momentum®

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MOMENTUM VENTURE MANAGEMENT AS AND MOMENTUM II AS

SUSTAINABILITY-RELATED DISCLOSURES FOR MOMENTUM'S WEBSITE

EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") entered into force on 10 March 2021, aiming to provide greater transparency on the sustainability of financial products. The team behind Momentum Venture Management AS ("Momentum") happily supports this, and although the regulation has not yet entered into force in Norway, we hereby disclose our information related to Momentum as a financial market participant and to the alternative investment fund Momentum II AS ("Momentum II") that we manage.

1. ENTITY-LEVEL DISCLOSURES RELATED TO MOMENTUM VENTURE MANAGEMENT AS (the Manager)

Integration of sustainability risks into investment decision process

Momentum view sustainability risks as an integral part of our due diligence processes and tracked through our holding period. Our Responsible Investment Policy, which can be provided upon request, provides further details.

Principle adverse sustainability impact statement

Summary: Momentum takes into consideration principal adverse impacts in accordance with article 4 of SFDR of its investment decisions on sustainability factors.

Description of principle adverse sustainability impacts: Factors currently taken into account are related to environmental, social and governance matters. Momentum pays close attention to the development of the Regulatory Technical Standards and plans to adhere to all mandatory adverse sustainability impact measures, once RTS is finalized.

Description of policies to identify and prioritize principal adverse sustainability impacts and indicators: Momentum will require all prospective portfolio companies to go through an ESG due diligence where factors of principal adverse sustainability impact are included. Post investment, all portfolio companies report on principle adverse sustainability impact factors (among other ESG factors) through a digital platform; some on a quarterly basis and some on an annual basis. We will prioritize the most relevant indicators of principal adverse impact for each portfolio company, within the framework provided by the EU on the topic.

Engagement policies: Momentum engages the portfolio on the topic of principal adverse sustainability impacts, primarily through the continuous reporting and by seeking to raise the topic to the board level on a regular basis.

References to international standards: Momentum Venture Management strives to operate in accordance with internationally recognized frameworks and standards, such as the UN Sustainable Development Goals, the Paris Agreement, UN Principles for Responsible Investments, Invest Europe's Code of Conduct, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles for Business and Human Rights.

Remuneration Policy

Momentum Venture Management's remuneration policy promotes effective risk management and asset management in accordance with the investment mandates for the funds that are managed at all times. The remuneration policy shall be in accordance with the company's and the funds' business strategy, overall goals, risk tolerance and long-term interests. The remuneration policy, and in particular concerning the variable part of the remuneration, shall not encourage risk-taking that is incompatible with the risk profile, the mandate or other founding documents for funds under management.

The integration of sustainability risks is part of the total risk assessment of the investments for funds under management and is hence included in all risk references in the remuneration policy. Importantly, the remuneration policy does not encourage excessive risk-taking with respect to sustainability risks and the variable component is linked to risk-adjusted performance and not just short-term goals.

2. PRODUCT-LEVEL DISCLOSURES RELATED TO MOMENTUM II AS (the Fund)

Investment strategy: Sustainability and ESG at the core

Momentum II's mission is to invest in and support innovative and ambitious founders with sustainable development at the core of their business idea. We firmly believe that sustainability and profitability go hand in hand. Only by solving the planet's pressing challenges related to climate change and unsustainable practices, we can continue enjoying profitable growth and continued job creation. Hence, assessing sustainability and environment, social and governance ("ESG") factors is at the core of our business.

Through our screening, Momentum II *includes* companies who:

- Contribute to one of several of the 17 UN Sustainable Development Goals ("SDGs"), specified at the target level for the relevant SDG(s)

Likewise, Momentum II *excludes* companies in the following industries:

- Production or distribution of fossil fuels, including companies serving this industry as their primary customer segment
- Tobacco, alcohol and drugs
- Unlicensed gaming and gambling
- Fur production
- Adult entertainment
- Arms and weapons
- All illegal economic activity

Transparency of the promotion of environmental or social characteristics and of sustainable investments on websites

The SFDR regulation defines two types of "green" funds:

- Article 8 funds (“light green funds”) who *promotes environmental and social characteristics*, provided that the companies in which the investments are made follow good governance practices
- Article 9 funds (“dark green funds”) who *has sustainable investments as their objective*

Momentum II promotes environmental and social characteristic through our investments, provided that the companies in which the investments are made follow good governance practice. As such, the financial product falls under Article 8 of the SFDR regulation. However, we expect a large portion of Momentum II’s investments to qualify as “sustainable investments” in accordance with the SFDR regulation’s definition. When the EU has finalized and implemented its Level 2 regulations on SFDR, we will review and consider if our investment strategy implies an Article 9 classification.