

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Valide Invest III

Legal entity identifier: 935 389 720

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments 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



It will make a minimum of **sustainable investments with a social objective:** ____%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments



with an environmental objective in economic activities that 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 promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

This financial product promotes environmental and social characteristics by investing in early-stage companies that may contribute to sustainability objectives through innovation in clean energy, digitalization, health, circular economy, and responsible societal development.

The Fund does not have sustainable investment as its objective, but it promotes characteristics aligned with environmental and/or social value creation. For example, portfolio companies may

develop technologies or services aimed at enabling the green transition, such as renewable energy production (wind, wave, solar), hydrogen solutions, low-emission construction materials, and software tools for carbon footprinting and environmental documentation. Such solutions support emissions reductions, energy efficiency, and resource circularity.

Social characteristics are promoted through investments in companies working with healthcare innovation, digital education platforms, welfare technology, and job-matching tools. These aim to increase access to essential services, improve quality of life, and support inclusion, health, and wellbeing.

The Fund integrates ESG considerations into its investment assessments and ongoing monitoring, focusing on environmental impact, social contribution, and sound governance practices at the portfolio company level. However, the Fund does not commit to any minimum proportion of sustainable investments as defined under Article 2(17) of SFDR and has not designated a reference benchmark for attaining the environmental or social characteristics.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

Since the Fund primarily invests in early-stage companies, sustainability indicators will be tailored to the characteristics and maturity level of each portfolio company. Typically, portfolio companies will not be subject to statutory ESG reporting obligations or the EU Taxonomy Regulation but are expected over time to integrate environmental and/or social impact as part of their strategy or product offering.

Where applicable, the Manager will consider sustainability indicators such as:

- **Environmental indicators:**
 - Existence and use of life-cycle analysis (LCA), carbon footprint assessments, or environmental impact metrics embedded in the company's core products or services
 - Emissions data (where available), such as Scope 1, 2, and 3 CO₂ reporting
 - Environmental certifications or documented efforts toward energy efficiency, sustainable sourcing, or waste reduction
- **Social indicators:**
 - Solutions that contribute to public health, inclusive education, or social welfare
 - Metrics relating to workplace conditions, gender balance, or human rights due diligence (e.g. compliance with the Norwegian Transparency Act)
 - User impact tracking or service accessibility (e.g., number of end-users reached, impact surveys)

Given the early-stage nature of investments, quantitative ESG data may be limited or unavailable at the time of investment. The Manager will assess qualitative indicators of sustainability alignment as part of its due diligence and ongoing portfolio monitoring. As companies grow, it is expected that they will progressively develop ESG metrics and reporting routines relevant to their sector and business model.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

N/A. The Fund promotes environmental and social characteristics, but does not have sustainable investments as its objective nor does it seek to make any sustainable investments as defined in SFDR article 2(17).

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A. The Fund promotes environmental and social characteristics, but does not have sustainable investments as its objective nor does it seek to make any sustainable investments as defined in SFDR article 2(17).

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

N/A.

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

N/A.



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

What investment strategy does this financial product follow?

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 EU 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.

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.

The Fund seeks to promote environmental and/or social characteristics by investing primarily in early-stage companies that develop innovative technologies or services with positive environmental or social impact potential. The Fund follows a venture capital strategy, focusing on seed and early-growth investments, with a particular focus on opportunities within energy, digitalization, and health technology.

The Fund primarily selects companies that are part of Validé's incubation portfolio and are assessed to have scalable business models and the potential for long-term, positive contributions to environmental or social challenges. Investment decisions are based on both commercial potential and alignment with the Fund's thematic focus on sustainability-driven innovation.

The Manager integrates sustainability risks into investment decisions by conducting qualitative ESG assessments as part of the due diligence process. The Fund applies a pragmatic ESG approach tailored to early-stage investments, recognising the limitations in data availability and maturity at this stage. While the Fund does not commit to making sustainable investments as defined under SFDR Article 2(17), it aims to support companies that promote transparency, technological advancement, energy efficiency, circular economy principles, and improved quality of life.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Fund's investment strategy focuses on early-stage companies that are typically connected to the Validé incubator and innovation ecosystem. These companies have often received support, advice, or other forms of assistance from Validé prior to the Fund's investment. While it is not a formal requirement that a company is an incubator participant at the time of investment, such affiliation gives the Manager better insight into the company's maturity, potential, and sustainability profile.

As a binding element, the Manager integrates an overall assessment of a company's potential positive contribution to environmental and/or social objectives as part of its investment selection. The Manager conducts a qualitative evaluation of factors such as the company's business model, long-term impact potential, and alignment with relevant environmental or social priorities, particularly within health, energy transition, and digitalization.

The Manager uses defined ESG assessment questions to evaluate potential investments and to conduct quarterly follow-ups of portfolio companies. These questions cover the main themes of climate, diversity, and working conditions, and are formulated as scale-based questions. The responses are used to generate aggregated, quantitative indicators that support ESG monitoring and reporting to investors.

The Fund is established as an Article 8 product under SFDR, and this classification is explicitly stated in the shareholder agreement. The Manager is bound by this designation and will continue to consider environmental and/or social characteristics in its investment decisions.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

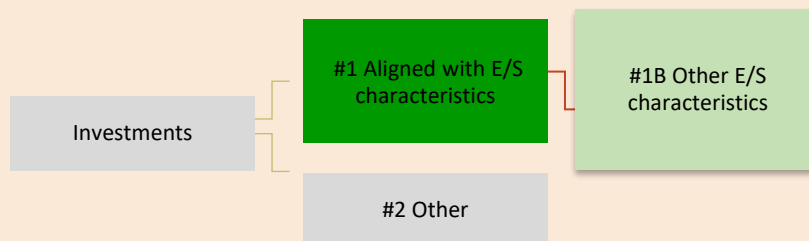
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

The Fund invests primarily in early-stage, unlisted companies, many of which are in the process of establishing or professionalizing their governance structures. As part of its investment process, the Manager conducts a qualitative assessment of governance practices, which includes reviewing the company's leadership team, board composition, internal controls, financial reporting routines, and compliance with relevant laws and regulations.

Particular attention is given to ensuring that companies follow principles of sound governance, such as transparency, accountability, and responsible decision-making. For companies where such structures are not yet fully in place, the Manager may require improvements or contribute to strengthening governance post-investment, for example through board participation or advisory roles.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The Manager assesses governance practices through structured questions applied both at the time of investment and in quarterly follow-ups. These questions cover key indicators such as diversity, inclusion, and working conditions, and the responses are used to support continuous monitoring of ESG alignment at the portfolio level. While the Manager does not rely on third-party ESG ratings or scoring frameworks, good governance remains a core consideration throughout the due diligence and investment decision process and is actively followed up through the Manager's ongoing ownership and engagement activities.



What is the asset allocation planned for this financial product?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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 activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance. activities of investee companies.

The Fund will invest exclusively in portfolio companies that promote environmental and/or social characteristics aligned with the Fund's investment strategy. These companies are typically early-stage ventures supported through incubator programs and selected based on their potential to contribute positively to climate, sustainability, or social innovation agendas — including in sectors such as green energy, health technologies, and digital solutions.

The Fund's investment strategy targets companies that, directly or indirectly, support environmental or social improvements, such as reducing emissions, promoting circularity, or improving access to health or welfare-related services. As such, the Fund expects that approximately 100% of its capital (excluding ancillary cash holdings) will be allocated to investments that promote the Fund's environmental and/or social characteristics.

The Fund may retain limited cash or cash-equivalent assets for operational purposes (e.g., fees, fund administration, or liquidity needs), which are classified as investments in "#2 Other."

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

N/A



- **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund promotes environmental and/or social characteristics within the meaning of Article 8 of the SFDR. However, it does not commit to making sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum extent of such investments is 0%, as shown in the pie chart below.

The Fund may invest in portfolio companies that contribute positively to environmental and/or social outcomes. However, these companies are typically in the early stages of development and operate in sectors or under conditions where their activities are not currently covered by the technical screening criteria of the EU Taxonomy.

Nevertheless, the Manager considers that the Fund's investments may support environmental and social improvements in the broader sense, particularly by enabling companies that help reduce emissions, improve ESG data availability, or promote sustainability innovation in their respective sectors.


- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply 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 - 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.

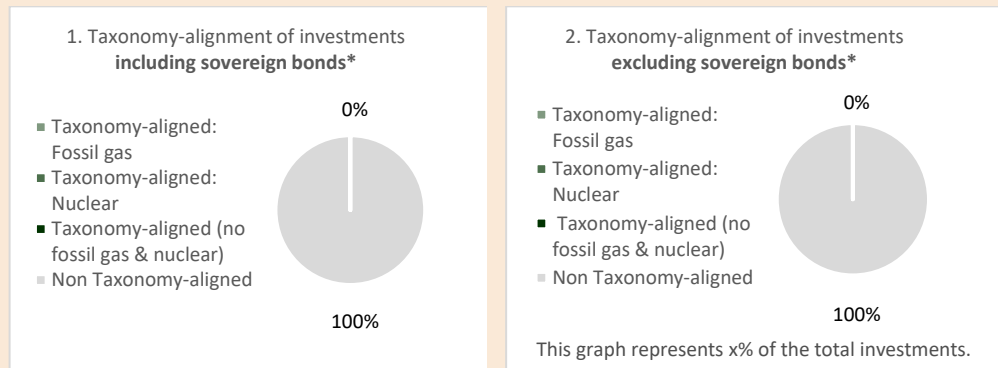
- ☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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

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.



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

● **What is the minimum share of investments in transitional and enabling activities?**

N/A



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy

N/A. The Fund does not seek to make any sustainable investments as defined in SFDR art. 2(17) or the EU Taxonomy.



What is the minimum share of socially sustainable investments?

N/A. The Fund does not seek to make any sustainable investments as defined in SFDR art. 2(17).



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?



Investments under “#2 Other” refer to non-core holdings such as cash and cash equivalents held temporarily by the Fund to meet liquidity needs, cover management fees, or pay operating expenses. These investments are not made for the purpose of attaining environmental or social characteristics and are not subject to specific environmental or social safeguards. However, the Manager aims to place such funds with reputable financial institutions that adhere to basic ESG principles where feasible.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund does not have an index designated as a reference benchmark to determine whether the Fund is aligned with the environmental or social characteristics that it promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

More product-specific information can be found on the website:

More product-specific information can be found on our website:

<https://www.valide.no/sustainable-finance-disclosure-regulation-for-valid%C3%A9-invest-iii>



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.