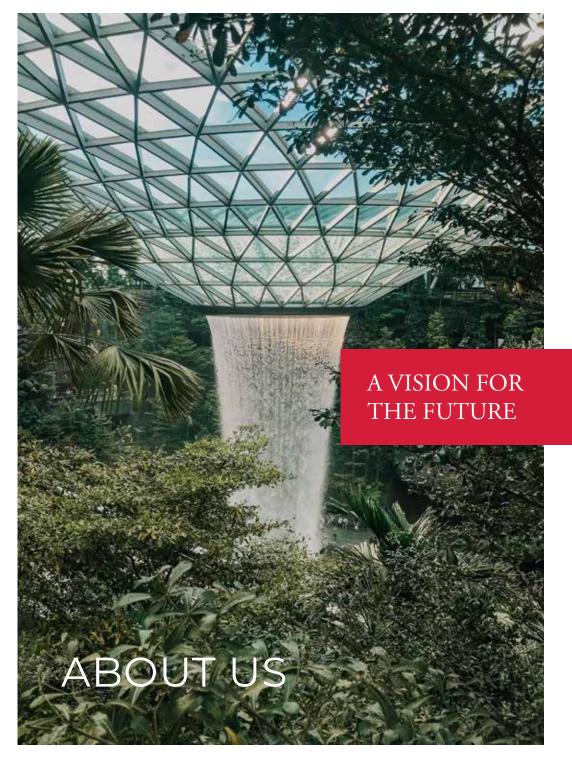


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# HERE'S TO THE INVESTORS OF TOMORROW - TODAY!

Your essential partner in sustainable asset management. Royce Impact is leveraging sustainable finance, science, traceability, and emissions management to accelerate the transition of CRE to sustainability and drive increased profitability across critical infrastructure assets.

For us, value creation is not only about generating financial returns for our clients and partners, but also — and especially in today's complex and challenging world — driving positive environmental and social impact in the communities where we live and operate.

By applying more than three decades of asset optimization and capital markets expertise across our vertically integrated platform, we believe we are well positioned to support the "Investors of Tomorrow" in the decarbonization of industry and the drive to a net zero future.

INVESTING FOR TODAY. TOMORROW, AND FOR LIFE.

#### A VERTICALLY INTEGRATED ECOSYSTEM

Royce Impact Advisors is a vertically integrated, global financial services firm dedicated to providing innovative capital solutions to our high-net-worth clients and future focused companies, and advisors looking to fund their growth and contribution to a carbon free future.

Across all parts of our business, we invest alongside our clients and take a responsible, knowledgeable approach to drive positive outcomes. Through Varda Re, our Caymanbased reinsurance company, and wholly owned subsidiary of Varda Holding Ltd. Varda Re's core business is Fixed Annuity Reinsurance, partnering with U.S Based Life and Annuity Insurance Companies to mitigate Life Insurers capital requirements, enhance their presence in the retirement market and improve financial results.





THE POWER OF PARTNERSHIPS

Expanding opportunity is core to our values, and we are dedicated to creating opportunities for more companies, employees, and communities to build a more inclusive and sustainable economy.

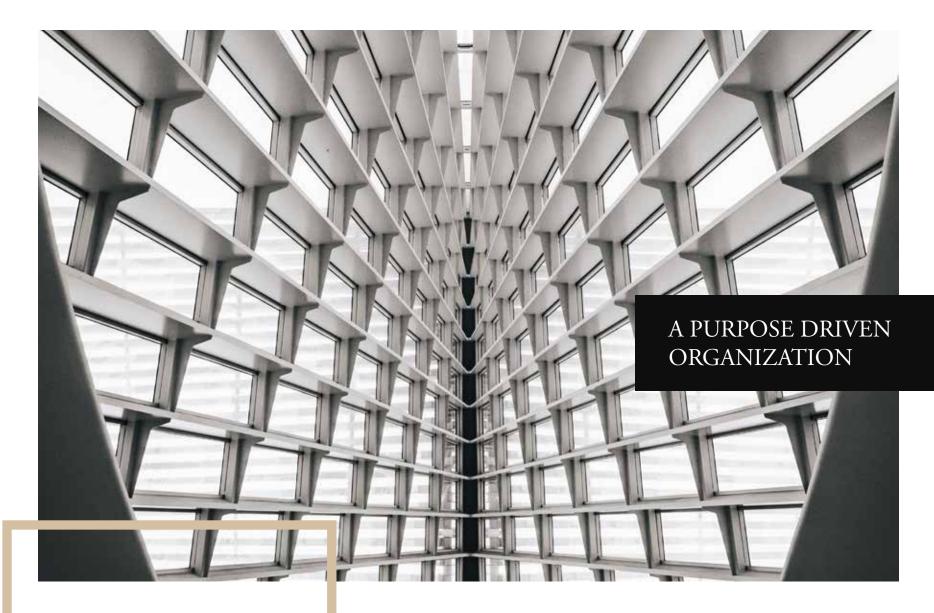
At Royce Impact/VARDA, we celebrate life and the people, places, and enterprises that help sustain it. Royce Impact/VARDA provides sustainable and innovative capital solutions, unlocking value, and helping to build stronger producers of the world's critical infrastructure needs.

Royce Impact/VARDA is co-founded by John Royce Lynch, CEO of Royce Impact Holdings, Inc and Anatoly Burman, former Vice President of SunAmerica/AIG Life Insurance Company and now President, and CIO of Varda Holdings Ltd., Paul Murphy, Director and General Counsel, Varda Holdings Ltd.

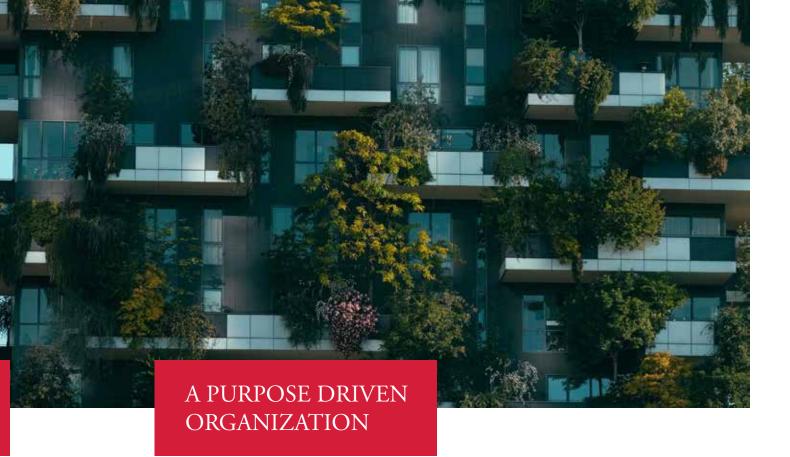
Our founders and management team leverages 150+ years of combined experience to create opportunities in today's evolving retirement marketplace for the growing number of individuals nearing retirement.

For Royce Impact/VARDA, value creation is not only about generating financial returns for our partners, but also — and especially in today's complex and challenging world — driving positive environmental and social impact in the communities where we live and operate.

By applying decades of investment expertise across our vertically integrated platform, we believe we are well positioned to support the decarbonization of industry and the drive to a net zero future.



**MISSION** 



Our support for making the world more resilient cannot be achieved without sound, sustainability principles. These are essential to reaching a balance between economic and social development that can withstand the longevity of time without depleting critical resources.

To us, sustainability is more than a bumper sticker and we recognize that we cannot tackle this alone, but we are committed to doing our part by transitioning to net zero operational standards and furthering our efforts to finance, collaborate, reward, and develop sustainability strategies for our clients.

Our 2030 sustainability ambitions denote three key areas where we want to have significant impact in our support towards sustainable and resilient: alleviate climate risk from the capital markets and commerce; build safety and societal resiliency into everyday life; and increase opportunity and prosperity to all stakeholders.

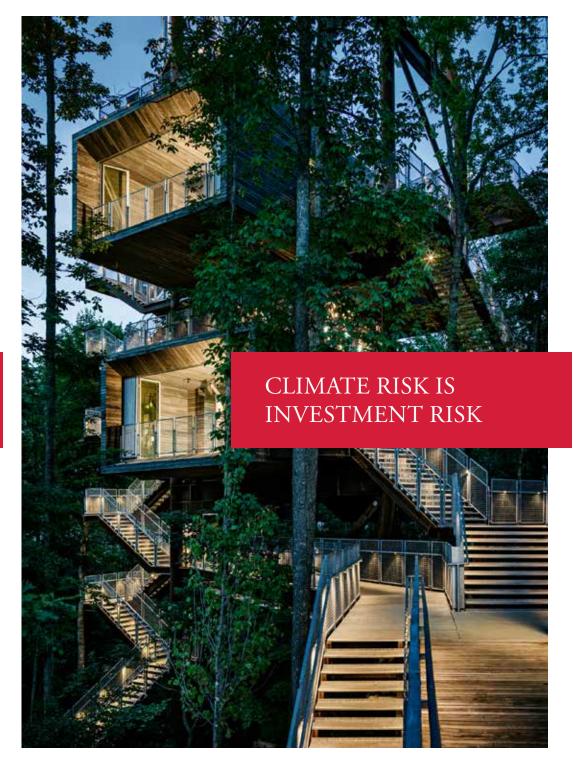
# POWERING CAPITAL AND PROTECTING NATURE

Royce Impact is a purpose driven organization passionate in its pursuit to drive resiliency and profitability in sustainable real property assets. The evolution towards a decarbonized, sustainable real property portfolio solution will create measurable long-term value by incorporating your strategic objectives and sustainability reporting requirements to create customized solutions that generate positive results for stakeholders and future generations.

We are passionate about mother nature's power and conscious capitalism's ability to unlock innovation and scalable solutions for sustainable CRE, while addressing the demand for results from consumers, regulators, and ethical supply chains.

The Investors of Tomorrow program is paving the way for greater resiliency and reduced volatility in the management of critical infrastructure assets while increasing enterprise value, cap rate, profitability, and becoming an important contribution vehicle to the net zero movement.





#### **DE-RISKING THE TRANSITION TO NET ZERO**

Asset managers hold a unique position in the climate risk debate because of their role in capital allocation and their stewardship and custody over many trillions in financial assets. Asset managers are, therefore, uniquely positioned to manage and mitigate the catastrophic effects that climate change could have on the economy and society.

In June 2021, 457 investors representing over \$41 trillion in assets under management ("AUM") signed the 2021 Global Investor Statement to Governments on the Climate Crisis which urged governments to work with institutional investors to accelerate action to address the climate crisis by, among other things, reduce global net carbon emissions by 45% from the 2010 levels by 2030.

Firms with trillions of dollars under management have become too big to let the planet fail and financial regulators worldwide are moving quickly to ensure that banks, insurers, and asset managers identify risk exposures from climate change and establish strategies and adjust business models to manage them.

For us, value creation is not just about generating financial returns for our partners, but in today's complex and challenging world, we are intently focused on investing resources into platforms transitioning to sustainable supply chain settlement.



REGULATION

In March 2022, the Securities and Exchange Commission (SEC) proposed a rule that would require public companies to include climate-related disclosures in their financial statements. Notably, the rule would necessitate the disclosure of the public companies' "Scope 3" emissions, indirect emissions from upstream and downstream activities in their supply chains.

The rule applies throughout a publicly traded company's value chain, burdening all producers of goods and services in the economic ecosystem. The Scope 3 emissions reporting requirement will impact all parties in our society at the professional level and then eventually to the personal consumption level.

Although real property assets are not public companies and, therefore, are not required to report directly to the SEC, the obligations to their regulated customers, counterparties, occupants, and communities will have a punitive impact if not taken executed with precision.



Those customers, counterparties, and many others
- will be under enormous financial pressure to
significantly reduce their "Scope 3" emissions, which are
emissions produced by activities occurring upstream
and downstream in the value chain.

The SEC claims this requirement for greenhouse gas emissions disclosures would "provide investors with information useful in decision-making as an investor assesses a registrant's exposure to and management of climate-related risks—and in particular, transition risks."

The increased operating costs and complexity in supplying accurate emissions data to all direct counterparties that inevitably report through the entire supply chain to public entities will be a tall order for investors in commercial property assets that lack the scale to build internal sustainability and compliance focused teams.

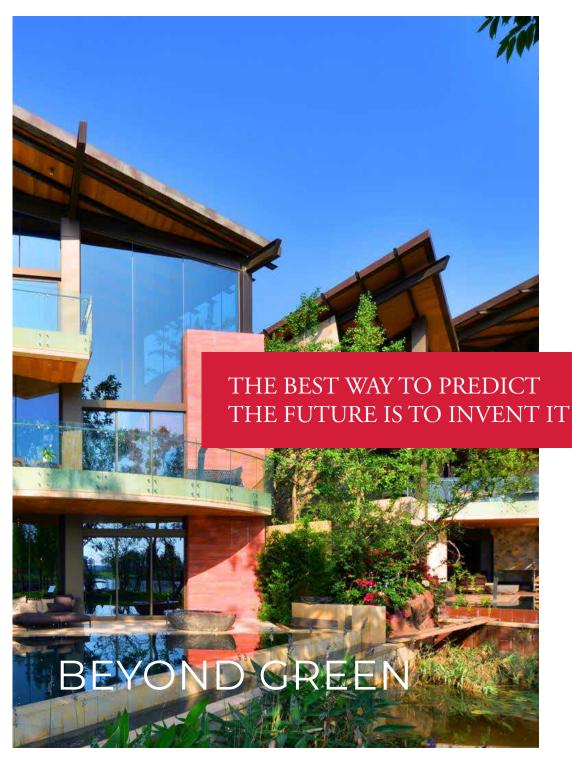
The Investors of Tomorrow platform was developed to bring institutional finance and enterprise level SAAS solutions to small and middle market managers of real property assets to help them compete against institutional investors that have scale, capital and are well positioned for consolidation.





SUSTAINABLE RE

Net zero is here and with-it opportunities for new approaches, economics, and social impact.



#### **GOING BEYOND GREEN**

Sustainable real estate has the goal of creating structures that meet current needs without compromising the future generation's needs in terms of the environment, society, and economy.

Sustainable real estate has the goal of creating structures that meet current needs without compromising the future generation's needs in terms of the environment, society, and economy.

With sustainability and ESG factors being increasingly important for competitive features, netzero carbon commitments are emerging as the next big "must-have" for investment managers seeking to have access to the credit markets, banking, risk management, and attract team members, tenants, and clients.

What should you be thinking next about sustainability? It is imperative to understand the full benefits of, and the external push for, transitioning their existing property portfolios to improve performance in sustainability terms, in order that interventions can be targeted in the right assets at the right time to enhance total returns.

#### **FUTURE PROOFING REAL ESTATE**

Investment managers need to understand that well-placed sustainability initiatives have a positive impact on both property performance and valuation. With this understanding as a backdrop, companies need to assess their current adoption level in context of market and regulatory demand, taking account of peer implementation, and then determine the next steps.

In our view, there are three focus areas, which can help companies differentiate themselves in the marketplace:

- Embed (ESG) risk management into core investment processes to maintain stakeholder confidence.
- 2. Improve data capture, formatting, measurement, and reporting to manage counterparty and sustainability risk.
- 3. Plan resource efficiency to enhance occupant satisfaction and investment returns.

Embed ESG risk management into core investment processes to maintain stakeholder confidence Sustainability is a fundamental real estate concern affecting long-term value generation and short-term profitability.

As we have seen, sustainability has implications at every stage of the investment cycle, requiring careful consideration of the issues and engagement with an array of stakeholders. Hence, it is important for owners and investment managers to comprehend the value of tangible benefits that are derived from embedding sustainability into the entire investment process. It is equally important for owners to understand how non-financial performance relates to the asset risk profile, market appeal and tenant retention, depreciation, and obsolescence. Eventually, these factors are critical to resilient asset management and return performance.





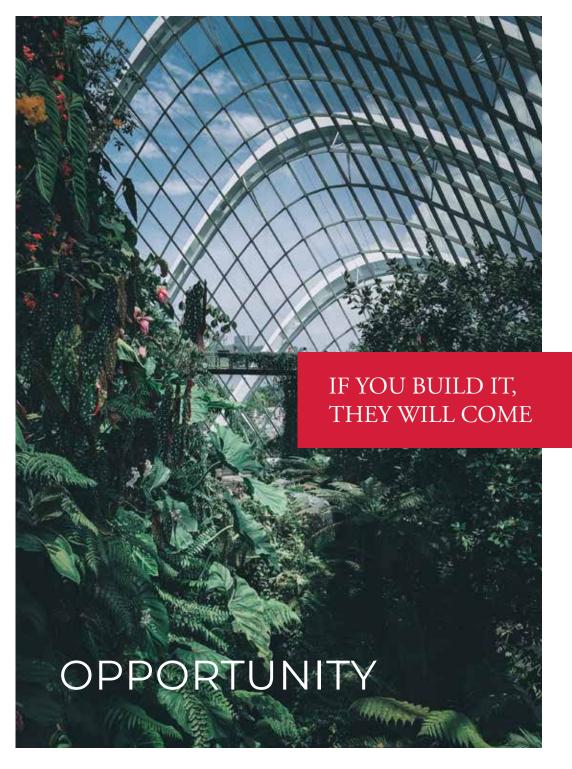


#### THE FUTURE OF SUSTAINABLE REAL ESTATE IS CERTAIN

Sustainable Real Estate is rapidly becoming top of mind discussions amongst occupants and regulators, faster than people would have expected, however we have seen this pressure build for many years in the capital markets. The time to act is now and the demand from occupants in the marketplace is rapidly increasing, and forcing investors, asset managers, and regulators to stand up and take notice.

Emissions management and sustainability protocol deployment is extensive and technical, but those that lean into it and heed the call, it is an opportunity of a lifetime. Occupants receive a sustainable product, investors have a more resilient and prosperous portfolio outlook, and the planet benefits because sustainable real estate contributes to the restoration of climate health.

At the intersection of all these forces coming together will be the "Owner-Occupant" partnerships that will be more demanding of the real estate industry to provide very clear and concise sustainability services to meet the requirements of a carbon free future.



Higher inflation, higher interest rates, and other challenges mean that the real estate industry needs new paths to success. If you build it, they will come has been a tried-and-true formula for decades, and that's been as true for well-located office, retail, and residential real estate as for the baseball field in Field of Dreams. But today, paradigm shifts, higher inflation, higher interest rates, and climate change are forcing real estate investors and operators to face a fraught reality: today, if you build it—or buy it—in the usual way, they might not come.

It goes without saying that the COVID-19 pandemic upended where and how the world uses spaces, forever altering demand and the emergence of a new standard beyond what real estate has traditionally provided. Tenants, lenders, and other stakeholders whether voluntary, or involuntary, are seeking spaces that are contribution vehicles of the climate change movement.

The Investors of Tomorrow platform is an essential tool to help asset managers and owners transition portfolios to be more responsive to operational efficiency, visibility to make smarter investments, reduce friction in the management of sustainability reporting, and elevate the purpose of space.

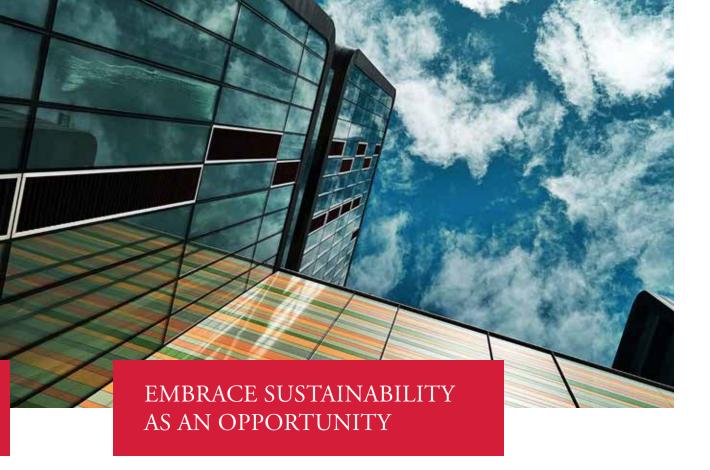
Creating Solutions Not Just Spaces
In times of change, a new approach is
being adopted: replacing "if you build
it, they will come" with "if you operate
brilliantly and please tenants, they will
stay." In the current market, the success
of a real estate investor or operator hinges
upon whether they adopt the following
five imperatives:

- Create solutions for clients, not just physical spaces.
- Use developments to attract tier one talent and tenants.
- Embrace sustainability as an opportunity, not a compliance process.
- Embed digital solutions and advanced analytics in everything.
- Focus on operating efficiency, not just on cap rate and income.

Acting on these imperatives will require targeted investments and capable partnerships to gain access to critical infrastructure technology, real time analytics, abatement protocols, and climate science capabilities.

Now, more than ever, the pressure to remain competitive is putting tremendous pressure on owners and operators to get this right and rethink their purpose.



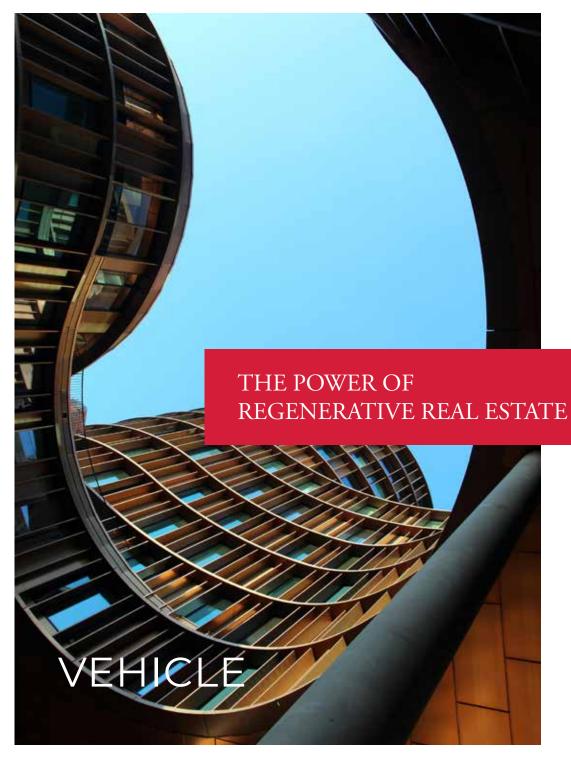


Environmental, social, and governance issues—particularly sustainability—have moved from check-the-box items to value-creating activities. Real estate players can think about addressing sustainability in three ways: first, by analyzing existing portfolios through a sustainability perspective in a search for value; second, by decarbonizing existing buildings; and third, by building new sustainability-related businesses. Each of these will require cutting-edge digital and analytical tools.

Real estate players would be wise to assess their portfolios through a climate change lens, not least because climate change is already showing up in valuations. Decarbonizing real estate requires investments but also opens doors to lower energy and operating expenses, as well as a potential green premium on rental income.

Investors and operators can significantly increase the value of their assets and portfolios by taking additional steps, such as measuring emissions and communicating them to tenants, leveraging economies of scale for better procurement, and incorporating these insights into the investment process.

An era of change in real estate is upon us. Those who embrace these challenges, versatile in meeting the marketplace demands, adopting climate based technologies and partner with great talent, will position themselves for a long future of success. Real Estate Players that fail to adapt will be left behind. To win at this game, players must bring solutions that the marketplace wants, provide services they need, and indeed – "if you build this, they will come."



Backed by innovations in science, big data, sustainable finance, and community networking, investing in regenerative real estate has a rewarding future of contribution and compensation for stewards of critical infrastructure assets.

Regenerative real estate is the intersection between health and wellness, sustainability, profitability, and community. These elements create a cohesive environment to help people and communities thrive. Regenerative real estate applies to both urban and rural contextualism and serves as an adaptive framework for any human-sculpted environment.

#### THE IMPACT OF INTENTIONAL DESIGN

A truly regenerative structure incorporates ingenuity and nature to achieve abundance and sustainability. From the materials sourced, to the systems of innovation, sustainability is most certainly about Intentional Design.

The industry of real estate is traditionally one of the most punitive to the environment. The build and management of CRE accounts for 40% of worldwide (GHG) emissions and with such a massive carbon footprint, communities, companies, and regulators are demanding carbon neutrality by 2050.





To achieve these goals, companies are sourcing everything from sustainably harvested materials, building science, energy generation and consumption, resource management, and conservation.

Organizations that meet these expectations, while maintaining the bottom line, will be handsomely rewarded.

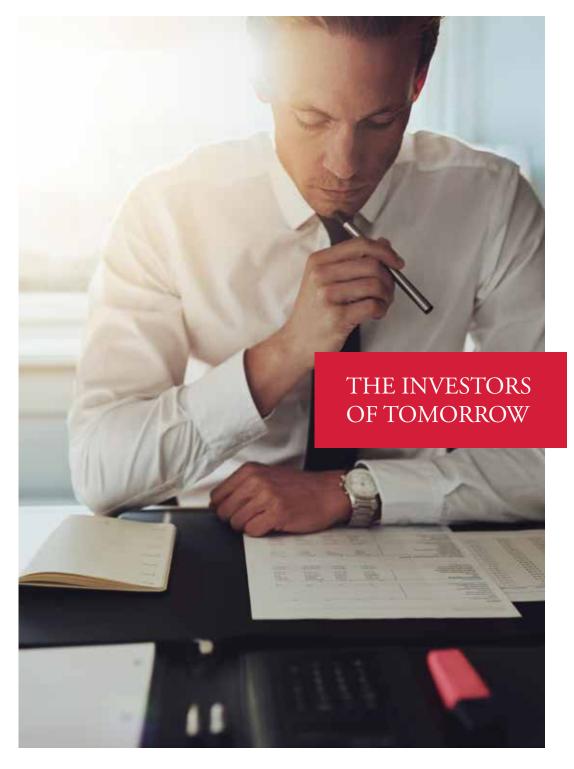




Many real estate companies are already including "Sustainability Statements" as part of their investor and public reporting. It's paramount to have the proper processes, protocols, and policies in place to manage these programs, particularly when such a diverse group of owner/operators leads them.

In addition to providing reporting for their stakeholders, companies are participating in a variety of external reporting programs including the Global Reporting Initiative, LEED, Energy Star, and others, allowing the industry to compare and benchmark its progress as well as spotlight and recognize leaders in the field.

There is no question that sustainability is now a fundamental commercial real estate concern driven by the demands of occupiers, investors, and regulators. The aspects of sustainability abatement and reporting are firmly embedded into the investment thesis and those that choose to remain agnostic towards sustainability will certainly see their investment returns underperform the wider market.



The Investors of Tomorrow have taken the leap into the world of sustainability, positively impacting Mother Nature, and contributing to the legacy left for the next generations. The road to net zero is a distant journey, but for The Investors of Tomorrow, it is an exceptional and challenging opportunity for new ventures, new ideas, and new approaches.

The Investors of Tomorrow program was curated to meet the unique needs of stakeholders and evolve with the operational process over time, providing investment managers and owners with a framework for continuous improvement.

We are taking sustainability to a new level at Royce Impact, leveraging it as a growth strategy for our firm, our clients, and our investors. By using sustainability as a driver of opportunity, we can help the operators of commerce become the leaders of lasting outcomes for communities, the environment, and a brighter future for many generations to come.

# THE WAR AGAINST REAL ESTATE

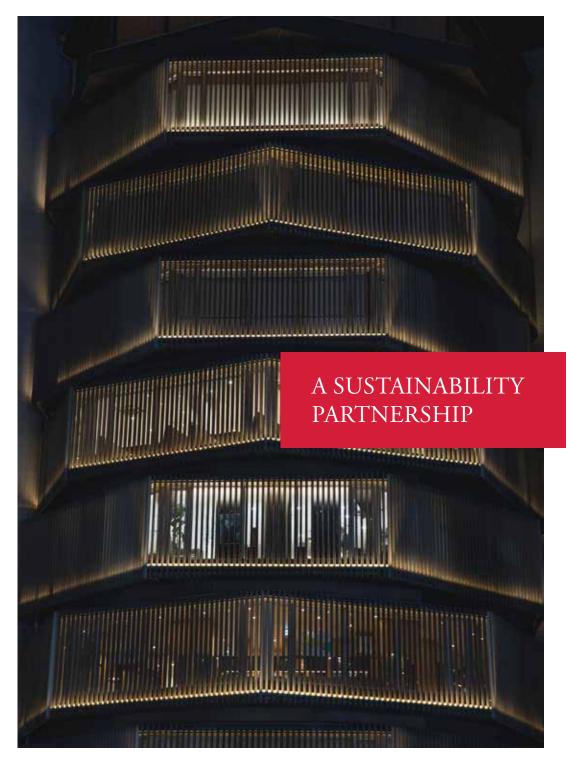
Shelter is the backbone of a civilized society and is facing unparalleled failure risks unlike any time in history.

Investment Managers of Real Property
Portfolios are being flanked on multiple fronts
with unprecedented levels of operational,
regulatory, and marketplace risks ranging from
climate abatements, tenant dislocations, energy
inflation, banking and capital markets access,
regulatory compliance, and the like.

To add to these concerns, investors are now faced with a multifaceted entanglement of risks ranging from price volatility, margin compression, net zero commitments, and scope 3 emission reporting. The punitive nature of non-adherence to these standards related to valuation, appeal, or profitability, is creating unparallel situational risk to real property portfolios.

What has become clear is that Scope 3 standards is a clear and present danger to asset backed capital management. The Investors of Tomorrow program is a "Risk Management' solution to the forces of failure plaguing industry today, helping operators engineer a financial arbitrage, of vertically integrated income streams as an offset to hedge untenable regulatory burdens, counterparty certifications, and operational volatility.





The Investors of Tomorrow program in its purest design and intention is to bring the institutional advantages of structured finance, sustainability CRE Tech systems, and next generation safety protocols to managers of critical infrastructure assets, providing a more resilient, sustainable, and profitable shelter business for our investors of tomorrow.

The Investors of Tomorrow program empowers our partners with a first mover advantage over their competition, the opportunity to increase net yield per yield per unit or square foot, capital stack omnichannel profitability to mitigate market and operational volatility, a roadmap for additional acquisition, and an increased importance as a net zero contribution vehicle for sustainability in regenerative real estate.

In the coming years, sustainably managed real estate will become one of the most valuable "Store of Value" assets in the world due to its sustainability features and investor demand for climate focused investments, along with the potential to drive sustainability on a massive scale to ensure that investors and operators will be capable of meeting the shelter needs of the 21st century and the planet's growing population.

#### THE FUTURE OF AN ALIGNED APPROACH

Regenerative Real Estate with sustainable and certified productivity enhanced improvements, vertically integrated revenue streams, outsized yield per unit or square foot, and renewable energy innovations to improve efficiency will elevate asset value and operational profitability, while extending owners and occupiers a future of prosperity and certainty.

In the coming years, sustainably managed land assets will become one of the most valuable "Store of Value" assets in the world due to its sustainability features and investor demand for climate focused investments, along with the potential to drive sustainability on a massive scale to ensure that investors will be capable of meeting the agricultural needs of the 21st century and the planet's growing population.



# VERTICALLY INTEGRATED: THE FUTURE IS GREEN

The Investors of Tomorrow Sustainability Bond program is like nothing the commercial real estate industry has ever seen, in fact, no program like this exists anywhere in the world of commercial real, residential housing, or structured finance.

In fact, our program has the potential to greatly improve the livelihoods of owners, asset managers, occupancy volatility, adaptation risks to net zero, and help fortify the sustainability of ecosystem services. Vertically integrated, sustainability solutions, whether CRE related, or financial related in nature, carefully woven together as a vehicle of sustainability, additionality, and contribution to a carbon free future in all things climate sensitive is elevating the value of real estate portfolios and enterprises around the country.

The Investors of Tomorrow program is unfolding a bright future for real property portfolios that is unexpected and is quickly becoming one of the most important programs to come to the CRE community in decades.







We celebrate life and the property owners that help sustain it. Royce Impact/
VARDA is leveraging sustainable finance, carbon science, technology, and emissions management to accelerate sustainable investment, driving resiliency, increased profitability, and enterprise appreciation across regenerative real estate.

For us, value creation is not just about generating financial returns for our sustainability partners, but in today's complex and challenging world, we are future focused on helping real property portfolios, de-risk the transition to the parameters of carbon free commerce and profit from the enterprise appreciation of what will soon become one of the most valuable investment classes in the world of sustainable investing.

Our vertically integrated, sustainability bond framework is financially engineered to capital stack a first of its kind, "Omni-Channel" income stream, protected against economic conditions, occupancy volatility, and counterparty audit. In an industry with highly variable returns from one year to the next, the Investors of Tomorrow program creates resiliency, stay ability, and sustainability, all in one program.

### INCOME STACK FOR ENTERPRISE APPRECIATION

The Investors of Tomorrow Sustainability Bond program is a vertically integrated, omnichannel income strategy engineered to increase operational profitability, enterprise resiliency and sustainability, improve counterparty relations, and increase cap rate valuation per square foot or per unit.

Constructed within a series of interconnected companies with a mandate to help regenerative property assets build valuable sustainability frameworks to compete in the carbon free marketplace and create circular investment partnerships for Royce Impact/VARDA.

Personal and professional shelter play critical roles in addressing climate change as it pertains to climate related investment risk, reversing climate impact, and supporting the livelihoods of critical infrastructure operators.

The Investors of Tomorrow Sustainability Bond program is curated to address the independent and unique needs of your operation, affording us the ability to grow with your enterprise over time, providing you with a framework for continuous improvement and capitalization.



Through our sustainability framework and with our sound auditing assurance procedures, you can be confident that your operation is not only growing in profitability and value, but is achieving lasting outcomes for communities and generations to come.

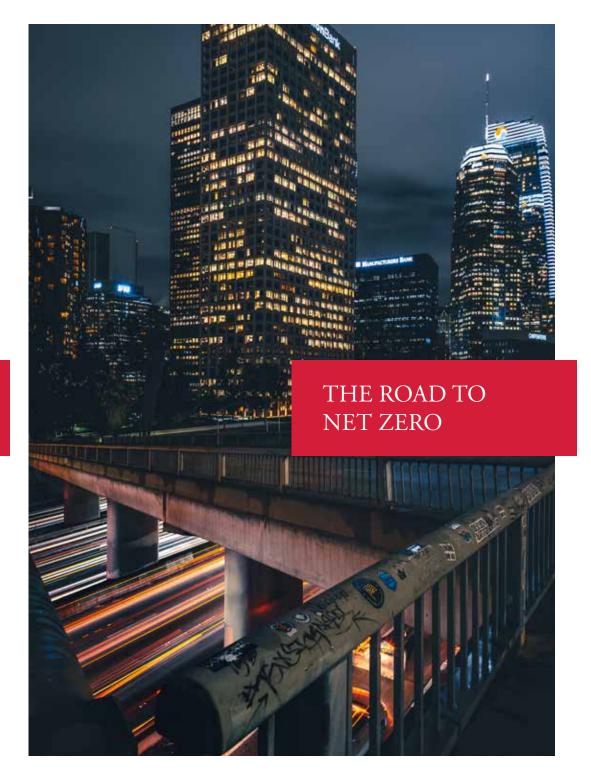
In the world of sustainable investing, we see enormous opportunity to make sustainability a smart financial decision for stewards of critical property assets, and a mechanism of sustainable investing, whereby creating a partnership of profitability in the transition to a net zero operation. A partnership of capital investment, asset protection, and continuing support of prosperity for our regenerative investment partnerships.

#### **NOTABLE ATTRIBUTES OF OUR PROGRAM:**

- Vertically Integrated Income
- Net Zero Operations
- Tier One Counterparty
- Cap Rate Growth

- Enterprise Appreciation
- Certified Carbon Management
- Increased Yield & Occupancy
- Hedge Commodity Volatility

ENTERPRISE VALUATION	SUSTAINABLE FRAMEWORK I CAPITALIZATION RATE MODELING I VERTICAL INCOME STACK I CONTRIBUTION VEHICLE IN CARBON FREE SHELTER
SUSTAINABILITY BOND	CIRCULAR INVESTMENT I NET ZERO EXPANSION I ASSET ACQUISITION
CARBON INSETTING	TIER ONE COUNTERPARTY I NET ZERO CERTIFIED I SCOPE 1 & SCOPE 2 EMMISSION REPORTING I CERTIFIED CARBON CREDITS
REGENERATIVE LAND ASSETS	SUSTAINABLE LAND MANAGEMENT PROGRAM I HEDGE COMMODITY VOLATILITY I SEASONAL CONDITIONS PROTECTION I ECOSYSTEM SERVICE PROVIDER



Nearly 40% of global carbon dioxide emissions come from the real estate sector. Of these emissions, approximately 70% are produced by building operations, while the remaining 30% comes from construction and can be linked to many global challenges, making this sector a very important stakeholder in achieving global net zero emissions.

The Investors of Tomorrow program was designed to help reverse the role of real estate and owners realize the benefits and true potential of transforming real estate into becoming a net-zero, nature-positive, structure-based technology, and contribution vehicle to the future of net zero.

Regenerative real estate and climate-smart measures designed to put real estate at the center of this movement, can help investment managers improve occupancy, turn structures into efficient carbon sinks, reverse emission output, and rethink global, and local real estate, to be more sustainable, and contribute to a net zero future.

#### THE RACE TO 2030 AND BEYOND!

Climate-smart real estate can lead the race to achieve net-zero, nature-positive results by 2030. Investors are at the forefront of this movement and our priority is to help asset managers and owners transition shelter for personal and professional use in an equitable and resilient manner.

The Investors of Tomorrow program is a partner focused program helping investors derisk transition and adopt regenerative practices to step change the speed and scale at which we can implement, certify, and deliver a holistic package of goods and services into the economy all while maintaining net zero operations.

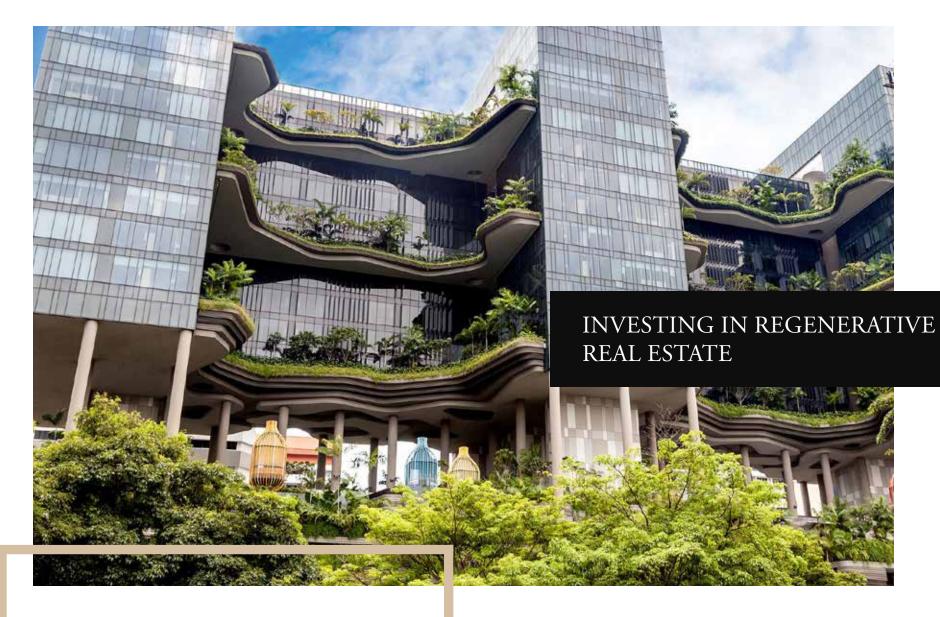
#### INVESTING IN THE SHELTER SYSTEMS OF TOMORROW

We know that the investors are faced with untenable challenges if not addressed in an appropriate and timely manner. We help investors finance and transform real property assets cut greenhouse emissions, build healthier structures, create more sustainability, and ensure that investors are properly incentivized to care for their assets that is equitable to the contribution provided as a net zero facility or operator.

These interventions allow companies to achieve corporate sustainability goals, whilst building climate resilience and supply chain stability at the heart of their operations, future proofing their businesses. Together we can build the regenerative shelter systems for the marketplace that is looking regenerative real estate as a solution to meet their corporate sustainability goals.

Carbon Insets represents the actions taken by The Investors of Tomorrow to fight climate change within its own value chain in a manner which generates multiple positive impacts, creating resiliency, stay ability, and sustainability in regenerative agriculture.





SUSTAINABLE PLAN

# UNLEASHING THE SUPERPOWER OF REGENERATIVE AND RESILIENT REAL ESTATE

The Investors of Tomorrow are leveraging the awesome power of nature, science, finance, and technology to increase the resiliency and profitability of their real property portfolios and investment management enterprises.

Harnessing the ideas of innovation and capital allocation designed to help regenerative real estate for the population of business and people, and instituting enterprise developed solutions, meeting the needs of tomorrow and for many generations to come.





# REGENERATIVE FIXED INCOME FOR SUSTAINABLE REAL ESTATE

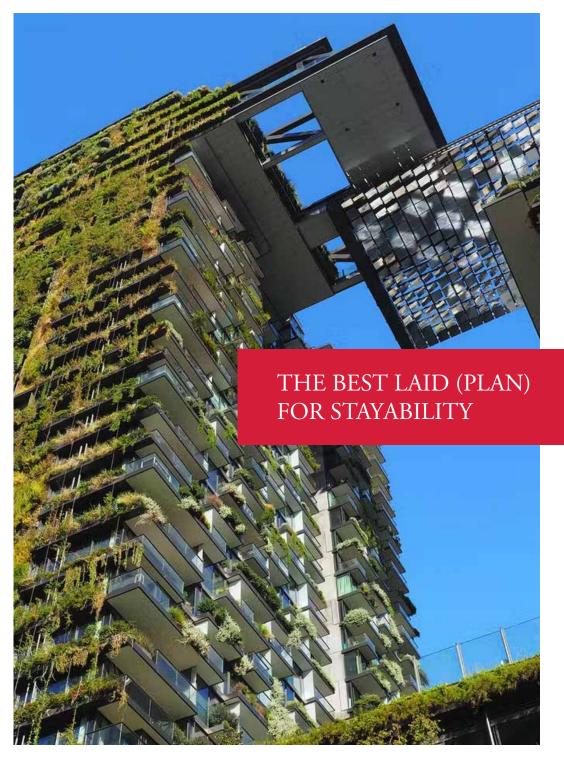
The Investors of Tomorrow
Sustainability Bond is giving stewards
of real property assets, unique access
to balance sheet liquidity and stored
portfolio value for investors building
resilient and sustainable regenerative
property enterprises.

#### TRANSFORMING SUSTAINABILITY ASSETS

Historically, most investors have taken a very linear approach to their operations – but that dynamic is quickly changing due to a changing regulatory landscape and shifting marketplace conditions.

We are witnessing the transformational power of "Regenerative Fixed Income" and expect this trend to continue as investors begin to exploit the structural advantages of our sustainability bond, and vertically integrated, cap stack strategies.





# FINANCIALLY ENGINEERED FOR A NET ZERO FOOTPRINT

Our "Sustainability PLAN" was designed to unlock the superpower of regenerative real estate to mitigate operational risk, market volatility, increase cash flow, maximize additionality investments, tier one certification, and meet the strictest of sustainability standards to ensure a carbon free future.

Our Sustainability Framework and vertically integrated cap stack strategy provides access to a unique and exclusive fixed income solution and suite of sustainability services only available to the Investors of Tomorrow.

# WHAT IS A PLEDGED LAND ASSET NOTE (PLAN)?

A pledged land asset note is a financially engineered equity arbitrage for asset managers of regenerative land and real estate assets, creating balance sheet liquidity and long-term investment income.

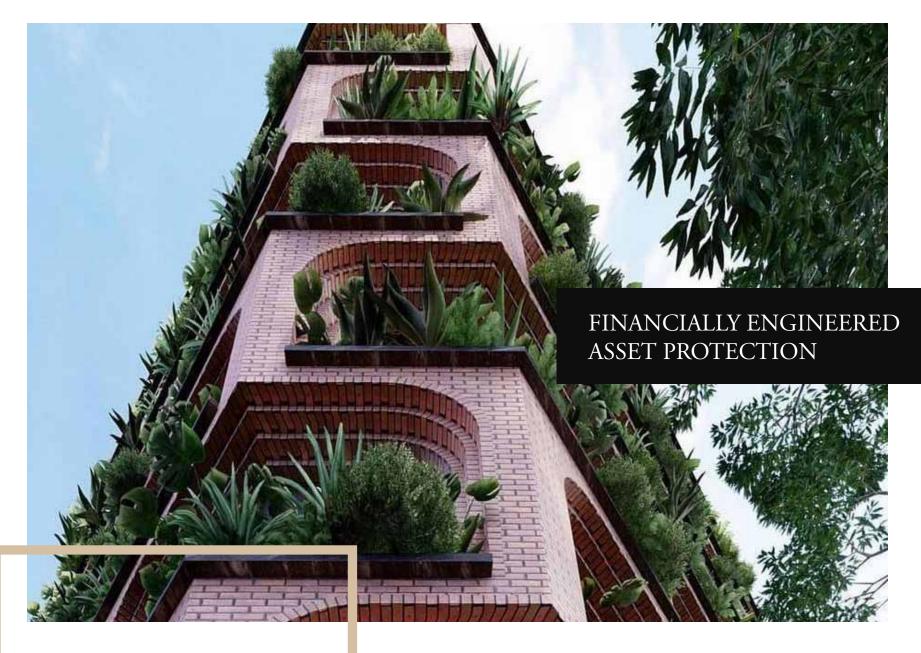
The Investors of Tomorrow "Sustainability PLAN" is the first of its kind and only available to asset managers seeking auditable, net zero, operations.

A "Pledge Land Asset Note" is traded in conjunction with a "Sustainability Linked Bond" at time of trade settlement, unlocking balance sheet liquidity and long-term investment income for regenerative land assets contributing to the net zero standard.

Our "Sustainability PLAN"
not only adds to the internal
and external additionality
metric for sustainability, but
also creates a partnership of
circular investment between a
sustainability focused insurance
company and regenerative land
and real estate assets that are
contributing to a carbon free
future.







**GREEN BOND** 

#### REAL ESTATE; AN ASSET CLASS QUICKLY ON THE RISE

The market for sustainable investing is growing at a pace that global asset managers and professional investors haven't seen in decades, creating enormous upside opportunities for future focused investors who take notice and posture for the future of sustainable shelter.





### STRUCTURED PARTICIPATING OFFERING

Since inception, we have been dedicated to investing in our communities, mobilizing our resources for impact, and caring for our environment and the economic health of our sustainability partnerships. The Investors of Tomorrow program affords us that opportunity to greatly expand our sustainable investment activities and have a meaningful and positive impact on the environment and the world around us.





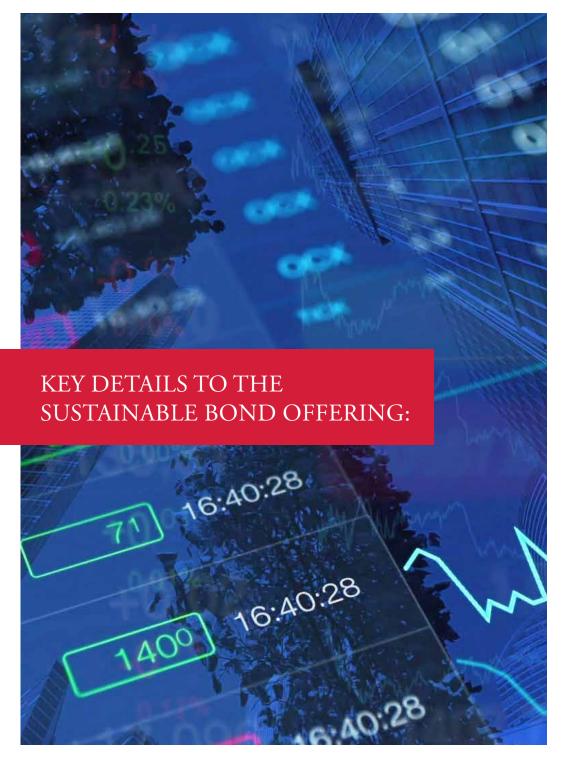


#### SHELTER IS THE BACKBONE OF OUR SOCIETY

The Investors of Tomorrow "Sustainability Bond Offering" and "Structured Participation Strategy" provides a unique opportunity to our "Investors of the Future" to hedge increased regulatory standards and ever increasing counterparty risk, reduce operational friction, increase yield and net profitability, and elevate the importance and asset value of the real property portfolio.

We take a "Growth & Yield" approach to our partnerships; releasing us from the shackles of yesterday's ideas and affording us the flexibility to re-think the traditions of finance and asset optimization, giving our partners marketable advantage over their industry contemporaries.

This optimized structure was developed by some of the most accomplished thought leaders in the world of structured finance, capital markets, institutional insurance, emission management, and renewable energy trading. Our Sustainability Framework is unlike any other financial and sustainable services construct, greatly improving the resiliency and value of our coveted communities, the environment, and the families that rely on all of us to do the right thing.



- Asset & Volatility Arbitrage (Hedge Against Crop & Labor Volatility I Regulatory Risk)
- Enhance Gross Income Per Acre (Fixed Income I Long Term Dividend)
- Increased Land Value (Cap Rate Valuation I Carbon Offset Demand I Net Zero Operator)
- Investment Grade Proxy (Senior Tranche I Structured Participation I Circular Investment)
- Excess Loss Protection (Equity Capital I First Loss Protection I Mezzanine Tranche)

The Investors of Tomorrow program and our structured participation strategy was designed as an "Asset Protection" strategy utilizing the mechanisms of securitization to create a vehicle of sustainable investing for our clients.

Our priorities are to bring the institutional advantages of structured finance to the investors of critical infrastructure land assets, incorporating sustainability frameworks that protect against regulatory risk, increase resiliency and net revenues per asset, providing an efficient roadmap for additional asset acquisition and contribution capacity, greatly increasing the trade value of the Real Estate Enterprise.

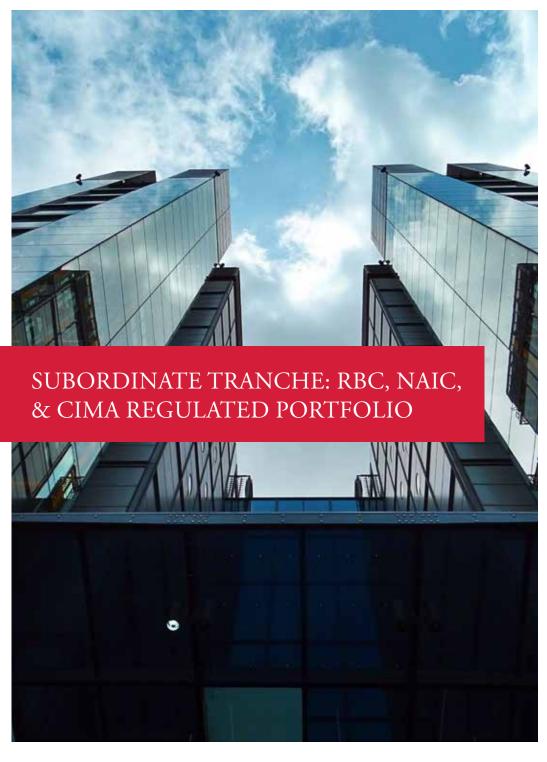
### PINNACLE

Royce Impact ADVISORS STRUCTURED PARTICIPATION POOLS

SENIOR	SUSTAINABLE NOTE PROTECTED PORTFOLIO
MEZZANINE	EXCESS OF LOSS COVERAGE
SUBORDINATE	RBC, NAIC, & CIMA REGULATED PORTFOLIO

#### **STRUCTURED INTO 3 TRANCHES:**

Subordinate	Asset & Credit Backed Portfolio	RBC, NAIC, & CIMA Regulated Protection
Mezzanine	Excess of Loss Coverage	Equity Capital Risk Offset Protection
Senior Protected	Sustainable Bond Arbitrage	Sustainability Linked Investment

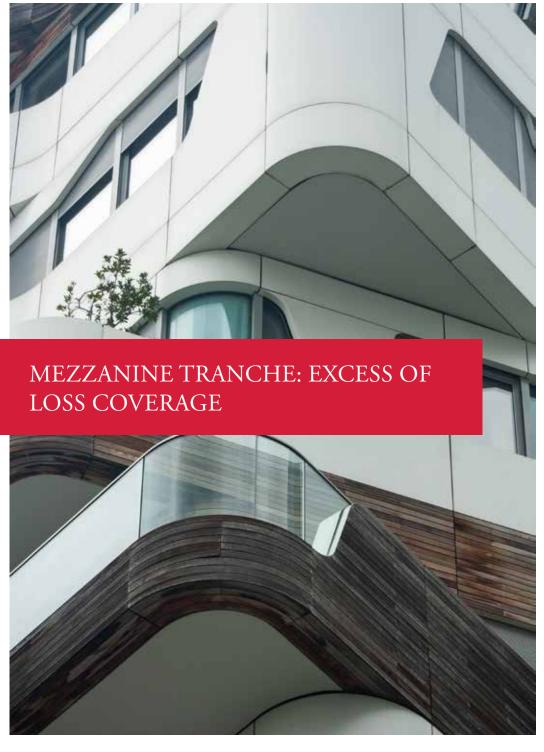


#### **REGULATED RISK BASED CAPITAL (RBC)**

Regulated Risk Based Capital (RBC) Regulators are charged with ensuring that insurance companies can fulfill their financial obligations to policyholders. One way they do this is by imposing a risk-based capital (RBC) requirement.

Developed by the National Association of Insurance Commissioners (NAIC), Risk Based Capital testing is a regulatory policy and risk management tool used to determine the financial solvency of insurers and reinsurers daily as a mechanism to protect against systemic investment risk and portfolio solvency.

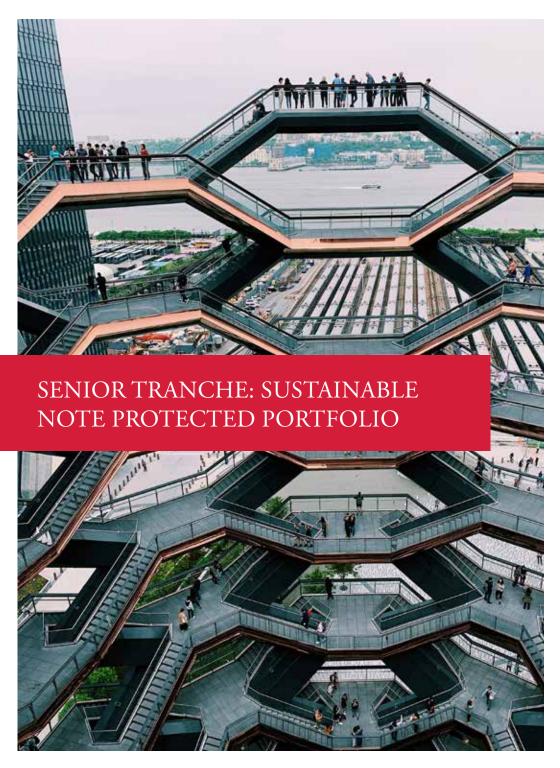
Royce Impact/VARDA has the privilege of serving the most accomplished of our society. High performing portfolio returns are a discipline of conservative risk taking with a long duration time horizon. This conservative discipline is at the very core of our investment management agreement. Our (RBC) Risk Based Capital Targets and Investment Allocation will be centered on acquiring High Grade, Long Duration, A Rated Fixed Income Securities supported by Super Prime, Private Client Credit backed by High Value Real Estate Assets.



### **EQUITY CAPITAL RISK OFFSET PROTECTION**

Our Structured Participation strategy is a synthetic combination of traditional risk of loss reinsurance and structured securitization. Optimizing the benefits of these risk management vehicles in a private placement transaction enables our investment partners the ability to take a position in the capital stack based on regulated risk tolerance, all the while maintaining our priority of protecting the senior tranche against any form of exposure to portfolio impairment.

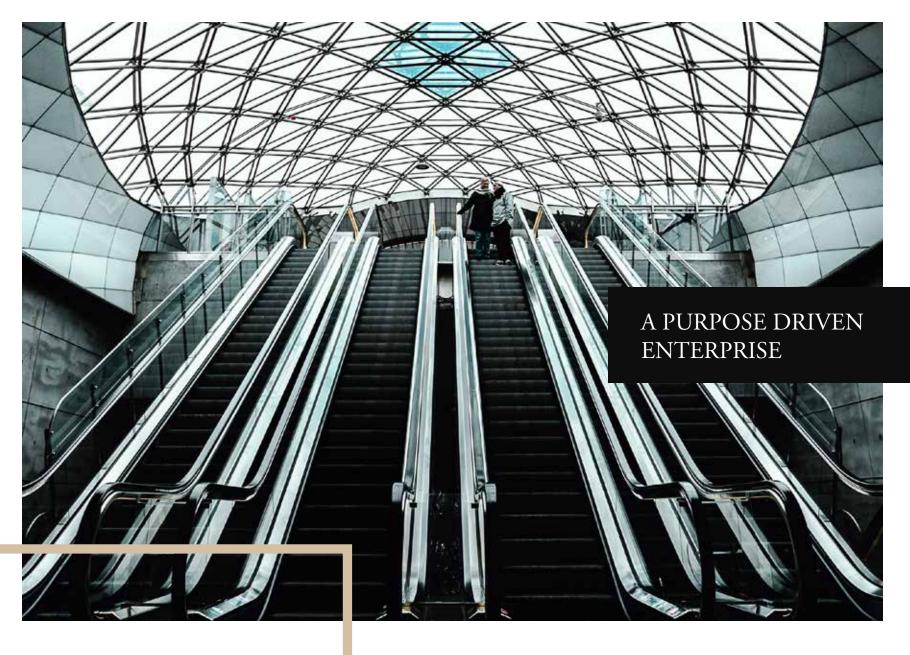
The placement of our Excess of Loss, Mezzanine Layer, sitting between the "Asset Protected Senior Tranche" and the "Asset Backed Subordinate Tranche" creating an investment grade proxy in the most efficient way to obtain institutional level risk management protection in a private placement transaction.



#### **INVESTMENT GRADE PROXY**

The Investors of Tomorrow Sustainability Bond Structure coupled with the senior and subordinate mezzanine stack, creating a private placement, investment grade proxy, is the first of its kind in the world of Real Estate. Our Sustainability Bond is financially engineered for optimizing net return on equity while benefiting from the systemic protection layered into our credit risk assurance model.

An idea born by its founders with one motive in mind; help investors unlock the assets at their disposal to compete with the market forces of regulation, affording them an opportunity to not only comply, but to flourish. Our program helps unlock balance sheet value in a manner that opens the advantages of institutional capital and private placement securitization, circumventing the pitfalls of traditional collateralized obligations.



**OUR STORY** 

At Royce Impact/VARDA, we celebrate life and the investors that help sustain it. Royce Impact/VARDA provides investors with innovative capital solutions, unlocking enterprise value that builds stronger producers of the world's critical infrastructure needs.

Royce Impact/VARDA is co-founded by John Royce Lynch, CEO of Royce Impact Holdings, Inc and Anatoly Burman, former Vice President of SunAmerica/AIG Life Insurance Company and now President, and CIO of Varda Holdings Ltd., Paul Murphy, Director and General Counsel, Varda Holdings Ltd.

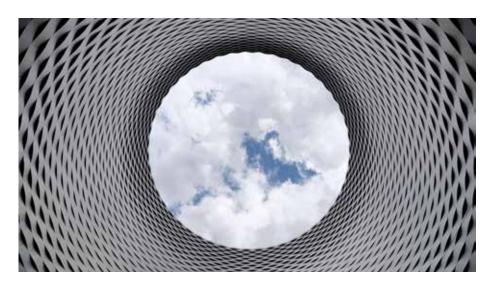
Royce Impact Holdings, and its family of companies are committed to serving the needs of the high net worth.

Royce Impact is a diversified financial enterprise curating private client solutions across all major commercial and residential asset classes.







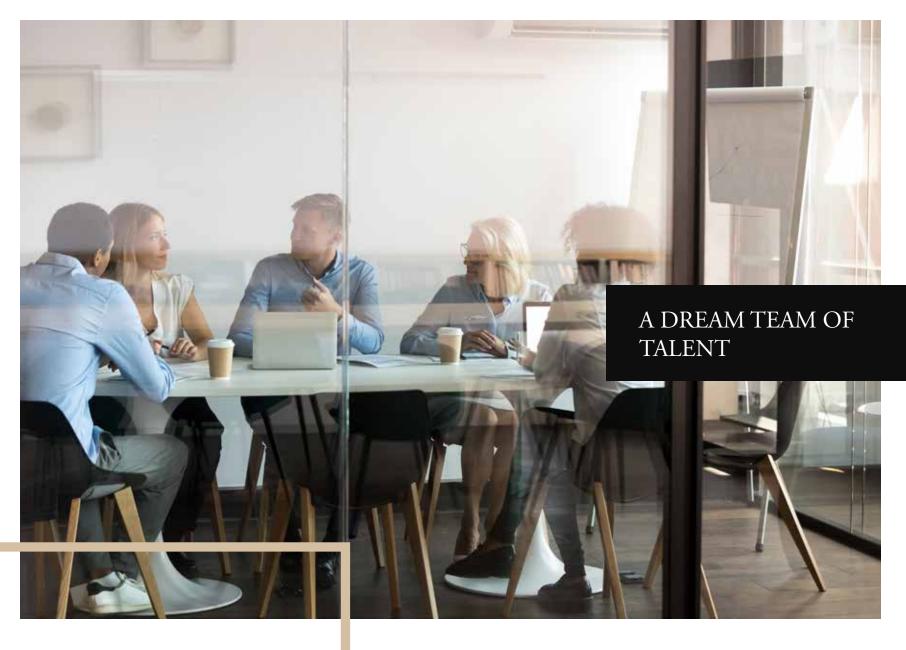


Varda Re, a Cayman-based reinsurance company, and wholly owned subsidiary of Varda Holding Ltd. Varda Re's core business is Fixed Annuity Reinsurance, partnering with U.S Based Life and Annuity Insurance Companies to mitigate Life Insurers capital requirements, enhance their presence in the retirement market and improve financial results.

Our founders and management team leverages 150+ years of combined experience to create opportunities in today's evolving retirement marketplace for the growing number of individuals nearing retirement.

For Royce Impact/VARDA, value creation is not only about generating financial returns for our partners, but also — and especially in today's complex and challenging world — driving positive environmental and social impact in the communities where we live and operate.

By applying decades of investment expertise across our vertically integrated platform, we believe we are well positioned to support the Investors of Tomorrow in the decarbonization of industry and the drive to a net zero future.



**LEADERSHIP** 

### John Royce Lynch CEO, ROYCE IMPACT HOLDINGS, INC

John Royce Lynch, Founder and CEO of Royce Impact Holdings, Inc. is responsible for providing senior leadership and strategic direction to Royce Impact's credit, insurance, and asset management businesses. What began as a linear venture has morphed into a vertical integrated, global organization and industry leading incubator of ideas pushing the boundaries of innovation in the new era of highnet-worth financial services.

Prior to founding Royce Impact, John Cofounded Secured Funding Corporation, an online specialty finance company, and grew it into the nation's largest privately held independent loan originator of subordinate lien financing and a category leader.

Known for his intense commitment to his work, John is recognized as one of the industry's top entrepreneurs and origination experts, with a track record of growing some of the most respected companies in the financial services industry. His portfolio of companies is diverse,

with operating entities in financial services, fintech, marketing, and communications.

### Anatoly Burman PRESIDENT, CIO, VARDA HOLDINGS, INC.

Anatoly Burman, President, Chief Investment Officer is responsible for overseeing the execution of the firm's overall investment strategy. His primary responsibilities include the portfolio of the firm's investments to maximize risk and return balance, oversight of all internal and external market professionals, and manage all structured product securities, collateral, and credit quality.

Anatoly joins the firm with over 37 years of experience in analyzing, structuring, assessing ALM suitability, trading securities and managing portfolios for insurance companies and institutional investors. His coveted career spans across many notable ventures ranging from the founding of the Structured Products Group at Aladdin Capital, managing \$13bn of structured product assets, CDO's, hedge funds, SMA, and ABCP conduit. Prior to joining Aladdin, Anatoly served in the capacity of Vice-President/ Senior Portfolio Manager at SunAmerica/AIG Insurance company, managing over \$40bn of investments in asset-backed, mortgage-backed securities and other structured assets,

across life companies, total return portfolios, securities lending, and short duration portfolios. Additionally, Anatoly managed public, private placements, and 144A structured securities for New York Life and AMBAC.

He previously ran the research department at Mabon Securities, and authored a weekly publication on market trends, prepayment analysis of MBS, analysis of ABS, and trading models of new structured products. Anatoly received his BA in Economics and Computer Science from Rutgers University and his MBA from Fairfield University. He holds Series 24, 7 and 63 licenses.

# Paul Murphy DIRECTOR, GENERAL COUNSEL, VARDA HOLDINGS, INC.

Paul Murphy, Founder, Director and General Counsel of Varda Holdings, Inc and is responsible for all legal and regulatory oversight of the Cayman Reinsurance Enterprises. This includes sourcing, negotiating, and managing reinsurance treaties, supervising custodian and trustee relationships, operational oversight and ensuring the reinsurance company's investment portfolio is compliant with all applicable laws and regulations. Paul takes a proactive role

in business development for Varda Re which includes cultivating accretive relationships with best-in-class service providers and other counterparties.

Paul has over 18 years of extensive experience in multi-national insurance, reinsurance, regulatory, capital markets and restructuring law which includes positions as general counsel and chief operating officer of a Cayman Islands reinsurance company. He is a director and consultant to several offshore financial institutions including funds, charitable organizations and other regulated entities and has specific experience managing various

structured financial instruments such as collateralized loan obligations and mortgage-backed securities.

Paul received his BA (Hons) in History from Durham University before being awarded a full scholarship by Gray's Inn to complete the bar vocational course. He was called to the bar of England and Wales in 2004, moved to the Cayman Islands in 2012 and was a recommended attorney by the Legal 500 in 2017 and 2018 before leaving private practice to pursue opportunities in reinsurance and other financial institutions.

### Kyle Diehl President, investment banking, Capital Markets, royce impact Holdings, inc.

Kyle Diehl, President, Chief Investment Officer is responsible for overseeing the execution of the firm's M&A, Capital Markets, and Investment Banking strategy. His primary responsibilities include implementing the firm's strategic growth plan, executive oversight of enterprise growth initiatives, including new business expansion, mergers and acquisitions, and business development.

His tenure in international investment, and as a global markets professional is impressive with over 20 years of experience in analyzing and structuring secured equity and private placement investments, international banking, sovereign trusts, capital markets, and private investment banking. The breadth of his impressive career spans across many ventures and across the globe with experience in international commercial banking primarily with Latin American Public Sector and Banking Companies. Recent consulting experience in, Kabul, Afghanistan, Tirana, Albania, and Amman, Jordan.

Additionally, he served as Managing Director and Chief Financial Officer (CFO) of Investment Partnership and operating investment firm investing for its own account in specialized business situations, responsible for definitive testimony, fairness opinions, and corporate valuation services for closely held private companies. Instituted and managed underwriting activities focused on transactions \$5-75 million. Managed participation in regional and national syndication as manager, co-manager and selling group member, completing over 500 underwriting transactions. Kyle received his BA in Economics from University of California at Berkeley.

# Joe McKnight COO, GENERAL COUNSEL, ROYCE IMPACT HOLDINGS, INC.

Joe McKnight, COO, and General Counsel is responsible for overseeing the firm's compliance, operations, and risk management programs. His primary responsibilities include helping develop and implement the firm's strategic growth plan, executive oversight of enterprise growth initiatives, including new business expansion, mergers and acquisitions and business development.

Joe brings many years of experience as a partner and advisor to growing vertically integrated asset management firms. In 2006, he joined ECC Capital Corporation, a publicly traded C-Corp (previously a REIT) that invests in residential mortgage loans as Director of Legal, Executive Vice President where he developed and managed innovative investment structures designed to maximize investment value, and managed all regulatory compliance, licensing, and litigation.

Additionally, he managed ECC's mortgagebacked securitizations and servicing related to those securitizations. Joe has served as an active partner to a variety of asset managers during his career, providing legal and operational guidance to enhance market opportunities, business growth, corporate best practices, and strategic direction.

Since 2015, Joe has served as Co-Chair for the Special Olympics' annual gala the Heart of a Champion. He's a current executive board member of Age Well Senior Services providing critical services, resources, and programs to seniors living in South Orange County. Joe attended Gonzaga School of Law receiving his Juris Doctorate in 2006, B.S. in Philosophy from California State University Fullerton, and Harvard Business School Executive Education.

### Andrea Korney EVP, SUSTAINABILITY & ESG, ROYCE IMPACT HOLDINGS, INC.

Andrea Korney, Executive Vice President, Sustainability & ESG is responsible for overseeing the Royce Impact/VARDA'S corporate sustainability strategy and targeted ESG performance metrics. Drawing from her extensive experience, she will help develop and oversee all regenerative land development, ethical supply chain, carbon sequestration, and sustainable energy initiatives, capitalize on strategic opportunities, and continue to drive responsible, and profitable growth for Royce Impact/VARDA.

Andrea has over 16 years of extensive experience in sustainability and supply chain emission management, supplier diversity, and inclusion. Prior to joining Royce Impact/VARDA, she was Vice President of Sustainability for Frostbyte Consulting, the world's leading provider of environmental and safety management information systems (EMIS) providing solutions in scope 2 and 3 emissions, carbon, water, and energy management.

Andrea serves as Ambassador to the U.S.

Department of Energy (DOE), advising on
the Equity in Energy Committee focused on
creating opportunity and access to energy
resources. She is a board member of CAMSC.

an NPO that certifies & prepares diverse suppliers to successfully engage & respond to corporate and government buyers. She received licensed certification from Wharton University in ESG risks, opportunities, climate, and social impact. Andrea received her MBA from Ivey Business School at Western University.

# Thien Nguyen MANAGING DIRECTOR, CAPITAL MARKETS, ROYCE IMPACT HOLDINGS, INC.

Thien Nguyen, Managing Director, Senior Portfolio and Capital Markets Manager is responsible for the structuring and management of our income and credit access vehicle through our proprietary structured participation offering for syndicate investors.

His tenure as a structured finance professional is impressive with over 20 years of experience in

trading, securitization, portfolio management, business, and infrastructure development. His daily focus is on building and managing strategies within the residential mortgage-backed securities market as well as managing the interest rate and credit risk exposure across Royce Impact/VARDA'S family of companies.

Thien began his capital markets career in 1997 and has investment experience across multiple sectors of the fixed income market. Prior to joining Royce Impact, he was Vice President of RMBS & ABS Investment at Cerberus where he led the group responsible for developing

the fixed income mortgage investment and valuation platform. The investment opportunities, in cash and synthetic securities, included ABX, CDS, whole loans, ABS, RMBS, SIVs, ABCPs and CDOs. Other notable positions include Senior RMBS Portfolio Manager at Redwood Trust, and Vice President of Trading at Falcon Bridge Capital (Carlyle Fixed Income Group).

## Irma Smith EVP, CREDIT RISK & OPERATIONS, ROYCE IMPACT HOLDINGS, INC.

Irma Smith, EVP, Credit Risk & Operations for Royce Impact Holdings, Inc. is responsible for and oversees direct production and its associated teams, including processing, underwriting, and closing. Irma has over 30 years of experience in residential lending, with extensive knowledge in the management of credit risk, credit underwriting, quality control policies and fraud prevention measures in super prime, private client lending.

Irma's ability to identify and implement exceptional improvements has enabled her to enhance every department or channel with which she has worked since she joined Royce Impact in 2019. She also has been instrumental in the development of key underwriting process improvements as well as with mentoring colleagues who have gone on to see continued success with the company. Irma has led both start-ups and expansion of existing mortgage operations and has held coveted industry positions such as President of Operations at Secured Funding Corporation, the nation's largest privately held Home Equity Lender courted for acquisition by Capital One Financial Corporation.

### Ron Black CHIEF FINANCIAL OFFICER, ROYCE IMPACT HOLDINGS, INC.

Ron Black, Chief Financial Officer, is responsible for all aspects of Royce Impact Holdings, Inc's financial actions, including its accounting, treasury, tax, corporate finance and investor and lender relations activities.

Ron has held leadership roles that include a variety of executive positions within capital management, mortgage lending and financial

services industries. Ron, previously served as the Chief Accounting Officer for Carnegie Mortgage LLC, a subsidiary of Grand Bank NA. Prior to Carnegie, Ron also served in the capacity of Chief Financial Officer responsible for Accounting, Treasury, Facilities and Information Systems for Town & Country Credit, a subsidiary of Ameriquest Financial and Encore Credit, a subsidiary of ECC Capital Corporation.

Ron is an experienced financial services executive with nearly 30 years of industry experience beginning his career at Deloitte. He received his Bachelor of Arts degree in Accounting from Brigham Young University.

### Casey Turner EVP, ENTERPRISE RISK & OPERATIONS, ROYCE IMPACT HOLDINGS, INC.

Casey Tuner, EVP, Enterprise Risk & Operations, is responsible for all aspects of Royce Impact Holdings, Inc. enterprise risk management. Her impressive track record and depth of experience in operational risk management and compliance is crucial to Royce Impact's ongoing commitment to establishing new products, new services, and advancing our deep commitment to the private client experience.

Most recently, Casey served as Director of Compliance for LoanSnap, Inc., a venture funded, fintech mortgage origination platform, advising on operational compliance, staff training, process design, and risk management frameworks. Previously, she held the position of Director of Operations for DLJ Financial, and has served as member on Asset Liability, Enterprise Risk, and Business Strategy Committees. Casey holds a Bachelor of Science Degree in Science from the University of Nevada at Las Vegas.

# Krista Tucker EVP, ENTERPRISE OPERATIONS & ADMINISTRATION, Royce Impact HOLDINGS, INC.

Krista Tucker, EVP, Enterprise Operations & Administration is responsible for enterprise operations, vendor management, employee experience, and serves as a strategic partner on enterprise-wide cross-functional initiatives. Krista has demonstrated expertise in her ability to efficiently manage major components of the enterprise along with the development of its administrative policies and practices.

Prior to Royce Impact, Krista served as Chief Operating Officer at Avid Law Center and as Project Manager at Secured Funding where she relied on her extensive experience to plan and execute for each organization. Krista has acquired a wide range of skills that she has added to her career as well as her schooling at Mesa State University where she retained her bachelor's degree in Business Management.

### Jason Jepson EVP, MARKETING & COMMUNICATIONS, Royce Impact HOLDINGS, INC.

Jason Jepson, EVP, Marketing & Communications is responsible for all aspects corporate communications, strategic communications planning, media relations, social media outreach, reputation management, and employee communications.

Prior to joining Royce Impact, Jason served as a managing partner for the Experience Firm.

Jason also served as CMO for Wild Tonic, SVP at Mota, and Vice President at Treble Public Relations. Jason has led communications on two separate billion-dollar acquisitions. Mr.

Jepson is an industry veteran with over 20 years of experience in all facets of corporate and crisis communications, marketing, public relations, and corporate strategy. Mr. Jepson received his BS in Communications from Vanguard University.

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