Template periodic 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: Fortress Fund 1 AS **Legal entity identifier: 829168472**

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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

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

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

This financial product successfully promoted its environmental and social (E/S) characteristics, as defined under Article 8 of the Sustainable Finance Disclosure Regulation (SFDR). The fund actively integrates these characteristics into its operations through targeted initiatives and structured monitoring processes.

<u>Environmental Characteristics:</u>

The fund focused on fostering responsible environmental practices among its portfolio companies. Key objectives included encouraging companies to minimize their environmental impact, improve resource efficiency, and align with broader goals such as climate change mitigation. While the fund does not commit to minimum sustainable investments under the EU Taxonomy, it aims to influence portfolio companies to adopt practices aligned with these principles.

Social Characteristics:

The fund promoted improved labor practices, diversity, and inclusion. Portfolio companies are encouraged to align with international labor standards, provide safe and equitable workplaces, and contribute to job creation. These efforts align with the fund’s broader social responsibility goals.

The extent to which these characteristics were met varies by portfolio company, given the early-stage nature of the fund's investments. To measure progress, the fund requires each portfolio company to define Key Performance Indicators (KPIs) tailored to their specific operations. These KPIs—one for environmental factors and one for social factors—are reported quarterly.

In summary, the fund has established a strong foundation for promoting its environmental and social objectives. While measurable outcomes are still developing, the fund’s processes, including pre-investment ESG assessments and post-investment KPI tracking, ensure consistent alignment with its sustainability goals.

- ***How did the sustainability indicators perform?***

The performance of the sustainability indicators varied across the portfolio, reflecting both the diversity of the companies and their developmental stages. Each portfolio company defines KPIs tailored to its unique business model, with a minimum of one KPI addressing environmental factors and another focusing on social factors.

While avoiding negative environmental impacts altogether is challenging, it remains crucial for Fortress Fund that portfolio companies remain conscious of scarce resources and proactively manage their ecological footprint. The social impacts are equally significant, as the fund expects companies to maintain equitable labor practices, respect human rights, and foster inclusive, healthy and diverse workplaces.

Overall, the sustainability indicators underscore the dynamic nature of early-stage investments. While measurable impacts are still developing for one portfolio company, the fund’s structured approach—including the definition of specific KPIs and quarterly reporting requirements—ensures that sustainability remains a key priority across the portfolio.

Company	**KPI**	**Q1**	**Q2**	**Q3**	**Q4**

Völur NOR HOLDCO AS	Gender diversity (%)	39%	36%	30%	30%
	CO2 emission reduction	N/A	N/A	N/A	N/A
Storeshop AS	Digital carbon footprint (kgCO2)	259	120	135	89
	Sickleave (%)	4	0	0	0
Surfact AS	Sickleave (%)	0	0	0	0
	CO2 saved by using recycled plastic (kgCO2)	104	107	336	0 (no production)
	Recycled plastic used (kg)	74	76	240	0
Oncosyne AS	Sickleave (%)	2,1	0	0	0
	Disposable plastic waste (kg)	N/A	N/A	5	5
Wittario AS	Gender diversity (%)	50	50	60	60
	% of carbon footprint from renewable energy	50	50	50	50
Versiro AS	Gender diversity (%)	0	0	0	11
	Digital carbon footprint (kgCO2)	49	49	54	45

Völur AS has the potential for the greatest environmental impact among the fund's portfolio companies, particularly by reducing CO2 emissions in the meat industry. However, accurately quantifying its impact remains challenging due to a complex supply chain that requires further development before reliable measurement can take place. As of the end of 2024, Völur's workforce was 30% female and led by a female CEO, a noteworthy milestone given the relatively smaller pool of female talent in the industry.

Storeshop AS measures its impact by tracking its digital carbon footprint and employee sick leave. Both metrics performed strongly this year, with a 66% reduction in carbon footprint and a notably low sick leave rate, demonstrating the team's dedication to fostering a healthy work environment.

Surfact AS excels in maintaining a low rate of sick leave, reflecting a strong focus on employee well-being. They also demonstrate a firm commitment to reducing CO2 emissions through the use of 100% recycled plastic sourced from discarded fishing nets in their hardware products. This choice alone saved 547 kg of CO2 in 2024 while using a total of 390kg of recycled plastics in production. Additionally, Surfact requires customers to return any unused or damaged products to be refurbished or recycled appropriately.

Oncosyne AS maintains a very low rate of sick leave and a minimal environmental footprint. In their pharmaceutical testing, they use disposable plastic products, which must either be destroyed due to strict material handling regulations or recycled. They ensure that 100% of eligible materials are recycled, amounting to 5 kg in 2024. This commitment to proper waste management illustrates Oncosyne's dedication to environmental responsibility.

Wittario AS places a strong emphasis on gender diversity, leading the portfolio with 60% female employees by the end of 2024. They also remain mindful of their digital footprint, ensuring that at least 50% of their energy consumption is sourced from renewables.

Versiro AS had a relatively small digital carbon footprint in 2024. Currently, women represent 11% of its eight-person workforce. Looking ahead, the company aims to attract more female talent, recognizing the value that diverse perspectives bring to its continued growth and sustainability.

Overall, these portfolio companies showcase a strong and varied commitment to sustainability—whether by reducing carbon emissions, fostering workplace diversity, or improving waste management. Each one faces unique challenges in measuring and refining its impact, yet all have demonstrated tangible progress. As these ventures continue to grow, the fund remains dedicated to supporting their ongoing ESG efforts, encouraging transparent reporting and responsible innovation that aligns with both commercial and environmental goals.

- ***…and compared to previous periods?***

As this is the first year of SFDR reporting, there is no data available for previous periods.

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

  Not applicable.

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

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.

Not applicable.

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.

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

Not applicable.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022 - 2024

What were the top investments of this financial product?

The companies in the table below are ranked by the ownership stake from largest to smallest.

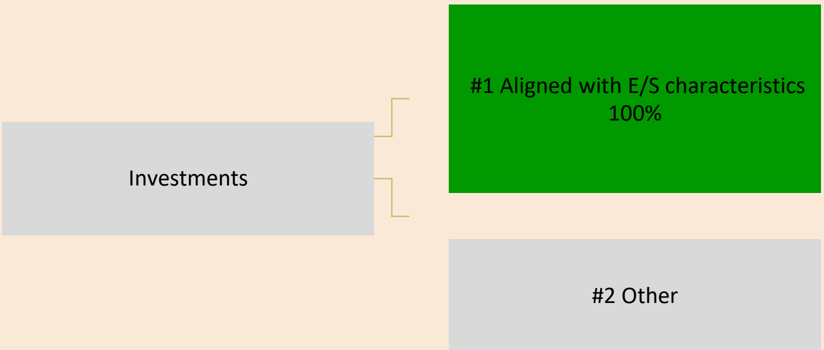
Largest investment	Sector	Sub-sector	% Assets	Country
Storeshop AS	Information and Communication	Computer programming, consultancy, and related activities	10%	Norway
Surfact AS	Information and Communication	Computer programming, consultancy, and related activities	6%	Norway
Versiro AS	Information and Communication	Computer programming, consultancy, and related activities	5,99%	Norway
Völur NOR HOLDCO AS	Information and Communication	Computer programming, consultancy, and related activities	5,3%	Norway

Wittario AS	Information and Communication	Computer programming, consultancy, and related activities	4,6%	Norway
Oncosyne AS	Professional, Scientific and Technical Activities	Research and experimental development in biotechnology	3,33%	Norway

What was the proportion of sustainability-related investments?

Not applicable.

What was the asset allocation?



#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.

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

In which economic sectors were the investments made?

The fund made five investments in the Information and Communication sector, and one in Professional, Scientific, and Technical activities.

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

0%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully 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.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

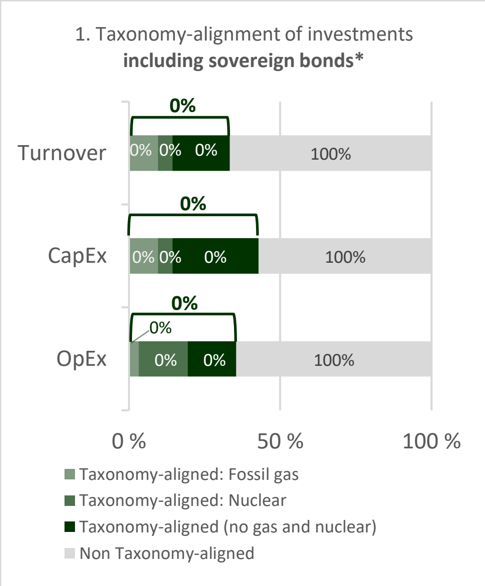
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

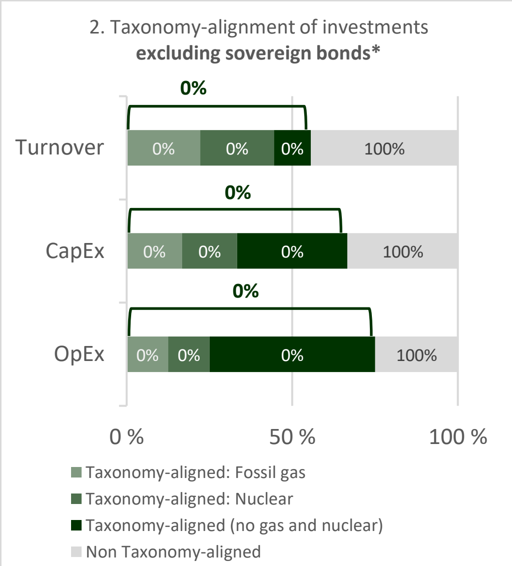
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.





This graph represents 100% of the total investments.

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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

0%.

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

Not applicable.

[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.

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

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

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

In the "Other" category, there were no investments.

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

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

During the reference period, the fund concentrated on identifying and investing in companies that exhibit a clear commitment to responsible resource management and mitigating environmental and social risks. Sustainability is embedded in each investment decision through a comprehensive ESG analysis, which is a core part of the fund's review process. All investments met Fortress Fund's requirements for this analysis and were further screened against the fund's exclusion criteria, ensuring alignment with the fund's environmental and social objectives.

Moreover, the fund's active ownership approach fosters ongoing dialogue with portfolio companies, setting clear expectations on sustainability issues and driving positive changes in corporate practices. As part of this engagement, the fund offered all portfolio companies the opportunity to participate in courses focused on developing sustainable business strategies, reinforcing their efforts to operate responsibly while pursuing sustainable growth.

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

Not applicable