

# ABG Urban Development Partner Fund AS

Product Level Website Disclosure

*(In accordance with Article 10(1) of Regulation (EU) 2019/2088)*

---

## **Summary**

ABG Urban Development Partner Fund AS (the **Fund**) is an alternative investment fund that promotes environmental and social characteristics but does not commit to make any sustainable investments.

The Fund is a real estate fund that shall seek to invest in unique and urban development projects. The Fund shall invest in primarily newbuilds, in partnerships with leading developers who have ESG considerations as a priority to their existing investment strategies. The Fund will seek to develop low CO<sub>2</sub>-emitting buildings to help reduce greenhouse gas emissions and contribute to energy efficiency. The portfolio investments and development partners will be required to report on certain sustainability indicators that are used to measure the attainment of the environmental and social characteristics promoted by the Fund. Data will mainly be collected directly from portfolio investments and the development partners and processed internally. ABG Alternative Investments AS (the **Manager**) will seek to engage with the Fund's portfolio investments on an ongoing basis, mainly by frequent interaction with the project management and by seeking to obtain board representation and influential voting rights.

See Appendix 1 for translations of this summary.

## **No sustainable investment objective**

The Fund promotes environmental and social characteristics but does not have as its objective sustainable investment.

## **Environmental or social characteristics of the financial product**

The Fund promotes environmental and social characteristics and shall in particular seek to develop low CO<sub>2</sub>-emitting buildings to help reduce greenhouse gas emissions and contribute to energy efficiency. Further, the Fund supports all portfolio investments to foster a culture of transparency and accountability on ESG and shall seek investments within real estate that cultivate, among other things, health and safety and good working conditions.

## **Investment strategy**

The Fund is a private equity real estate fund that shall seek to invest in unique and urban development projects with active involvement and a clear entry and exit strategy. The Fund shall invest in primarily newbuilds, in partnerships with leading developers who have ESG considerations as a priority to their existing investment strategies. The principal geographic focus of the Fund is urban areas in Norway's major cities.

See the Fund's Private Placement Memorandum for further details on the Fund's investment strategy.

## **Proportion of investments**

All investments made by the Fund will be used to meet the environmental and social characteristics promoted by the Fund. All exposure is expected to be direct.

### **Monitoring of environmental and social characteristics**

The portfolio investments and development partners of the Fund will be required to report periodically on certain sustainability indicators presented by the Manager that are used to measure the attainment of the environmental and social characteristics promoted by the Fund. Further, the portfolio investments are monitored throughout the ownership period by, among other things, frequent interaction with the project management. The Fund shall strive to achieve a minimum of BREEAM-NOR Excellent certification for all its newbuilding projects. BREEAM-NOR is a certification system that enables the Manager to determine and drive sustainable improvements in the operational performance of the buildings.

### **Methodologies**

The sustainability indicators will be used to measure the attainment of the environmental and social characteristics promoted by the Fund. The sustainability indicators are quantitative in nature and will provide the Manager with a detailed and objective view of how the portfolio investments perform on relevant sustainability indicators for real estate investments. All methodologies used shall focus on the sustainability indicators set out above.

### **Data sources and processing**

Data will mainly be collected directly from portfolio investments and development partners at least annually to assess the performance on the sustainability indicators set out to measure the attainment of the environmental and social characteristics of the Fund. Data will mainly be processed internally but, if necessary to ensure data quality, third parties will be involved. It is expected that only a minor proportion of the data collected by the Fund will be estimated.

### **Limitation to methodologies and data**

No material limitations to the methodologies used are expected, and the Manager does not expect that the attainment of the environmental and social characteristics promoted by the Fund will be affected by any such limitations.

### **Due diligence**

The Manager will seek to identify material ESG issues during screening, due diligence, and in the planning of new development projects. Initially, new potential projects and partners will be assessed by the Manager through a proactive deal sourcing and a comprehensive preliminary analysis, that involves screening for material ESG issues.

If the Fund's investment committee approves to proceed with the potential investment, the Manager will carry out a due diligence process to identify risks. Where deemed appropriate, the due diligence process involves engaging external advisors and ESG experts to ensure a full and unbiased review of the potential investment. The due diligence includes screening on the Fund's ESG objectives, and may include environmental factors such as ground pollution, energy consumption/technology, greenhouse gas emission, waste management, water consumption, and social and governance focus areas such as health and safety, human rights, labour standards and working conditions, anti-bribery and money laundering, management structures and remuneration of staff.

Findings, including any sustainability risks, identified through the due diligence, is presented to the Fund's investment committee and form an integral part of the investment decisions making process.

The Manager also conduct a careful evaluation of potential development partners. The Fund will only partner with developers who have ESG considerations as an integral part of its investment strategy. The Manager scrutinize potential partners based on, among other things, their alignment with the ESG objectives of the Fund. Furthermore, in the realisation of the projects, engaging leading vendors with ESG competence is a key criterion.

### **Engagement policies**

The Manager will monitor the portfolio investments' performance on the sustainability indicators, and further engage with the portfolio companies on an ongoing basis, mainly by frequent interaction with the management and by seeking to obtain board representation and influential voting rights. The Manager's team experience spans numerous partnerships in the past and acknowledge the value of fostering a positive and productive culture within the project team, in the steering committees and at board representation, emphasizing efficient communication and collaboration.

### **Designated reference benchmark**

The Fund does not use a reference benchmark to attain the environmental and social characteristics.

<b>Date</b>	<b>Version</b>	<b>Amendment</b>
10.11.2023	1	Publication of disclosure

## Appendix 1

Language	Summary
Norwegian	<p>ABG Urban Development Partner Fund AS (<b>Fondet</b>) er et alternativt investeringsfond som fremmer miljømessige og sosiale egenskaper, men som ikke forplikter seg til å foreta bærekraftige investeringer. Fondet er et eiendomsfond som skal søke å investere i unike og urbane utviklingsprosjekter. Fondet skal investere i toppmoderne prosjekter, primært nybygg, i partnerskap med ledende utviklere som har ESG-hensyn som en prioritet i sine eksisterende investeringsstrategier. Fondet vil søke å utvikle bygninger med lave CO2-utslipp for å bidra til å redusere klimagassutslipp og bidra til energieffektivitet. Porteføljeinvesteringene og utviklingspartnerne vil måtte rapportere om visse bærekraftsindikatorer som brukes for å måle oppnåelsen av de miljømessige og sosiale egenskapene som Fondet fremmer. Data vil i hovedsak samles inn direkte fra porteføljeinvesteringer og utviklingspartnerne og behandles internt. ABG Alternative Investments AS (<b>Forvalter</b>) vil søke å engasjere seg i fondets porteføljeinvesteringer på løpende basis, hovedsakelig ved hyppig interaksjon med prosjektledelsen og ved å søke å oppnå styrerepresentasjon og innflytelsesrik stemmerett.</p>
Swedish	<p>ABG Urban Development Partner Fund AS (<b>Fonden</b>) är en alternativ investeringsfond som främjar miljömässiga och sociala egenskaper, men som inte förbinder sig till att göra hållbara investeringar. Fonden är en fastighetsfond som syftar till att investera i unika och urbana utvecklingsprojekt. Fonden kommer att investera i toppmoderna projekt, främst nybyggnation, i samarbete med ledande utvecklare som prioriterar hållbarhetsaspekter i sina befintliga investeringsstrategier. Fonden kommer att sträva efter att utveckla byggnader med låga CO2-utsläpp för att bidra till att minska utsläpp av växthusgas och främja energieffektivitet. Portföljinvesteringarna och utvecklingsparterna ska regelbundet rapportera vissa hållbarhetsindikatorer som används för att mäta uppfyllelse av de miljö- och sociala egenskaper som Fonden främjar. Data kommer främst att samlas in direkt från portföljinvesteringar och utvecklingspartners och behandlas internt. ABG Alternative Investments AS (<b>Förvaltaren</b>) kommer att sträva efter att engagera sig i Fondens portföljinvesteringar kontinuerligt, främst genom frekvent interaktion med projektledningen och genom att söka uppnå styrelserepresentation och inflytelserik rösträtt.</p>
Danish	<p>ABG Urban Development Partner Fund AS (<b>Fonden</b>) er en alternativ investeringsfond, der fremmer miljømæssige- og sociale egenskaber, men som ikke er forpligtet til at foretage bæredygtige investeringer. Fonden er en ejendomsfond, der skal investere i unikke og urbane udviklingsprojekter. Disse investeringer vil være i topmoderne projekter, primært nybyggeri, i partnerskab med førende udviklere, som prioriterer ESG-hensyn højt i deres eksisterende investeringsstrategi. Fonden har til formål at udvikle bygninger med lavt CO2-udslip og dermed bidrage til at reducere klimagasudslip og fremme energieffektivitet. I processen skal porteføljeinvesteringerne og udviklingspartnerne løbende rapportere om udvalgte bæredygtighedsindikatorer, der måler hvorvidt de miljømæssige- og sociale egenskaber som fonden fremmer, bliver opnået. Denne data vil blive indsamlet og behandlet af porteføljeinvesteringerne og udviklingspartnerne. ABG Alternative Investments AS (<b>Forvalter</b>) vil på løbende basis engagere sig i fondens porteføljeinvesteringer igennem hyppig interaktion med projektledelsen og igennem opnåelse af bestyrelsesrepræsentation og indflydelsesrig stemmeret.</p>