

Product name: **Credo II**

Legal entity identifier: **N/A**

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes</p> <p><input type="checkbox"/> It made sustainable investments with an environmental objective: ___%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made sustainable investments with a social objective: ___%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> 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</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund focuses on four sustainability topics founded on four of the UN Sustainable Development Goals. The fund has during the period promoted the following characteristics:

- Energy - Stop climate change (SDG 13)
- Raw material, i.e. responsible consumption and production (SDG 12)
- People, equality and diversity (SDG 5)

- Sustainable economic growth (SDG 8)

Each portfolio company must develop a sustainability strategy integrated with the business strategy, and define, measure and report on company specific sustainability Key Performance Indicators included in their integrated management reporting.

The sustainability KPIs are followed up by the the company board, and through active engagement by our investment teams.

Sustainability KPIs	Performance	
	2023	2022
Description		
Carbon efficiency (tons/MNOK)	8,28	14.5
% female employees	25,7	32

Please note that for 2023 we have included the numbers for Credo II only, whereas for 2022 Credo's complete portfolio was included, making the year by year comparison not relevant.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A

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

N/A

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

N/A

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Credo does not consider any adverse impacts of its investment decisions on sustainability factors. The reason for this is that it considers its existing ESG policies and procedures to be appropriate, proportional and tailored to the investment strategies of its funds. Credo does not collect all information needed from its portfolio companies in order to disclose adverse impacts on investment decisions in full. Credo intends to make a new assessment in due course.



What were the top investments of this financial product?

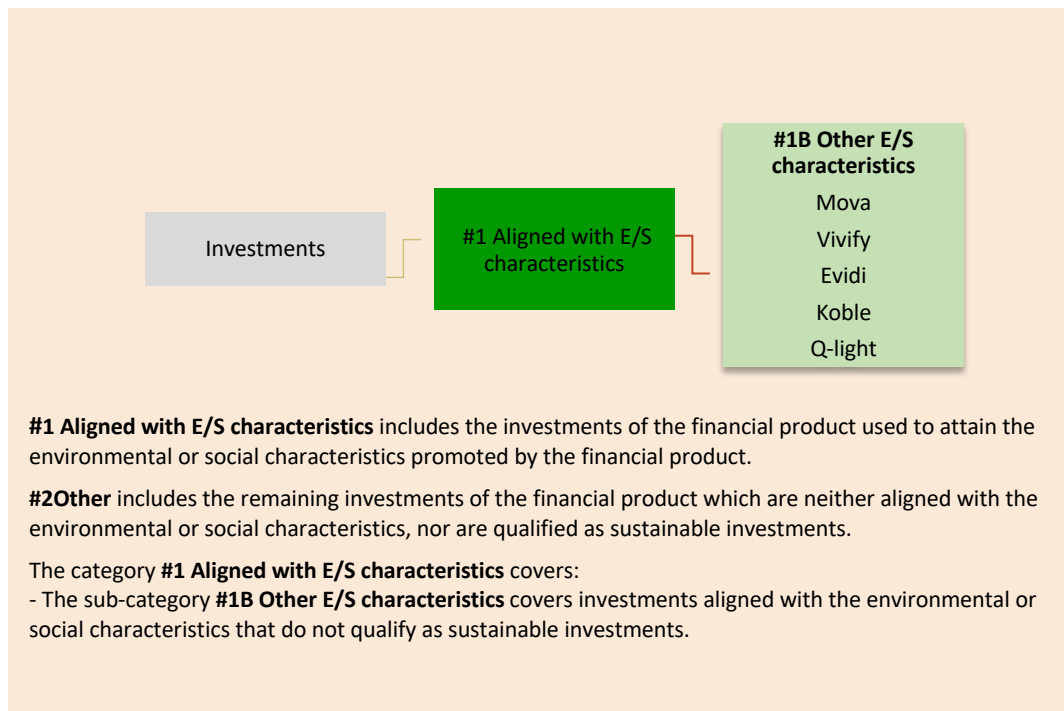
Largest investments	Sector	% Assets	Country
<i>Mova</i>	<i>Fitness centre group</i>	<i>22%</i>	<i>Norway</i>
<i>Vivify</i>	<i>Specialised construction activities</i>	<i>18%</i>	<i>Norway</i>
<i>Evidi</i>	<i>Information and communication</i>	<i>33%</i>	<i>Norway</i>
<i>Koble</i>	<i>Electrical installation</i>	<i>19%</i>	<i>Denmark</i>
<i>Q-light</i>	<i>Lightning products</i>	<i>8%</i>	<i>Norway</i>

What was the proportion of sustainability-related investments?

The fund has 0% sustainability-related investments



● What was the asset allocation?



● In which economic sectors were the investments made?

Business services, Industrials, Consumer



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

There are no sustainable investments aligned with the EU Taxonomy

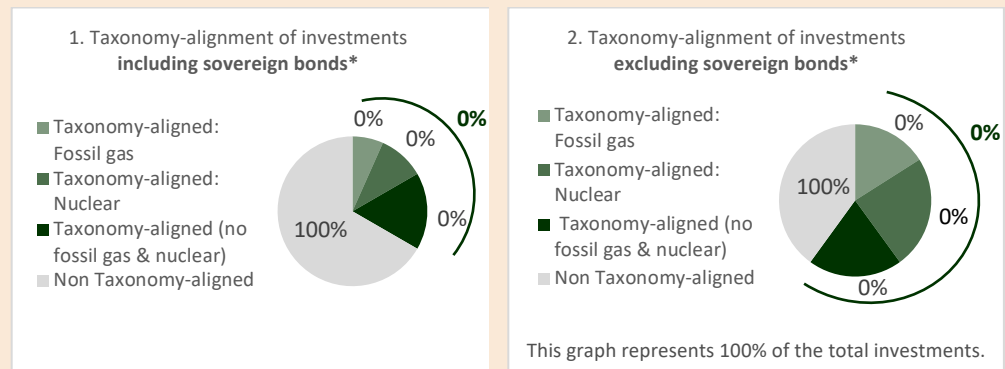
● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

¹ 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 not significantly harm any EU Taxonomy objective -

Yes:
 In fossil gas In nuclear energy
 No

The two graphs below show in green the minimum percentage of investments that are 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.

[only include in the graphs the figures for Taxonomy aligned fossil gas and/or nuclear energy as well as the corresponding legend and the explanatory text in the left hand margin if the financial product makes investments in fossil gas and/or nuclear energy]



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

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

0% in transitional and enabling activities

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**



N/A What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A

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.



What was the share of socially sustainable investments?

N/A



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

N/A



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- a) Included ESG risks and opportunities in investment screening
- b) Pre-investment ESG due diligence and assessment of company specific ESG opportunities
- c) Developed and implemented company specific ESG-strategies
- d) The board of directors in each portfolio company being responsible for implementation of Credo's minimum responsible investment requirements, including:
 - i. Compliance with relevant local and international environmental conventions and legislations.
 - ii. Fair treatment of all employees and contractors including respect for international labor and human rights standards, safe and healthy working conditions, avoidance of discrimination or harassment, responsible labor management and no tolerance for child labor.
 - iii. Compliance with relevant anti-corruption laws and regulations.
 - iv. High standards of business ethics and work against corruption in all its forms, including extortion and bribery.
 - v. Compliance with applicable antitrust and competition laws.
 - vi. Each portfolio company shall commit to contributing substantially to at least two UN SDGs.
- e) Implemented portfolio wide tools to facilitate annual reporting to investors on ESG progress
- f) Quarterly company meetings with an ESG responsible to track progress regarding ESG initiatives, and to ensure continuous improvement and compliance



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

N/A