

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant Niam AB
<p>Summary</p> <p>Niam AB* 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 Niam and its subsidiaries, namely Niam Real Estate and Niam Infrastructure.</p> <p>This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024.</p> <p>Niam is a diverse fund manager operating across Sweden, Denmark, Finland, Norway, and Luxembourg, with a focus on managing and developing real estate assets and infrastructure. Niam Real Estate, its longest-running business, includes several funds owning 117 properties (at the end of 2024) in total, including offices, residential, retail, logistics and industrial buildings. The properties are located in Sweden, Denmark, Finland, Norway and Poland. Niam Infrastructure invests in sustainable infrastructure within renewable energy, infrastructure, and telecom. The Infrastructure fund focuses on small to medium-sized investments, prioritising asset aggregation and risk reduction. The assets are located in Sweden, Spain, Portugal and Latvia.</p> <p>*Niam AB was AIFM for the Niam Infrastructure and Niam Real Estate funds during 2024. Niam AB resumed the responsibility as AIFM of the Credit funds II and II in late December 2024.</p>
<p>Description of the principal adverse impacts on sustainability factors</p> <p>"Principal adverse impacts," is the negative, material, or potentially material effects on sustainability factors resulting from, compounded by, or directly associated with Niam's investment decisions, as outlined by principal adverse impact indicators. These sustainability factors include environmental, social, and employee matters, along with respect for human rights, anti-corruption, and anti-bribery concerns.</p> <p>Niam Real Estate has a clear strategy to focus on owning and developing assets that are sustainable and climate resilient. The potential principle adverse impacts results from the construction and/or renovation and management of real estate assets. The energy, material, waste, transport and labours associated with their development and management, as examples, has an impact on sustainability.</p>

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Niam Infrastructure invests in companies in the early stages of development that contribute to sustainability through improved transportation infrastructure, telecom and renewable energy. The greenhouse gas emissions, energy, sourcing of materials, manufacturing, transport, biodiversity, water, social and employee matters, as examples, has both environmental and social sustainability impacts.

The consideration of principal adverse impact is incorporated in the investment processes of Niam and is monitored, managed and disclosed during our holding period. If necessary and feasible relevant actions to reduce the principal adverse impact are done.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	1,164.32 [tonnes CO2e]	NA – 2024 is the first year of reporting	GHG emissions are categorized as Scope 1, Scope 2, and Scope 3 emissions from investee companies. The assessment is based	Efforts to reduce scope 1 emissions includes the decrease of reliance on fossil fuels, such as increasing the proportion of
		Scope 2 GHG emissions	ALT 1. 85.22 [tonnes CO2e]	NA – 2024 is the first year of reporting		

		Scope 3 GHG emissions	1,310.12 [tonnes CO2e]	NA – 2024 is the first year of reporting	on Niam's ownership stake in the investee company multiplied by the company's emissions and aggregated across all investments.	vehicles that run on renewable fuels and/or electricity over time within Niam investees' own operations.
		Total GHG emissions	2,559.67 [tonnes CO2e]	NA – 2024 is the first year of reporting	<p>Scope 1 emissions from company vehicles and machinery.</p> <p>Currently, not all purchased energy is renewable due to the availability in Niam investee companies' local region, resulting in scope 2 emissions. Some emissions are estimated based on company revenue and emission factor related to it's associated NACE code.</p> <p>Scope 3 emissions relate to the supplier manufacturing of material and equipment required in, for example, solar panels, charging ports and other infrastructure equipment.</p>	<p>To decrease scope 2 emissions, Niam's goal is to increase the proportion of purchased renewable energy for all investee companies.</p> <p>We also aim for 100 percent renewable heating and cooling, but we are currently dependent on the energy infrastructure and district heating providers in our countries of operation.</p> <p>To reduce scope 3 emissions, Niam strives to reduce environmental impacts and support climate change mitigation.</p>

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	2. Carbon footprint	Carbon footprint	34.37 [tonnes CO2e/EURm invested]	NA – 2024 is the first year of reporting	Sources of emission include manufacturing, transportation, and installation of investee company's infrastructure equipment, such as solar power energy. While solar energy generates virtually zero emissions during operation, there are some emissions related to installation, recycling and waste management at the end of life.	
	3. GHG intensity of investee companies	GHG intensity of investee companies	51.89 [tonnes CO2e/EURm revenue]	NA – 2024 is the first year of reporting	GHG emissions occur from investee company's non-renewable energy use, vehicles, and machinery, as well as the manufacturing and installation of infrastructure like solar panels and EV charging.	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	NA – 2024 is the first year of reporting	Investment scope does not include activity within the fossil fuel sector	Niam will continue to focus on investments outside the fossil fuel sector.

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	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	32.1% non-renewable energy consumption	NA – 2024 is the first year of reporting	Some investee companies have manufacturing and operations in countries where the availability of renewable energy is limited.	Niam will continue to focus on increasing the proportion of purchased renewable energy in all of our investee companies.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0 [GWh/EURm revenue]	NA – 2024 is the first year of reporting	Niam is not involved in energy consumption from high impact climate sector.	Niam will continue to ensure no involvement in high impact climate sector occurs.
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-	0%	NA – 2024 is the first year of reporting	No impact on biodiversity-sensitive areas has been reported.	The establishment of investee companies sites and products are under strict local environmental legislation that ensures consideration and mitigation of

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		sensitive areas where activities of those investee companies negatively affect those areas				impact on biodiversity.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 [tonnes]	NA – 2024 is the first year of reporting	The investee companies activities have not reported any emissions to water. Environmental impact assessments required by local legislation.	Niam will continue to ensure that investee companies follow local regulation and minimize/eliminate emissions to water.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.0001 [kg]	NA – 2024 is the first year of reporting	A small amount of hazardous waste has occurred during 2024 in one of Niam's assets during the development of railways. Niam's investment proportion of this company is low, reflecting on Niam's reported impact.	Development of the railways will continue through to 2026. However, Niam, together with Niam Infra investee companies, work to mitigate and minimize the amount of hazardous waste.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						

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Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	NA – 2024 is the first year of reporting	No Niam investments have any registered violations of the UNGC principles or the OECD Guidelines for Multinational Enterprises.	Niam are signatories of the UN Global Compact and adhere to the OECD Guidelines for Multinational Enterprises.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints	53.04%	NA – 2024 is the first year of reporting	Several of Niam's investee companies are in early stages of their development. Therefore, they may not currently have policies regarding UNGC principles or OECD Guidelines for Multinational.	Over time, work will continue to ensure that all investee companies have policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises

	Multinational Enterprises	handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises				
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	1.07%	NA – 2024 is the first year of reporting	Currently, only one company reports on this indicator. There is limited data reported for the average unadjusted gender pay gap.	Niam strives to improve data quality and quantity over time and encourage all investee companies to promote gender equality.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	83.8% (male directions/total directions)	NA – 2024 is the first year of reporting	Recruitment of boardmembers are based on objective qualifications to suit the needs of the investee company.	Niam encourages investee companies to promote gender equality.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions,	Share of investments in investee companies involved in the manufacture or selling of	0%	NA – 2024 is the first year of reporting	Niam has not invested in companies that are involved in the manufacture or selling of controversial weapons.	Niam will continue to ensure that no investments are made to companies involved in the manufacture or selling of controversial weapons.

	chemical weapons and biological weapons)	controversial weapons				
Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	NA	NA	NA	Niam does not engage in investments in sovereigns and supranationals, making this indicator inapplicable
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in	NA	NA	NA	Niam does not engage in investments in sovereigns and supranationals, making this indicator inapplicable

		international treaties and conventions, United Nations principles and, where applicable, national law				
Indicators applicable to investments in real estate assets						
Fossil fuels	17. 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	2.32%	NA – 2024 is the first year of reporting	There are two real estate assets which contain gas stations and are therefore involved in the storage of fossil fuels.	Niam predicts that gas stations over time will have more renewable fuels leading to a reduction of this principal adverse impact. One of the two existing gas stations will be removed during 2026.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	62.75%	NA – 2024 is the first year of reporting	Niam sometimes invest in older buildings, which typically have lower energy efficiency ratings. Additionally, Niam holds real estate	Niam works actively to increase the number of energy efficient real estate assets by improving energy efficiency. Improving energy

					assets in several countries, including Sweden, Denmark, Finland, Norway, and Poland, each with distinctive energy efficiency classification systems.	performance is central to Niam’s sustainability strategy. Improvement activities include for example: changing energy source, improving ventilation system and building insulation.
Other indicators for principal adverse impacts on sustainability factors						
Table 2 Additional climate and other environment-related indicators						
Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)				Metric	
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Energy consumption	19. Energy consumption intensity				0.0001345 [GWh/m2] Energy consumption in GWh of owned real estate assets per square meter	

<i>Table 3</i> Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters		
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric
Indicators applicable to investments in investee companies		
Social and employee matters	2. Rate of accidents	0 Rate of accidents in investee companies expressed as a weighted average
Description of policies to identify and prioritise principal adverse impacts on sustainability factors <i>Code of Conduct</i> The daily work of all employees and representatives of Niam is guided by our Code of Conduct, which aligns with the ten principles of the UN Global Compact (to which we are a signatory) concerning human and labour rights, environmental concerns and anti-corruption (approved by the Board of Directors, last updated on the 12 th of December, 2024). <i>Sustainability Policy and related documents</i>		

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The objective of Niam Sustainability Policy is to describe Niam's overarching position on sustainability and how the sustainability work in the company is governed, by the policy as well as related documents.

As sustainability spans over a vast range of issues, Niam's sustainability approach and framework include several supporting documents, for example:

- Sustainability Policy and Sustainability Goals
- Sustainability process descriptions
- Environmental Guidelines
- Risk Management Policy
- Risk Management Procedure
- HR Policies, including the Work Environment Policy and the Non-Discrimination and Equal Opportunity Policy
- Anti-corruption Policy
- Anti-money laundering Policy
- Conflict of interest Policy
- Remuneration Policy
- Procurement Procedure
- Niam's Business Plan and Budget

Please read more about our organization and management of sustainability in our latest Niam Sustainability Report on niam.com.

Data sources used for the measurement and reporting on the PAI indicators are assessed by the sustainability team. Niam uses an ESG platform to collect and aggregate the relevant ESG indicators in this report. The data includes both actual consumption figures and estimates based on different factors. For actual consumption figures data points are collected manually and automatically through our ESG platform and aggregated up on real estate, company or portfolio level. Niam seeks to leverage primary reported data and information whenever possible. When such data is not accessible, Niam uses actual data such as revenue, leased square meter and more to estimate their ESG impact. As we strive to improve data coverage and quality, updates may be made to indicators in future reports.

Engagement policies

Niam's real estate funds does not normally invest in operational real estate companies and are therefore not obliged to the engagement policies referred to in Article 3g of Directive 2007/36/EC of the European Parliament and of the Council. In contrast, Niam Infrastructure does invest in

operational companies and practices active and responsible ownership by, to the fullest extent possible considering the size of the ownership stake, assisting the business in developing strategy, creating business plans, setting targets, and managing operations.

In order to drive the business case Niam Infrastructure is active on board level in the investee companies in setting the strategy and business plan for the company as well as reviewing performance against this business plan. Niam Infrastructure works actively in building or adding to management teams and boards in order to bring in best in class practices and people. In addition to participating in board meetings, Niam Infrastructure maintains frequent meetings with management teams to receive updates, track progress, and identify any areas where support is needed. These regular touchpoints allow Niam Infrastructure to stay close to the business, proactively address challenges, and provide guidance and support when necessary. In the engagement ESG implementation is a key factor where business plans for the fund and portfolio companies incorporate ESG goals with action plans. Ongoing monitoring ensures progress toward ESG objectives, supported by supplier assessments, grievance mechanisms, and ESG-related procurement policies.

References to international standards

Niam operates in alignment with a number of established international frameworks and standards for responsible business conduct. These include:

- **United Nations Global Compact:** as a signatory to the UN Global Compact since 2017, Niam supports its Ten Principles, which address human rights, labor standards, environmental protection, and anti-corruption.
- **Principles for Responsible Investment (PRI):** the company also follows the PRI's Six Principles since 2016, integrating environmental, social, and governance (ESG) factors into its investment analysis and decision-making processes.
- **Task Force on Climate-related Financial Disclosures (TCFD):** in line with TCFD recommendations, Niam discloses climate-related risks and opportunities and incorporates these considerations into strategic planning and risk management. The company uses scenario analysis and other tools to evaluate its exposure to transition and physical climate risks. The scenarios used for assessing physical and transitional risks were developed by the UN International Panel on Climate Change (IPCC).
- **OECD Guidelines for Multinational Enterprises:** Niam follows the OECD Guidelines for Multinational Enterprises and observes international standards such as the ILO's core labor conventions and the Universal Declaration of Human Rights. Due diligence procedures include the identification and assessment of human rights and environmental risks in operations, investments, and third-party relationships.
- **ISO:** Niam is since 2009 certified according to ISO quality and environmental standards.

Historical comparison

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This is Niam AB's first year of reporting and are therefore unable to do a historical comparison.