

## Statement on principal adverse impacts of investment decisions on sustainability factors

Fund Manager: ABG Alternative Investments AS (“**ABG Alternative Investments**” or the **Manager**”)

Legal entity identifier: N/A

ABG Alternative Investments is an alternative investment fund manager subject to requirements in the European Union’s Sustainable Finance Disclosure Regulation (**SFDR**) ((EU) 2019/ 2088).

This document is an entity level disclosure prepared in accordance with Article 4 in the SFDR.

### Summary

ABG Alternative Investments considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of ABG Alternative Investments.

This statement on principal adverse impacts on sustainability factors will be updated annually by 30 June to cover the relevant reference period, from 1 January to 31 December the preceding year. As per the first statement, the Manager had not made any investments and therefore has nothing to report. Subsequent statements will be disclosed annually.

Principal adverse impacts are identified, prioritised, and assessed during ABG Alternative Investments’ due diligence process. To counteract sustainability risks and principal adverse impact as a result of investment decisions, ABG Alternative Investments conduct ESG due diligence and screening prior to conducting investments. The real estate assets will be subject to monitorisation post-investment. ABG Alternative Investments will assess and prioritise the principal adverse impacts based on their severity and likelihood of occurrence. When assessing the severity, ABG Alternative Investments shall take into account the scale, scope and duration of the impact. The likelihood of occurrence will be assessed by the frequency and persistence of the impact.

ABG Alternative Investments does not adhere to responsible business codes and internationally recognised standards for due diligence and reporting.

This summary is provided in English language only.

### Description of the principal adverse impacts on sustainability factors

Adverse sustainability indicator		Metric	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels			
Energy efficiency	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets			
<b>Additional indicators applicable to investments in real estate assets</b>					
Resource consumption	Raw materials consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in new construction and major renovations			
<b>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</b>  Principal adverse impacts are identified, prioritised, and assessed during the ESG screening and due diligence process for all potential investments. ABG Alternative Investment seeks to enhance ESG performance within its portfolio investments, inter alia, by partnering with leading developers who have ESG considerations as a priority to their existing investment strategy. The development of the real estate investments will be monitored post-investment. As such, ABG Alternative Investments conducts thorough assessment of the impact the portfolio investments will have on sustainability factors pre and post investment.					

The principal adverse impacts will be assessed and prioritised based on their severity and likelihood of occurrence. When assessing the severity, ABG Alternative Investments shall take into account the scale, scope and duration of the impact. The likelihood of occurrence will be assessed by the frequency and persistence of the impact.

ABG Alternative Investments has developed internal procedures to identify and prioritise principal adverse impacts on sustainability factors. The board of directors have the overall responsibility for implementing all policies and procedures for ABG Alternative Investments' operations. The investment team are responsible for the daily operationalisation of the policies and procedures.

ABG Alternative Investments has selected 'Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in new construction and major renovations', as the additional indicators applicable to investments in real estate assets and does not currently use other additional indicators to identify and assess principal adverse impacts on sustainability factors.

ABG Alternative Investment will collect information directly from the underlying investment and the development partners in connection with its real estate projects. The data will be processed by ABG Alternative Investments investment team.

### **Engagement policies**

ABG Alternative Investments has not adopted engagement policies referred to in Article 3g of Directive 2007/36/EC.

ABG Alternative Investments will monitor and track all investments with the view of reducing or eliminating principal adverse impacts that the relevant real estate asset has on the indicators set out above. ABG Alternative Investments will ensure that onsite inspections are carried out, in order to, inter alia, ensure that investment and/or development partners comply with the agreed ESG measures. Such engagement is part of ABG Alternative Investments ongoing monitorisation of its real estate assets post investment. ABG Alternative Investments' board of directors will adapt the engagement policy to the extent that there is no reduction of the principal adverse impacts over more than one reporting period.

### **References to international standards**

ABG Alternative Investments does not adhere to responsible business codes and internationally recognised standards for due diligence and reporting.

ABG Alternative Investments is however a signatory to the UN PRI Principles and will strive to achieve BREEAM In-USE certification for all of its real estate assets. For the avoidance of doubt, applying the BREEAM In-USE in investment activities does not in itself entail that ABG Alternative Investment's investment strategy is aligned with the Paris Agreement.

**SFDR Article 4 Disclosure**

<b>Date</b>	<b>Version</b>	<b>Amendment</b>
10.11.2023	1	Publication of disclosure
30.06.2024	2	Annual statement