



Product-level disclosure, Amaron Real Estate Fund AB

Information on Amaron Fund Management AB's ("Amaron", the AIF Manager or the "Company") considerations on sustainability-related aspects on a product-level in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The regulation aims to provide more transparency on sustainability within the financial markets in a standardised way, thus preventing greenwashing and ensuring comparability. This document describes Amaron's ESG-efforts on a fund level and is valid for any fund Amaron is managing. Sustainability risks involve environmental, social or governance-related events or conditions that, if they occur, may have a material negative impact on the value of the investment.

Integrating sustainability risks into investment decisions

The fund's Due Diligence process is carried out in accordance with the fund's Investment strategy & policy and the fund manager's ESG policy. During the Due Diligence process potential sustainability risks are investigated and evaluated. Sustainability risks are considered in Amaron's investment decisions and evaluation of these may lead to an investment not being carried out.

Sustainability risks associated with an investment in any fund managed by Amaron, that may adversely affect the Funds include, but are not limited to, the following risks:

- Climate impact and fossil fuels;
- Climate change (risk of weather-related disasters such as storms, floods, etc.) - risk of increased costs;
- Energy efficiency, lack of energy supply etc; and
- Environmentally hazardous substances - risk of high costs for contamination, health risk or the manager's reputational risk.

If Amaron would not consider these or other sustainability risks effectively, this may have a significant effect on the fund's annual performance as well as the total market value of the real estate portfolio by the time the fund is liquidated.

Transparency on environmental sustainability and social factors

The funds promote environmental characteristics in accordance with Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, the Disclosure Regulation, which is achieved



through the Due Diligence process Amaron performs on each potential investment and the ongoing monitoring of the fund investments.

Description of the environmental objectives that are promoted in the fund's management

The environmental objectives promoted by the funds, consist of investing in environmentally underperforming or underdeveloped properties by improving their environmental performance.

Amaron do not exclude investing in properties already considered as- or certified as green buildings.

Methods used to promote environmental purposes

As part of the acquisition process, Amaron carries out a Due Diligence process for investment analyses, including evaluation of potential sustainability risks and opportunities. Based on which measures are identified, Amaron may implement measures during the management period to improve the properties' environmental performance. This may, for example, involve additional insulation, the installation of solar energy panels, rapid-closing doors or airlocks or the installation of charging stations for the tenants' electric cars.

Identified improvement possibilities and conclusions are included in the final investment evaluation. During the management period, the funds actively strive to contribute to a sustainable improvement of each investment. During the management period, Amaron's portfolio manager is responsible for monitoring all property investments, including its sustainability effects such as energy efficiency and electricity consumption.

The portfolio manager reviews and follows up on all investments annually to ensure that every investment meets its expected financial goals. The results of the review are reflected in each property's business plan for the coming year. In addition to financial results, the business plans also include results related to sustainability and how the properties continue to fulfil their expected environmental goals.

Screening criteria for the underlying assets and relevant sustainability indicators

Amaron collects information on environmental statistics directly from electricity distribution companies or other sources that may offer relevant statistics. Amaron is foremost, on an ongoing basis reviewing:

Environmental:

- Energy consumption
- Location and transport
- Land contamination
- Materials
- Hazardous substances



- Potential climate change impact
- Waste management

Social:

- Controversial tenants
- Investor relations/communication
- Health and safety
- Community development

Governance:

- ESG-clauses in existing leases
- Data protection and privacy
- Compliance with laws and regulations

Management Best Practices

Amaron's commitment to support an environmental progress is a part of what Amaron considers to be best practice when it comes to managing a real estate portfolio. In addition to the kind of properties the funds invest in, it also is reflected in a reliable and efficient governance structure out of a sustainability perspective.

Information on how the characteristics is fulfilled

Environmental, social and corporate governance-related issues are included in Amaron's business model, including in the investment process, business plans and reports to the investors. Amaron shall at least on an annually basis provide information on the fund's ESG work to the fund investors.