# Disclosure pursuant to Article 10 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

**Product name:** NRP 2022 AS, NRP Eiendom 2022 Invest I AS and NRP Eiendom 2022 Invest II AS, managed by Swiss Life Asset Managers Nordic AS (the **Manager**).

NRP 2022 AS, NRP Eiendom 2022 Invest I AS and NRP Eiendom Invest II AS are alternative investment funds. NRP Eiendom 2022 Invest I AS and NRP Eiendom 2022 Invest II AS are established for the purpose of providing investors financial exposure against an actively managed real estate portfolio. NRP Eiendom 2022 Invest I AS and NRP Eiendom 2022 Invest II AS will invest their available capital in NRP 2022 AS, which will make direct investments in real estate. NRP 2022 AS, NRP Eiendom 2022 Invest I AS and NRP Eiendom 2022 Invest II AS will therefore be subject to the same investment strategy and the same exposure to underlying investments. This disclosure is prepared as a joint disclosure for NRP 2022 AS, NRP Eiendom 2022 Invest I AS and NRP Eiendom 2022 Invest II AS (jointly the **Fund**).

## A. Summary

The Fund promotes environmental characteristics but does not have sustainable investments as its objective. The Fund strategy focuses on investments within the real estate sectors of logistics, office, warehouse, light industry and retail (including mixed use).

One of the Manager's overall goals is to increase ESG performance and the Manager has set tangible sustainability targets in the life span of the fund on environmental aspects and governance aspects.

Through the due diligence process, the Manager will identify whether a potential investment is aligned with the environmental characteristics of the Fund. The Manager has built an internal due diligence process applied for all investments which incorporates ESG-factors. The internal due diligence performed by the Manager seeks to identify ESG-related opportunities for the property and the underlying business case. The results from the ESG due diligence is implemented in post-investment business plans by, inter alia, identifying areas of improvement potential.

As defined by the ESG-policy of the Manager, the Fund will not invest in in companies that are involved in serious and/or systematic violations of widely accepted international norms of responsible corporate behaviour as regards human rights, working conditions, the environment, corruption, and financial crime. In addition, the Manager will not invest in companies that are directly related to the following industries: gambling, illegal and nuclear weapons, and adult entertainment.

Good governance practices in investee companies, with regards to sound management structures, employee relations, remuneration of staff and tax compliance, is assessed prior to making an investment in the internal due diligence process.

The environmental characteristics of the Fund, and the sustainability indicators used to measure attainment of those characteristics, are monitored throughout the lifecycle of the Fund by collecting information and data directly from investee companies. The Manager will process the data internally and engage with investee companies in order to identify and implement improvement measures. The Manager is utilizing additional tools such as checklists and information sharing opportunities, to further support the investment professionals in their identification and management of ESG factors within real estate investments.

The Fund is expected to only make investments that are aligned with the environmental characteristics of the Fund.

**B. No sustainable investment objective**

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

**C. Environmental and social characteristics of the financial product**

One of the Manager's overall goals is to increase ESG performance. In order to benchmark ESG performance, the Manager works with the international sustainable reporting system GRESB. With goals on a yearly basis, the Manager strives to achieve sustainability targets in the life span of the Fund within the following areas:

Environmental targets:

- Reduce energy use by 5 %

- Reduce water use by 5 %

- Reduce waste diverted from landfill with 5 %

- Reduce GHG emissions by 5 %

Governance targets:

- Zero fraud

- Zero bribery

- Zero corruption

**D. Investment strategy**

The Fund has a strategy where the Manager's investment approach is to seek to build a diversified portfolio with downside protection based on long-term investments with semi-annual distributions providing attractive risk-adjusted investor returns. The Fund strategy focuses on investments within the real estate sectors of logistics, office, warehouse, light industry and retail (including mixed use).

Good governance practices in investee companies, with regards to sound management structures, employee relations, remuneration of staff and tax compliance, is assessed prior to making an investment decision as applicable and relevant to each investment opportunity. Evaluation of governance practices are embedded in the internal due diligence. All potential investments must comply with the Manager's Code of Conduct. This includes issues related to:

(a) Child labour

(b) Forced or compulsory labour

(c) Bribery and corruption

(d)  Diversity and equal opportunity

(e)  Shareholder- and worker rights

Following an investment, the Manager will be represented on the Board of Directors in all portfolio companies, and its subsidiaries.

## E.  Proportion of investments

The Fund is expected to only make investments that are aligned with the environmental characteristics of the Fund described in section C above. No reference benchmark has been designated for the purpose of attaining the environmental characteristics promoted by the Fund.

All exposure is expected to be direct for NRP 2022 AS. Exposure to the underlying portfolio investments will be indirect for NRP Eiendom 2022 Invest I AS, through its investments in NRP 2022 AS.

## F.  Monitoring of environmental characteristics

The environmental characteristics of the Fund, and the sustainability indicators used to measure attainment of those characteristics, are monitored throughout the lifecycle of the Fund by collecting information and data directly from investee companies. The Manager will seek appropriate disclosures on ESG and sustainability related issues by the entities the Fund invests in.

The Manager has a monitoring system in place to assess the effect of measures that are applied in order to improve environmental performance during the ownership period. The monitoring system, Mestro, measures energy, heating, water, and waste for the investee companies, in addition to calculating the GHG-emissions based on these measures. This enables the Manager to actively monitor, analyse and compare each investee company. Most data are automatically reported monthly, but some manual data will be reported annually, but on a monthly basis. This makes it possible to see trends and outliers, making it a tool for the Manager to introduce a dialogue with the tenant to improve efficiency.

Internal control mechanisms include the Manager's governance framework, which stipulate that the Investment Committee and the internal compliance function will oversee the Manager's compliance with its internal guidelines and the mandate of the Fund. The Manager has established an internal due diligence process applied for all investments which incorporates ESG-factors, including how monitoring is planned to be integrated. This document is presented to the Investment Committee of the Manager and must be accepted before it is signed by both the Fund Manager and the Compliance Officer.

## G.  Methodologies

The Manager's methodology to measure the attainment of the environmental characteristics of the Fund is to collect information and data directly from investee companies on the sustainability indicators. The Manager will process the data internally and engage with investee companies in order to identify and implement improvement measures. The Manager is utilizing additional tools such as checklists and information sharing opportunities, to further support the investment professionals in their identification and management of ESG factors within real estate investments.

## H.  Data sources and processing

Data sources used to attain the environmental characteristics of the Fund are direct information collected from investee companies as well as the Manager's monitoring system. To ensure data quality, the Manager will assess the data received, and engage with the investee companies to identify potential errors. The data is processed internally by the Manager's team. Most data, such as energy- and heating-data, is automatically synced from the energy-provider, limiting the sources of error. The Manager may need to rely on estimations under specific circumstances where data is not readily available.

## I.  Limitations to methodologies and data

Any limitations to methodologies and data sources are expected to mainly be due to lack of precise data from investee companies. The Manager does not expect such limitations to impact the attainment of the environmental characteristics of the Fund. The Manager will continuously work with investee companies to enhance and improve data sources and will seek to implement automatic monitoring systems where this is possible.

## J.  Due diligence

Through the due diligence process, the Manager will identify whether a potential investment is aligned with the environmental characteristics of the Fund.

As defined by the ESG-policy of the Manager, the Fund will not invest in in companies that are involved in serious and/or systematic violations of widely accepted international norms of responsible corporate behaviour as regards human rights, working conditions, the environment, corruption, and financial crime. In addition, the Manager will not invest in companies that are directly related to the following industries: gambling, illegal and nuclear weapons, and adult entertainment.

Through the due diligence process, the Manager seeks to identify any environmental, social or governance concerns related to a potential investment. The Manager has an analysis-driven approach towards investment, which includes analysis of ESG factors.

The Manager has built an internal due diligence process applied for all investments which incorporates ESG-factors. This document is presented to the Investment Committee of the Manager and must be accepted before it is signed by both the Fund Manager and the Compliance Officer.

The internal due diligence performed by the Manager seeks to identify ESG-related opportunities for the property and the underlying business case. The results from the ESG due diligence is implemented in post-investment business plans by, inter alia, identifying areas of improvement potential. Tools, such as checklists, are used to support the investment professionals in identifying ESG factors related to a potential investment. The checklists include both exclusion criteria, in line with the ESG-policy of SLAM NO, and desktop evaluations of the potential investments in terms of efficiency (energy, water and waste), potential renewable energy sources and Green Building certifications.

In addition, for all potential investments a Technical Due Diligence and an Environmental Due Diligence will be performed by third party advisors. The due diligence processes include qualitative and quantitative assessments, covering both the technical aspect of the project and the efficiency of the building.  A KYC and AML-check will be performed on the selling company by the compliance function of SLAM NO.

**K. Engagement policies**

Following an investment decision, the Manager will actively engage with the investee company to work towards the predefined sustainability targets as set out in section C above. This may include identifying mitigating measures, such as implementing energy saving measures, reduce water usage and optimize waste management.

**L. Designated reference benchmark**

No reference benchmark has been designated for the purpose of attaining the characteristics of the Fund.