AERMONT

TCFD Entity Level Disclosure

June 2025

LEGAL NOTICE

This communication is dated June 2025 and has been published by Aermont Capital LLP (the "Advisor") which is in-scope of the TCFD entity level disclosure requirements set out in Chapter 2 of the Environmental, Social and Governance sourcebook of the FCA Handbook. References to "Aermont" throughout this report may, depending on the context, also refer to Aermont Capital Management S.à.r.l., which is the alternative investment fund manager of the Funds and takes a consistent approach on climate-related matters to Aermont Capital LLP.

No undertaking, representation, warranty, or other assurance, express or implied, is or will be made by Aermont, its advisors or agents or any such persons, directors, officers or employees, or any other person as to the accuracy, completeness or fairness of the information, opinions or data contained in this document, whether provided by third parties or not, and any reliance you place on them will be at your sole risk.

This report is provided for informational purposes only and should not be construed as investment advice and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any interests in Perella Weinberg Real Estate Fund II LP, PW Real Estate Fund III LP, Aermont Capital Real Estate Fund IV SCSp, Aermont Capital Real Estate Fund V SCSp, PGV SCSp or any successor or related funds (together, the "Funds"), nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the interests in the Funds. Aermont does not provide legal, regulatory, financial or tax advice to prospective investors, and any such person should discuss any prospective investment in a product with their advisors in order to make their own independent decision as to the suitability and consequences of such an investment.

This report covers the reporting period of the financial year ended 31 December 2024. The disclosures in this report comply with the requirements set out in Chapter 2 of the Environmental, Social and Governance sourcebook of the FCA Handbook, applicable to the Advisor. Aermont seeks to apply the overall entity (Advisor) level approach to the governance, strategy and risk management of climate related matters summarised in this report consistently across the Funds.

This report includes certain information on Aermont's approach to climate risks and opportunities at an organisational or investment team level, which may not be reflected within the portfolio or practices of the Funds. Nothing contained in this report shall be relied on as a promise or representation regarding the historic, current or future position or performance of any of the Funds, or any other investment referenced herein. In particular, no representation or warranty is made with respect to the reasonableness of any estimates, forecasts, prospects or returns, which should be regarded as for illustrative purposes only.

In preparing any climate-related information contained in this report, Aermont has made a number of key judgements, estimations and assumptions. The processes, methodologies and issues involved are complex. The climate data, models and methodologies used are often relatively new, are rapidly evolving and are not of the same standard as those available in the context of financial and other information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. It is not possible to rely on historical data as a strong indicator of future trajectories, in the case of climate change and its evolution. Outputs of models, processed data and methodologies are also likely to be affected by underlying data quality, which can be hard to assess and we expect industry guidance, standards, market practice and regulations in this field to continue to evolve. There are also challenges faced in relation to the ability to access data on a timely basis and the lack of consistency and comparability between data that is available. This means the climate-related forward-looking statements, information and targets discussed in this report carry an additional degree of inherent risk and uncertainty. For further information, please see the 'Metrics and Targets' section of this report.

In light of uncertainty as to the nature of future policy and market response to climate-related issues, including between regions, and the effectiveness of any such response, and as market practice and data quality and availability develops, Aermont may have to update the models and/or methodologies it uses, or alter its approach to climate-related analysis and may be required to amend, update and recalculate its climate-related disclosures and assessments in the future, its climate-related ambitions, goals, commitments and/or targets or its evaluation of its progress towards its climate-related ambitions, goals, commitments and/or targets. Revision to climate-related data may mean it is not reconcilable or comparable year on year.

This report contains a number of graphics, infographics, text boxes and illustrative case studies and credentials which aim to give a high-level overview of certain elements of this report and improve the accessibility of this report for readers. These graphics, infographics, text boxes and illustrative case studies and credentials are designed to be read within the context of the report as a whole. Any case studies referenced in this report herein are not representative of all investments and are shown solely for illustrative purposes.

The information contained within this report has not been independently verified or assured. The information in this report includes non-financial metrics, estimates or other information that are subject to uncertainties, which may include the methodology, collection and verification of data, various estimates and assumptions, and underlying data that is obtained from third parties. Data has been checked by third-party consultants but Aermont has not arranged for independent assurance of the data with respect to its accuracy or completeness.

We define Net Zero in line with the UK GBC "Net Zero Carbon Buildings: A Framework Definition". Net Zero Carbon – Operational Energy: "When the amount of carbon emissions associated with the building's operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset."

This report contains 'forward-looking statements'. Forward-looking statements are sometimes but not always identified by their use of a date in the future or such words as 'anticipates', 'aims', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'projects'; 'plans', 'forecasts'; 'goals', 'estimates', or 'targets'. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to the following:

- changes in the regulatory framework in which Aermont operates;
- the impact of legal or other proceedings against Aermont or others in the industry;
- climate change projection risk including, for example, the evolution of climate change and its impacts, changes in the scientific assessment of climate change impacts, transition pathways and future risk exposure and limitations of climate scenario forecasts;
- amendments to or new climate-related reporting standards, models or methodologies;
- changes in climate-related data availability and quality which could result in revisions to reported data going forward; and
- climate scenarios and the models that analyse them have limitations that are sensitive to key assumptions and parameters, which are themselves subject to some uncertainty.

Actual results and developments may differ materially from the expectations disclosed or implied as a result of factors including those outlined above. All subsequent written or oral forward-looking statements attributable to Aermont any persons acting on its behalf are expressly qualified in their entirety by the factors referred to above. No assurances can be given that the forward-looking statements in this report will be realised.

Aermont Capital LLP (Company Number: OC329007) is authorised and regulated by the Financial Conduct Authority with its registered office at 55 4th Floor, St James's Street, London, England, SW1A 1LA.

2024 TCFD ENTITY LEVEL DISCLOSURE

Aermont is a European asset management business focused on real estate and real estate related investment activities. We take a proactive operator-oriented approach, emphasising large complex investments that offer long-term value creation opportunities for the associated assets and businesses.

To date, Aermont has raised a succession of five pan-European, opportunistic, real estate investment funds and a long-term continuation vehicle, PGV (the Funds). Investments feature prime assets or projects at top locations in major cities such as London, Paris, Berlin, Barcelona, Florence, Milan, Stockholm and Lisbon, as well as leading operating businesses in sectors such as workforce housing, data centres, cold storage, luxury hospitality, student housing and film production studios. Over 18 years, we have raised €13 billion of aggregate equity commitments and have made over 40 investments representing €20 billion of gross asset value.[1] Aermont Capital LLP serves as investment advisor (the Advisor) to the Funds while Aermont Capital Management S.à.r.l. is the alternative investment fund manager (the Manager). Aermont's Executive Partners are Paul Golding (Managing Partner), Nathan Shike, Alison Trewartha, Henning Richter and Samuel Kreber. In April 2024, Aermont announced that it completed the sale of a 50% stake to Keppel Ltd (Keppel).

In the European market, climate-related considerations are increasingly seen as commercially material. Real estate assets that demonstrate strong environmental performance and contribute positively to social outcomes are, in some cases, achieving premium rents and higher exit values. Aermont recognises that climate change creates challenges and opportunities. We are committed to contributing to the Paris Agreement's goal to keep global warming below 1.5 degrees and have developed strategies to mitigate the impact of climate change on our investments and business. Decisions on acquisitions, business plans, operations and engagement are informed by processes that enhance our understanding of relevant climate-related risks and opportunities as referenced in the following pages.

This report highlights work we have been doing throughout 2024 to align with our aims of minimising transition and physical climate risks. As detailed in the Strategy and Risk Management sections, we have further embedded climate considerations into investment and risk management processes and provided training to the wider team on these and other ESG topics. We see this not just as a risk management exercise but also as an opportunity to futureproof our assets, making them resilient to a low carbon economy. Many of our investments exhibit low carbon and energy efficient credentials. For example, Pier 16 (Fund IV), which completed in early 2025, employs a number of innovative technologies to make the building fossil fuel free. In fact, 85% of energy is generated on site from renewable sources enabling net zero carbon operations and reduced energy costs for occupiers.[2]

We recognise that good ESG data is key to our progress. In 2024, we onboarded a new sustainability data platform to facilitate more efficient data collection and reporting, as well as more effective portfolio analysis and benchmarking. Phase 1 is complete with all assets onboarded; Phase 2 is underway as we look to enhance the reporting functionality and implement Aermont specific customisations.

We will continue our efforts to integrate climate risks and opportunities into our processes, policies, investment business plans and thinking with the aim of creating long-term value for our stakeholders.

Paul W M Golding CBE
Managing Partner
AERMONT

Pinewood Studios (PGV), London, UK

Notes: Figures are as of 31 March '25 unless otherwise noted. (1) Gross Asset Value (GAV) is the aggregate sum, across Funds I-V and PGV, of (i) exit GAV for all realised investments (or the realised portions of partially realised investments), plus (ii) for unrealised investments (or the unrealised portions of partially realised investments) current GAV as of 31 March '25 corresponding to the net asset values presented in each Fund's quarterly financial statements covering Q1 2025. (2) Based on design stage modelling, c85% of base building energy will be provided through hybrid photovoltaic and thermal solar panels, ice-storage system, geothermal energy and air- and water-based heat pumps.

GOVERNANCE

Strong governance underpins the activities of Aermont and the Funds and is considered to have contributed to the success of the Funds to date. ESG and climate-related risks and opportunities are overseen and implemented at the most senior level with ultimate responsibility being held by Aermont Capital S.à r.l. (AC S.à r.l.). AC S.à.r.l. delegates daily management, strategy, policy development, implementation and reporting activities to the ESG Committee. Implementation at the level of the Advisor is subject to the oversight of the Advisor's Management Committee.

Aermont Capital S.à r.l. ("AC S.à r.l.")

On 29 April 2024, Aermont Capital Group SCSp completed the sale of a 50% stake in Aermont Capital S.à r.l. to Keppel. Keppel appointed three members to the Board of AC S.à r.l., alongside Aermont members including Paul Golding (Managing Partner), Samuel Kreber (Partner and CFO) and Nathan Shike (Partner). Ultimate responsibility for ESG is held by AC S.à r.l., though its governance framework allows for delegation of decision-making on ESG topics and day-to-day oversight to the ESG Committee.

Management Committee (of the Advisor)

The Management Committee is comprised of Paul Golding (Managing Partner), Nathan Shike (Partner and member of the ESG Committee), Alison Trewartha (Partner and member of the ESG Committee), Henning Richter (Partner and member of the ESG Committee) and Samuel Kreber (Partner and CFO). It oversees the operations of the Advisor. This includes compliance with UK regulation, including the FCA's entity level TCFD reporting expectations for asset managers, the implementation of Aermont policy and guidance in relation to ESG and climate-related risk activities and the consideration of the same in performance assessment and remuneration decisions. The Management Committee typically meets at least monthly.

Board (of the Manager)

The Board of the Manager consists of Nathan Shike (Partner), Samuel Kreber (Partner and CFO), Stéphane Bourg (Independent Director) and Catherine Pourre (Independent Director). It is responsible for business strategy, including risk appetite, and reviewing the effectiveness of the risk management framework. The Board of the Manager receives regular updates from the Risk Manager, including analysis of sustainability risk which incorporates climate-related physical and transition risk. It is ultimately responsible for the compliance of the Manager with applicable laws and regulations (including, but not limited to, compliance with the SFDR) and the overall activities of the Manager and meets at least quarterly.

ESG Committee

The ESG Committee, formed by AC S.à r.l., is the governance body for considering and advising on ESG at Aermont including climate-related risks and opportunities, strategy and policy development, implementation, regulation, reporting and performance. The forum meets quarterly and is comprised of:

- Camilla Mathews, Chief Sustainability Officer (CSO) and Chair
- Nathan Shike, Partner
- Alison Trewartha, Partner
- Henning Richter, Partner
- Juan Ramón Manzanaro, Portfolio Manager (of the Manager)
- Andrea Farina, Risk Manager (of the Manager)
- Rebecca Pearce, ESG Consultant (Territorio)

On a quarterly basis, the ESG Committee updates AC S.à r.l. on ESG risks and opportunities, strategy and policy development, implementation, regulation and reporting.

ESG Policy

Aermont's ESG Policy is the key document defining our approach to environmental, social and governance issues, including climate-related risks and opportunities. It addresses material ESG issues and refers to various targeted policies and documentation which provide detailed implementation guidance. The policy is overseen by the CSO, Camilla Mathews.

ESG Governance Structure

GOVERNANCE continued

Investment Process

Climate-related risks and opportunities are considered in detail as part of pre-acquisition due diligence activities (refer to page 11). Findings from the ESG due diligence are signed off by the CSO and included in the formal recommendation (Investment Assessment Report) which is approved by the Investment Committee before being submitted to the Manager to be considered by the Investment Control Council (ICC).

Members of the Investment Committee include Paul Golding (Managing Partner), Nathan Shike (Partner), Alison Trewartha (Partner), Henning Richter (Partner) and the Managing Directors of the Advisor.

The ICC is responsible for making the investment decisions of the Manager on behalf of the Funds, subject to the Risk Manager's veto. It is comprised of a member of the ESG Committee (Juan Ramón Manzanaro) and Samuel Kreber (Partner & CFO). The Risk Manager (Andrea Farina) is invited to participate. Decisions are based, in part, on the recommendations of the Investment Committee.

Any residual risks post-acquisition are managed within the Aermont Risk Management Process (refer to pages 10 and 11).

Skills, Expertise and External Support

In addition to regular updates from the CSO and interactions via the ESG Committee, the majority of the Investment Team also participated in a customised four-part training programme based on the Better Buildings Partnership course ''ESG for Real Estate Professionals" in May and June 2024. Modules covered topics related to:

- Drivers of ESG, including megatrends and market drivers specific to the Real Estate sector
- Net Zero, Biodiversity and Nature, Climate Resilience and Circular Economy
- Materiality, including valuation impact and investment strategy
- ESG in Investment Management, focusing on identification of risks and opportunities and integration into asset management

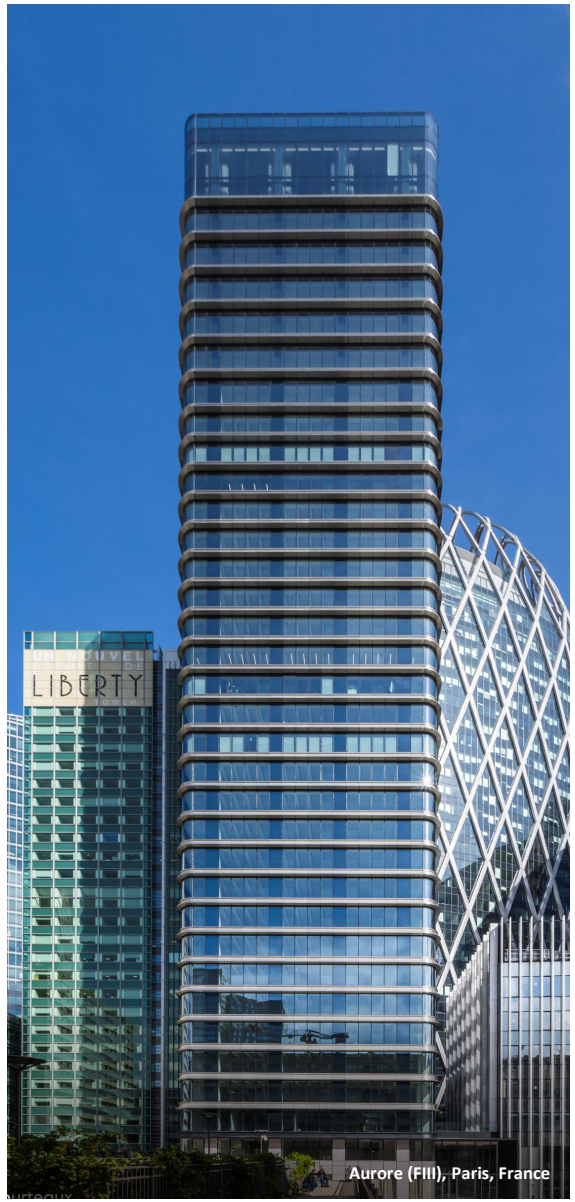
The programme was hosted by the consultancy, Hillbreak, and included virtual live training, online video and text-based resources, assessment quizzes and in person interactive sessions. It was designed to deepen the team's knowledge and understanding of the drivers of ESG, equip them with greater competence in identifying and assessing the ESG factors that could be material to different investment and asset management contexts and further their understanding of their ESG responsibilities. This was supplemented with training led by the CSO in October 2024 on new and revised guidance documentation and refinements to the investment process.

In H1 2025, Aermont carried out further training on ESG topics. Three Partners, all MDs from the Investment Team, members of the Luxembourg Finance and Risk teams and the CSO attended a day long Greenhouse workshop hosted by Deloitte to score Aermont's ESG impacts, risks and opportunities. The ESG topics covered a range of environmental, social and governance issues and included:

- Climate change adaptation
- Climate change mitigation
- Energy

The Greenhouse workshop looked at the risks and opportunities to Aermont and its value chain, as well as the impacts of its activities on society and the environment. The output of this exercise was a Double Materiality Assessment which provides more clarity to key decision makers on climate-related risks and opportunities and how they can be addressed.

In order to account for any portfolio changes that had occurred through 2024, Aermont re-engaged Willis Towers Watson (WTW) to refresh the climate-related physical risk assessment. This included detailed scenario analysis. The findings of the WTW assessment have been considered in Aermont's review of strategy, policy and performance.



Aurore (FIII), Paris, France

Governance Actions During 2024

- ESG training course delivered by Hillbreak based on Better Buildings Partnership "ESG for Real Estate Professionals" (customised for Aermont)
- Internal training given to investment team on new and revised ESG guidance documentation, including a refined due diligence process, amended ESG Development Brief (to incorporate climate and embodied carbon) and the ESG Guidebook for corporate investments, platforms and joint venture partners
- Further embedded physical climate risk analysis into pre-acquisition due diligence procedures for all potential acquisitions
- Hosted three roundtable sessions for our corporate housebuilders to share best practices and ideas for advancing ESG
- Quarterly ESG Committee meetings to discuss progress and future actions. Since Q3 2024, this was then reported up to AC S.à r.l. quarterly by the CSO

Looking ahead

In the next 24 months, we will look to:

- Educate the team on the outcomes and actions arising from the Double Materiality Assessment covering ESG topics, including climate
- Continue roll out of ESG Guidebook which sets out Aermont's requirements for governance, reporting and processes for corporate investments, platforms and JV partners, including the management of climate related risks and opportunities
- Continue engagement with corporate investments with programmes such as the housebuilder roundtable series

STRATEGY

Aermont's business model

Aermont is a European asset management business focused on real estate and real estate related investment activities. Investments feature operational real estate assets, ground-up developments and major refurbishment projects, as well as corporate investments that span sectors such as workforce housing, data centres, cold storage, luxury hospitality and film production studios. All directly owned assets, and the majority of underlying real estate assets of our corporate investments, are located in Northern / Western Europe.

How we approach climate risk

Climate-related risks and opportunities are considered throughout the lifecycle of our investments, including: how we develop and refurbish buildings, manage our operational assets and engage with the management teams of corporate investments, joint venture partners and current and future occupiers.

In 2024, we reviewed again:

- 11 transition risk drivers, under four categories of: Policy & Legal, Technology, Market and Reputation
- 8 climate-related physical risks classified as acute (extratropical cyclone, tropical cyclone, river flood) or chronic (heat stress, precipitation, drought, fire weather and sea level rise)

The tables on pages 8 and 9 expand on the risks and opportunities identified as material and set out how they might impact our business, strategy and subsequent financial planning. They also cover how we plan to mitigate them and adapt where appropriate.

Consideration of climate-related risks is integrated into Aermont's investment process. We use (i) a software solution provided by Munich Re to assess physical risks and natural hazards, and (ii) the CRREM Risk Assessment tool to assess aspects of transition risk. These tools are used (where data is available) in pre-acquisition due diligence activities and in the asset management phase with regular reviews of existing investments conducted. Refer to page 11 for more detail.

Transition risks and opportunities

We identified four transition risks (which, if addressed, can also be opportunities) as material for Aermont. They are: the pricing of greenhouse gas emissions, energy efficiency requirements for buildings, investment risk and increasing tenant and investor preference for sustainable assets.

Physical risks

We have refreshed the physical risk analysis this year to take account of new acquisitions. For physical risk, WTW's assessment included an asset by asset 'exposure diagnostic' analysis for a range of climate hazards under three climate scenarios: a below 2°C scenario (1.5°C scenario), 2-3°C scenario and a 4°C scenario. Three time horizons were considered: the present day, 2030 and 2040-50.

The physical risk assessment considered all investment types across existing Funds, including direct real estate and corporate investments and their underlying assets. Physical risks identified as material under current conditions and a 1.5°C scenario are windstorms (due to extra-tropical cyclones) and flooding. These also apply under a 4°C scenario, with additional risks of heat stress and drought noted. Risks and opportunities are discussed further on pages 8 and 9.

Overall, physical climate risk was not deemed financially significant on the portfolio as a whole. Certain individual assets, however, are in areas of higher climate risk (e.g. from windstorms or flooding) and will be considered in terms of how to increase their climate resilience. None of these were at significant financial risk.

Ongoing climate risk management

Aermont's ESG guidance documents address climate resilience across all investment types. In addition to assessments conducted at due diligence stage, specialist advisors are engaged to advise on mitigation and adaptation measures where relevant. We also monitor risks identified via risk management processes, with updates included in the ESG Investment Plans presented at quarterly Asset Management Meetings. Any changes in physical risk will then be reviewed and managed accordingly.

CASE STUDY: Pier 16, Berlin, Germany (Fund IV, unrealised)

Pier 16 is a ground-up, mid-rise office development in Berlin's sought after Mediaspree district. It uses an innovative energy concept which makes the building independent from external gas supply and facilitates net zero carbon operations for future occupiers. Green energy is derived from various sources: the sun, ambient air and heat from data processing which is stored in geothermal systems and a 1.5 million litre ice-storage tank in summer, subsequently used in winter. State-of-the-art 1,600 sqm of PVT panels not only provide heat day and night from the radiation and ambient air, but also electricity that is used for the air-heat pumps. These heat pumps extract heat from the ice-storage, geothermal energy and air to provide heating and hot water in winter and cooling in the summer. 85% of base building total energy demand is predicted to be generated on-site from renewable sources, with any additional electricity to be acquired from off-site renewable sources. A specialised contractor has been appointed to manage and maintain the system post completion. In addition to the energy concept, the characteristic wood-hybrid construction method and the selective use of sustainable building materials, including recycled concrete as aggregate and green steel, results in a significant reduction of the building's carbon footprint during the construction phase compared to standard methods. The project is targeting LEED Zero, LEED Platinum and WELL Platinum ratings. Energy modelling indicates Pier 16 is predicted to sit below the relevant CRREM decarbonisation pathway for 18 years after completion, in excess of our 15 year target for ground-up developments.[1]

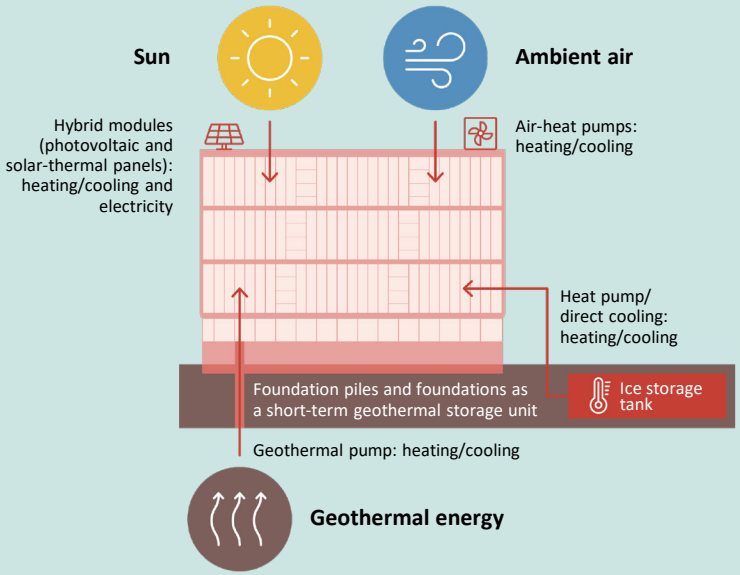
Energy concept

For net zero operations

Pier 16 uses green energy from three different sources: geothermal energy, the sun and the ambient air.

The heat pumps and energy exchangers use fossil fuel free energy for the heating and cooling of the building as required. The solar-thermal modules not only generate heat but also electricity, which is used for the heat pumps.

Any additionally required electricity is purchased from renewable sources.



Notes: Any case studies and assessments noted in this report may not be comprehensive and may only consider certain ESG attributes or metrics, among others, of the relevant investments.
(1) CRREM predicted performance calculated using final energy modelling of fully operational building. Predictions will be reviewed periodically with any changes upon completion.

AERMONT'S INVESTMENT PROCESS

Seizing opportunities and managing risk

Aermont seeks to generate high quality, innovative and sustainable assets for current and future investors, occupiers and other stakeholders, while positively contributing to the proximate communities. The consideration of climate-related risks and opportunities is integrated into our investment process with differing potential impacts across the range of investment types.

Pre-acquisition

New acquisitions are subject to a due diligence process that includes climate-related physical and transition risk, allowing us to have an understanding of exposure and the investment required to mitigate identified risks for proposed investments.

Asset management

For our ground-up developments and major refurbishment projects, we set standards for sustainability through the application of our ESG Development Brief and expectations for green building certification, addressing climate resilience and energy/carbon efficiency in line with anticipated future regulation, investor and tenant expectations.

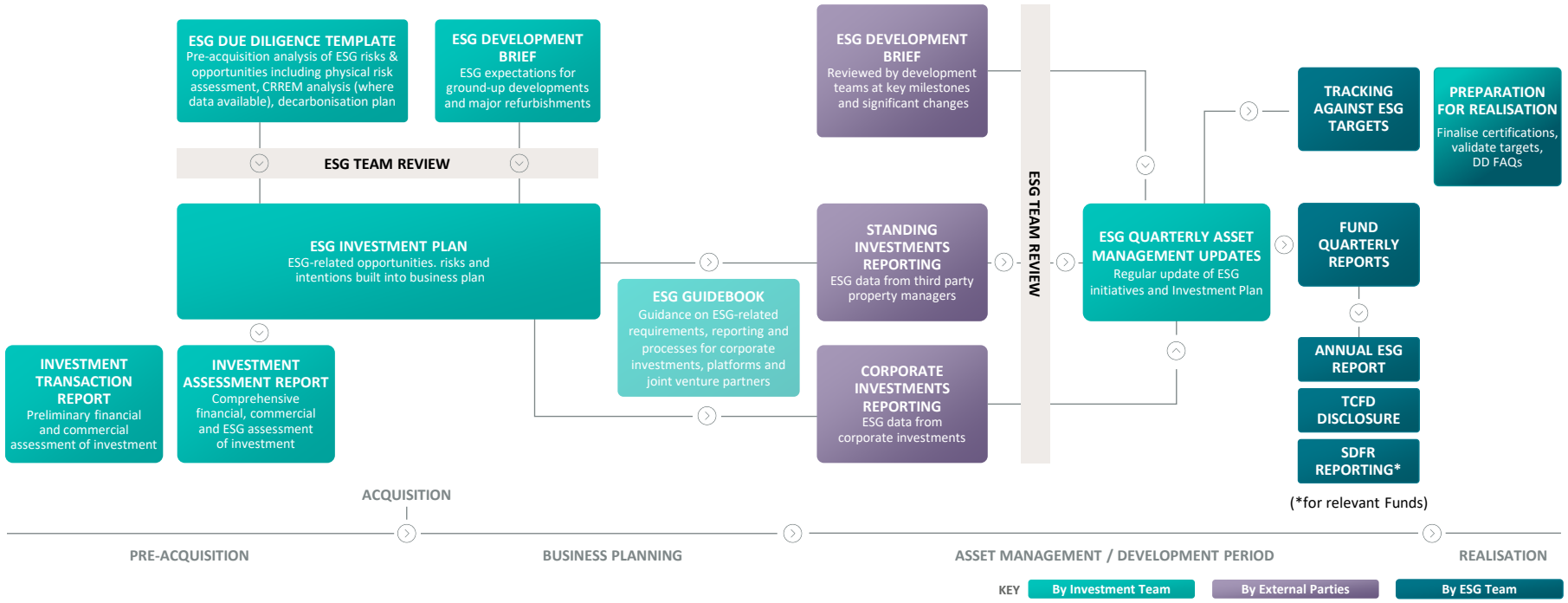
The management of our operational assets, many acquired before 2020, includes collection of energy and water consumption data, calculation of GHG emissions, and a programme of BREEAM in Use certification to understand performance. Several assets are currently subject to improvement plans.

Our stewardship activities with corporate investments encourage the consideration of climate risk and resilience to mitigate negative environmental aspects for underlying real estate assets, business activities and end products such as the construction of housing for sale and rent.

External parties that we work with might include consultants, development managers, project managers, strategic joint venture (JV) partners and ESG teams.

Collectively these processes seek to address the transition risks noted earlier in this report i.e. the pricing of greenhouse gas emissions and increasing energy efficiency requirements for buildings.

Physical risks are also assessed annually and any changes in the risk profiles are communicated to the Investment Team for further action.



Strategy Actions During 2024

- Internal training given to Investment Team on new and revised ESG guidance documentation, including a refined due diligence process, amended ESG Development Brief (to incorporate climate and embodied carbon) and the ESG Guidebook for corporate investments, platforms and joint venture partners
- Enhanced our proprietary SFDR scoring model to further monitor the promotion of environmental characteristics for Fund V
- Hosted three ESG roundtables for the corporate housebuilders. A range of social and environmental topics were discussed (including carbon reporting and climate strategy) and best practice and learnings shared
- Undertook an energy performance study of buildings across the Pinewood estate to inform real estate strategy and planning of energy efficiency improvements

Looking ahead

In the next 24 months we will look to:

- Use the outcomes from the Double Materiality Assessment to inform Aermont's ESG Strategy. This work includes consideration of climate-related impacts (both transition and physical)
- Finalise customisations and reporting functionality of our ESG data management platform to enhance portfolio analysis and benchmarking capabilities
- Continue to work with investments, for example with the Pinewood team, as they develop a programme of energy efficiency improvements for selected assets

TRANSITION CLIMATE RISKS

MATERIAL RISK / OPPORTUNITY	DESCRIPTION	POTENTIAL IMPACT ON AERMONT'S BUSINESS (IN THE SHORT- TO MEDIUM-TERM)	AERMONT'S RISK RESPONSE	RISK / OPPORTUNITY SCORE
PRICING OF GREENHOUSE GASES	**Overview:** Carbon pricing resulting in increased direct operating costs and taxation **Materiality:** Firm level and Asset level	• Aermont has assessed a material exposure to greenhouse gas emissions pricing at the investment level, considering the aggregate emissions across multiple Funds. The capacity of our investments to absorb or pass on new carbon pricing related expenses is unknown but impacts would likely be industry-wide. • Aermont's total corporate carbon footprint in 2024 was calculated at 399 tonnes CO2e (relating to premises, consumables and business-related travel - scope 1, 2, and selected scope 3 emissions). Introduction of pricing for GHG emissions would have a financial impact but, for the purposes of this evaluation, is not deemed significant under a 1.5 °C scenario	• Aermont's revised ESG Development Brief (that guides teams for ground-up developments and major refurbishments) includes consideration of both embodied and whole life carbon for ground-up developments and major refurbishments. • The use of CRREM analysis in long-term target setting for operational and development projects promotes energy and emissions reduction. • Aermont's stewardship approach includes engagement and information sharing to encourage corporate investments to develop their ESG strategy and improve performance, measurement and reporting.	Medium Risk Medium Opportunity
ENERGY EFFICIENCY REQUIREMENTS FOR BUILDINGS	**Overview:** Energy efficiency regulations in the UK and Europe resulting in higher capital costs for new investments **Materiality:** Asset level	• The impact of energy efficiency regulation is significant for Aermont, but not entirely clear due to regulatory (and political) uncertainty, posing challenges when devising business plans. • The recently revised (2024) EU Energy Performance of Buildings Directive (EPBD) and UK Minimum Energy Efficiency Standards (MEES) may impact minimum efficiency requirements and necessitate more extensive refurbishment works. • Business impacts include the cost of refurbishment works and disruption to occupiers during construction. Potential benefits of such works include government incentives and engagement with tenants resulting in favourable leasing arrangements.	• Aermont will continue to review energy efficiency at asset and Fund level, considering requirements as they emerge. Retrofitting strategies are in varying stages of development for several investments where risks have been identified. Consultants have been engaged to evaluate impacts and retrofitting strategies for certain corporate investments with underlying real estate assets that may be at risk. • Aermont monitors and seeks to improve energy performance of existing operational investments by gathering performance data that aligns with international standards, adopting energy efficiency improvement measures where possible and, where relevant, engaging with occupiers.	Low Risk Medium Opportunity
INCREASING TENANT AND INVESTOR PREFERENCE FOR SUSTAINABLE ASSETS	**Overview:** Increasing tenant and investor preference for more sustainable assets **Materiality:** Firm level and Asset level	• Aermont recognises the shift in tenant and investor sentiment as it relates to ESG. In the current market, we note rent and pricing premiums for properties that offer flexibility, modern amenities, social responsibility and strong environmental performance including low energy and low emissions operations. • The emergence of a "two-tier" market favouring properties exhibiting these advantages benefits Aermont given our knowhow and track record for creating prime, sustainable properties. • Opportunities may arise if Aermont can demonstrate a robust approach to addressing climate risk and strong and measurable ESG performance.	• Aermont considers sustainability and climate-related risks and mitigation strategies as early as possible when assessing investment opportunities and throughout the life of our investments. • Aermont has several ongoing extensive refurbishment and development projects with ambitious ESG targets. A robust ESG due diligence process is also implemented when considering new acquisitions. • Continued strong focus of all Funds on sustainable real estate and further enhance integration of ESG into investment process and business plans.	Low Risk Medium Opportunity
INVESTMENT RISK	**Overview:** Increased reputational risk due to investor scrutiny of businesses' approach to climate change **Materiality:** Firm level (reputational)	• Investors' expectations around emissions reductions and ambitious targets are expected to heighten as demonstrated by the recent increase in volume and scope of requests for ESG-related information. • As the Manager of an SFDR Article 8 Fund, Aermont is required to disclose progress towards the Fund's Article 8 characteristics to its investors. Aermont also reports as a signatory of UN PRI and participates in the GRESB Real Estate benchmark for relevant Funds. • Reputational risk and financial risk are interlinked. Where climate risk is detrimental to the financial performance of the Funds, this could impact Aermont's ability to raise targeted capital for subsequent Funds.	• Aermont maintains communication channels with investors providing regular updates on recent ESG developments and performance. • The Funds will continue to participate in relevant sector benchmarks. In 2024, Fund III and Fund IV participated in Standing and Development benchmarks. Both Funds were ranked in the top 3 of the relevant GRESB peer groups for all benchmarks and achieved a score over 90 for Development (the most relevant for our strategy). Fund IV will participate again in 2025 and Fund V in 2026.	Low Risk Medium Opportunity

PHYSICAL CLIMATE RISKS

MATERIAL RISK / OPPORTUNITY	DESCRIPTION	POTENTIAL HAZARD EXPOSURE TO AERMONT'S BUSINESS (IN THE SHORT-TERM FOR 1.5°C SCENARIO AND IN LONG-TERM FOR 4 °C SCENARIO)	POTENTIAL IMPACT	RISK SCORE
WINDSTORMS	**Overview:** Includes the wind-related impact of different types of storms such as winter storms, extratropical cyclones, or hurricanes. **Materiality:** Asset level (exposure to material windstorms).	**Under 1.5°C global warming by 2030:** • Material exposure across Europe with 85% GAV in areas which have a 1% annual probability of experiencing wind speeds of over 121km/h in any given year. • Assets and projects most at risk are located in northeast England and the Nordics. • Assets and projects in southern Europe are the least affected in the portfolio. **Under 4°C global warming by 2050:** • No significant changes in exposure to storms and/or extreme winds	• Damage to buildings and infrastructure and potential consequential flooding. • Disruption to utilities, local infrastructure and supply chains for corporate investments and tenants of operational assets. • Delays to construction of developments. • Potential for increased insurance costs for the Funds' investments and their tenants; potential impacts on insurability of assets.	**Hazard exposure:** Moderate
FLOODING	**Overview:** Includes inland floods caused by heavy precipitation (flash floods) and/or by river bank overflow (riverine). **Materiality:** Asset level (exposure to material flooding).	**Under 1.5 °C global warming by 2030:** • 38 direct and underlying assets and projects (equal to 24% GAV) are exposed to a 1% chance of river flooding in any given year. This mainly affects the Wilma and Keepmoat pipeline assets (Fund IV) as well as several Lumiere (Germany) assets (Fund III). **Under 4 °C global warming by 2050:** • Small increase in river flood exposure with 39 assets and projects (equal to 24% GAV in total) very highly exposed by 2050 (i.e. 1% chance of river flooding in any given year). • The largest change is in the number of assets and projects facing moderate risk (i.e. 0.2% chance of river flooding in any given year), which increases from 18 to 70 asset and projects overall (equal to 22% GAV).	• Damage to building structure, fabric and systems. • Disruption to supply chains, utilities and infrastructure (including water and energy supply), telecommunications and transport infrastructure. • Health and safety incidents, damage to contents impacting occupiers. • Potential for increased insurance costs for the Funds' investments and their tenants; potential impacts on insurability of assets.	**Hazard exposure:** Moderate
HEAT STRESS	**Overview:** Long periods of time with sustained high temperatures. **Materiality:** Asset level (exposure to material heat stress).	**Under 1.5 °C global warming by 2030:** • UK and Nordic assets and projects are exposed to very low risk of heat stress, with those in northern Europe exposed to low risk. • Southern Europe is materially affected by heat stress conditions (most significantly in Spain, southern France and Italy) with around 11% GAV at risk from at least 20 heatwave days per year. **Under 4°C global warming by 2050:** • 24% GAV exposed to at least moderate risk of heat stress (i.e. at least 20 heatwave days per year). • 5% GAV exposed to high risk of heat stress (i.e. at least 80 days per year).	• Increased energy consumption, carbon emissions and maintenance expenditure, due to increased cooling demand. • Implications for continuity of energy supply. • Where adaptation and resilience is not addressed, there are potential negative impacts on leasing due to higher occupational costs and health and wellbeing impacts for occupiers, as well as exit pricing.	**Hazard exposure:** Low/Moderate
DROUGHT	**Overview:** Period of abnormally dry weather sufficiently prolonged for the lack of water to cause serious hydrologic imbalances. **Materiality:** Asset level (exposure to material drought).	**Under 1.5 °C global warming by 2030:** • Minimal exposure across the investment portfolio currently, with most assets and projects facing 2-3 months of drought duration per year. • There is moderate and high exposure in assets and projects in Spain, Portugal and France, seeing at least 3-4 months of drought annually (approximately 6% GAV). **Under 4°C global warming by 2050:** • Increases in assets and projects exposed to moderate, high and very high risk of drought (equal to 61% GAV). • Sites at very high risk are all based in Madrid and form part of the Flex Living portfolio (Funds IV and V).	• Water supply restrictions, consumption reduction requirements and supply disruption could impact water availability, usage patterns and costs for corporate investments and tenants of operational assets. • Where water efficiency and resilience of supply is not addressed, there are potential negative impacts on leasing due to health and wellbeing impacts for occupiers, as well as exit pricing.	**Hazard exposure:** Low/Moderate

Notes: GAV is Aermont's share of the Gross Asset Value for all unrealised direct asset investments and the underlying real estate of corporate investments (excluding URW) across Funds, II, III, IV, V and PGV as of 31 December 2024. For the corporate housebuilder investments, the secured pipeline of projects was also considered with Aermont's share of the total Gross Asset Value of each respective company apportioned across each project based on the project's share of total projected Gross Development Value for Wilma, Birch and Keepmoat and of total projected revenues for LPP.

RISK MANAGEMENT

Consideration of climate-related risks has long been integrated into Aermont's investment process. Since 2021, we have used (i) a software solution provided by Munich Re to assess physical risks and natural hazards and (ii) the CRREM Risk Assessment tool to assess aspects of transition risk. These tools are used in pre-acquisition due diligence activities and regular reviews of existing investments.

Identifying, assessing and managing climate risk

In 2023, we initiated a comprehensive climate risk assessment including physical and transition risk and scenario analysis (refer page 14 for detail of scenarios). The scope of the WTW assessment included all unrealised investments in Funds II, III, IV, V and the PGV continuation vehicle, including direct real estate (operational assets, minor and major refurbishments and ground-up development projects) and corporate investments.

The physical risk assessment, including scenario analysis, was updated in early 2025 to take account of the latest climate risk modelling and changes in the Funds' investments which included new locations in northern Europe.

As noted in our previous report, WTW's assessment included an asset by asset 'exposure diagnostic' analysis for a range of climate hazards at the present day and under selected scenarios. This assessment was conducted on an exposure basis rather than a value at risk basis, which will be considered for future disclosures. For the purposes of this assessment, we assume the future portfolio of assets is the same as that used in the present-day analysis.

For direct and underlying real estate assets of corporate investments, a high level of location accuracy was established. For certain corporate investments (e.g. housebuilders) cities or regions of current development activity, as well as secured pipeline, have been used for analysis on the assumption that longer-term developments are likely to be undertaken in similar locations.

Physical assets are considered exposed if they are located in an area where a climate hazard may occur and are considered to have a material impact if exposure is rated moderate or above. Risks and opportunities deemed material are summarised on page 9.

In our 2023 TCFD-aligned report, we noted potential transition risks and opportunities across four areas. These had been identified by WTW and investigated further through discussions with Aermont's TCFD Working Group, the Partners and conducting officers of the Manager, representing all functions across the business and including both the Manager and Advisor.

These risks and opportunities were reviewed internally in early 2025 and found to be still relevant for Aermont's portfolio and the regulatory and market context (refer to page 8 for details).

In late 2024, the Risk Management and ESG teams reviewed the Key Risk Indicators and risk registers applied to all Funds to reflect material climate-related risk, including both physical and transition risks. These are reviewed, and updated where appropriate, on a quarterly basis.

How we integrate climate risk into our overall risk management approach

The Manager is responsible for portfolio and risk management of the Funds with a designated Risk Manager in place since 2018.

The Risk Manager regularly updates the Board of the Manager on risk matters and escalates issues as required. They manage and monitor relevant risks on a day-to-day basis in accordance with the Manager's Risk Management Policy and Risk Management Procedure.

CASE STUDY: Lumiere Cinema Portfolio, Italy (Fund III, unrealised)

The Lumiere cinema platform comprises 21 urban multiplexes in Germany (13) and northern Italy (8). Technical assessments were undertaken for all Italian assets over 2021 to 2022 to inform energy performance improvements. Following this, an extensive capex programme has been undertaken at all Italian cinemas comprising the replacement of roofs, installation of new MEP and rooftop photovoltaic panels to generate renewable energy on-site for five locations. Electric vehicle charging points will also be installed for public use at selected sites. Around a third of the capex is being funded by the tenant (Vue) and the European recovery funds (PNRR), with some sites implementing an energy performance contract, whereby the tenant's future energy cost savings are used to repay the cost of improvements. Three assets have experienced a full year of regular operations post improvement works and have shown an average reduction of 13% for energy consumption and 7% for GHG emissions. The works will be completed by H1 2025 following which BREEAM in Use certifications will be undertaken – two were awarded in June 2025 (BiU Very Good). We are targeting "Very Good" for all cinemas.

Notes: Any case studies and assessments noted in this report may not be comprehensive and may only consider certain ESG attributes or metrics, among others, of the relevant investments.

RISK MANAGEMENT continued

How we integrate climate risk into our overall risk management approach (continued)

The Risk Management Policy provides a framework for the management of risks faced by the Funds and sets out the key steps in order to identify, measure, manage and monitor these on an ongoing basis. Sustainability risks, which include climate-related physical and transition risks, are noted in the specified risks analysed by the Risk Manager.

Aermont's ESG Committee is the governance body for considering and advising on ESG considerations at Aermont, including climate-related risks and opportunities. The Risk Manager is a member of the ESG Committee. Refer to page 4 for details of its role and composition.

How we integrate climate risk into the investment process

Aermont considers sustainability and climate-related risks and mitigation strategies when assessing investment opportunities and throughout the life of our investments.

Our assessment of sustainability risks is intended to highlight issues which could have a financial impact on the value of investments and identify opportunities for value creation and retention. By undertaking these assessments, we can then determine appropriate courses of action. For instance, by considering risks of flooding, energy and carbon performance and vulnerability to extreme weather events, we can assess whether to conduct further technical investigation, undertake mitigation actions, consider the insurability of such risks or include these issues in valuation discussions.

Due diligence

As part of the pre-acquisition due diligence process, Aermont considers sustainability risks using the Aermont ESG Due Diligence Template. While the Investment Team generally has discretion to determine which sustainability risks should be investigated for each investment opportunity, there are certain risks which are deemed to be highly material and therefore mandatory to be investigated for every investment opportunity.

The CSO is consulted during the due diligence process to validate areas of investigation and preliminary findings. External consultants are often engaged to help diligence particular ESG aspects of the asset / portfolio or business.

Climate-related physical risks and natural hazards are assessed (where site addresses are available) using a software solution provided by Munich Re. Where high or extreme climate-related physical risks and natural hazards are identified, additional investigations are undertaken and mitigation plans developed in conjunction with third-party property managers, project and / or development teams. Findings and risk mitigation strategies are included in the ESG Investment Plan within the Investment Assessment Report (IAR).

For operational assets, climate-related transition risk assessments are undertaken by reviewing existing Energy Performance Certificates (EPCs or equivalent) and using the Carbon Risk Real Estate Monitor (CRREM) tool (where historic energy consumption data is available). Findings are used to assess the performance of the underlying assets against local minimum energy efficiency standards and CRREM 1.5°C decarbonisation pathways. These are then reflected in the ESG Investment Plan within the IAR (including retrofitting costs and increased operational costs where relevant).

Findings from the application of the ESG Due Diligence Template are signed off by the CSO and included in the formal recommendation (IAR) which is approved by the Investment Committee before being submitted to the Manager to be considered by the ICC.

Asset management

Having identified and considered the potential impact of climate-related risks at the pre-acquisition stage, Aermont works with its development teams, property managers and suppliers (in the case of development and redevelopment projects) and ESG / management teams (in the case of corporate investments) to implement plans to address those risks over the life of the investment. This may include initiatives such as promoting resource efficiency and building climate change resilience. Risks are monitored on an ongoing basis as:

(i) part of the ESG Investment Plan which is updated quarterly and discussed during the Quarterly Asset Management Meeting,

(ii) part of regular CRREM analyses and Physical Risk Assessments, and

(iii) in the Risk Manager's firmwide risk matrix which is discussed at the ESG Committee and reviewed at regular meetings of the Board of the Manager.

For operational assets, climate-related transition risk is assessed on an annual basis using the CRREM tool with reference to the CRREM 1.5°C decarbonisation pathway and recent energy consumption data. All investments have been assessed for climate-related physical risks and natural hazards as part of the WTW risk assessment and scenario analysis.

Risk Management Actions During 2024

- Risk Manager and the ESG team reviewed the Key Risk Indicators and risk registers to reflect material climate-related risks (both physical and transition risks)
- Worked with Flex Living JV partner to progress understanding of where emissions are arising and how we can implement low carbon solutions
- Updated the physical climate risk analysis to reflect latest climate models and new assets
- Engaged Investment Team on updated ESG guidance documentation and due diligence process, including climate-related risk considerations

Looking ahead

In the next 24 months we will look to:

- Enhance communications between Risk Manager and Investment Team to advance management of transition and physical risks, and timely identification of new potential risks
- Work with Investment Team to better understand the opportunities of the climate transition for Aermont
- Further investigate the climate risks and opportunities of new investment types such as cold storage and data centres

METRICS AND TARGETS

Our ESG data

As part of our processes to monitor and manage ESG performance at investment and Fund level, Aermont collects data and analyses metrics for operational real estate assets and corporate investments. For the assessment of climate-related risks and opportunities, key metrics include:

- Total energy consumed, differentiated by source
- GHG emissions differentiated by scope 1, 2 and 3
- Levels of Energy Performance Certificates (EPCs) in place for operational real estate assets
- Levels of Energy Performance Certificates (EPCs) achieved by completed residential units per year for corporate housebuilder investments
- Percentage of operational real estate assets having achieved or targeting green building certifications
- Percentage of ground-up developments and major refurbishments having achieved or targeting green building certifications

Managing decarbonisation at Aermont

In addition to the above metrics, we also use the CRREM 1.5°C decarbonisation pathway to assess performance of operational real estate assets and predicted performance for ground-up developments and major refurbishments.

Aermont aligns with the EPRA Best Practices Recommendations on Sustainability Reporting. Aermont Funds have participated in the GRESB ESG benchmark since 2014. Fund IV will participate again in 2025.

Aermont has obtained energy and GHG emissions data from all corporate investments (directly) and energy data for all operational real estate assets (via third parties such as the property and development managers). We have made efforts to check this data and improve accuracy and completeness as much as possible. GHG emissions from operational real estate assets have been calculated within our data management platform.

To the extent possible, based on our validation process, we believe the energy and GHG data represents a complete set for the 2024 reporting year. Data gaps exist for water consumption and waste generated for some corporate and operational real estate investments. We have not reported on these metrics for the 2024 reporting year as we do not believe we can rely on appropriate assumptions or proxies for this data.

Engagement with the reporting parties is ongoing to reduce these gaps and enhance data coverage. As the Manager of an SFDR Article 8 Fund, Aermont has opted to report on defined indicators or Principal Adverse Sustainability Indicators (PASI or PAIs). This is in addition to publishing an annual periodic disclosure (Annex IV) as part of the Fund V Annual Report.

Our greenhouse gas emissions data

Greenhouse gas emissions (GHG) arising at entity level (Advisor) and from Aermont's investments is reported on page 13. This includes across all emissions scopes (Scopes 1, 2 and 3) calculated within our sustainability data management platform, provided by Sphera, with reference to the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard and using IEA emissions factors. GHG metrics for investments reported here have been normalised as required by the SFDR RTS guidance.

Aermont's climate-related targets are set out in the diagram on the right. These targets are supported by requirements set out in various ESG guidance documents, including the ESG Development Brief for ground-up developments and major refurbishments and the Property Manager ESG Brief for operational real estate assets. The application of these targets, and the treatment of climate-related risks and opportunities generally, is supported by training and defined for the Investment Team in internal guidance documents, covering pre-acquisition stage, though asset management to realisation.

Aermont's ESG Targets[1]

Net zero-ready developments

Ground-up developments and major refurbishments are expected to align with the Paris Agreement and be designed to sit below the CRREM 1.5 degree decarbonisation pathway for 15 years post completion, with the intention of making them Net Zero-ready for future owners should they wish to pursue that objective.[1]

Paris-aligned operational assets

Aermont's operational assets are expected to align with the Paris Agreement and operate below the relevant CRREM 1.5 degree decarbonisation pathway by 2030, or five years post-acquisition if purchased after 2026.

ESG-oriented corporate investments

We will seek to reduce the carbon intensity of majority-controlled corporate investments, working with the operational teams to set Paris Agreement-aligned targets and develop robust ESG strategies that reflect Aermont's own ambitions.

Net zero Aermont operations

Aermont's own corporate operations have been targeting Net Zero by 2025 across premises, consumables and travel emissions (scope 1, 2 and selected scope 3 emissions) by implementing reductions, renewables and verified carbon offsets for the remainder. This target is currently under review.[2]

Metrics and Targets Actions During 2024

- Completion of the first phase of our ESG data management platform addressing all investments, allowing tracking of environment-related quantitative data
- Continued to engage with ESG / management teams, property managers and JV Partners on the provision of timely and accurate data
- Major commercial projects (which completed in early 2025) are designed to meet or outperform our CRREM target and deliver strong environmental performance over the long-term[3]
- Hosted three roundtable sessions for our corporate housebuilders to share best practices on ESG metrics and targets, including climate
- Over 90% of our operational assets are either certified already or working towards a recognised building certification. Of the remaining 10%, the majority have obtained an EPC rating of A or B

Looking ahead

In the next 24 months we will look to:

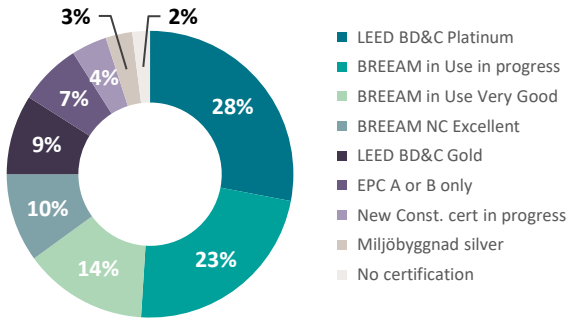
- Finalise customisations and reporting functionality of our ESG data management platform to enhance portfolio analysis and benchmarking capabilities
- Enhance communications between Risk Manager and Investment Team to advance management of transition and physical risks, and timely identification of new potential risks

Notes: (1) Projects commenced after 2021 (reflecting the date targets were set. (2) Aermont will procure and cancel offsets verified under standards recognised by International Carbon Reduction & Offsets Alliance (ICROA). (3) Refers to Pier 16, Berlin, a ground-up development and Pirelli 10, Milan, a major refurbishment and part of the Bicocca investment.

METRICS AND TARGETS continued

AERMONT ANNUAL GREENHOUSE GAS EMISSIONS DATA				
			2024	2023
ENTITY LEVEL	GHG emissions for Aermont Capital LLP (location based), tCO2e	Scope 1	0	0
		Scope 2	15	14
		Scope 3	384	313
		Total	**399**	**327**
INVESTMENT PORTFOLIO LEVEL	GHG emissions from operational real estate assets (location-based), tCO2e	Scope 1	1,271	306
		Scope 2	3,386	1,498
		Scope 3	10,608	11,649
		Total	**15,264**	**13,453**
	GHG emissions from corporate investments (location-based), tCO2e	Scope 1	5,240	6,420
		Scope 2	10,962	4,120
		Scope 3	363,853	377,131
		Total	**380,055**	**387,670**
	GHG emissions from corporate investments (market-based), tCO2e	Scope 1	5,240	6,420
		Scope 2	8,075	892
		Scope 3	363,853	377,131
		Total	**377,168**	**384,442**
	Weighted Average Carbon Intensity (corporate investments), tCo2e/€million revenues		**31.0**	**26.2**

Directly Owned Operational Assets: Certifications and Intentions by GAV

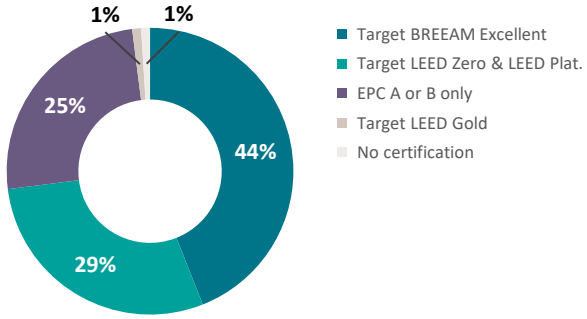


Green Building Certifications:

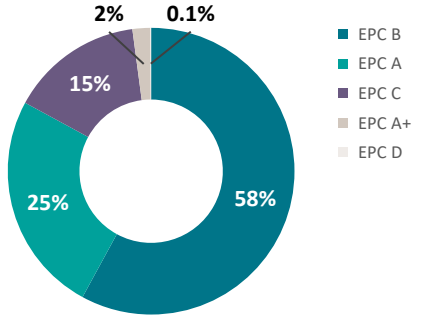
Aermont's current certification strategy focusses on the BREEAM standard to increase consistency between and within Funds, including 'New Construction', 'Refurbishment and Fitout' and 'In Use' ratings as appropriate. LEED certification has been chosen historically in some instances based on market recognition or tenant preference. Certain operational assets recently acquired in Sweden (Bridge, FV) had already achieved the local Miljöbyggnad certification.

As shown on the chart opposite, 91% of our directly owned operational assets are either certified or working towards certification. Of the remaining 9%, the majority are residential assets that have achieved EPC A+, A or B, reflecting high levels of energy efficiency.

Directly Owned Re/Development Projects: Certifications and Intentions by GAV



Corporate Housebuilders: EPCs of homes completed in 2024



Notes: The table above includes across all emissions scopes (Scopes 1, 2 and 3) calculated within our sustainability data management platform, provided by Sphera, with reference to the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard and using IEA emissions factors. Aermont issues an annual PASI report at Fund V level. To align these disclosures, GHG metrics for investments reported here have been normalised as required by the SFDR RTS guidance.

APPENDIX: CLIMATE SCENARIOS USED IN ANALYSIS

AERMONT

TIME HORIZON AND CLIMATE SCENARIO	SHORT-TERM TO MEDIUM-TERM LOW CARBON WORLD (~1.5°C)	LONG-TERM HOT HOUSE WORLD SCENARIO (>4°C)
TEMPERATURE RANGE	1.4°C (median, 2100, IEA NZE2050) ~1.5°C (median, 2100, RCP2.6)	~4.2°C (mean, 2100, RCP8.5)
SOURCES	IEA: Energy Outlook 2023: Net Zero Emissions by 2050 (NZE2050) IPCC: Sixth Assessment Report 2021: SSP1-1.9 NGFS: Net Zero 2050 (NZ2050) Narratives for SSPs: SSP1	IPCC: Sixth Assessment Report 2021: SSP5-8.5 Narratives for SSPs: SSP5
MATERIALS RISKS AND OPPORTUNITIES IDENTIFIED	**Transition risk / opportunity** Pricing of Greenhouse Gas Emissions (GHG) - carbon pricing may result in increased direct operating costs, taxation, reduced profits and impact on attractiveness to tenants and purchasers. Energy Efficiency Requirements for Buildings – increasingly stringent regulation in the UK and Europe demanding minimum efficiency levels and mandating improvements. Opportunity arising from 1 and 2 above: improving building energy performance through refurbishment activities is expected to reduce GHG, provide operational cost savings and meet market demand leading to potential leasing and sale premiums. Investment Risk - increased scrutiny from investors around businesses' approach and vulnerability to climate change may cause reputational risk or opportunity. Increasing tenant and investor preference for sustainable assets – may create an opportunity to expand our investor base and improve the Funds' financial performance. **Physical risk** Flooding – 45% by GAV exposed to moderate to very high risk of flooding under current conditions (i.e. 0.2 - 1% chance of river flooding in any given year). Windstorms – 85% by GAV located in areas with potentially damaging high wind speed areas from extratropical cyclones (i.e. 1% annual probability of experiencing wind speeds of over 121km/h in any given year).	**Transition risk / opportunity** Not assessed for this scenario **Physical risk** 1. **Flooding** – small increases in exposure, with one additional direct asset becoming moderately exposed. 2. **Windstorms** – no significant changes in exposure to storms and/or extreme winds. 3. **Heat Stress** – increase in unfavourable conditions for previously very low and low heat stress exposed regions. 24% by GAV are exposed to moderate risk of heat stress (i.e. at risk of at least 20 heatwave days per year. 4. **Drought** - increases in unfavourable conditions with additional sites exposed to moderate, high and very high risk of drought (61% by GAV).
SOURCES	IEA: Energy Outlook 2023: Net Zero Emissions by 2050 (NZE2050) IPCC: Sixth Assessment Report 2021: SSP1-1.9 NGFS: Net Zero 2050 (NZ2050) Narratives for SSPs: SSP1	IPCC: Sixth Assessment Report 2021: SSP5-8.5 Narratives for SSPs: SSP5
PRIMARY RISKS	Transition risks (short-term: 2030 and medium-term: 2035)	Physical risks (current, short-term: 2030 and long-term: 2050)
	UNDERLYING ASSSUMPTIONS	
POLICY	Carbon pricing enforced for Advanced economies: 2030, 2040, 2050 $140/tonne; $205/tonne; $250/tonne (IEA NZE2050)	N/A (scenario forms basis of physical risk assessment only)
BUILDING SECTOR POLICIES	Enforcement of stricter energy conservation building codes for both existing buildings and new constructions, incorporating net zero emission standards by 2030, and aiming for a significant proportion of all buildings to be zero carbon-ready by 2050. By 2030, buildings will be more efficient, with all new constructions meeting zero-carbon readiness criteria and a greater portion of existing buildings undergoing retrofitting (IEA, NZE2050).	N/A (scenario forms basis of physical risk assessment only)
TECHNOLOGY ASSUMPTIONS	The rising cost of raw materials for clean energy technologies affects energy-intensive industries significantly, as well as construction and property development. Renewables and nuclear energy are expected to dominate electricity supply growth, meeting over 90% of additional demand, with renewables accounting for almost 30% of the generation mix (IEA, NZE2050).	N/A (scenario forms basis of physical risk assessment only)
PHYSICAL RISK DATA SOURCES	Hazard exposure analysis has been conducted for Aermont's assets using WTW's Climate Diagnostic tool with data from the Munich Re hazard databases, the Intergovernmental Panel of Climate Change (IPCC) and other insurance industry-standard data sources.	

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