



CROMWELL
PROPERTY GROUP

SUSTAINABILITY-RELATED DISCLOSURES

ARTICLES 3 AND 5

The statement below is applicable only to Cromwell's business in Europe and relates to the technical disclosures under the EU Sustainable Finance Disclosure Regulation.

This disclosure applies to the following entity: Cromwell Investment Luxembourg S.à r.l.



ARTICLE 3 DISCLOSURE

SUSTAINABILITY RISK INVESTMENT DECISION MAKING POLICY DISCLOSURE

Cromwell Investment Luxembourg S.a.r.l. (the “**AIFM**”) is making the following disclosure pursuant to Article 3 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“**SFDR**”). The AIFM is part of Cromwell European Holdings Limited’s group of companies (“**Cromwell**”).

This disclosure sets out information about the AIFM’s approach to the integration of “Sustainability Risks” (meaning an environmental, social or governance event or condition that, if it occurs, could have a material negative impact on the value of the investment), as required by the SFDR.

Sustainability Risks, including climate risk, are investment risks. The AIFM actively integrates Sustainability Risks into its investment decision making and management processes.

Sustainability Risk integration at Cromwell means incorporating an assessment of material environmental, social, and governance (“**ESG**”) data and insights into investment decision-making, alongside traditional financial information, to ensure real estate investments are managed consistently with each product’s sustainability strategy and that ultimately the business plans are delivered.

Our investment management process ensures a structured approach to integration of Sustainability Risks through the lifecycle of an investment. As such our investment team evaluates on an ongoing basis whether and how sustainability-related market considerations impact materiality of risk or relative pricing and value of specific assets within a sector or portfolio. They then respond to this information in the context of their investment process.

The AIFM will conduct sustainability due diligence on each acquisition which will be tailored to each product’s objectives. All relevant Sustainability Risks are considered and actively risk managed as appropriate, by prioritising them based on their materiality, product’s objective and the business plan for each investment, as well as ensuring that the risk taking is deliberate.

Sustainability Risks could arise at any stage of the real estate investment lifecycle including acquisition, ownership, renovation, and construction. The AIFM’s Portfolio Management Procedure sets out in further detail how our investment and asset management processes are tailored to ensure that Sustainability Risks are assessed at acquisition and throughout the investment lifecycle. In addition, the AIFM’s Risk Management Process incorporates comprehensive ESG considerations to identify and mitigate Sustainability Risks for responsible and sustainable management of the investments in real estate assets.

Please refer to the product-specific disclosures in the relevant product literature for more information on specific and relevant Sustainability Risks in respect of a particular product.

ARTICLE 5 DISCLOSURE

SUSTAINABILITY RISK REMUNERATION POLICY DISCLOSURE

The AIFM has established a remuneration approach that integrates the potential impact of sustainability risks on investments. The AIFM's remuneration arrangements are consistent with sound and effective risk management, including in respect of sustainability risk. As with other risks identified by the AIFM, the remuneration policy seeks to discourage excessive risk-taking in respect of sustainability risk.

Negative qualitative performance overrides any good financial performance and must be reflected appropriately in calculating the staff member's variable remuneration.

In determining remuneration pools or individual awards, the AIFM will consider the full range of current and potential risks associated with the activities undertaken by the individuals concerned, including sustainability risks, and can make appropriate adjustments.

