

Updated September 4, 2023

Considerations about principal adverse impacts (PAI) of investment decisions on sustainability factors

PAI – Principal Adverse Impact.

“Sustainability factors” mean - environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. These factors address environmental, social and governance issues in a broader context and do not have a significant direct impact on the return on our investment.

We do not conduct evaluation of PAI.

We generally intend to invest in objects that do not leave a significant negative impact on sustainability factors. At the same time, we are aware that real estate, including construction and reconstruction, maintenance and management of buildings have an impact on both the surrounding environment and the social sphere, and the evaluation of this impact is an important consideration that should be taken into account as much as possible. Therefore, when making the Fund's investments, along with other considerations, NCH Baltics plans to introduce PAI evaluation as well. NCH Baltics has planned to introduce PAI evaluation from the moment the total amount of invested assets of the relevant Fund exceeds 50 million euros or when it is requested by the Fund's investors.