosures

As a publicly traded company, Buligo is subject to Israeli securities laws. We prioritize transparency and accountability by holding regular shareholder meetings and providing detailed financial disclosures through quarterly and yearly reports and publishing immediate reports upon significant events. Our commitment to these practices ensures that our shareholders are well-informed and that we adhere to the highest standards of corporate governance. Additionally, we implement robust internal controls and compliance measures to safeguard our operations and maintain investor confidence.

Additionally, as part of our securities enforcement plan, we hold a Compliance Week to effectively communicate company procedures, reinforce adherence to securities regulations, and address any ethics issues. This initiative ensures that all employees are aware of their responsibilities under securities laws and helps prevent potential violations. Furthermore, we engage with our shareholders through various communication channels, offering insights and updates on our strategic initiatives and business performance.



## Our Investment Selection Process

At Buligo Capital, we employ a careful investment selection process to ensure the highest standards of quality and potential for our investments. A typical deal undergoes several stages, including a review by the investment committee and evaluation against strict board criteria. This process also involves a comprehensive analysis of projected cash flows and an extensive due diligence process, encompassing legal, financial, and operational assessments.

Identification of opportunities for investment partners through broker relationships and engagements, relationships with real estate functions, as well as targeted approach by sellers

Deal  
Identification

Underwriting

Comprehensive due diligence and analysis process for relevant transactions

Signing of Purchase Sale Agreement

Purchase  
Sale  
Agreement

Investors

Recruitment of accredited and relevant investors for the transaction, as per company procedure and relevant regulatory requirements

Mortgage for the acquisition through local banks, mortgage brokers and/or additional financing organizations

Financing

Development  
/ Value Add

Project development or investment of an existing property in accordance with a value maximization plan

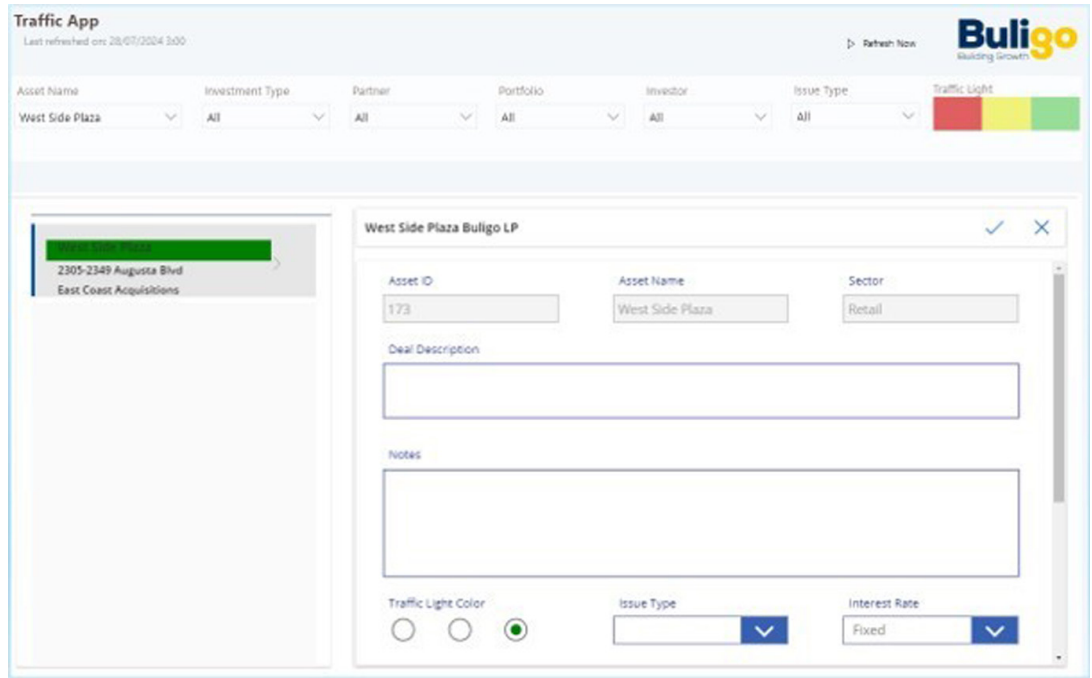
Following fulfillment of the business plan for the asset, the company operates to realize the asset at the best price, and return the investment and profit to the investors

Sale /  
Realization

## Responsible Marketing

When marketing our deals to investors, we are committed to doing so responsibly. We diligently follow the laws and regulations applicable in both Israel and the United States.

## Our Asset Management Procedures

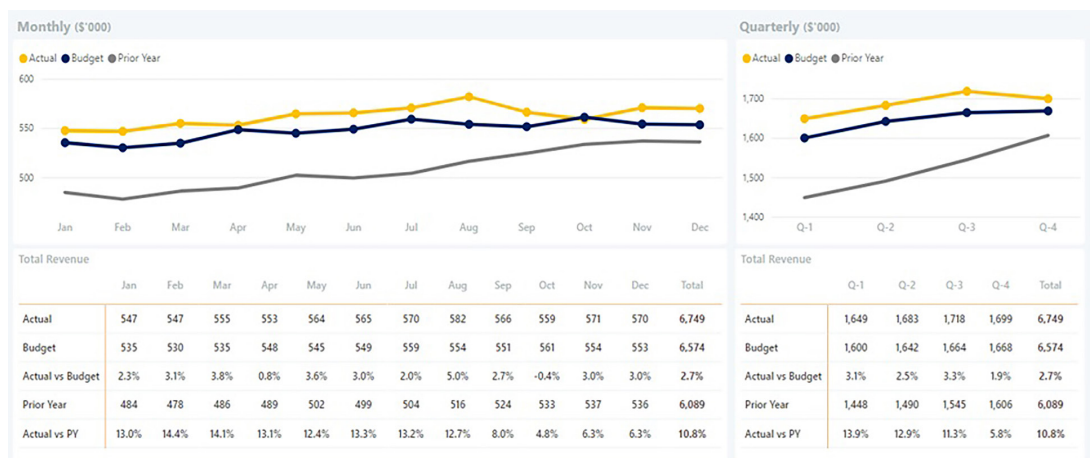


Buligo maintains a rigorous asset management process to safeguard our investors' capital.

Our asset management team receives a monthly performance report for each asset, utilizing a BI system to monitor financial data. Beyond report analysis, our team engages in ongoing discussions with partners and property managers, conducts on-site visits, and undertakes various activities to ensure the successful execution of our business plan.

An internal auditor, Kreston EYR, reviews our business operations and processes according to a yearly plan approved by the Audit Committee.

## Revenues



## Risk Management

### Financial Risk Management

At Buligo Capital, robust financial risk management ensures stability and resilience. Buligo implements a comprehensive risk management framework to identify, assess, and mitigate potential risks. This includes regular reviews of market conditions, financial performance, and operational processes. Our internal auditors routinely review our financial processes to ensure adequate controls are in place. Additionally, we continuously implement and enhance controls and procedures to maintain ISOX compliance.

Additionally, we manage liquidity risk by maintaining adequate cash reserves to meet obligations. Market risk is mitigated through hedging strategies against interest rate, foreign exchange, and inflation fluctuations. Credit risk is addressed via rigorous assessments and portfolio diversification to minimize counterparty exposure. These practices protect assets and promote sustainable growth, reflecting our commitment to transparency and prudent financial governance.

### Due Diligence

During the due diligence process for each deal, we review, inter alia, environmental reports for the sites. These reports cover various aspects, including the scope of exploration and services, project descriptions, examinations of operations and their potential impacts, and construction recommendations. Environmental site assessments guide our decisions on acquisitions and construction deals. For construction projects, Buligo often obtains additional reports for further insight.

### Privacy and Cyber Security

Buligo Capital prioritizes the security of its information systems and data through comprehensive cybersecurity protocols. Our approach includes strict access controls, regular security audits, and robust data protection measures, ensuring that only authorized personnel can access sensitive information. We employ advanced encryption techniques to safeguard data in transit and at rest, and our systems are regularly updated to protect against vulnerabilities. Additionally, we have established strict protocols for third-party service providers to maintain our high standards of data protection and confidentiality.

As part of our operations, Buligo Capital utilizes cloud-based systems for collecting and processing information in our managed databases. We work with external consultants to mitigate cybersecurity risks through protective systems, high-level security measures, and cloud backups. We also foster a strong culture of information security by implementing procedures, conducting employee training, and employing monitoring tools to detect and respond to security threats 24/7. Regular penetration tests are conducted by specialized companies to further ensure the integrity of our systems.

Buligo Capital maintains four registered databases, all secured in compliance with the Protection of Privacy Law, 1981, its regulations, and related guidelines.

### **Our Future Ambitions:**

We are aiming to work towards:

- Forming a management based ESG committee
- Periodic ESG reporting and disclosure

## About This ESG Review

This is Buligo Capital's first ESG review and contains an overview of our ESG initiatives during 2023. In this review, we cover the activities we initiated and the planning systems we have developed over the past years in our company's sustainability journey as well as outlining future ambitions that we hope to achieve.

In this review, we have focused on the initiatives taking place in our offices in Israel and the US. All properties discussed are under Buligo's management as a real estate investor and are located within the United States.

### **Statement from Good Vision – CSR Consulting Firm, of the Fahn Kanne & Co. Grant Thornton Group**

As a member of the GRI Community, we support their mission to empower decision-makers everywhere to act towards a more sustainable economy and world. We are proud to have supported Buligo Capital with their first ESG review.



This ESG report highlights selected topics chosen by the company. The inclusion or omission of specific details does not imply the presence or absence of material information, nor does it represent the full scope of the company's activities. This report is based on business data relevant to the company's activities and does not replace any information published in the company's financial statements. For any financial data or details on operations, profitability, or forecasts, the data in the periodic and immediate reports published by the Company in the Tel Aviv Stock Exchange LTD or the Israeli Securities Report Site is binding and takes precedence.

The information in this report, including any forward-looking statements, should not be construed as an offer or recommendation to engage in any transaction involving the company's securities or those of its affiliates or subsidiaries. Forward-looking statements are identified by terms such as "expect," "anticipate," "believe," and similar expressions, reflecting uncertainty about future events or outcomes. These statements are based on reasonable assumptions but involve risks and uncertainties that could cause actual results to differ materially from those anticipated.

The company and its employees assume no responsibility or liability for any inaccuracies or for any loss arising from the use of this report. The report should not be relied upon to predict future performance, and there is no obligation to update any forward-looking statements. All calculations and statistics are subject to change, depending on estimates and assumptions based on historical data and projections.

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