ANNEX

Product name: Norselab Real Estate Credit Opportunities **Legal entity identifier: 635400FDB7L5HSCKG228**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective: 57.72**%*	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective: 96.31**%*	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

* These represent respectively 57.72% and 96.31% of total assets. Total assets include physical holdings, cash and cash equivalents. Further details in the section "What was the asset allocation?"

To what extent was the sustainable investment objective of this financial product met?

The objective of Norselab Real Estate Credit Opportunities ("the fund") is to achieve an attractive level of total return (income plus capital appreciation) predominantly from the high yield fixed income market through investment in issuers directly or indirectly exposed to the real estate sector that generate a net positive contribution, through their core products and services, to the UN Sustainable Development Goals (SDGs). The UN SDGs are a globally recognized framework for designing a future where economic growth does not compromise the safekeeping of the environment and the well-being of people and societies. In addition, companies must not significantly harm the environmental or social objectives and follow good governance practices.

The fund's investment strategy aligns with Norselab's proprietary impact philosophy, "Meaningfulness". This involves using the UN SDGs as a strategic framework to create a positive impact, adopting long-term investment perspectives, taking active ownership through engagement with companies, and committing Portfolio Companies to comply with all applicable laws and regulations as well as the ethical principles of the UN Global Compact.

To identify issuers eligible for investment in accordance with the sustainable investment objective, the Investment Manager applied a systematic and rigorous multi-lens approach throughout the investment due diligence process. A team of sustainability professionals (within the Investment Manager but independent of the portfolio management team) conducted due diligence on all potential investments. Additionally, the Investment Manager's independent Product Governance Committee conducted *ex-ante* and *ex-post* reviews of all the fund's investments to ensure compliance with the fund's mandate and sustainability-related commitments.

For the reference period January 1st – December 31st, 2024, all issuers in the fund underwent the fund's process to assess the eligibility of issuers for investment. Issuers can be approved for investment either through screening, or through a deeper due diligence, as described below.

Screening process:

The screening process assessed issuers on criteria, that, combined, ensure that issuers align with the fund's objective to generate a net positive contribution, through their core products and services, to the UN Sustainable Development Goals (SDGs). The following criteria were considered:

- Controversies: Issuers that did not comply with the principles of the UNGC or operate in industries with lasting negative impacts on the SDGs were excluded, including those with ties to controversial, civilian, conventional, or nuclear weapons, ties to tobacco, ties to casino and gambling, and large revenues from alcohol, coal, oil sands, oil and gas production.

- Net positive impact: Modelled data on the issuers' net impact on the SDGs, provided by a third-party data provider, were used to identify impact net-positive companies.

- Contribution to the SDGs: To identify issuers with substantial and concrete contributons to the SDGs, the Investment Manager performed a detailed mapping of potential positive *and* negative impacts on the SDGs at the target level, based on the products and services of the issuers.

- Regulatory criteria: The Investment Manager assessed that issuers did not significantly harm sustainability factors, in refererence to the Principal Adverse Impact (PAI) indicators, and that issuers followed good governance principles, including sound management structures, employee relations, remuneration of staff and tax compliance.

A limited number of issuers in the relevant universe was approved for investment through this screening process. A substantial number of issuers were approved through a deeper due diligence process, as described below.

Additional due diligence:

Issuers that were not approved as part of the screening process described above, but that were identified as driving significant positive change in the real estate sector which can have potential large, lasting negative impacts on the SDGs, were subject to a deeper due diligence both at issuer-level and product-level.

In the due diligence, the Investment Manager's team of sustainability specialists spent significant time consulting scientific and industry research to understand whether the company's products and/or services address an important sustainability challenge (or multiple challenges) and how and to which extent these products and services contribute to solving that (those) challenge(s) (Theory of Change). The UN SDGs are the guiding prism through which this review is conducted. The following were the main topics of the assessments:

- **Impact theory of change:** Companies' products or services have a clear impact Theory of Change, meaning a company must have a clear and scientifically supported articulation of the sustainability challenge(s) it contributes to solving, and a concrete explanation of how a product or service is expected to produce the desired impact.
- **Contribution to SDGs:** Companies' products or services contribute substantially and concretely to the achievement of at least one SDG, as defined at the target level of the SDGs. Verification that no products or services significantly negatively impact any of the SDGs or cause significant harm to any environmental or socially sustainable investment objective.
- **SDG-based net-positive impact:** Companies' products or services have a net positive impact based on data modeled by a third-party data provider, mapped to SDGs. The data provider quantifies the net impact of products and services, considering their upstream and downstream value chains.
- **Mitigation efforts:** Where relevant, the issuers' efforts to mitigate potential negative impacts in a satisfactory manner were assessed.
- **Impact and sustainability risks:** Companies do not cause significant sustainability risks and Principal Adverse Impacts benchmarked against industry peers. In any event, if significant harm was uncovered in the assessment of the Principal Adverse Impacts indicators of a company, the company was excluded from investment. Issuers were assessed for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- **Engagement points:** Identification of areas of improvement for the issuer to discuss and adress directly with the issuers where possible.

Issuer in the fund during the reference period	SDG target(s)	Exclusion criteria	SDG-based net impact score[1]	Significant ESG risks
Issuer 1	11.3, 7.3	Pass	$28,348,840.82	No
Issuer 2	11.3	Pass	$22,041.38	No
Issuer 3	11.3	Pass	$4,915,914.06	No
Issuer 4	9.4, 7.3, 11.3	Pass	$315,965,814.87	No
Issuer 5	7.3, 11.3	Pass	$61,685,418.01	No
Issuer 6	11.3, 12.6	Pass	$-1,636,796.73	No
Issuer 7	7.3, 11.3	Pass	$15,379,600.00	No
Issuer 8	11.3	Pass	$530,173.17	No
Issuer 9	7.2, 11.3	Pass	$19,265,954.90	No
Issuer 10	11.3, 7.2	Pass	$5,860,668.10	No
Issuer 11	11.3, 7.2	Pass	$9,461,781.12	No
Issuer 12	15.2	Pass	$20,520,195.80	No
Issuer 13	7.3, 11.3	Pass	$3,896,298.97	No

[1] Using scientific research, Upright is able to estimate the dollar-equivalent value of the positive and negative impacts a company has on society, by subtracting the company's negative societal impact (in dollars) from the company's positive societal impact (in dollars). The impacts that we consider reflect the 17 SDG goals. For the previous reference period, we reported this indicator in an impact ratio format (in %), calculated differently than the absolute sum reported this year, and which did not show the absolute amount of impact created. This change does not affect the net impact scoring of a company: a company with a positive net impact ratio also has a net impact sum, and vice versa.

Issuer 14	7.3, 9.4	Pass	$6,695,192.07	No
Issuer 15	11.1, 11.3	Pass	$57,534,717.84	No
Issuer 16	11.3, 4.a	Pass	$11,049,673.06	No
Issuer 17	3.8, 4.a	Pass	$611,433.33	No
Issuer 18	11.3	Pass	$1,842,996.37	No
Issuer 19	7.3, 11.3, 9.4, 12.2	Pass	$84,900,304.67	No
Issuer 20	7.3, 11.3, 7.a, 9.4	Pass	$322,540,463.73	No

Upright Notice

This report contains impact-related and sustainability-related indicators that are based on data produced by Upright Oy (Upright). Due to the limited availability of underlying information and the nature of the indicators, the produced information intrinsically includes some inaccuracy. Upright continuously seeks to improve the accuracy of its indicators by using the best available information and the best available statistical methods for integrating information from different sources. Upright does not warrant the accuracy of the information, and shall not be liable for any direct or indirect damages related to the information it provides. The information in this report is reproduced by permission from Upright, and may not be redistributed without permission from Upright.

How did the sustainability indicators perform?

The fund reports on the following indicators:

- % contributing to the SDGs
- Aggregated SDG-based net impact[2]
- % Taxonomy-aligned [3]
- % impact-generating (as defined by Norselab's proprietary impact framework)
- % impact-aligned (as defined by Norselab's proprietary impact framework)

Across the reference period, the indicators were:

% contributing to the SDGs	100,00%
Aggregated SDG-based net impact	$10,626,453[4]
% Taxonomy-aligned*	8.84%
% impact-generating	9.68%
% impact-aligned	90.32%

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

All indicators are weighted based on the **physical holdings of the fund only (cash and cash derivatives excluded)** across the reference period.

For this reference period, all issuers that have undergone the initial assessment but not the due diligence were automatically designated "impact-aligned". The Investment Manager aims to improve this scoring approach and issuers may in the future change from "impact-aligned" to "impact-generating" if they meet the criteria we at any given time have set to define an issuer as

2 Please see "Upright notice" above

3 Please see "Upright notice" above

4 Using scientific research, Upright is able to estimate the dollar-equivalent value of the positive and negative impacts a company has on society, by subtracting the company's negative societal impact (in dollars) from the company's positive societal impact (in dollars). The impacts that we consider reflect the 17 SDG goals. For the previous reference period, we reported this indicator in an impact ratio format (in %), calculated differently than the absolute sum reported this year, and which did not show the absolute amount of impact created. This change does not affect the net impact scoring of a company: a company with a positive net impact ratio also has a net impact sum, and vice versa.

"impact generating". Issuers may also move between the designations if there are significant changes to the issuer's products or services.

* Based on the EU Taxonomy's Delegated Acts for economic activities substantially contributing to the objectives of climate change mitigation or climate change adaptations, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention, and control protection and restoration of biodiversity and ecosystems.

…and compared to previous periods?

At the end of the previous reference period, the indicators were:

% contributing to the SDGs	100% (100% in 2024)
Aggregated SDG-based net impact	$898,224.42 ($10,626,453 in 2024)
% Taxonomy-aligned	10.85% (8.84% in 2024)
% impact-generating	10.34% (9.68% in 2024)
% impact-aligned	89.66% (90.32% in 2024)

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Through the investment due diligence process described above, issuers were assessed against several factors to ensure that the investments did not cause significant harm to the sustainable investment objective. Specifically, the Investment Manager assessed the following factors:

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Do no significant harm factor	Performance during the reference period
No significant negative impact on any of the SDGs	The products or services of the issuers did not have a substantial or concrete negative impact on any of the SDGs at a target level. For issuers that underwent due diligence, the Investment Manager documented such issuer's significant positive contributions compared to industry peers, as well as the issuer's mitigated or avoided negative impacts from its products or services.
No significant adverse impacts according to the PAI indicators	The company-reported or when not available the estimated PAI indicators were assessed and were at par or better than industry peers.
No issues with good governance practices	Good governance practices (including employee relations, management structure, tax compliance and remuneration) of issuers that underwent due diligence were evaluated. No issues were identified.
No other significant environmental or human rights issues	Issuers that did not comply with the principles of the UN Global Compact or that operate in industries with significant and lasting negative impacts on the SDGs were excluded. This includes those with ties to controversial, civilian, conventional, or nuclear weapons, ties to tobacco, ties to casino and gambling, and large revenues from alcohol, coal, oil sands, oil and gas production.

In rare cases, the Investment Manager conducted due diligence on issuers driving significant positive change in industries that have large, lasting negative impacts on the SDGs. In such cases, the issuer had to show significant efforts to mitigate its potential negative impacts.

How were the indicators for adverse impacts on sustainability factors taken into account?

Through the investment due diligence process described above, the Investment Manager has not found any reason to believe that the products or services of issuers in the portfolio have a significant negative impact on any of the SDGs at a target level.

Furthermore, issuers operating in industries with a lasting negative impact on SDGs, or that did not comply with the principles of the UN Global Compact, were excluded. These assessments contributed to avoiding issuers that could otherwise significantly harm the PAI indicators.

The PAI indicators, where data was available, of issuers that underwent due diligence were evaluated.

The Investment Manager will publish a PAI statement for the reference period by June 30th. The statement includes an average of the quarterly indicators based on data modeled by a third-party data provider, Upright.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

As described above, compliance with the principles of the UN Global Compact was assessed. Issuers that failed to comply with the principles of the UN Global Compact are excluded. UN Global Compact Principle 1 is aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. For issuers that underwent due diligence, tghthe Investment Manager also aimed to identify policies or other documentation from the issuer stating alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, or with the ILO's eight fundamental conventions, or the UN Bill of Human Rights.

How did this financial product consider principal adverse impacts on sustainability factors?

Through the investment due diligence described above, the Investment Manager has not found any reason to believe that the products or services of issuers in the portfolio have a significant negative impact on any of the SDGs at a target level.

Furthermore, issuers operating in industries with a lasting negative impact on SDGs, or that did not comply with the principles of the UN Global Compact, were excluded. The due diligence process contributed to avoiding issuers that could otherwise significantly harm the PAI indicators.

The PAI indicators, where data was available, of issuers that underwent due diligence were evaluated.

The Investment Manager will publish a PAI statement for the reference period by June 30th. The statement includes an average of the quarterly indicators based on data modeled by a third-party data provider, Upright.

What were the top investments of this financial product?

The list of largest investments has been calculated based on the average of the market value of holdings across the reference period. The list is based on the total assets in the fund, including physical holdings, cash, and cash equivalents.

The sector categories are based on the Nomenclature of Economic Activities (NACE) defined in EC Regulation 1893/2006. NACE is the European statistical classification of economic activities used by the EU.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: Januray 1st – December 31st 2024

Largest investments	Sector	% Assets (excluding cash & cash equivalents)*	Country
Issuer A	F - Construction	10.24%	Sweden
Issuer B	L - Real estate activities	9.29%	Sweden
Issuer C	F - Construction	9.19%	Sweden
Issuer D	F - Construction	8.76%	Sweden
Issuer E	F - Construction	8.45%	Sweden
Issuer F	F - Construction	8.15%	Sweden
Issuer G	K - Financial and insurance activities activities	7.47%	Sweden
Issuer H	F - Construction	7.36%	Sweden
Issuer I	F - Construction	6.80%	Sweden
Issuer J	L - Real estate activities	4.70%	Norway
Issuer K	F - Construction	3.93%	Sweden
Issuer L	F - Construction	3.49%	Finland
Issuer M	F - Construction	2.48%	Sweden
Issuer N	F - Construction	2.30%	Sweden
Issuer O	L - Real estate activities	1.99%	Sweden

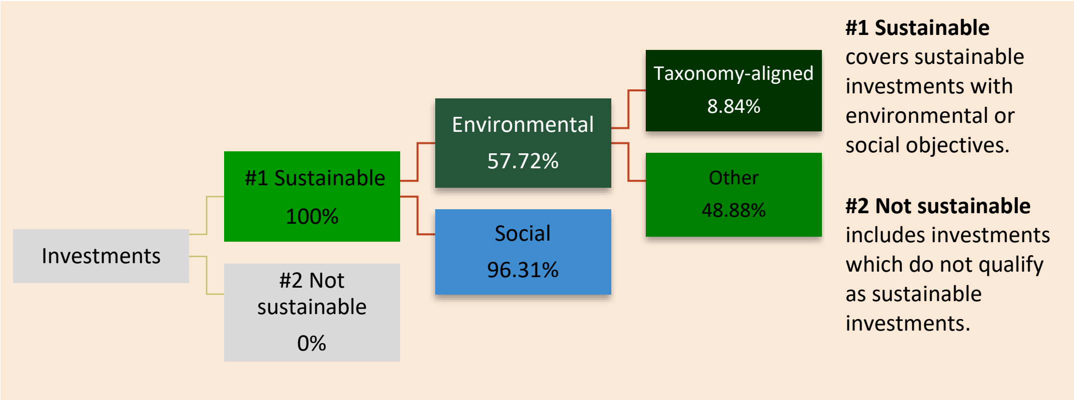
*The share of cash and cash equivalents across the reference period is 0%.

What was the proportion of sustainability-related investments?

Based on the average of the market value of holdings across the reference period, **100% of the fund had a sustainable investment objective**. The fund seeks to invest in issuers that generate a net positive contribution, through their core products and services, to the SDGs. Specifically, the issuer's product and services must contribute to one or more SDGs at the target level and cannot have a significant negative impact on any of the SDGs.

Based on the average of the market value of holdings across quarters, **0% of the fund was held in cash balances or more liquid cash equivalent assets that do not have a sustainable investment objective.** This is illustrated under "Not sustainable" in the figure below.

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

Out of all sustainable investments made, 57.72% had an environmental objective (representing 57.72% of all assets), and 96.31% had a social objective (representing 96.31% of all assets).

An investment can contribute both positively to a social SDG and an environmental SDG and should as such be counted in both categories, in line with the legal guidance.

Out of all sustainable investments, 8.84% were Taxonomy-aligned (representing 8.84% of all assets).

Taxonomy-alignment activities are identified by revenue. They are shown in the figure above as a share of the weighted market value of total assets across the reference period. Total assets include physical holdings, cash and cash equivalents.

In which economic sectors were the investments made?

During the reference period, **the fund invested in the following sectors and subsectors.** The sector and subsector categories are based on the Nomenclature of Economic Activities (NACE) defined in EC Regulation 1893/2006. NACE is the European statistical classification of economic activities used by the EU.

Sector and subsector	Proportion of investments*
C - Manufacturing	**1.21%**
C16.2 -	1.21%
F - Construction	**73.68%**
F41.1 - Development of building projects	73.68%

K - Financial and insurance activities	7.47%
K64.2 - Activities of holding companies	7.47%
L - Real estate activities	17.64%
L68.1 - Buying and selling of own real estate	4.70%
L68.2 - Renting and operating of own or leased real estate	12.94%

*Based on the weighted market value of holdings across the reference period

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The share of investments based on market value with an **environmental objective aligned with the EU Taxonomy (by revenues)** that generates a net positive contribution, through their core products and services, to one or more of the SDGs associated with environmental goals was 9.41%* across the reference period. While the investment primarily targets environmental objectives, it may also at the same time target social objectives.

Issuers' Taxonomy-related data is modeled a third-party data provider when company-reported data cannot be sourced from available company reports. (Please see "Upright notice" above).

* This represents 5.43% of total assets. Total assets include physical holdings, cash and cash equivalents.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[5]?

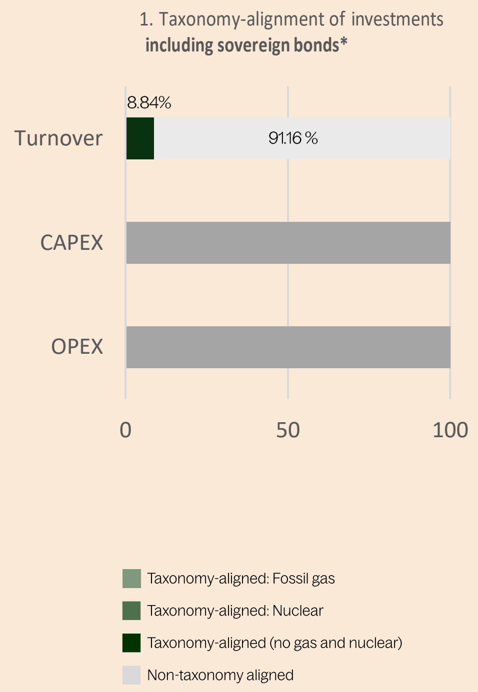
☐ Yes:

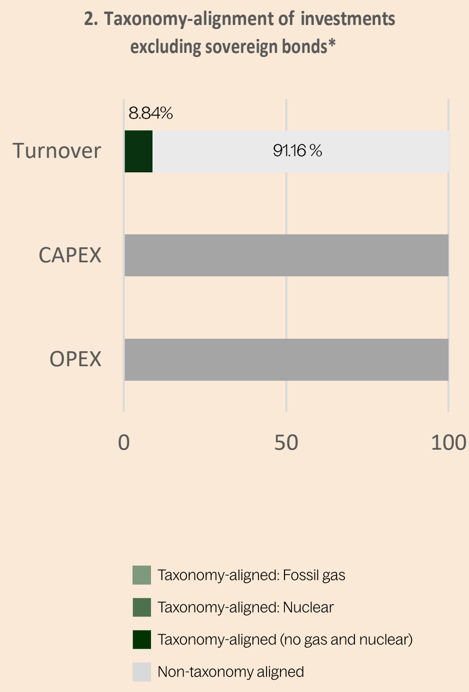
☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

[5] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

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The turnover data in the above figure is modeled by the Upright project, an impact data provider (please see "Upright notice" above). Turnover is defined as revenue for the purpose of this figure. At the time of writing, information on issuers' CapEx and OpEx were not available.

What was the share of investments made in transitional and enabling activities?

Based on the weighted market value of holdings across the reference period, the **share of investments made in transitional activities (by revenues) under the EU Taxonomy was 1.96%***.

Based on the weighted market value of holdings across the reference period, the **share of investments made in enabling activities (by revenues) under the EU Taxonomy was 1.43%***.

Issuers' Taxonomy-related data is modeled a third-party data provider when company-reported data cannot be sourced from available company reports. (Please see "Upright notice" above).

* This represents 1.96% and 1.43% of total assets. Total assets include physical holdings, cash and cash equivalents.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

Based on the weighted market value of holdings across the previous reference period, the share of investments aligned with the EU Taxonomy was **10.85%** (excluding cash and cash equivalents).

	Previous reference period	**Current** reference period

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Share of investments aligned with the EU Taxonomy	10.85%	8.84%

Issuers' Taxonomy-related data is modeled by a third-party data provider when company-reported data cannot be sourced from available company reports. (Please see "Upright notice" above).

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments based on weighted market value with an environmental objective that were not aligned with the EU Taxonomy was 90.59%* across the reference period.

* This represents 52.29% of total assets. Total assets include physical holdings, cash and cash equivalents.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

The share of investments based on weighted market value with a social objective that generates a net positive contribution, through their core products and services, to one or more of the SDGs associated with social goals was 96.31%* across the reference period. While these investments primarily target social objectives, they may also at the same time target environmental objectives.

In the pre-contractual disclosure of this fund, the Investment Manager estimated that ca. 5% could be included under "Sustainable investment with a social objective". While environmentally sustainable investments primarily target environmental objectives, they may also at the same time target social objectives.

* This represents 96.31% of total assets. Total assets include physical holdings, cash and cash equivalents.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Based on the weighted market value of holdings across the reference period, 0% of the fund was held in cash balances or more liquid cash equivalent assets that do not have a sustainable investment objective. This usually includes cash balances in different currencies in bank deposits, and short-term Norwegian municipal bonds. As these are liquid holdings pending investment, no minimum safeguards are applied.

In the pre-contractual disclosure of this fund, the Investment Manager estimated that ca. 20% could be included under "Not sustainable".

What actions have been taken to attain the sustainable investment objective during the reference period?

During the reference period, all new investments underwent the due diligence process described above under “To what extent was the sustainable investment objective of this financial product met?” 65% of the physical holdings (weighted average of the market value of holdings across the reference period) of the fund underwent the additional due diligence described above before being approved for investment by the Product Governance Committee.

When issuers demonstrated a strong potential for significant contribution, we utilized our knowledge and expertise to engage with companies, aiming to elevate their sustainability efforts to align with our Meaningfulness framework.

How did this financial product perform compared to the reference sustainable benchmark?

- ***How did the reference benchmark differ from a broad market index?***

  The fund did not use a designated index to reference benchmark its investments.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  The fund did not use a designated index to reference benchmark its investments.

- ***How did this financial product perform compared with the reference benchmark?***

  The fund did not use a designated index to reference benchmark its investments.

- ***How did this financial product perform compared with the broad market index?***

  The fund did not use a designated index to reference benchmark its investments.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://norselab.com/sfdr-nreco