

DEAS Swedish Balanced Property Fund AB

LEI-code 549300PDZ5F6A7WNW115

Information on environmental characteristics

1. Summary

At this website you will find product specific information on the environmental characteristics of the fund. This information supplements the pre-contractual information shared with the investors prior to their entry into agreement on investment in the fund.

This document contains the following information on the fund:

- No sustainable investment objective
- Environmental or social characteristics of the financial product
- Investment Strategy
- Proportion of investments
- Monitoring of environmental or social characteristics
- Methodologies
- Data sources and processing
- Limitations to methodologies and data
- Due diligence
- Engagement policies

2. No sustainable investment objective

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

The objectives of the investments promoted by the fund are Climate Change Mitigation and Climate Change Adaptation.

The investments contribute to one or both of the objectives by their level of energy consumption, energy efficiency and waste handling of the investment and the climate risk and vulnerability assessment, and adaptation of climate risk mitigating solutions.

Sustainable Investments do not cause significant harm when investments:

- Are not exposed to extraction, storage, transport, or manufacture of fossil fuels,
- For buildings build before 31/12-2020 has obtained an energy performance certificate A or B, or is within top 30% of the national building stock index, or
- For buildings build after 31/12-2020, has a Primary Energy Demand (PED) below Nearly Zero Energy Building (NZEB),
- Waste handling is covered by a waste recovery or recycling contract, and
- A climate risk and vulnerability assessments has been made and Climate risk and adaption solutions has been implemented, as per the discretion of the fund manager.

3. Environmental or social characteristics of the financial product

The fund will partially, at a minimum of 10%, contain investments in real estate assets that qualify as sustainable. This entails investments in real estate assets that, inter alia, may be characterised by

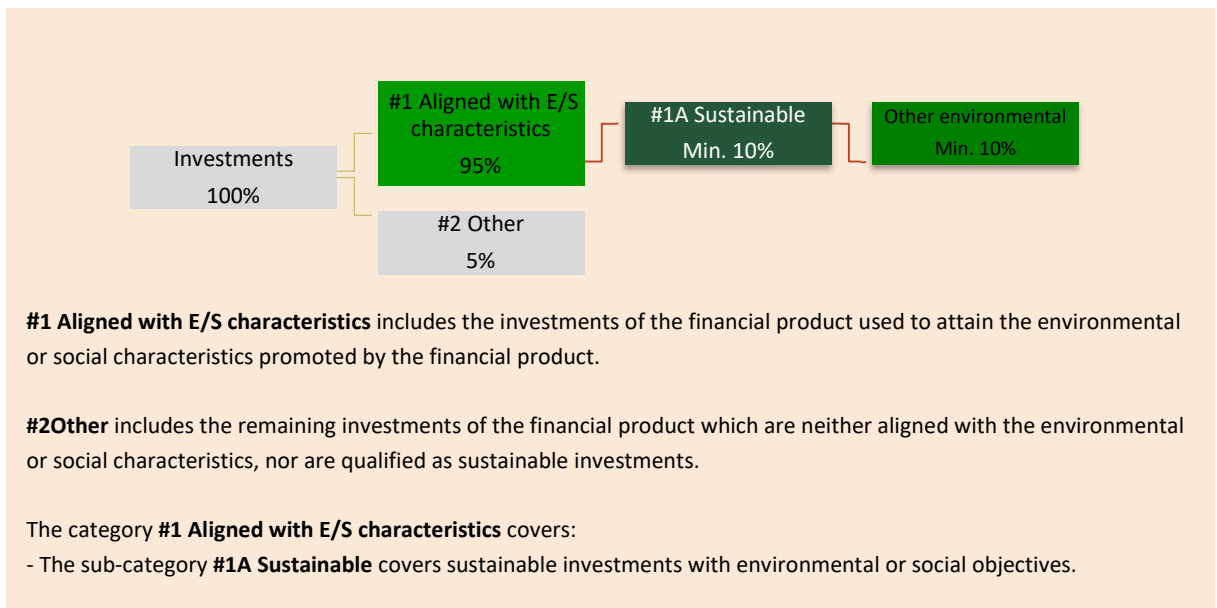
- Low level of energy consumption
- High level of energy efficiency
- Waste handling covered by a waste recovery or recycling contract
- Performed climate risk and vulnerability assessments, and
- Implemented adaptation solutions.

4. Investment strategy

The fund is managed in accordance with the AIFM's sustainability policy in relation to the management of the fund and its investments. Sustainability aspects are integrated within the investment processes and the Fund promotes sustainability characteristics for purposes of the EU Sustainable Finance Disclosure Regulation (SFDR), both sustainability risks and opportunities which are material to direct real estate investment: in particular risks related to climate change mitigation and adaptation; and the respect for social safeguards.

The assessment of good governance practices is based on policies and procedures designed to ensure adequate ongoing monitoring of sound management structures, labour relations, remuneration of staff and tax compliance of investee companies. The fund invests exclusively in real estate through investments in companies whose sole activity is the ownership of the underlying rental property or properties. Assessment of good governance practices of the investee companies is therefore not relevant.

5. Proportion of investments



The fund will partially, at a minimum of 95%, contain investments in real estate, that are aligned with environmental and social characteristics.

The fund will partially, at a minimum of 10%, contain investments in real estate assets that qualify as sustainable investments.

The investments are characterized by having no exposure to extraction, storage, transport, or manufacture of fossil fuels.

There is no intention for the fund to make environmentally sustainable economic activities in accordance with the EU Taxonomy.

There is no intention for the fund to make socially sustainable investments or investments with social characteristics. As such, no minimum share of socially sustainable investments applies to this fund.

No minimum share of investments in transitional and enabling activities apply.

The fund does not use derivatives to achieve the environmental or social characteristics.

No index is designated as a reference benchmark.

6. Monitoring of environmental or social characteristics

Processes have been introduced to monitor environmental characteristics promoted by the fund. The sustainability indicators to measure sustainability are:

- Exposure to extraction, storage, transport, or manufacture of fossil fuels and
- The levels of energy efficiency
- Energy consumption
- Waste handling of the investment
- Climate risk and vulnerability assessments
- Implementation of adaption solutions.

Data on the indicators set out above are obtained directly from third-party technical consultants and the Property Manager of the assets. The data is verified before it is included in the sustainability assessment performed by the AIFM. Where the relevant data for a given indicator is subject to change, e.g., energy consumption of a building, the data will be recollected regularly and at least annually.

The exclusion criteria will be monitored prior to an investment by collecting information on the real estate environmental characteristics set out above. After closing, information is gathered frequently to ensure that the characteristics have not changed.

7. Methodologies

Fulfilment of the environmental characteristics, promoted by the financial product, are measured as follows:

- Exclusion of real estate exposed to extraction, storage, transport, or manufacture of fossil fuels by establishing whether the fund has invested in real estate exposed to extraction, storage, transport, or manufacture of fossil fuels.
- Identifying the levels of energy efficiency and energy consumption by establishing the PED level of the real estate and investigating if an energy performance certificate exists in terms of the real estate
- Waste handling of the investment by identifying by establishing if the property is covered by a waste recovery and recycling contract.
- Climate risk and vulnerability assessments and adaptation by establishing if a climate risk and vulnerability assessments and adaption plan has been made and the extent to which adaptation solutions have been adopted.

The listed topics of measurement set out above will, inter alia, be used to measure the proportion of investments that qualify as sustainable investments.

8. Data sources and processing

Data used for exclusion of an investments exposed to extraction, storage, transport, or manufacture of fossil fuel are collected from technical and environmental investigations (Due Diligence) before any investment.

Data applied to identify

- Exposure to extraction, storage, transport, or manufacture of fossil fuels
- The levels of energy efficiency
- Energy consumption
- Waste handling of the investment
- Climate risk and vulnerability assessments and implemented adaption

are collected from external data sources relevant to the investment.

In case data is suspected of being incorrect in whole or in part, data will be subjected to control and inspection of the real estate may be initiated.

Data is be verified before it is included in the measurement of the environmental characteristics promoted by the AIFM.

Data is registered and saved throughout the lifetime of the fund.

No data applied to identify if the environmental characteristics promoted by the financial products are fulfilled, consists of estimates or proxies.

9. Limitations to methodologies and data

Methods to meet the sustainability characteristics of the fund comprises data from external data sources.

Data is verified before it is included in the measurement of the environmental characteristics promoted by the AIFM. As such, limitations to methodologies or data sources will only potentially affect the sustainability characteristics by limiting the proportion of investments that are categorised and reported as contributing to the environmental characteristics of the fund.

10. Due diligence

Screening and restrictions are used as a tool to identify if potential investments comply with the investment strategy and sustainability characteristics of the fund, for example where a property is exposed to extraction, storage, transport, or production of fossil fuels.

Internal control of diligence consists of due diligence reports, describing the investment in terms of the sustainability characteristics of the fund.

External control of diligence consists of review of external data documenting the sustainability characteristics of the potential investment.

11. Engagement policies

Active ownership is not a characteristic of the fund.