ODIN Sustainable Corporate Bond

Impact report 2024

Contents

ODIN

At Odin we have been a signatory of UN Principles for Responsible Investments since 2012 as well as we are active members of various sustainable forums. In our ESG analysis, screenings, and active ownership work, we use and promote various international sustainability frameworks, standards, and key initiatives.

Introduction

The global transition to a more sustainable economy is one of the defining challenges – and opportunities – of our time. Meeting this challenge requires both innovation and the transformation of existing industries, with capital playing an essential role in enabling this shift.

ODIN Sustainable Corporate Bond, launched in 2022, invests in companies and projects that contribute to long-term sustainable development. This fund, our first Article 9 fixed income fund, is designed to direct capital toward companies that are actively working to advance environmental and social progress. The fund invests both in companies with strong sustainability performance and companies that are actively working to shift their operations in a more sustainable direction. Green bonds, for example, have earmarked proceeds tied to specific projects, making them a powerful tool for supporting companies transitioning toward more sustainable operations. It is often in these transformation processes that we see the greatest potential for positive impact, as they allow established companies to realign operations with long-term environmental objectives.

Over the past decade, the market for ESG-labelled bonds has expanded and matured, offering a growing universe of credible issuers and high-quality investment opportunities. This evolution enhances our ability to align capital with real-world impact and has allowed us to build a well-diversified portfolio across sectors and geographies. It also enables a broader exposure to a range of sustainability themes, including renewable energy, electric mobility, bio-based solutions and low-carbon infrastructure, to mention a few. During 2024, the fund expanded its toolbox for financing the green transition, including its first investment in a sustainability-linked loan bond (SLLB). We also strengthened our focus on companies that play a key role in decarbonisation and the development of sustainable solutions along with ensuring improved quality of life and inclusive society.

This is our second Impact Report, following the first edition published for 2023. We are proud to continue and further refine our efforts to provide transparent, credible insights into how the fund contributes to the transition toward a more sustainable economy. The report highlights information on the fund's investments, including a deeper look at selected holdings. We also present available impact metrics, as reported by issuers and summarized by us.

For more information on how we at Odin integrate sustainability – both at the fund level and across our company – we refer readers to our **2024 Corporate Sustainability Report**.

Why invest in ODIN Sustainable Corporate Bond

Broad sustainability themes	Providing access to a broad range of impactful, real-world projects
Thorough ESG analysis	Conducted prior to every investment decision
Diversified bond formats	Different types of ESG-labelled bonds and carefully selected conventional bonds
Focus on transition	Allocation to diligently chosen green bonds from high-emitting companies with transition plans
ESG-dialogue	Ensuring confidence in issuing companies' sustainability targets and profiles
Strong credit profiles	To ensure financial resilience
Balanced geographical exposure	Across the Nordics and Europe to enhance diversification

ODIN Sustainable Corporate Bond in a nutshell

Mandate

- An actively managed bond fund with sustainable goals as its objective
- The fund invests in companies that contribute to one or more of seven chosen sustainability themes
- The fund's potential investment universe includes ESG-labelled bonds, as well as conventional bonds issued by companies whose operations are aligned with the fund's sustainability targets
- The fund reports in accordance with Article 9 of SFDR
- European mandate
- Credit quality: Investment grade

For additional fund information visit **odinfundmanagement.com**

The team

Lead portfolio managers

Nils Hast
CIO Fixed Income

Mariann Stoltenberg Lind
Senior Portfolio Manager

"Our team has many years of practical experience and deep knowledge in both fixed income and sustainable finance"

– Nils Hast

Fixed income team

Christian Malde
Senior Portfolio Manager

Anders Hoberg
Senior Portfolio Manager

Thea Kleive Tobiassen
Credit Analyst

ESG team

Marte Storaker
Head of ESG

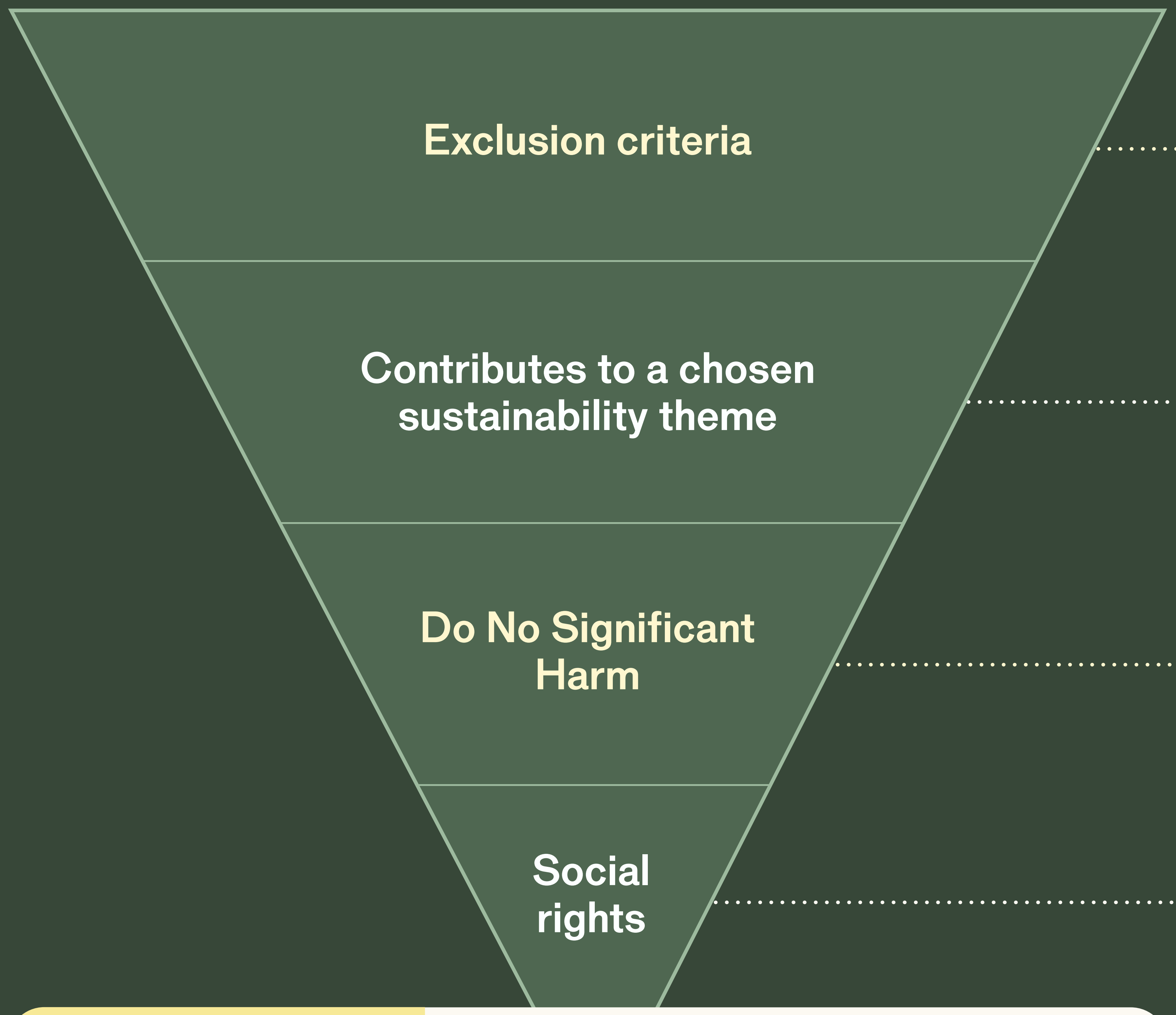
Eivor Oellingrath
Senior ESG analyst

Nikolay Burdakov
Head of ESG (Sweden)

Our investment process

The investment process for ODIN Sustainable Corporate Bond is designed to ensure that each bond selected meets both financial and sustainability criteria. In addition to a credit analysis, our approach integrates a comprehensive ESG evaluation, creating a clear framework for sustainable investing.

ESG analysis



Exclusion criteria
- Fossil fuel extraction
- Alcohol, tobacco, cannabis
- Weapons and/or war material
- Commercial gambling business
- Pornography

Contributes to a chosen sustainability theme
- Technologies, products and services offered
- Transition companies
- Clear objectives with reported and meassurable progress

Do No Significant Harm
- Negative events
- Source of income
- Targets
- Guidelines and policies in place

Social rights
- UN Global Compact
- Human rights
- The ILO Conventions
- OECD guidelines for multinational companies

Can the fund purchase a bond from the company?

- ☐ Yes
- ☐ No
- ☐ Yes to green, social and/or sustainability-linked bonds

Our investment process

Non-qualifying labelled bonds

Simply labelling a bond as sustainable is not sufficient for its inclusion in our fund. On the contrary, we have excluded several labelled bonds because their frameworks failed to meet our standards or because the issuing company was not compliant to our social rights requirements. Here we provide two examples of bonds that did not qualify on a no-name basis.

In several cases where we have chosen not to invest in a bond, we engage in dialogue with the issuing company to explain our decision. These dialogues typically take place before the bond is launched in the market. By providing constructive feedback, we send a clear signal about the standards we require and aim to support future improvements - enabling issuers to take this input into account when designing future frameworks.

European waste manager

- ✓ Exclusion criteria
- ✓ Contributes to sustainability themes
- ✗ Does no significant harm
- ✓ Social rights compliance

Reason for non-eligibility:
Parts of the Green Bond Framework not sufficient

A portion of the loan proceeds will finance procurement and operation of compressed natural gas (CNG) vehicles. While natural gas offers the benefit of reducing certain air pollutants, CNG-vehicles still reflect a continued dependence on fossil fuels and a significant exposure to methane and carbon emissions.

We would have preferred to see the company committing to more ambitious targets, aiming for a full transition toward EV vehicles.

European health care company

- ✓ Exclusion criteria
- ✓ Contributes to sustainability themes
- ✗ Does no significant harm
- ✗ Social rights compliance

Reason for non-eligibility:
Shortcomings in governance and social responsibility

Although the Green Bond Framework met our standards, we chose not to invest due to serious shortcomings in the company's governance and social responsibility.

Major defects in some of the company's products exposed users to toxic and potentially carcinogenic substances, and despite being aware of these risks, the company delayed necessary action. This reflects poor risk management, and a lack of commitment to product safety and ethical business conduct.

Investment allocation overview

Investing in a just, sustainable transition

We invest 100% of the fund in alignment with our carefully defined investment themes, which are closely linked to global and European Union sustainability goals. Each investment is made based on our stringent definition of sustainable investments, which includes due diligence on social factors. This ensures that all our investments not only support environmental goals but also uphold social responsibility.

A notable development in 2024 is that we have increased the fund's exposure to bonds that contribute to the social investment theme, with two such bonds now ranking among our top 10 holdings. This reflects our ongoing commitment to broadening the fund's positive impact across both environmental and social dimensions.

Investment themes

- Renewable energy and energy efficiency
- Low carbon footprint
- Circular economy and resource efficiency
- Sustainable transport and infrastructure
- Water management
- Protection of biological diversity and ecosystems
- Health, quality of life and social inclusion

Environment
Green sustainable transition within planetary boundaries

Social
Contribution to improved quality of life and inclusive society

UN sustainable development goals	EU environmental* & social objectives
7	#1 Climate change mitigation
13	#1 Climate change mitigation
12	#1 Climate change mitigation #4 The transition to a circular economy
11, 9	#1 Climate change mitigation #2 Climate change adaptation
6	#3 The sustainable use and protection of water and marine resources
15, 14	#5 Pollution prevention and control #6 The protection and restoration of biodiversity and ecosystems
3, 5, 8, 10	EU's pillar of social rights

*EU environmental Taxonomy objectives

Investment allocation overview

Distribution across top holdings

The table presents the fund's ten largest holdings, which together represent 20.5 percent of the portfolio. Each company contributes to our sustainability objectives, often aligning with multiple themes. For clarity, we've listed the primary theme associated with each holding—though many support several of our impact areas. This reflects our strategy of investing in companies that drive positive change across environmental and social dimensions

10 largest holdings per 31 Dec 2024

Company	Bond	Industry	Weight	Primary sustainability-target	Bond Type
ING Groep NV	INTNED 4 1/8 08/24/33	Banks	2.4%	Renewable energy and energy efficiency	Green
AIB Group PLC	AIB 2 7/8 05/30/31	Banks	2.3%	Renewable energy and energy efficiency	Green
A2A SpA	AEMSPA 2 1/2 06/15/26	Utilities	2.2%	Renewable energy and energy efficiency	Green
NatWest Group PLC	NWG 3.575 09/12/32	Banks	2.1%	Health, quality of life and social inclusion	Social
KBC Group NV	KBCBB 3 08/25/30	Banks	2.1%	Health, quality of life and social inclusion	Social
Intesa Sanpaolo SpA	ISPIM 5 03/08/28	Banks	2.1%	Renewable energy and energy efficiency	Green
Hafslund AS	HAFECO Float 03/05/30	Utilities	2.0%	Renewable energy and energy efficiency	Green
National Grid PLC	NGGLN 3 7/8 01/16/29	Utilities	1.9%	Renewable energy and energy efficiency	Green
SpareBank 1 SR-Bank ASA	SRBANK 3 3/4 11/23/27	Banks	1.7%	Renewable energy and energy efficiency	Green
Jyske Bank A/S	JYBC 0.05 09/02/26	Banks	1.7%	Renewable energy and energy efficiency	Green

Investment allocation overview

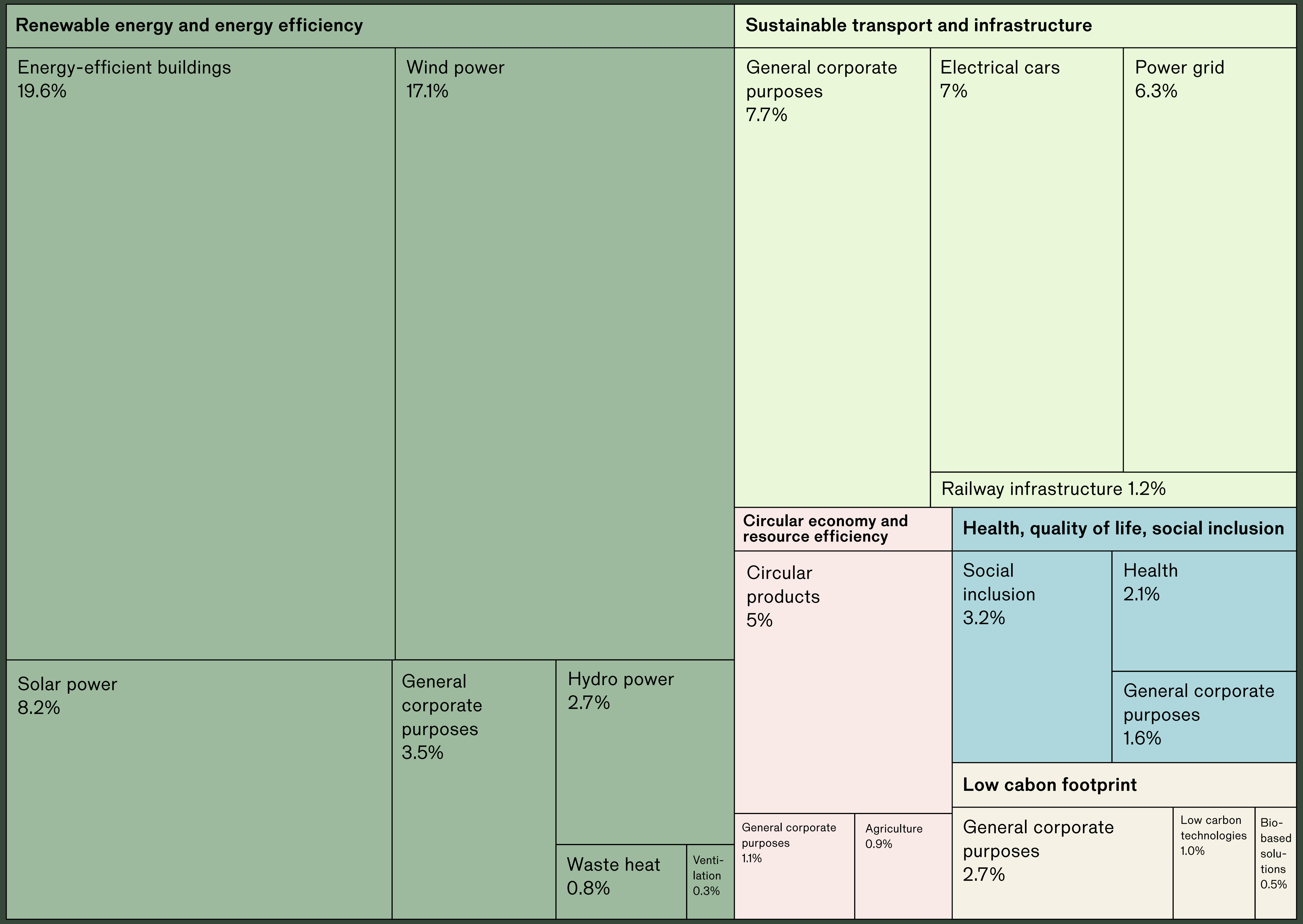
Distribution across themes

We strive to invest broadly and by the end of 2024 we have exposure to five of the seven sustainability themes in our mandate. Our largest exposure is toward the Renewable Energy and Energy Efficiency theme. Within this theme, the largest share of investments is allocated toward energy-efficient buildings and wind power generation. Other notable sub-themes with a high exposure are investments in electrical cars and circular products.

- 52.2% Renewable energy and energy efficiency
- 22.1% Sustainable transport and infrastructure
- 7% Circular economy and resource efficiency
- 6.9% Health, quality of life and social inclusion
- 4.2% Low carbon footprint

The portfolio's distribution toward the fund's chosen sustainability themes is an estimate based on the framework of the loan agreement for green/social bonds or on the company's operational activities for ordinary bonds.

Allocation across themes per 31 Dec 2024



Investment allocation overview

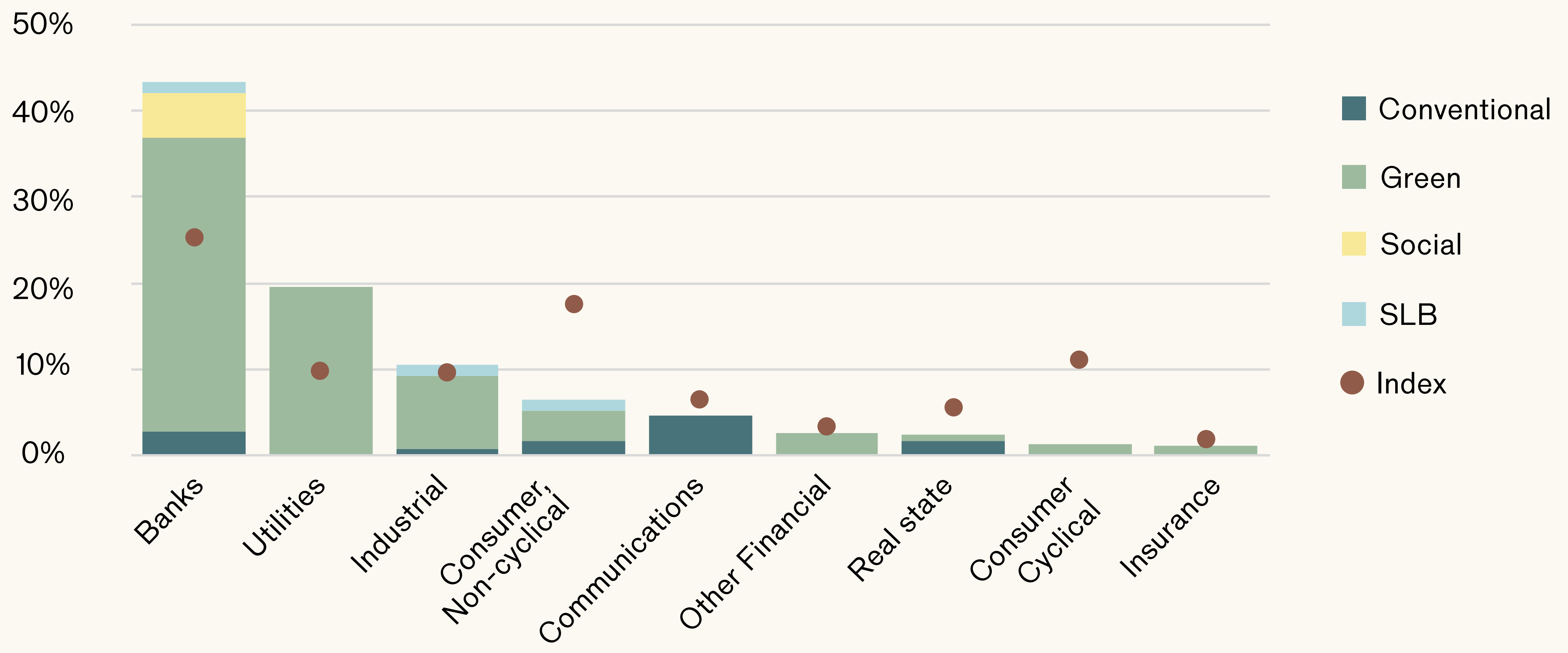
What we are investing in

Our portfolio has the largest exposure to the banking sector, which has been a major issuer of eligible green bonds in the market. Banks are well-positioned for issuing ESG-labelled bonds as they can structure their bond frameworks and allocate proceeds to various sectors. This contributes to a wider exposure to sustainable projects, including wind, solar, and hydro power generation, energy-efficient buildings, electrification of transport, and social investments. Such broad structuring is challenging for non-financial corporates. Additionally, banks serve as intermediaries between companies and investors, mitigating certain political and credit-quality risks for investors.

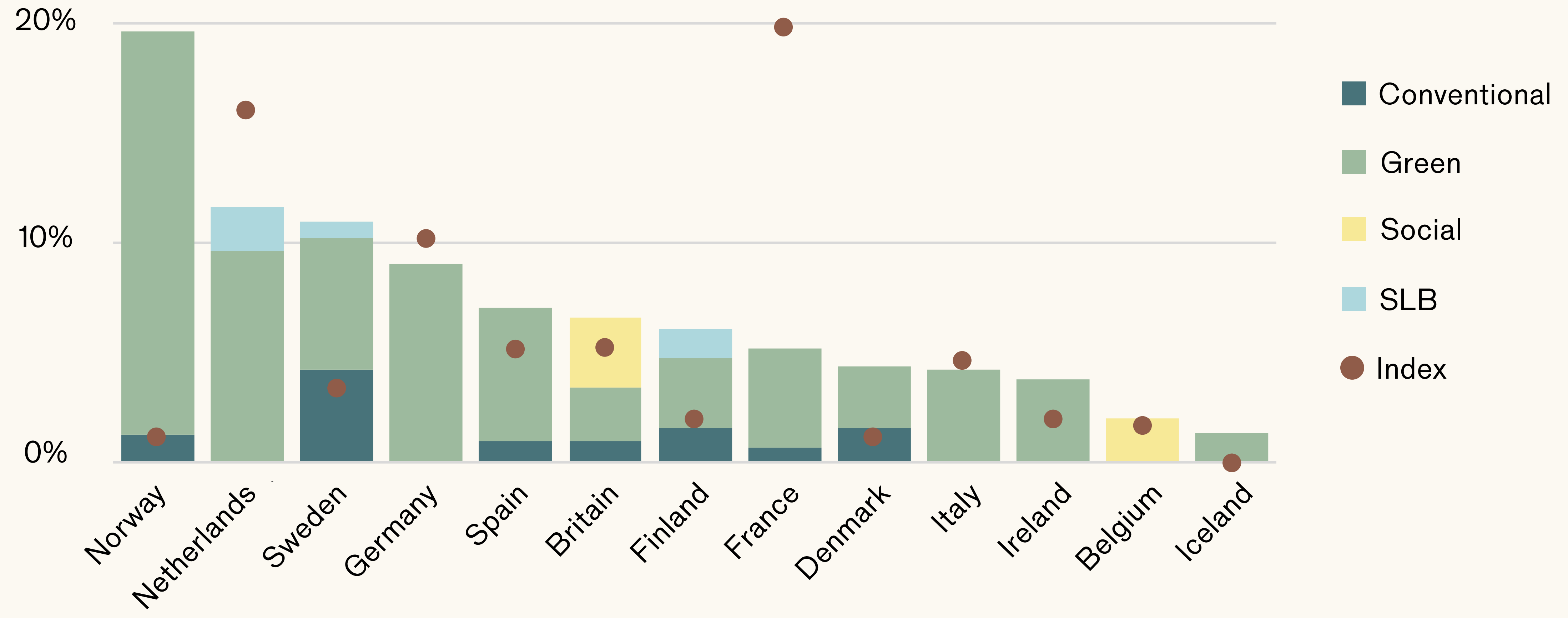
Regarding geographical allocation, the higher exposure to certain countries is a result of better availability of suitable bonds at attractive prices. The fund's balanced geographical exposure across the Nordics and Europe strengthens the fund's flexibility, liquidity and diversification.

Index - Morningstar Eurozone 1-5 Yr Corporate Bond TR

Sector allocation per 31 Dec 2024



Geographical allocation per 31 Dec 2024



Selected impact metrics for green bonds

By the end of 2024, 71.5% of the fund's portfolio was invested in green bonds. As in previous years, the largest share of these investments supported the themes Energy-efficient buildings and Renewable Energy. These focus areas are reflected in the impact data reported by issuers, which include metrics such as avoided carbon emissions, energy generated, and installed energy capacity. The number of green bonds in the portfolio increased from 42 at the end of 2023 to 60 by the end of 2024.

Issuers apply a range of methodologies when reporting impact. We have chosen to highlight the most commonly used metrics, which are explained further in our methodology section. To ensure transparency, we present both total and annual figures for carbon emissions avoided and energy generation, based on the data provided by the issuers.

Carbon emissions avoided

39 issuers, representing **49%** of the portfolio, reported on carbon emissions avoided.

9 issuers, 12% of portfolio	30 issuers, 37% of portfolio
7 052 462 tCO2	**3 390 083** tCO2/year
11 106 tCO2e avoided/EUR	**11 634** tCO2/year/ EUR

Energy generation

13 issuers, representing **20%** of the portfolio, reported on energy generation.

3 issuers, 4% of portfolio	10 issuers, 16% of portfolio
1 754 520 MWh	**9 410 648** MWh/year
14 239 MWh/EUR	**32 050** MWh/year/EUR

Energy consumption avoided

9 issuers, representing **12%** of the portfolio, reported on energy consumption avoided.

243 524 MWh/year	**1 046** MWh/year/EUR

Energy capacity installed

9 issuers, representing **14%** of the portfolio, reported on energy capacity installed.

8 774 MW	**22** MW/EUR

Methodology

- The impact data displayed in this report is based on issuer-reported impact metrics and reflects the total impact of the bonds the fund is invested in.
- For issuers that have reported impact on a portfolio level, all impacts have been divided on total invested amount to show impact/million invested.
- Where impact is not reported in EUR, the exchange rate from European Central Bank (ECB) per 31th December 2024, has been used to convert the invested amount. The relevant bond impact has then been calculated to report impact of all bonds in the fund's portfolio.
- This report does not contain an exhaustive list of the impact reported by the issuers of the bonds in the portfolio, but rather a gathering of the most used and standardized metrics.
- Whereas the issuers have used multiple different definitions to report their impact metrics, we have tried to standardize these where possible. For instance, we have aggregated "additional installed capacity", "installed capacity" and "additional connected capacity" in the same metric in this report . Likewise, Energy Generation and Energy Production are both included in the Energy Generation metric in this report.
- When stating per cent of the portfolio that reported on a certain impact metric, we refer to the sum of weights from all the issuers using the given metric. As some issuers report on multiple metrics, the total per cent of the portfolio stated in this report might add up to more than 100%.

Driving emission reduction where most needed

Bridging portfolio emissions and green bond financing impact

By investing in green and sustainable bonds, we channel capital into specific projects that deliver measurable sustainability impact. This is especially important when such bonds are issued by companies with high overall emissions – like financial institutions, energy companies, or other hard-to-abate sectors – where the proceeds often support targeted efforts to reduce emissions.

However, traditional ESG data reflects only company-level emissions and often overlooks bond-level use-of-proceeds and avoided emissions. As a result, the real-world impact of our green bond investments is not visible in headline fund metrics, such as fund carbon intensity.

This disconnect between traditional data on fund-level emissions and the actual impact of green bonds highlights a key gap in standard ESG reporting. It also helps explain why we at Odin view green and sustainable bonds as effective tools for financing emissions reductions—by enabling capital to flow where it can deliver meaningful, project-level outcomes.

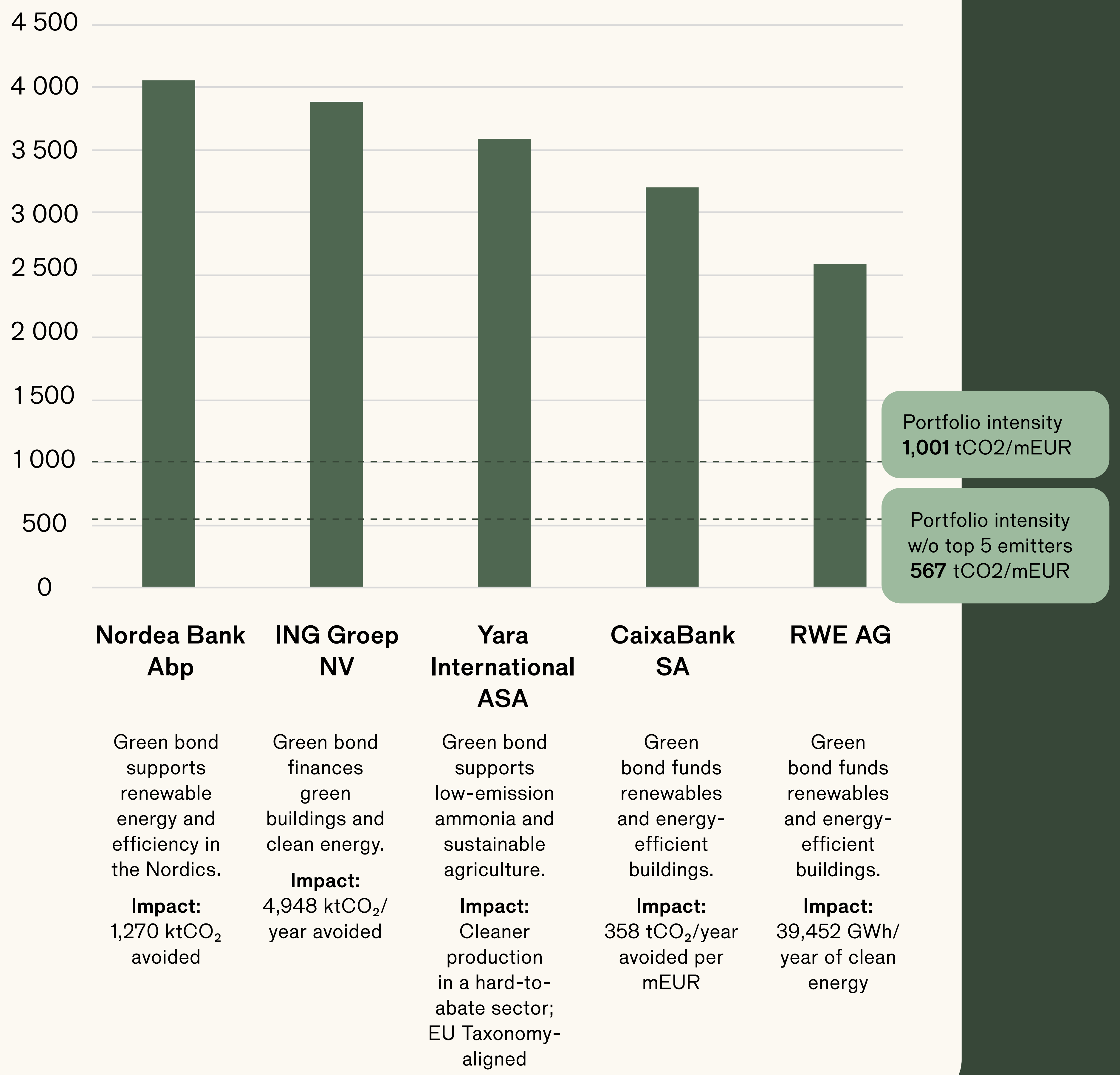
To the right, we show the company-level emission intensity of the five highest-emitting issuers in our portfolio, alongside the positive impact of their green bonds. While these issuers report high emissions, their bonds fund projects that actively support the transition.

For reference, the funds portfolio's overall emission intensity is 1,002 tCO_2/mEUR, falling to 567 tCO_2/mEUR when these five issuers are excluded.

> **"Headline portfolio emissions reflect company-level data — but understanding the real impact of our fund means considering the concrete emission reductions our bonds help deliver."**

Source: Sustainalytics 2024-12-31; Latest companies' Impact Reports

Carbon intensity, Scope 1,2,3 (tCO2/mEUR)



Type of sustainability-labelled bonds

Sustainability-linked bonds (SLBs)
Bond proceeds are not ring-fenced and can be used for general corporate purposes. These bond's financial terms are linked to the issuer's achievement of predefined sustainability Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs).

Sustainability-linked Loan bonds (SLLBs)
Bonds issued by banks to finance sustainability-linked loans, where the loan terms depend on each borrower's performance against predefined sustainability KPIs and SPTs

Use of Proceeds bonds

The most common format for sustainable debt financing, with the longest track-record in the market. Targets specific projects and assets and ring-fences the bond proceeds. The label of the bond indicates what type of projects and/or assets will be financed:

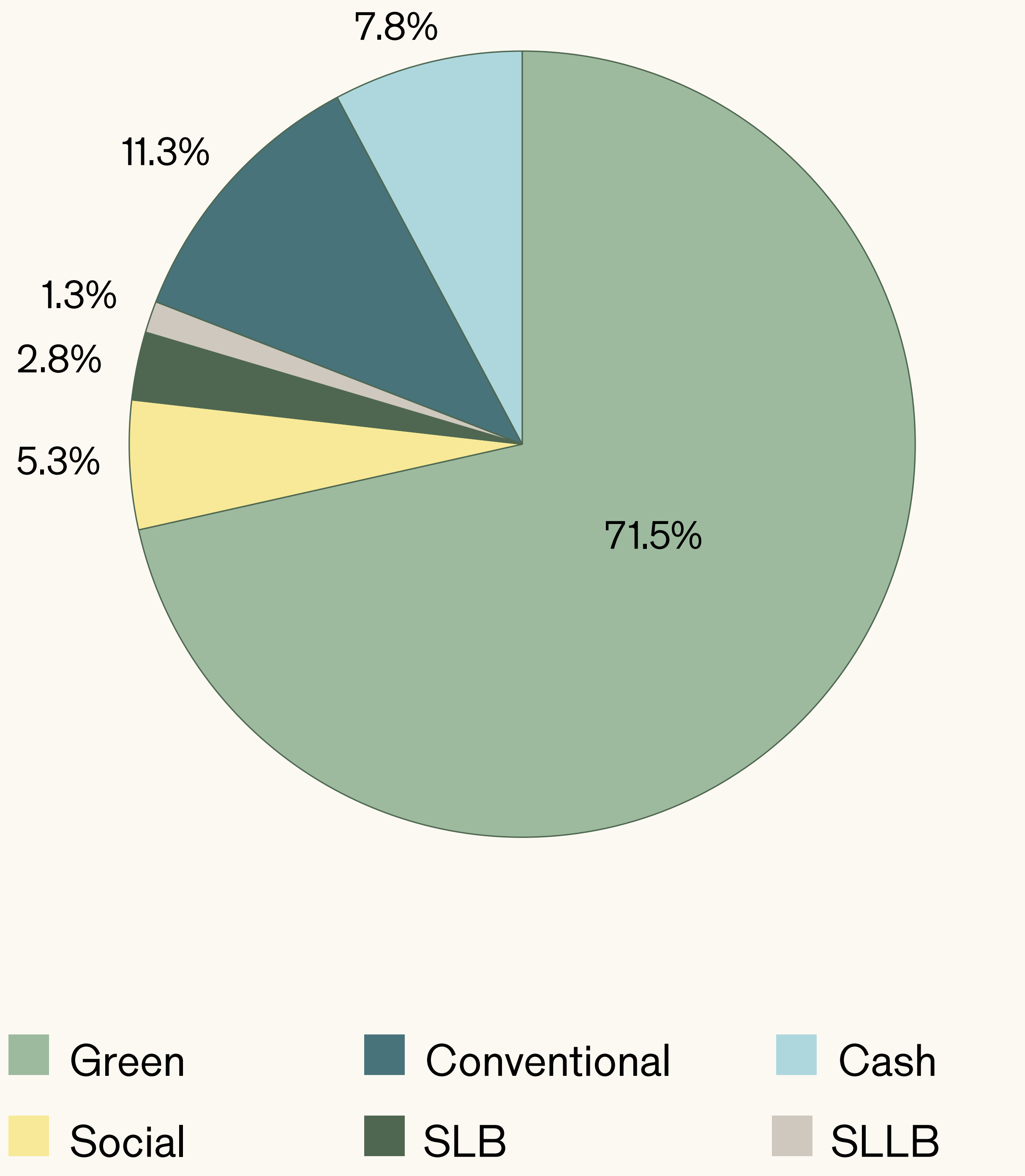
Green bonds
Finances environmental or nature-related activities, such as renewable energy production and energy-efficient buildings

Social bonds
Targets social improvement projects, such as access to affordable healthcare

Sustainability bonds
Include a mix of green and social financing categories

Portfolio composition per 31 Dec 2024

The fund's distribution across the different categories were the following:



Case studies

Within the ESG-labelled bonds universe, green bonds represent the majority, which is reflected in our portfolio composition. These investments drive most of the fund's impact, financing projects that deliver environmental benefits across various sectors and geographies.

Social bonds represent a smaller part in the ESG-labelled bond universe and in our portfolio, but their core concept remains strong. We see social bonds as crucial in sustainable finance, funding projects with positive social impacts such as affordable housing and healthcare.

We also invest in conventional bonds issued by companies having a clear sustainability profile.

The examples of the types of bonds presented underscore our diverse investment strategy and commitment to the sustainable transition.

FUND'S SUSTAINABILITY THEME:

RENEWABLE ENERGY AND ENERGY EFFICIENCY

EnBW

German energy company focused on electricity generation, grid infrastructure and renewable energy

EnBW Green Bond highlights:

- **Allocation of proceeds:** Energy generation from onshore wind (58%), offshore wind (30%) and solar PV (5%), as well as electric mobility charging infrastructure (7%). 91% of the proceeds were allocated toward new-build projects, while the remaining 9% refinanced existing projects.
- **Key impact data:** Specific to bond: 1,389 MW of added renewable energy generation capacity – 1,155 from offshore wind, 195 from onshore wind, and 39 from solar PV.
- **Second party opinion:** From ISS. The bond is expected to advance the UN SDGs, specifically SDG 7 – Affordable & Clean Energy and SDG 13 – Climate Action.
- **EnBW climate transition plan:** EnBW has a transition plan in place, which is aligned with the of the Paris Agreement. This plan includes phasing out coal-fired power generation by 2028, and increasing renewable energy capacity to 70% by 2030.

Why Odin chose to invest in this bond:

- EnBW produces energy from both renewables and coal. Green bonds are central to financing its shift toward renewables and phasing out coal—a key transition in its core operations that supports decarbonizing Europe's energy mix. The bond finances EU Taxonomy-aligned projects, with a strong share of new financing, enhancing its impact and demonstrating credible climate commitment.

* Information from EnBW 2022 Green Bond Framework, EnBW 2023 Impact Report and Allocation Report and EnBW 2022 ISS Second Party Opinion.

FUND'S SUSTAINABILITY THEME:

CIRCULAR ECONOMY AND RESOURCE EFFICIENCY

TOMRA

Norwegian circular economy services and equipment manufacturing company

TOMRA Green Bond highlights:

- **Allocation of proceeds**: Plastic feedstock sorting for use in recycling (46%), collection of used beverage containers (28%), collection R&D projects (8%), upgrade of material recovery plants (7%), collection systems for reusable packaging (7%) and recycling R&D projects (3%). By the end of 2024, 57% of the proceeds from the green bond had been allocated.
- **Key impact data:** Impact reporting is currently not available for all project categories.
- **Second party opinion:** From Cicero, with a Dark Green shading. Tomra provides an important contribution to the climate transition, a more circular economy, and improved waste management.

Why Odin chose to invest in this bond:

- TOMRA's technologies play an important role in advancing a circular economy. Through its reverse vending and waste sorting machines, the company enables material recovery and reuse, reducing the need for new raw materials and helping to divert waste from landfills and incineration. This contributes not only to resource efficiency, but also to emissions reduction and pollution prevention. The company has clear targets for climate action and demonstrates strong alignment with the goals of the green transition.

* Information from Tomra Systems 2024 Green Bond Report, Tomra Systems 2022 Green Bond Framework and Cicero 2022 Tomra Green Bond Second Opinion.

FUND'S SUSTAINABILITY THEME:

HEALTH, QUALITY OF LIFE AND SOCIAL INCLUSION

NatWest Group

British financial group, providing banking, investment and insurance services

NatWest Group Social Bond highlights:

- **Allocation of proceeds:** Loans to not-for-profit, registered housing associations operating in the UK. 70% of the proceeds have been allocated toward social rent – housing with rent levels materially lower than market rents. The remaining 30% of the proceeds are allocated toward affordable rent, shared ownership and supported housing. By the end of 2024, 78% of the proceeds from the bond had been allocated, the remaining 22% remains to be allocated.
- **Key impact data:** 24 housing associations supported. Housing association financial data is not yet available for the period since the bond issuance.
- **Second party opinion:** From Sustainalytics. Investments from the bond are expected to enhance access to affordable housing in the UK.

Why Odin chose to invest in this bond:

- The UK is experiencing a persistent shortage of social and affordable housing. Investing in the financing of assisted housing contribute to improved housing security for vulnerable population groups such as individuals and families experiencing homelessness, living on low incomes, or that are reliant on income support.

* Information from NatWest Group 2024 Green, Social & Sustainability Bonds Allocation and Impact report and NatWest Group Green, Social and Sustainability Financing Framework.

SUSTAINABLE-LINKED LOAN BOND EXAMPLE

FUND'S SUSTAINABILITY THEME:

LOW CARBON FOOTPRINT

Nordea

Nordic financial group, providing banking, asset management and financing services

Nordea Bank Sustainability-Linked Loan Bond highlights:

- **Use of proceeds:** Financing of sustainability-linked loans to companies with measurable commitments to climate change mitigation targets
- **Allocation of proceeds:** Nordea's SLLB issued in 2022 financed companies within manufacturing (81%), transportation and storage (11%), electricity (6%), and wholesale and retail trade (2%). Examples of companies funded through the 2022 issuance includes the Wallenius Wilhelmsen Group, Pandora and Hempel.
- **Key impact data:** Nordea has yet to publish a funding report for 2024. Nordea's funding report issued in 2022 states that aggregation of impact is not feasible for SLLBs as the underlying sustainability-linked loans and KPI metrics in many cases do not directly compare.

Why Odin chose to invest in this bond:

- A Sustainability-Linked Loan bond enables investors to support a broader range of sustainable financing than traditional use-of-proceed bonds. The bond targets companies that have committed to ambitious and material sustainability goals related to climate change mitigation, such as reducing greenhouse gas emissions and lowering energy consumption. The bond finances loans that incentivizes companies to improve their sustainability performance, offering an opportunity to back impactful corporate climate action.

* Information from Nordea Bank 2024 Sustainability-Linked Loan funding framework and Nordea Bank 2023 Sustainability-Linked Loan bond report.

CONVENTIONAL BOND EXAMPLE

FUND'S SUSTAINABILITY THEME:

SUSTAINABLE TRANSPORT AND INFRASTRUCTURE

CASTELLUM

Swedish real estate company operating within property development, management, acquisition and sale

Castellum's bond is a **conventional bond** with the investment's proceeds used for general corporate purposes.

Castellum's profile:

- The company focuses primarily on office properties in Nordic growth cities, but is also active within warehouse/light industry, public sector and retail properties.
- Castellum provides long-term urban development with a focus on sustainability. The company's policies and procedures go well beyond standard building regulations, reflecting a strong commitment to environmental responsibility. The company has taken significant steps to enhance the energy efficiency of its property portfolio, while incorporating life-cycle perspectives in their decision-making, and actively working to preserve natural resources and biological diversity.
- Castellum has committed to achieving climate-neutrality (net-zero emissions) across its entire value chain by 2030. This target is aligned with a 1.5 degree pathway and is approved by the Science Based Targets initiative. Notably, this target is to be met without relying on carbon offsets, but through actual reduction activities.

Why Odin chose to invest in this bond:

- Castellum is consistently ranked among the most sustainable real estate companies in the Nordics and actively supports the low-carbon transition. The company has a proven track record of reducing emissions intensity and energy use, and its net-zero target is backed by ambitious goals and concrete action plans.

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