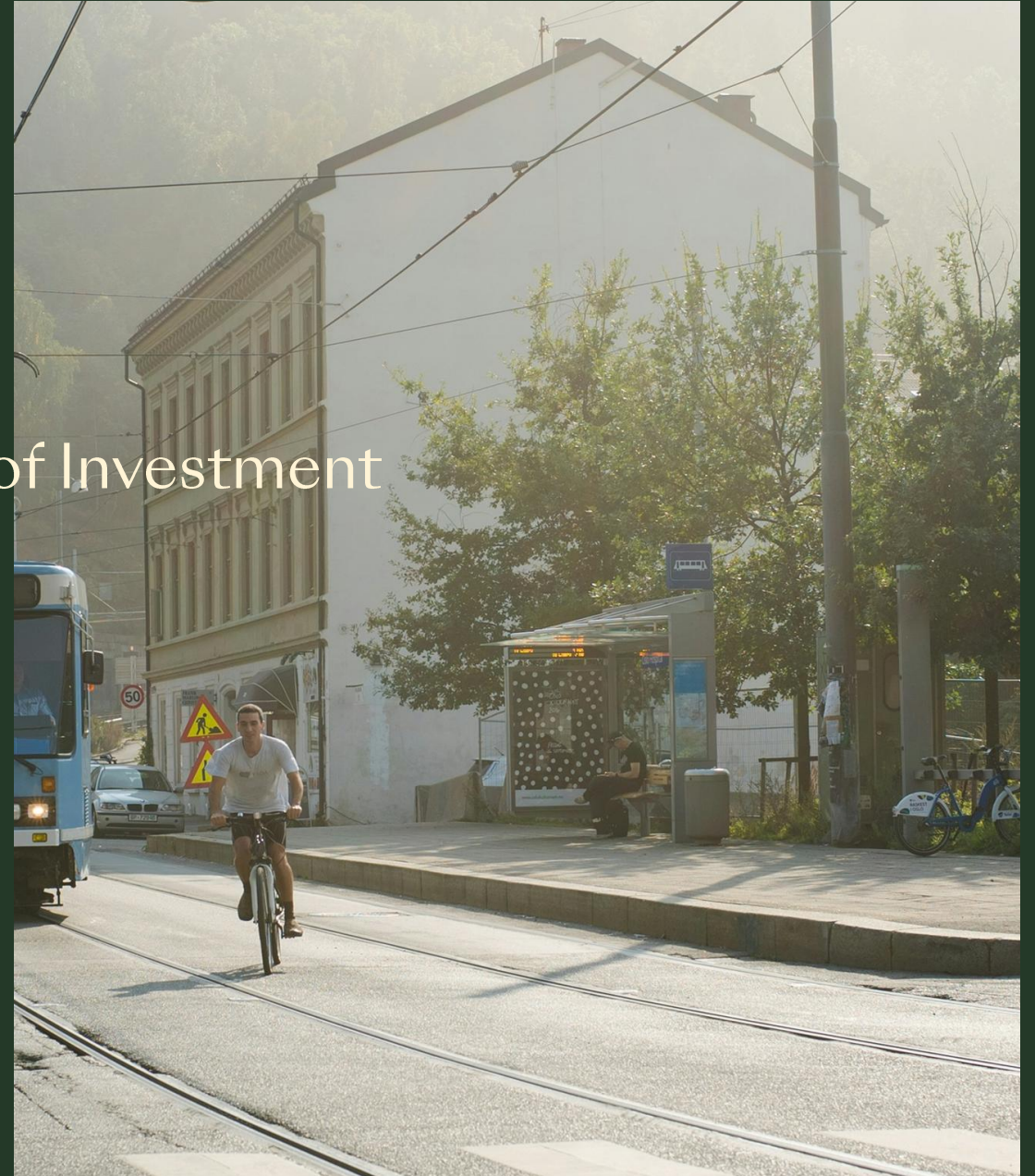


Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors

2025



Summary

Norselab Financial Hybrid (LEI: 635400AFKDDDPFPPF887) considers the principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Norselab Financial Hybrid. This statement on principal adverse impacts on sustainability factors covers the reference period from October 13th to December 31st, 2025.

As part of Norselab's investment process, Norselab Financial Hybrid considers the 16 mandatory Principle Adverse Impact indicators set out by SFDR (Sustainable Finance Disclosure Regulation). The mandatory indicators for investments in sovereigns and supranationals, as well as real estate assets, do not apply to Norselab Real Estate Credit Opportunities.

If risks of adverse impacts related to the Principal Adverse Impact indicators, good governance, or other additional environmental and social matters, are identified during screening, issuers may be excluded from consideration. If significant harm is uncovered during monitoring, we will actively engage with the issuer.

In the table below under *Description of the principal adverse impacts on sustainability factors*, we have included actions related to Principle Adverse Impacts indicators that we have prioritized to have the most considerable impact at the fund level. We aim to continuously improve our approach.

Throughout 2025, there were 30 different issuers in the Norselab Financial Hybrid portfolio. All issuers are in the financial sector.

Company-level indicators are estimated by a third-party data provider due to the unavailability of company-reported data.

Description of the principal adverse impacts on sustainability factors

About the indicators reported

The indicators have been gathered using various third-party providers. The latest available indicator has been used for each investment. The Enterprise Value is fixed at fiscal year end. We have assessed the fund's share of ownership of the investee companies' PAI indicators using the bonds' book value. For Green Bonds, there is no PAI disclosure.

Notice from The Upright Project

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.

Adverse sustainability indicator ¹		Metric ²	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions tons CO2-eq	256.6	N/A	The fund was launched late in October 2025, and there is therefore no comparable data. Scope 3 emissions are high because financed emissions from lending activities fall within financial institutions' Scope 3 reporting boundary.	During the reference period, we assessed that new issuers did not drive significant GHG emissions, benchmarked against industry peers, or that these emissions were mitigated through reliable GHG emission reduction initiatives. We exclude companies with ties to industries that have lasting negative impacts on one or more SDGs. All investee companies undergo in-depth due diligence to uncover any significant and/or lasting negative impacts.
		Scope 2 GHG emissions tons CO2-eq	922.5	N/A		
		Scope 3 GHG emissions tons CO2-eq	642 095.3	N/A		
		Total GHG emissions tons CO2-eq	667 663.9	N/A		
	Carbon footprint tons CO2-eq/M€ invested	21 650.6	N/A			
GHG intensity of investee companies	GHG intensity of investee companies tons CO2-eq/M€ revenue	1244.6	N/A			

¹ Data source: estimated data from the Upright Project, or, where available, company reported data, collected by the Upright Project. ² ESMA only provides guidance on how to calculate a financial participant's share of ownership of a company's PAI indicator for indicators expressed in absolute terms (e.g., GHG emissions). We have therefore, to the best of our abilities and with the objective of accurately representing the fund's indicator, calculated the indicators expressed as ratios (for instance, "Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources.")

Adverse sustainability indicator ¹		Metric ²	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector %	0	N/A	We exclude companies with any tie to industries that have lasting negative impacts on one or more SDGs, including those deriving any revenues from oil sands extraction, and >5% of revenues from oil & gas production.	<p>All investee companies undergo in-depth due diligence to uncover any significant and/or lasting negative impacts.</p> <p>In our due diligence, we identify the most relevant indicators for each case and evaluate whether each issuer has effective measures in place to improve their performance on those key indicators.</p>
	Share of non - renewable energy consumption and production	Share of non -renewable energy consumption and non - renewable energy production of investee companies from non - renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources %	64.95	N/A	There are large variations in the estimation of each portfolio company's share of non - renewable energy consumption, ranging from 0% to 99%. Industry does not seem to play a role in this variation.	
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector GWh/€M revenue	N/A	N/A	There were no issuers in high impact climate sectors.	
Biodiversity	Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas %	0	N/A	All investee companies undergo in-depth due diligence to uncover any significant and/or lasting negative impacts, including to biodiversity.	
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average tons/M€ invested	0	N/A	All investee companies undergo in-depth due diligence to uncover any significant and/or lasting negative impacts, including to water.	
Waste	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average tons/M€ invested	0	N/A	All investee companies undergo in-depth due diligence to uncover any significant and/or lasting negative impacts, including through waste.	

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Adverse sustainability indicator ¹	Metric ²	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period	
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises %	0.0	N/A	We only invest in companies with policies to monitor compliance or companies where there are no indication of non-compliance with good governance criteria.	<p>We use a third-party data provider to identify companies that fail to comply with the UN Global Compact.</p> <p>In our due diligence, we identify the most relevant indicators for each case and evaluate whether each issuer has effective measures in place to improve their performance on those key indicators.</p>
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises %	0.2	N/A	We only invest in companies with policies to monitor compliance or companies where there are no indication of non-compliance with good governance criteria.	
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies %	29.9	N/A	-	
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members %	35.6	N/A	We assess board gender diversity as a component of good governance.	
	Exposure to controversial weapons (anti -personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons %	0.0	N/A	We exclude any company with ties to civilian, conventional and controversial weapons.	

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Adverse sustainability indicator ¹	Metric ²	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period	
OTHER INDICATORS FOR PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS						
Climate/environment	Investments in companies without carbon emission reduction initiative	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement %	15,35	N/A	Companies with carbon reduction initiatives are assessed through the SBTi Tracker.	During the reference period, we assessed that new issuers did not drive significant GHG emissions, benchmarked against industry peers.
Social	Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis #	0	N/A		-

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Description of policies to identify and prioritize principal adverse impacts on sustainability factors

We integrate principal adverse impacts on sustainability factors in our investment decisions and monitoring

Norselab's Meaningfulness Policy describes our overarching impact approach and outlines the guiding principles for all investment activity at Norselab, hereunder the commitment to refrain from investing in companies with a significant negative impact on any of the SDGs (latest edition: January 2025, 4th edition).

Pre-investment

Issuers in the fund's potential investment universe are screened and assessed to identify investments promoting environmental and social characteristics and, in particular, issuers that qualify at a minimum as "Neutral" in the Investment Manager's proprietary impact assessment framework. The assessment will, at a minimum, include screening for:

- **UNGC compliance:** The issuers will be screened on UN Global Compact compliance through MSCI. Issuers that do not comply may be excluded from consideration.
- **Compliance with exclusion factors:** Issuers with ties to industries with lasting negative impacts on one or more SDGs, as uncovered by MSCI or through our own assessment, may be excluded from consideration. The criteria include less than 5% exposure to weapons, tobacco, or gambling.
- **Impacts on UN SDGs:** Reviewing the issuers' products and services to identify potential positive contributions and potential significant harm to the UN SDGs. The assessment pays particular attention to issuers' potential financed harm to the SDGs. In any case, if significant harm to the SDGs is uncovered, the issuer is excluded from the universe.
- **Net positive impact:** Modeling the issuer's net impact with assistance from a third-party data provider.

- **SFDR:** Considering Do No Significant Harm through products and services as well as through operations, including evaluating the issuers' efforts to improve operational sustainability. Issuers that demonstrate significant harm through their Principal Adverse Impact indicators or governance practices may be excluded from consideration.

Monitoring

We monitor several aspects on a continuous basis:

- Share of investments with a score 3/5 ("neutral impact").
- Occurrence of significant harm to the UN SDGs from the investments in the applicable period
- Share of portfolio with science-based targets covering scopes 1,2 and 3.
- Fund level net impact score, as modeled by a third-party data provider.

We selected the additional principal adverse indicators that are most relevant to our strategy, and for which we have available data to base decisions on. If an issuer falls short of our thresholds for being allowed into our investment universe, we will divest as soon as possible. We continuously enhance our monitoring process and how best to integrate the PAI indicators.

Data sources

We mainly use estimated data from the Upright Project, MSCI, and Bloomberg. When available, we use company-reported data collected by those third-party providers.

Engagement policies

We believe that we have the responsibility to use all levers to contribute to change.

Dialogue and engagement are an opportunity to create awareness and influence companies to consider sustainability more. They are also one of the tools that we have to drive concrete change in individual companies.

As we perform our impact due diligence, we may identify areas where the company could deploy additional efforts to mitigate potential negative impacts from its products and services and/or operations, in particular in the case of smaller issuers such as niche banks. Where possible to establish a direct contact, we may suggest actions to increase transparency and improve documentation regarding their impact and operations.

We continuously strive to enhance our engagement process.

References to international standards

We adhere to the ethical principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We also subscribe to the UN's Principles on Responsible Investment (PRI). Norselab Group AS, as well as its subsidiaries, is a certified B Corp.

Historical comparison

This is the first PAI statement for Norselab Financial Hybrid, as the fund launched on October 13th, 2025. No historical comparison is therefore available.

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