

SFDR Product Summary

Product Name: Nordic Credit Opportunities S.A., SICAV-RAIF - Subfund 1 (the **Fund** or **NCO**)

Legal entity identifier: Nordic Credit Opportunities S.A., SICAV-RAIF 22210039Q9AWN4GLQ288

No Sustainable Investment Objective

The Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or Social Characteristics

The Fund promotes the following environmental characteristics:

- Reduction of Greenhouse Gas Emissions
- Improvement of Air quality
- Energy Management
- Water, Waste Management
- Sustainable Materials Sourcing
- Mitigation of Product Lifecycle Environmental impacts
- Reduction of Impacts on Biodiversity
- Climate Change Adaptation

The Fund promotes the following social characteristics:

- Diversity and inclusion
- Labour Rights, Human Rights
- Employee Health and Safety, Customer Health and Safety
- Data Privacy, Data Security
- Ethical Marketing and Selling Practices
- Animal protection

Investment Strategy

Integrating sustainability into our investment thesis aims to benefit our long-term investors while promoting societal sustainability. We assess Environment, Social and Governance (ESG) characteristics through qualitative analysis and employ thorough due diligence, making ESG factors as critical as financial analysis. Our strategy **includes** engaging issuers with mature or evolving sustainability strategies, supported by an internal green rating system. We **exclude** investments in sectors with significant sustainability challenges, such as oil and gas, weapons, and others violating international norms. Our investments focus on small to midcap companies, **maintaining direct management** dialogue and regular ESG assessments. **Engagement** aims to encourage improvement, with exiting as a last resort.

Proportion of Investments

Nordic Credit Partners AB (NCP)'s strategy to promote ESG characteristics involves integrating sustainability across all assets under management, aiming to benefit long-term investors and enhance societal sustainability. At least 80% of the Fund will consistently align with environmental and social (E/S) characteristics. The remaining portion of the investments are not used to attain the environmental and social characteristics and will fall under #2 Other. The Fund does not commit to making any sustainable investments.

Monitoring of Environmental or Social Characteristics

NCP has developed a sustainable investment framework aligned with the EU's SFDR criteria. For an investment to be deemed sustainable, it must integrate environmental and social sustainability into its operations and have a strategic plan to mitigate negative sustainability impacts. NCP assesses each investment's sustainability contribution through a tailored ESG analysis. The relevance of evaluation criteria is determined by materiality. NCP prioritizes investments with long-term sustainable business models that consider broader impacts. These investments must establish internal compliance frameworks and are monitored by NCP's ESG system. Additionally, NCP ensures its investments adhere to good governance practices, reviewing them against the UN Global Compact's principles, OECD guidelines, and UN business and human rights principles.

Methodologies

The investment strategy does not specify a required percentage for promoting environmental or social properties. The Fund avoids investing in companies involved in cluster bombs, landmines, chemical and biological weapons, nuclear weapons, weapons and war materials, tobacco, commercial gaming, pornography, fossil fuels, and uranium. Portfolio managers also exclude businesses in sectors facing significant sustainability challenges. Investments are permitted only if no more than five percent of the company's turnover is linked to these restricted activities. NCP creates a Sustainability Evaluation Report for each investment, detailing the management of sustainability factors, commitments, targets, and improvement areas. Companies are assessed with an internal signal, labelled as light green (Acceptable ESG integration), medium green (Well developed ESG integration), or dark green (Comprehensive ESG integration), based on their management of material sustainability factors.

Data Sources and Processing

NCP acquires ESG raw data from **ESG data suppliers for specific indicators and different purposes**. Some of the ESG raw data may be utilized by NCP to calculate or generate derived ESG information using NCP's own methodologies. Reference to 'ESG Data' includes both ESG raw data provided by third parties and ESG data collected and analyzed by NCP. **In order to ensure the quality of ESG Data and the robustness of data providers, NCP regularly reviews the ESG data landscape to ensure that we maximize our access to ESG Data and future proof our data usage needs.** Assessment criteria include, **but are not limited to, level of coverage, accuracy and timeliness of the data.** Data received into NCP's IT infrastructure and databases is automated wherever possible and, where sourced externally, is subject to contractual service level agreements. Our third-party data suppliers may provide estimated ESG Data where reported ESG Data is not available. The proportion of estimated ESG Data varies **based on a number of factors, including the supplier, data points and the product.**

Limitations to Methodologies and Data

ESG Data may be based on certain assumptions, forecasts, calculations, views and opinions of NCP or third-party providers which may be based on current market trends or anticipated future events. Given the developing and innovative nature of these models, methodologies and assumptions and the inherent uncertainty in predicting forward-looking events, it cannot be guaranteed that the ESG Data is always accurate or correct or that the ESG Data will satisfy the aims or requirements of any specific client or investor. Any opinions, calculations or forecasts are not a guarantee of future events and NCP may update its models, methodologies and/or assumptions at any time. External factors and limitations on the data may result in differences between actual and calculated figures. Such external factors and limitations may include unaudited third-party data and data based on publicly disclosed information provided by investee companies which can vary in quality.

Furthermore, there may be data that NCP or its service providers are unable to source due to the lack of availability of data sources. Where ESG Data is sourced from external providers, their liability for such data may be limited and will always be subject to legal terms. Notwithstanding the above, NCP remains committed to transparency and believes that these limitations do not affect how the environmental or social characteristics promoted by the Fund are met.

Due diligence

NCP has a thorough Due Diligence process that includes sustainability factors and ESG factors have the same significance in investment decisions as the credit analysis. Strict investment criteria and continuous portfolio monitoring minimizes the default risk of each investment and broad diversification across industries, regions and risk levels reduces risk in overall portfolio.

Engagement Policies

Portfolio managers exclude businesses in sectors facing significant sustainability challenges. Investments are permitted only if no more than five percent of the company's turnover is linked to these restricted activities. The investment strategy does not specify a required percentage for promoting environmental or social properties. The Fund avoids investing in companies involved in cluster bombs, landmines, chemical and biological weapons, nuclear weapons, weapons and war materials, tobacco, commercial gaming, pornography, fossil fuels, and uranium.

Designated Reference Benchmark

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.