
Integration of sustainability risks in remuneration

This disclosure is applicable to NREP Management Company S.A. and NREP AB (jointly referred to as “NREP”), alternative investment funds managers belonging to the NREP Group.

The Sustainable Finance Disclosure Regulation (SFDR)¹ defines sustainability risk as “an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment”. This statement describes how our remuneration policies are consistent with the integration of sustainability risks, as per Article 5 of the SFDR. The remuneration policies are directly governed and adopted by the boards of NREP Management Company S.A. and NREP AB.

This statement applies as of 01 March 2023. It will be reviewed at least annually.

NREP pays staff a combination of fixed remuneration (salary and benefits) and variable remuneration (including bonus). In this regard, NREP has identified a list of staff relative to the exposure on sustainability risks and defined risk indicators to assess such sustainability risks in terms of variable remuneration. These risk indicators can be quantitative or qualitative, and reflect the relevant environmental, social and governance aspects. These risk indicators are set so that the structure of remuneration does not encourage excessive risk taking with respect to direct or indirect sustainability risks.

¹ 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.