



NIO Real Estate I K/S

Amerika Plads 29, 1.
2100 Copenhagen
CVR No. 41025565

Annual report 2022

The Annual General Meeting adopted the
annual report on 31.05.2023

DocuSigned by:

Anders Sandvig

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Anders Sandvig

Chairman of the General Meeting

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Entity details

Entity

NIO Real Estate I K/S

Amerika Plads 29, 1.

2100 Copenhagen

Business Registration No.: 41025565

Date of foundation: 15.12.2019

Registered office: Copenhagen

Financial year: 01.01.2022 - 31.12.2022

Executive Board

Michael Moth Greve

Christian Jung Meinicke

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of NIO Real Estate I K/S for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 12.05.2023

Executive Board

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Michael Greve
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Michael Moth Greve

DocuSigned by:
Christian Jung Meinicke
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Christian Jung Meinicke

Independent auditor's report

To the shareholders of NIO Real Estate I K/S

Opinion

We have audited the financial statements of NIO Real Estate I K/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary and the supplementary reports

Management is responsible for the management commentary, as well as for the supplementary report on disclosures in accordance with the SFDR etc, hereinafter referred to as "the supplementary report".

Our opinion on the financial statements does not cover the management commentary or the supplementary report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and the supplementary report and, in doing so, consider whether the management commentary and the supplementary report are materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary and the supplementary report are in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act.

We did not identify any material misstatement of the management commentary or the supplementary report.

Copenhagen, 12.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

DocuSigned by:

Michael Thorø Larsen

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Michael Thorø Larsen

State Authorised Public Accountant

Identification No (MNE) mne35823

Management commentary

Primary activities

The object of the limited partnership is to generate income and capital appreciation by making investments.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Supplementary reports

Supplementary report on disclosures in accordance with the SFDR etc.

The financial product is classified as being a financial product referred to in Article 8 (1) of Regulation (EU) 2019/2088 on transparency of the promotion of environmental or social characteristics disclosures in the financial services sector, having promoted E/S characteristics, but not made any sustainable investments.

The product level periodic disclosure - Annex IV of the Regulation (EU) 2019/2088, is found in Appendix 1.

Income statement for 2022

	Notes	2022 EUR'000	2021 EUR'000
Gross profit/loss		(351)	(388)
Fair value adjustments of other investment assets		(136)	2,989
Operating profit/loss		(487)	2,601
Other financial expenses		(47)	(5)
Profit/loss for the year		(534)	2,596
Proposed distribution of profit and loss			
Retained earnings		(534)	2,596
Proposed distribution of profit and loss		(534)	2,596

Balance sheet at 31.12.2022

Assets

	2022 EUR'000	2021 EUR'000
Other investments	20,698	12,247
Financial assets	20,698	12,247
Fixed assets	20,698	12,247
Other receivables	0	5
Prepayments	16	6
Receivables	16	11
Cash	1,912	467
Current assets	1,928	478
Assets	22,626	12,725

Equity and liabilities

	Notes	2022 EUR'000	2021 EUR'000
Contributed capital		21,009	10,522
Retained earnings		1,591	2,125
Equity		22,600	12,647
Other payables		26	78
Current liabilities other than provisions		26	78
Liabilities other than provisions		26	78
Equity and liabilities		22,626	12,725
Employees	1		
Fair value information	2		
Contingent liabilities	3		

Statement of changes in equity for 2022

	Contributed capital EUR'000	Retained earnings EUR'000	Total EUR'000
Equity beginning of year	10,522	2,125	12,647
Increase of capital	10,487	0	10,487
Profit/loss for the year	0	(534)	(534)
Equity end of year	21,009	1,591	22,600

The investors have agreed upon a total commitment of EUR 38,470 thousand. As of 31.12.2022 the total remaining commitment amount to EUR 17,461 thousand.

Notes

1 Employees

The Company has no employees.

The Management has not received remunerations.

2 Fair value information

	Unlisted equities EUR'000
Fair value end of year	20,698
Unrealised fair value adjustments recognised in the income statement	(136)

The unlisted equities consist solely of the Company's ownership shares in an alternative investment fund within the real-estate sector ("**portfolio fund**").

The Company has through its investment in a portfolio fund ownership of solely unlisted investments. The Company does not possess controlling or significant influence on the portfolio fund in which the Company has invested.

As a part of the compilation of the annual report, Management assesses the fair value principles and accounting estimates of the portfolio fund, and evaluate if the applied principles are fair, based upon management experience and knowledge regarding the specific portfolio fund. Given the nature of the unlisted equities the valuation is inherently associated with uncertainty, and the final valuation or sale price of the investments held by the portfolio fund, will depend on the future developments in market and specific factors, including earnings, interest rates, foreign exchange, etc.

The unrealised fair value adjustments recognized in this annual report is a result of the performance and valuation of the portfolio fund. Annually the Company receives audited financial statements by an independent auditor from the portfolio fund, which serve as the basis for the year-end valuation.

Neither Management nor the Company has any influence on the fair value assessments in the portfolio fund, and since the fair value is based upon audited figures, no quantitative inputs can be disclosed. The portfolio fund in which the Company has invested use common accepted guidelines for measuring the fair value. The fair value measuring of the investments held by the portfolio fund is made by the manager of the portfolio fund. The fair value of all investments held by the Company are based on level 3 in the fair value hierarchy (unobservable inputs) under IFRS.

For further considerations see accounting policies.

3 Contingent liabilities

The Company has made one commitment investment and is liable for all uncalled commitments.

The commitment amount is EUR 38,470 thousand and uncalled commitment is EUR 20,734 thousand.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises other external expenses.

Fair value adjustments of other investment assets

Fair value adjustments of other investment assets comprise adjustments for the financial year of the Entity's investment assets measured at fair value at the balance sheet date.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Other financial expenses

Other financial expenses comprise interest expenses and net exchange losses in foreign currencies.

Balance sheet

Other investments

Other investments recognized under fixed assets solely consist of unlisted investments in an alternative investment fund (AIF) measured at fair value through the income statement.

When measuring the fair value of the investment in the alternative investment fund (AIF), the valuation is based upon the fair value of the assets and liabilities included in the portfolio fund and as shown in the audited annual reports of the portfolio fund. The fair value of the portfolio fund is calculated based on recognized valuation methods, including IPEV valuation guidelines, which essentially correspond to recognition and measurement provisions in IFRS 13. The fair value of the portfolio fund corresponds to the accumulated share of ownership of the total capital of the underlying portfolio fund.

As a result of the investment being made through another alternative investment fund, it is not possible to provide additional information about the used multiple, yield requirements, etc. in the valuation.

Since the valuation in the portfolio fund depends on assumptions regarding future earnings in underlying companies and assets owned by the portfolio fund and the development in market multiples, the valuation is linked to natural uncertainty. This uncertainty will naturally be greater in periods of fluctuation in the financial markets, where market multiples, and thus the valuation will be influenced by, among other things, the development of liquidity premiums and the possibility of selling underlying companies in the portfolio fund.

Outstanding investment commitments at the balance sheet date are disclosed as contingent liabilities in the notes.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: NIO Rel Estate I K/S

Legal entity identifier: (CVR no.) 41 02 55 65

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

X

It made **sustainable investments with an environmental objective: ___%**

In economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It made **sustainable investments with a social objective: ___%**

It promoted E/S characteristics, but **did not make any sustainable investments**

NIO Real Estate I K/S ("The product") is a Feeder Fund to NREP Nordic Strategies Fund V Limited Partnership SCSp.

The commitments of this product has been given to NREP Nordic Strategies Fund IV Limited Partnership SCSp (which is an alternative investment fund) that is part of a whole fund structure (collectively "NSF IV" or the "Master Fund"), managed by NREP AB, company number (Org no.) 556706-4885 ("NREP"). The allocation of the Feeder Funds' commitment to each entity is driven by tax, legal and regulatory reasons unrelated to NSF IV sustainability objectives. Furthermore, the Feeder Funds exposure to the underlying assets of NSF IV is not affected by the allocation of its commitment to any one particular legal entity comprised by NSF IV.



To what extent were the environmental and/or social characteristics promoted by this financial product met? *The Master Fund has set out to incorporate environmental and social elements into all its investment decisions, which the Master fund has lived up to through the application of its Sustainability Due Diligence tool (SDD).*

- The SDD, is mandatory for all investments (including both new developments and standing assets) and is a mandatory part of the Investment Committee (IC) material prepared for each investment.
- The SDD accounts for several environmental characteristics, including e.g.,
 - New developments
 - Life Cycle Assessments
 - New build sustainability certifications (DGNB, LEED, BREEAM, other)
 - New developments and standing assets
 - EPC ratings
 - CRREM Compliance
- The Master Fund has focused on the transformation of its standing asset portfolio, via the application of NREP's Sustainable Action Plan for Standing Assets, which requires all standing assets to comply to several environmental characteristics.

● **How did the sustainability indicators perform?** *The following indicators are used to measure the Fund's environmental and social characteristics.*

1. Life cycle assessment (LCA) (kg GHG/ m²/y)
 - Embodied CO₂ emissions (kgCO₂e/m²/y)
 - Operational CO₂ emissions (kgCO₂e/m²/y)
2. Energy efficiency (EPC rating)
3. Energy intensity (kWh/m²/y benchmarked against CRREM 1.5_o reduction pathway)
4. GHG intensity (kg GHG/m²/y benchmarked against CRREM 1.5_o reduction pathway)En
5. New Build Sustainability certification (DGNB, LEED, BREEAM, other)
6. In-use Sustainability certification (DGNB, LEED, BREEAM, other)

- 1) Life Cycle Assessments (LCAs):** The Master Fund works with LCAs as a vital part of NREP'S Net Zero strategy. The Master Fund is still in early stages of incorporating LCA analysis into its business procedures. Therefore, the Master Fund have assessed that there is an insufficient data coverage in order to produce a meaningful measurement on this indicator. The Master Fund is working with development managers, external consultants, and contractors to obtain LCAs and thereby increase data coverage. The Fund is also working on incorporating LCAs into its system landscape to secure streamlined reporting going forward.
- 2) Energy efficiency (EPC rating):** The Master Fund's standing asset portfolio has registered an EPC rating on 76% of its assets. Hereof 51% have registered an EPC rating of B or higher. For standing assets that have been acquired in 2021 and onwards and that have registered a target¹ EPC rating, 76% of these assets have a target of B or higher. It is the Master Fund's ambition that energy inefficient assets over time will be transformed into energy efficient assets. For development projects with a registered target EPC rating, 94% of these assets have a target of B or higher.
- 3) +4) Energy and GHG intensity (CRREM):** The Master Fund has historically struggled with the obtainment of energy consumption data and have assessed that the current data coverage does not support meaningful measurement of this indicator. In order to mitigate this and be able to report on this indicator in the future, the Master Fund has launched a Carbon Management Project, with the ambition of increasing its use of metering data and thus providing greater data quality and coverage across the portfolio. Work has been initiated to ensure metering data is accessed either directly on the property, from the utility company, through data hubs or through other providers. The Master Fund has for this purpose enrolled a new ESG-platform better suited for capturing, storing and reporting of these data sources. Metering data will be processed through various API solutions into the ESG-platform. The new ESG platform will integrate with our current system landscape, which supports a streamlined approach to common data reporting and management.
- 5) +6) New build and In-use sustainability certifications:** 98% of the Master Funds development projects acquired in 2021 and onwards, have a targeted sustainability certification registered ².

¹Target covers the ambition of reaching a certain level of EPC rating in the future.

²Development projects with missing response for this data point has been excluded.

- *...and compared to previous periods? Not applicable.*
- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?** *Nor the product or the Master Fund holds- or made any sustainable investments.*
- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?** *Nor the product or the Master Fund hold any sustainable investments.*

How were the indicators for adverse impacts on sustainability factors taken into account? *Not applicable, as nor the product or the Master Fund hold any sustainable investments.*

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: *All investment held by the Master Fund has been made after ensuring that the aims, objectives and ESG policy of the individual investments is aligned with the ESG policy of the Manager and after a sufficient evidence has been collected to ensure that sufficient data has been collected to populate the Managers ESG rating tool and score a sufficient ESG rating. However, as nor the product or the Master Fund hold any sustainable investments the questions is not applicable.*

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



How did this financial product consider principal adverse impacts on sustainability factors? *The Master Fund have taken into consideration the principal adverse impacts on sustainability factors in the course of assessing sustainability risks and their impacts on the value of investments. The Fund has been working with the indicators:*

- *“Exposure to fossil fuels through real estate assets”*
- *“Exposure to energy-inefficient real estate assets”.*

The Master Fund is not aware of any investments which are involved in extraction, storage, transport of manufacture of fossil fuels. However, the Fund has since inception been active within the logistics segment and does not have control of goods/services passing through in such properties. The Master Fund has invested in assets that are both energy efficient and - inefficient. It is the Masters Fund’s ambition that energy inefficient assets over time will be transformed into energy efficient assets.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01.01.2022 – 31.12.2022

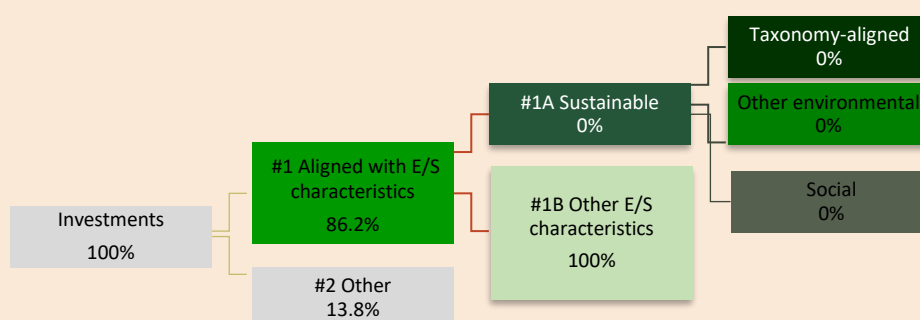
Largest investments	Sector	% Assets	Country
Piperska Muren 2	Real Estate	6%	Sweden
Kronen	Real Estate	4%	Denmark
Lundby 2:11	Real Estate	4%	Sweden
Niittykumpu Portfolio	Real Estate	3%	Finland
Toveien 21	Real Estate	3%	Norway
Møntmestervej	Real Estate	3%	Denmark
Slagsta Strand	Real Estate	3%	Sweden
AG South Harbour	Real Estate	2%	Denmark
Vandtårnsvej 83A	Real Estate	2%	Denmark
Fasanrækkerne	Real Estate	2%	Denmark
Edu Kattegatt 24	Real Estate	2%	Sweden
Banemarksvej	Real Estate	2%	Denmark
Egedal Village 1	Real Estate	2%	Denmark
Kreivinaukio 1	Real Estate	2%	Finland
Työpajankatu 6	Real Estate	2%	Finland



What was the proportion of sustainability-related investments? All of the financial products investments are indirect holdings. The Master Fund of the financial product is classified as Article 8 products in accordance with SFDR regulation. The Master Fund considers 93,7% of its investments to be sustainable related. As of 31.12.2022 the value of the investment represented 92% of the NAV of the product.

- What was the asset allocation?** The assets allocation of the product consist of the product's investment in NSF IV, which represents 92% of the NAV of the Fund. As the Master Fund does only consider 93,7% of their investments as being investments aligned with the environmental or social characteristics that do not qualify as sustainable, this ratio has been applied to the holdings of the product (92%*93,7%). The remainder (13.8%) consist of trade receivables, other receivables and cash.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The financial product contains investments with both environmental and social characteristics. A single investment may contribute to both a environmental and social goal and make up a collective allocation of more than 100 percent. No prioritisation has been made between environmental and social goals and the product does not target any specific allocation.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of :

- **Turnover** reflecting the share of revenue from green activities of investee companies.

- **Capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

- **Operational expenditure** (OpEx) reflects the green operational activities of investee companies.

- **In which economic sectors were the investments made?** All investments held by the Master Fund are within the real-estate sector.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy? The Master Fund has reported 0% alignment with the EU Taxonomy; therefore, no investment are considered aligned with the EU Taxonomy.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹**

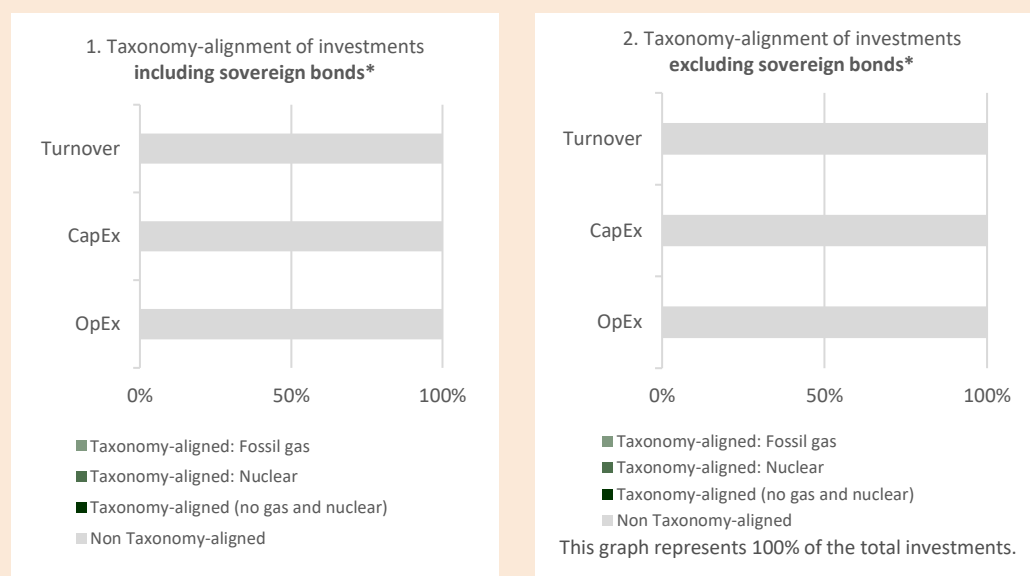
Yes:

In fossil gas

In nuclear energy

No


The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?** No investments were made in transitional and enabling activities.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** Since this is the first periodic disclosure made for the product under SFDR Level II, this section provides information for the current reference period only.

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy? *The product and nor the Master Fund hold- or made investments made with an environmental objective.*



What was the share of socially sustainable investments? *The product does not contain any social sustainable investments. No investments were made with an social sustainable objective.*



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards? *of trade receivables, other receivables and cash. There were no environmental or social safeguards for these types of investments.*



What actions have been taken to meet the environmental and/or social characteristics during the reference period? *All investment held by the Partnership has been made after ensuring that the aims, objectives and ESG policy of the individual investments is aligned with the ESG policy of the Manager and after a sufficient evidence has been collected to ensure that sufficient data has been collected to populate the Managers ESG rating tool and score a sufficient ESG rating. All investment are approved by the NIOs Investment Committee who are partly responsible for ensuring ES alignment.*

On a Master Fund level all investments in new developments or standing assets being presented to the Investment Committee (IC) have undergone a Sustainability Due Diligence, in addition to a technical, legal, commercial and environmental due diligence.

Identified risks are in subsequent steps investigated in more detail to understand if they can be managed/mitigated creating both a pre- and post-mitigation assessment. The criteria revolve around topics of physical climate risk, decarbonization and transition risk, energy efficiency, eco-system and biodiversity, health and community, data & analytics, governance & ESG framework compliance.

For standing assets, the Sustainable Action Plan for Standing Assets (SAPSA) has been launched. The main purpose of SAPSA is to ensure that each standing asset is pursuing the individual impact potential of that specific asset in alignment with NREP's sustainability strategy and business priorities.



How did this financial product perform compared to the reference benchmark? *Not applicable. No reference benchmark has been identified for this financial product.*

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
Not applicable. No reference benchmark has been identified for this financial product.
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted**
Not applicable. No reference benchmark has been identified for this financial product.
- **How did this financial product perform compared with the reference benchmark?**
Not applicable. No reference benchmark has been identified for this financial product.
- **How did this financial product perform compared with the broad market index?**
Not applicable. No reference benchmark has been identified for this financial product.