

Vivada Investments B.V.

SFDR Article 10 disclosure

Background

This disclosure provides information in accordance with the SFDR art 10 requirements and relates to the financial product: Vivada Investment B.V. It discloses the basis of classifying the Fund as an SFDR Art 8 fund, as promoting to have characteristics of a sustainable investments and not sustainable investment as the objective. The sustainable characteristics promoted are explained below.

Summary

The fund promotes climate change mitigation by reducing energy consumption and thus carbon emissions of real estate. It also promotes social characteristics by enhancing social value for the tenants and community around it. The fund does not make any sustainable investment and no benchmark is assigned. The fund aims to have 100% of the investment aligned with the E/S characteristics.

By 2030 the fund aims to have at least 85% green energy labels (A-C), 100% of the assets (landlord-controlled areas) is powered by green energy and over 15,000 solar panels are installed. By 2025 all assets have access to an AED device.

During the initial due diligence and after the real estate is bought the fund manager monitors whether the investment aligns with its ESG strategy and set ESG-targets. During the portfolio management and asset management period, the sustainability initiatives as identified during the acquisition phase are being implemented. To measure the attainment of the environmental and social characteristics the fund measures the energy labels of the real estate, the percentages of assets (landlord-controlled areas) powered by green energy, the number of solar panels installed and the MFH units with an installed AED.

No sustainable investment objective

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

Environmental or social characteristics of the financial product

The product promotes both environmental and social characteristics. More specific it promotes the environmental characteristics climate change mitigation by reducing energy consumption and thus carbon emissions. The social characteristics promoted is enhancing social value for the tenants and community around it.

No reference benchmark has been designated.

Investment strategy

The fund invests in real estate, by 2030:

- at least 85% of the real estate needs to have a green energy label (A-C).
- 100% of the assets (landlord-controlled areas) is powered by green energy.
- over 15.000 solar panels are installed.

By 2025 the fund manager will ensure that AED devices are within close reach to all MFH units.

Although the Fund Manager have appropriate governance principles embedded in its operations, the Funds' investments solely comprise of investment in real assets therefore it is not required to assess the good governance principles of the fund.

Proportion of investments

All investments are direct investments in real estate properties and are aligned with the environmental characteristics of the product. So, 100% is aligned with the E/S characteristics, 0% is invested in sustainable investments.

Monitoring of environmental or social characteristics

During the portfolio management and asset management period, the sustainability initiatives as identified during the acquisition phase are being implemented. The fund manager assesses the asset management plan for all assets on an annual basis and incorporates sustainable asset management initiatives in the plan to ensure it aligns with the sustainability strategy and the underlying targets. To meet the ESG strategy and sufficiently embody the characteristics the Fund promotes, existing assets are assessed on a continuous basis to ensure that the defined targets are being met.

Throughout the holding period, the assets are reviewed for physical and stranded asset risk to determine appropriate action to take to manage the risks accordingly.

Methodologies

The Fund applies the below listed sustainability indicators to measure whether the promoted environmental characteristics are met:

- % of green energy labels (A-C): Energy label data are allocated to individual assets through an assessment by an accredited advisor, at least every 10 years or upon renovating the unit, these labels are retrieved from the Dutch government (or accredited advisors).
- % of assets powered by green energy (landlord-controlled areas only): This metric refers to energy consumption of areas controlled by the landlord. The metric is measured in area units.
- Number of solar panels: This metric is measured per solar panel unit installed at or around the fund assets. Data are obtained from solar panel energy provider dashboards.
- % of MFH assets with an AED Installation: This metric is measured unit installed per Multifamily housing units.

Data sources and processing

This section will be updated pending the rollout of further EU regulations and technical standards.

Limitations to methodologies and data

This section will be updated pending the rollout of further EU regulations and technical standards.

Due diligence

The Fund manager determines whether the proposed investment aligns with its ESG strategy, and the environmental and social characteristics promoted by the fund. The Fund has set ESG targets to meet these characteristics. During the investment process, the investment and underlying assets are assessed to determine whether it aligns with the targets or incorporate in the investment plan the activities/sustainability initiatives that needs to be taken to ensure it meets the targets.

The investment committee carefully assess the investment opportunity from a risk and opportunity perspective to ensure that a fair decision is being made to ensure good investments are being made, which contributes to, and align with the ESG strategy and characteristics.

Engagement policies

The Fund does not invest in investee companies, solely in real assets and therefore no such policy is in place.