

## Areim entity level website disclosures

Information regarding Areim AB's ("Areim") considerations regarding sustainability related aspects in accordance with the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (*the "Sustainable Finance Disclosure Regulation, SFDR" or the "Disclosure Regulation"*).

### **Integration of sustainability risks in the investment decision making process**

A sustainability risk means "an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment".

As part of the acquisition process for a potential investment, Areim performs an in-depth analysis in accordance with Areim's *Policy on Investment Decisions and Procedures for Real Estate Funds*, including identification of sustainability risks and potential related mitigative actions. Where any sustainability risks are identified during the investment analysis process and are deemed possible to mitigate as part of the development of the investment, those mitigative actions are included in the relevant investment's business plan.

The final analysis and proposal for the potential investment, including the business plan, are presented to Areim's Investment Committee (the "IC") in a final investment memorandum for review and assessment. Following the assessment, the IC makes investment decisions considering all risks identified during the investment analysis process, including any sustainability risks.

### **Remuneration policy**

Areim has a total remuneration model consisting of both fixed and variable remuneration. Variable remuneration is based on the fulfilment of criteria both on a company level and an individual level, including an individual's compliance with policies and procedures related to the impact of sustainability risks on the investment decision making process and not taking excessive risk in relation to sustainability risks.

### **Consideration of principal adverse impacts of investment decisions on sustainability factors**

#### *Policies on the identification and prioritisation of principal adverse sustainability impacts and indicators*

Areim considers the principal adverse impacts of investment decisions on sustainability factors as part of its investment analysis due diligence process, taking due account of Areim's size, the nature and scale of its activities and the types of financial products Areim makes available, by identifying, assessing, measuring and monitoring the principle adverse impacts in accordance

with the *transaction process due diligence template* in Areim's *Policy on Investment Decisions and Procedures for Real Estate Funds*.

Any principal adverse sustainability impact identified during the due diligence process, are monitored and potential related mitigative actions are considered in the relevant business plan for such investment.

#### Principal adverse sustainability impacts

Considering Areim' nature of its activities, the principal adverse sustainability impacts considered within Areim's investment analysis due diligence process include the following:

- Consumption of energy, water, waste and CO2
- Energy efficiency
- Biological diversity
- Chemical use
- Hazardous elements

Areim takes the following principal actions to identify, assess, measure and monitor the principal adverse sustainability impacts:

- Identification of any principal adverse sustainability impacts are part of Areim's investment analysis due diligence process of a potential investment.
- Where material adverse impacts have been identified with a proposed investment, the impacts are assessed and measured, and possible mitigative actions are explored. Relevant information including possible mitigative actions are provided to the IC as part of the final investment memorandum.
- Adverse sustainability impacts and progress on mitigative actions, where relevant, are monitored during the development phase and as part of the annual business plan review process. Any further actions identified during such monitoring, where applicable, will be reflected in the business plan for the next period.

#### Adherence to responsible business conduct codes and internationally recognized standards for due diligence and reporting

Areim's strategic approach to sustainability is based on aligning the business with the Global Goals for Sustainable Development and the Ten Principles of the UN Global Compact, in addition to complying with all relevant national and international legislation. Furthermore, since 2021, Areim is a signatory to the Principles for Responsible Investment ("PRI") and adheres to the Six Principles for Responsible Investment.

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