Sustainability work at Odin Fonder

2025

We create value for the future

ODIN

Content

Odin Fonder
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Active ownership and responsible investments

Odin's role as an active owner allows us to drive sustainability across our funds. By engaging in dialogue with company management, voting at general meetings, and encouraging ambitious sustainability commitments, Odin seeks to influence companies in advancing their environmental and social practices while developing and strengthening governance.

Low emissions and transition

The Odin funds have maintained relatively low emissions and achieved a reduction in carbon intensity over recent years. We are working to encourage more portfolio companies to set ambitious emission targets.

Out of the 276 companies in our Equity funds

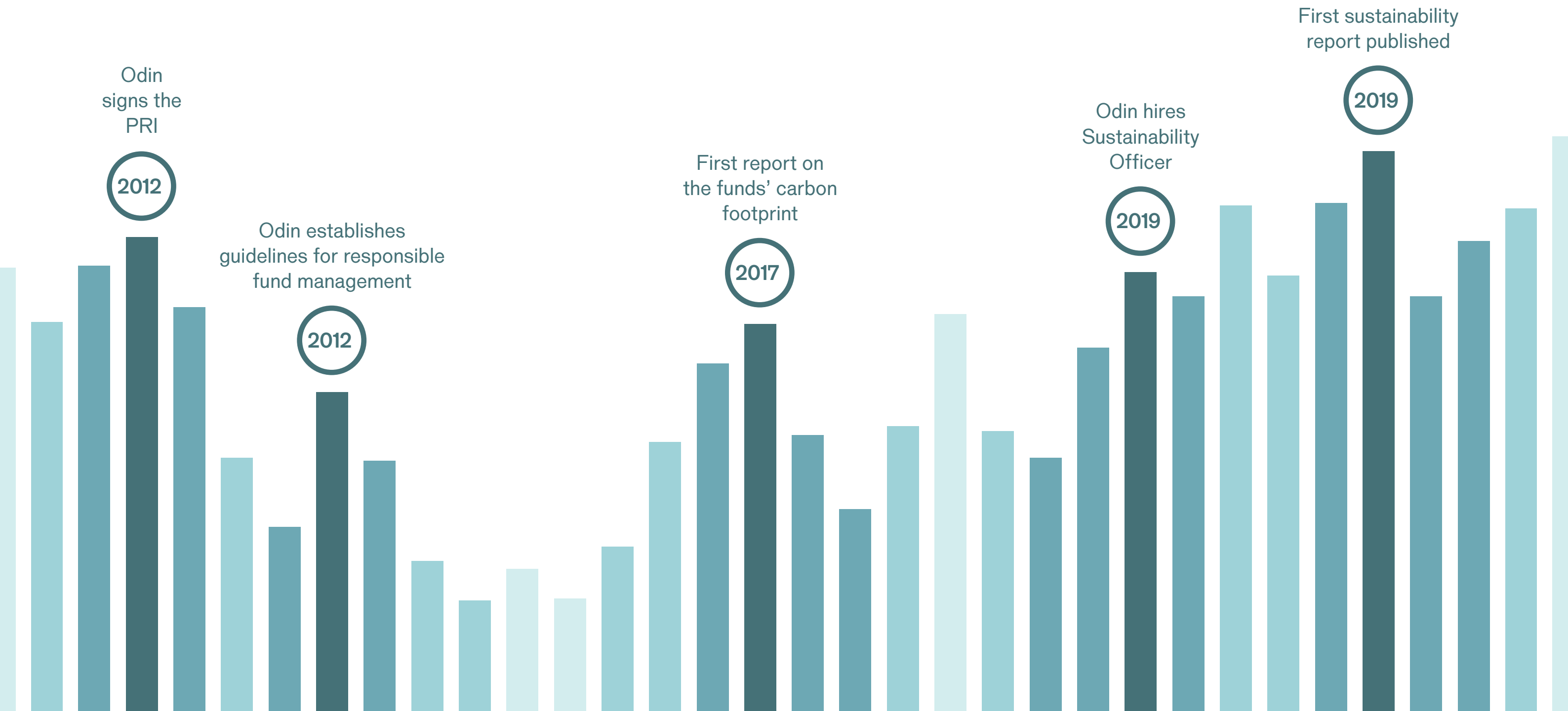
113

companies with SBTi* validated climate targets

16

companies committed to setting targets with SBTi*

* Science Based Target Initiative



Social responsibility at the companies

A core aspect of Odin's work with responsible investments is to ensure that the portfolio companies operate in compliance with international norms and regulations. For example, Odin expects the companies we invest in to act in accordance with the principles of the UN Global Compact, respecting human- and labour-rights, among other commitments

Additionally, Odin seeks to invest in companies that promote diversity and inclusion, recognizing these as key drivers that can improve decision-making processes and corporate governance.

195

companies committed to the UNGC*

37 %

average proportion of women on the board

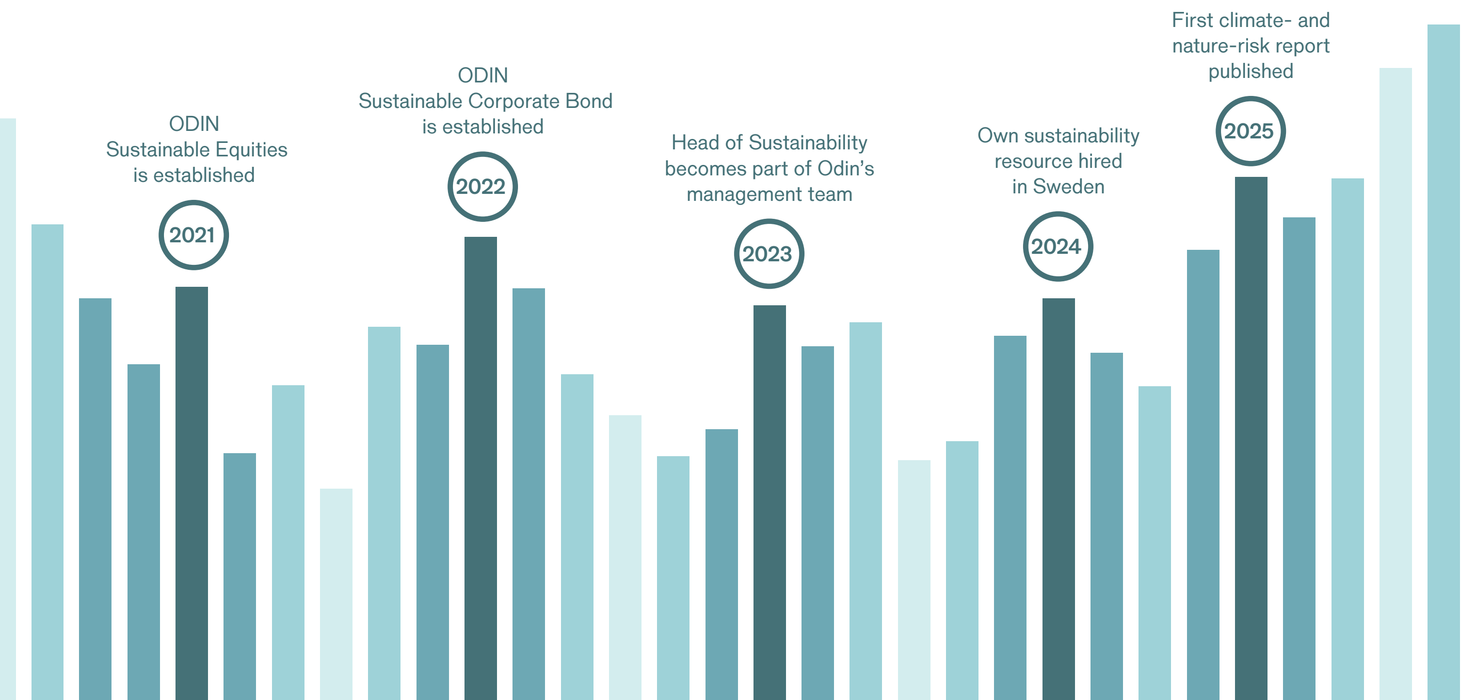
* United Nations Global Compact

Active ownership

Odin are active owners, exercising our shareholder rights through dialogue with management, and by voting at general meetings. The goal is to contribute to raising awareness and encourage companies to strengthen their efforts on sustainability, ensuring they are better prepared for future challenges while driving long-term value creation.

303/98 %

participation in general meetings



Annual Comment on Sustainability

The global situation has become more complex, with increasing conflicts and divergent choices relating to climate and energy. For Odin Forvaltning, this makes the work on sustainability even more important and relevant than before.

The past year has been characterized by significant geopolitical changes that have greatly affected the agenda for both Norwegian and international investors. The landscape has become more complex, creating instability in international supply chains and increasing market volatility. At the same time, armed conflicts have continued in Ukraine, Sudan and the Middle East. Contradictions between different countries and regions – and also internally in many countries – have also increased. When it comes to the approach to sustainability, we see a clear difference between the US and Europe.

In the United States, President Trump has carried out a sharp reversal of the Biden administration's green policy. He has withdrawn the United States from the Paris Agreement, an act which has become a symbol of American climate independence and weakened credibility for global climate diplomacy. The much-discussed "One Big Beautiful Bill" has reduced or removed support schemes established through the "Inflation Reduction Act" for renewable energy. Subsidies for solar, wind, electric cars, heat pumps and battery infrastructure are being phased out, while investment in traditional energy sources is increasing, and steps are being taken to expand oil, gas and coal production.

Europe is going in the opposite direction, prioritizing energy security and the green transition. The EU has a goal of halving greenhouse gas emissions by 2030 compared to 1990, and renewable growth is driven by support schemes such as battery pack funds and energy efficiency plans. 2025 became a milestone, as the first year when wind and solar generated more electricity globally than coal – a breakthrough for clean energy, where Europe is at the forefront. At the same time, Europe has made strategic investments in energy security after the Ukraine war broke out to significantly reduce reliance on Russian gas imports (from 45% to 19%).

The conclusion is that the US and Europe are moving in two different directions: the Trump administration is steering towards fossil fuel extension, while Europe is accelerating with renewable solutions, underpinned by robust regulatory frameworks and investments. At the same time, discussions to decrease regulations in Europe are gaining momentum - not necessarily as a response to developments in the US, but as an acknowledgement that bureaucracy and reporting requirements have gone too far. The European Commission has proposed measures (the "omnibus package") to reduce overlaps and simplify reporting between different directives, with the aim of cutting administrative work without compromising data quality. This is a response to concerns that the regulations have been difficult and time-consuming to comply with - a development that should be welcomed in order to safeguard the ambitions in the climate area.

At Odin Forvaltning, sustainability is a key part of the fund management. We believe it is an important prerequisite for long-term value creation to invest in sustainable business models that consider employees, affected communities, climate change, and the environmental and social consequences of the economic activities in which we invest. We believe this is important regardless of political currents.

We continue to experience great engagement from our customers when it comes to sustainability. We are devoting more and more resources to the area of sustainability, both in connection with investment decisions and reporting and communication of our work. Over the past two years, Odin Forvaltning has also become a significant manager of pension funds - a development that will continue in the future. This places greater demands on us in the area of sustainability. Management of pension funds involves the management of very "long money" - and in this perspective, sustainable investments take on an extra dimension.

We hope this report gives you even more insight into how we at Odin Forvaltning work with sustainability.

Bjørn E. Kristiansen
CEO

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We are devoting more and more resources to the area of sustainability, both in connection with investment decisions and reporting and communication of our work.

Geopolitics and risk have characterized the work in 2025

The World Economic Forum's 2025 risk report identifies disinformation, state conflicts, and political polarization as the most acute global risks for the next two years.

The number of armed conflicts is at its highest level in decades, while global military spending has increased for the ninth year in a row. Overall, this paints a geopolitical risk picture characterized by considerable uncertainty.

F.I. Nikolay Burdakov, ESG-responsible Sweden,
Marte Storaker, Head of ESG,
Eivor Oellingrath, Senior ESG analyst

In the longer term, over a ten-year period, the risk picture is dominated by climate-related threats, including extreme weather, loss of nature and biodiversity, and increasing scarcity of natural resources.

These developments have also characterized the discussions at Odin in 2025.

Responsible investment in an increasingly conflict-ridden world

In a world characterized by conflict and increased geopolitical unrest, there are increasingly higher demands on what defines responsible investment. Active management is about making independent and informed decisions, based on thorough analyses and assessments of the individual company. This approach allows us to be highly selective – we only invest in companies that meet our accountability requirements and concentrate our investments in the companies we have the most faith in.

"We have the opportunity to choose companies that not only deliver good financial results, but also work strategically to be relevant and responsible over time," says Marte Storaker, Head of ESG at Odin.

Sustainability assessments are not about ticking off a checklist, but about understanding how companies create value, how the business is managed, and how risks and opportunities are identified and managed in practice.

ESG as a foundation when the information landscape is demanding

In periods of conflict and uncertainty, the risk that information is incomplete, delayed or colored by different interests, increases. This underlines the importance of using a broad information base, and conducting critical source assessments and thorough analyses before investment decisions are made – so that we can be confident that the companies we choose actually live up to our requirements.

"It requires a good understanding of the business so that we can ask the right questions before making an investment decision," says Storaker.

From analysis to ownership: decisions that can withstand turmoil

The work with sustainability is a continuous process at Odin, and an important part of this is to be careful when selecting companies. The higher the quality of companies we invest in, the greater the likelihood that we will make sustainable, profitable investments over time.

"We spend time finding companies with the right culture and management. The real risk is not the fluctuations of the stock market, but that a company gradually moves away from our criteria and loses the quality we invested in," says Storaker.

In addition to such gradual changes, more acute situations may arise where the perception of which geographies, industries or individual companies meet our requirements changes. This reinforces the need to have a good overview of what Odin is invested in – so that we can quickly take action when conditions change. Here, the strength of active management and concentrated portfolios is particularly evident.

"We know who the companies are, what they do and where they operate. After investment, we follow them closely and can initiate dialogue about everything from climate goals and capital structure to potential involvement in conflict areas or problematic products. The insights we gain make us better equipped to make informed decisions – whether it's about maintaining our position, continuing the dialogue or selling out," says Eivor Oellingrath, senior ESG analyst at Odin.

A methodology that stands the test of time

For over 35 years, Odin has invested in quality companies with strong competitive advantages. Although conflicts, energy transition and technological changes constantly change the investment-conditions, we see that companies that integrate ESG considerations in a strategic and long-term way are more likely to succeed over time.

"For us, ESG is about investing in companies that have both the ability and the willingness to adapt to the demands of the future in a responsible manner," concludes Storaker.

Compliance with the policy for companies operating in conflict areas

In light of the ongoing war in Gaza and increased settler violence in the West Bank, Odin has carried out enhanced due diligence assessments to map and follow up investments with possible links to serious human rights violations and violations of international law. As a fund manager, we have a clear responsibility to act in line with international standards for responsible business conduct. “This means that we will do our utmost to avoid contributing to, or being linked to, human rights violations – also in complex and politically sensitive contexts such as conflict areas,” says Marte Storaker, Head of ESG at Odin Forvaltning.

Over time, Odin has monitored whether our portfolio companies have operations in the Occupied Palestinian Territories (OPT). For companies where the risk of violation of Odin’s guidelines is considered to be elevated, stricter due diligence assessments have been carried out in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Odin’s general screening processes are mainly based on information from our ESG data provider, Sustainalytics. The enhanced due diligence assessments use several sources of information, including the UN list of companies that contribute to the maintenance of the occupation (the UN list), as well as overviews and analyses from civil society organizations such as the Norwegian Union of Trade Unions and Norwegian People’s Aid, and information that has come to light in the media.

The assessment of violations of our guidelines used the following criteria, which are based on the work on the formulation of the ethical guidelines for the Government Pension Fund Global and the work of the Council on Ethics:

Criteria from Odin’s Guidelines	Specific Considerations
a) Companies’ sale of weapons in Gaza The guidelines cover the sale of weapons by companies to states in armed conflicts, that use the weapons in ways that constitute serious and systematic violations of the rules of international law on war.	▸ The sale must be ongoing or recent. The criterion is not intended to affect investments in companies on the basis of arms sales that took place several years ago. ▸ The criterion applies to the sale of weapons from a company to a belligerent state ▸ The criterion applies to types of weapons that can particularly affect civilians.
b) Companies with operations related to the Occupied Palestinian Territories A number of companies may be linked to Israel’s occupation of Palestinian territories in different ways and to varying degrees, for example through services they provide to the authorities or offer in the Israeli settlements, or through products that are used for purposes that are contrary to international law.	▸ The company’s activity is significant for the violation of international law to take place. ▸ It is likely that the companies’ activity or affiliation that may form the basis for exclusion will continue. ▸ Whether the companies’ contributions are sporadic or whether they have a permanent presence in the occupied territory. ▸ Whether the companies’ products/services are generic or specially adapted for use in the area


Photo: Abdallah ElHajj / Getty Images

Photo: rrodrickbeiler / Getty Images

> *– It is important to use our ownership position to promote improvements where possible. Withdrawal should be the last resort – not the first reflex*

International humanitarian law states that an occupying power cannot annex territory, change the composition of its population or establish permanent infrastructure for settlements. Companies with activities that are directly linked to the establishment or development of housing and infrastructure in occupied territories, such as property developers and contractors, are therefore considered to be directly involved in violations of international law and are excluded from investment.

"A key dilemma is the balance between being a responsible owner and pulling out. Many companies operate in demanding contexts, but this does not necessarily mean that they are jointly responsible for human rights violations," says Storaker.

Recommendations from international experts indicate that investors follow up the companies to signal expectations over time, rather than immediate exclusion. Odin has chosen to follow this approach.

"It is important to use our ownership position to promote improvements where possible. Withdrawal should be the last resort – not the first reflex".

Odin has established controls to identify investments in companies that are included in the UN's list or on lists prepared by civil society organizations. Although the overall risk is expected to be low, partly as a result of thorough analyses prior to investments, it is considered appropriate to have systems that proactively capture new exposure, in line with the precautionary principle.

New information about companies' links to the war in Gaza or about activities that may make a significant contribution to maintaining the occupation will trigger a new assessment of whether the investment is compatible with our guidelines. The assessment of what constitutes a "significant contribution" in a conflict or occupation situation is complex and subject to different interpretations. In such assessments, Odin will, if necessary, consider obtaining external expert assistance.

Investments in the defense sector

The war in Ukraine has triggered a broad discussion about Europe's defense capability and long-term security. In this context, NATO Secretary General Mark Rutte gave a speech on 12 December 2024, in which he called for increased investment in European defense, while criticizing pension funds and banks for excluding the arms industry from their investments.

The purpose of exclusion criteria is to avoid investments in companies that cause or contribute to serious violations of fundamental ethical norms. To ensure legitimacy, such exclusions should be limited to areas where there is a clear and broad value base. However, the ethical considerations associated with weapons production are complex. Weapons take lives and cause damage and suffering, and it is often challenging to have a full overview of who the real end user is. This has recently been illustrated by weapons manufactured by the Swedish supplier. At the same time, investments in the defense sector can contribute to deterrence and protection of democratic values, thus also contributing to stability and peace.

To deal with the most demanding sustainability issue, Odin has established exclusion criteria to ensure that Odin is not an owner in companies that produce weapons that, when used, violate the rules of international law of war. These are weapons that disproportionately affect civilians, as well as companies that sell weapons to states that violate international law. These criteria apply to all funds managed by Odin.

Following a review of the exclusion criteria, Odin decided in 2025 to lift the exclusion of conventional weapons for the funds ODIN Norden and ODIN Emerging Markets. Odin's more sustainable funds, ODIN Sustainable Equities and ODIN Sustainable Corporate Bond, still apply exclusion criteria for conventional weapons.

Odin has historically low exposure to the arms industry, and recognizes that investments in the defense sector involve high sustainability risk. Against this background, Odin continuously monitors the funds' exposure to companies with arms deliveries to the defense industry, to ensure more thorough assessments of individual investments in this sector.

Photo: Zhanna Danilova / Getty Images

Systemic risk related to climate change and nature loss

2025 was a year characterized by extremely large uncertainties, geopolitics and conflicts that meant that we had to lower our gaze somewhat from the long-term sustainability trends and deal with more "acute" issues. At the same time, Odin considers the systemic financial risk represented by increased costs related to climate change and nature loss to be the most significant challenge for stable markets and long-term value creation in the longer term. Therefore, over the past year, we have worked to map the risk exposure in Odin's overall fund portfolio using the frameworks from the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD). The purpose was to identify potential problem areas that, although not posing significant risk to the individual company, may collectively represent a significant risk at the fund level.

In the analysis, we have considered both physical risk related to climate and nature, where changes such as more extreme weather or loss of natural resources may affect the companies' ability to maintain production or deliver their services, and transition risk, where expected changes in regulations, technology and customer preferences may have consequences for the companies' earnings.

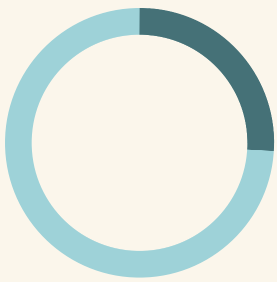
The Odin model, supplemented by selected exclusion criteria for fossil exposure, has led to the funds having generally low exposure to the sectors with the highest climate-related transition risk. The funds are also weighted towards smaller capital- and asset-heavy sectors, which contributes to reduced physical climate risk in the short to medium term.

Some funds deviate somewhat from this overall picture. ODIN Eiendom naturally has a high proportion of physical assets, but the portfolio is concentrated in the Nordic region, which is generally considered to be a less exposed to climate risk. ODIN Norge continues to have exposure to the oil and gas sector, but this is not expected to significantly increase the fund's short-term risk exposure. The holdings are concentrated in robust companies with relatively stable earnings and limited short-term volatility, despite the sector's long-term transition risk.

We have carried out an assessment of the funds' nature risk at the sector level, where we have analyzed both the funds' dependence on nature (physical risk) and its impact on nature (transition risk). The review showed that 100% of Odin's total fund portfolio is dependent on the same basic nature services, mainly related to water and climate regulation. At the same time, the portfolio contributes to negative impacts on nature through emissions to air, soil and water, as well as the use of land and water resources.

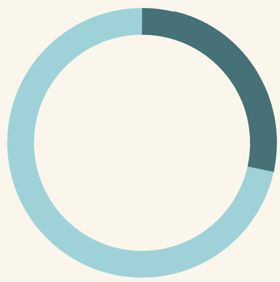
Furthermore, the analysis indicates that 26% of the investments in the funds are linked to high or very high dependence on nature, while 28% of the investments in the funds exert strong or very strong pressure on nature. This initial mapping provides a starting point for further analysis and prioritization, and only reflects potential inherent risk based on sector exposure.

In 2026, work will continue the work with analyses at the company level to assess residual risk and actual risk exposure.



26 %

of the investments in the funds are linked to high or very high dependence on nature



28 %

of the investments in the funds exert strong or very strong pressure on nature

Changed framework conditions for responsible investments

2025 marked a shift away from a period when the market largely agreed on what it means to work with responsible investments, where investors' work with exclusions, active ownership and a focus on ESG topics such as gender equality and the fight against climate change have been standard fare. The year we are now leaving behind saw several changes that indicate that the understanding of responsible investment is increasingly shaped by political priorities, regulatory uncertainty and different views on the role of capital in social development.

In the US, the reinstatement of President Donald Trump has led to a clear shift in federal guidelines related to diversity, equity and inclusion (DEI), as well as a more restrictive attitude towards investors' active ownership in corporate governance and social issues. These changes not only affect US capital markets, but also have ripple effects internationally, particularly for global investors with exposure to the US.

In Norway, a debate about the role of the Government Pension Fund Global (GPFG) as responsible manager flared up again in the autumn. This led to a decision to review the Fund's ethical framework. The question of how Norges Bank should balance its role as a financial actor against the expectations of acting as a responsible global owner – in a time marked by war and geopolitical turmoil – is more relevant than ever.

> *2025 marked a shift where the understanding of responsible investment is increasingly shaped by political priorities and regulatory uncertainty.*

Changed framework for ethical management of the Government Pension Fund Global

A review of the Council on Ethics' role in the management of the Government Pension Fund Global (GPFG) is currently ongoing. The Norwegian parliament has asked the government to consider the ethical framework, and the Council on Ethics' right to recommend the exclusion of companies is temporarily limited. The government has appointed a committee to assess both the design of the ethical framework and other parts of the responsible management of the GPFG. The committee will submit its report in October 2026.

Over time, the Council on Ethics' assessments have served as an important supplement to commercial ESG data providers, in that the Council works more purposefully to identify sectors and issues with an elevated risk of breaches of international norms and guidelines. When this function is temporarily stopped, it entails an increased responsibility for asset managers to identify, assess and manage companies' behavior in accordance with applicable guidelines for responsible investment. Our assessment is that this may contribute to greater variation in the assessments of what constitutes a breach of the guidelines, and at the same time places stricter requirements on internal analyses, methodology and documentation of companies' practices.

For Odin, this development does not entail any immediate changes to our responsible investment policy or how it is operationalized. Companies in Odin's active funds rarely come into conflict with the ethical guidelines. This is largely due to an active management strategy with concentrated funds, a focus on quality companies and thorough prior assessments. The committee must submit its report by 15 October 2026, and any changes to the framework will not be adopted until after consideration by the parliament. Odin is monitoring developments and will assess the need for adjustments when a new framework for the GPFG has been adopted.

Clear position

In light of the changes and debates that have characterized 2025, it has become even more important to be clear about what we believe it means to be a responsible fund manager. When instruments that have supported our work, such as guidance from ISS on diversity, or the GPFG's exclusion lists, cease to exist in whole or in part, the fund managers themselves must take more responsibility, and also decide what position we want to have.

Odin's guidelines for responsible investment uphold our responsibility to promote diversity, responsible ownership and ethical exclusions where this is deemed necessary.

Active ownership in the line of fire in the US

In 2025, several changes in US regulation and market practices have affected the role of shareholders vis-à-vis listed companies. The development reflects a changed political and regulatory landscape, particularly related to active ownership, shareholder proposals and the use of proxy advisors.

Odin uses Institutional Shareholder Services (ISS) to analyze matters at the companies' general meetings. ISS documents its assessments and provides voting recommendations that Odin's managers use to inform their voting and ensure that Odin votes in line with principles of good corporate governance.

In February 2025, ISS decided to no longer include gender and ethnic diversity in assessments of board composition of US companies. The change must be seen in the context of increasing regulatory and legal uncertainty surrounding diversity, equity, and inclusion (DEI) measures in the United States. ISS itself has pointed out that this development has led to greater complexity and divergent expectations among market participants, and that diversity will therefore no longer be included as an explicit criterion in their assessment of US companies.

This deviates from practice in Norway, for example as expressed in the recommendations of the Norwegian Corporate Governance Committee (NUES), as well as from Odin's own guidelines for voting, where diversity in the board and management is still included as a relevant assessment topic. As a result of ISS' changed practice, Odin has established its own controls on board diversity in connection with board elections in its portfolio companies. These controls show that the companies generally have satisfactory diversity on their boards.

Furthermore, in 2025, the US Financial Supervisory Authority, the Securities and Exchange Commission (SEC), has tightened the rules for shareholder proposals. The changes give companies greater leeway to request exemptions from including shareholder proposals on the general meeting's agenda. This has contributed to fewer ESG-related proposals and a higher threshold for having such proposals processed. Analyses indicate that the number of environmental and social shareholder proposals to US companies has fallen by about 20–35 per cent compared with the previous year. At the same time, the proportion of proposals that are either not put on the agenda, or that can be characterized as proposals with the opposite orientation to traditional ESG proposals, has increased.

Odin considers that shareholder proposals aimed at increased transparency and reporting in areas such as climate, nature and human rights may be appropriate, particularly where the topics are significant to the company's risk exposure. At the same time, we believe that very detailed proposals that in practice interfere with the board's strategic responsibility should be avoided. The board of directors is the shareholders' elected representatives and is responsible for the company's overall strategy and management.

In 2025, the SEC has also clarified the guidance for classifying major owners as passive or active under the regulations for significant ownership. The changes mean that investors who participate in dialogue with companies on, among other things, board composition, executive remuneration, ESG topics or strategic priorities, may to a greater extent be considered active owners and thus subject to expanded reporting requirements.

This development has raised questions about how the regulations may affect investor dialogue and cooperation on responsible ownership, particularly in connection with industry and thematic initiatives.

In December 2025, the US President signed an Executive Order aimed at strengthening the oversight and regulation of proxy advisors in the United States. The background is a concern that Institutional Shareholder Services and Glass, Lewis & Co., which are the two dominant players in the market and collectively control more than 90 percent of proxy advice, have significant influence over shareholder votes and thus over the governance of U.S. listed companies. This influence is further linked to an assertion that voting recommendations may increasingly be influenced by political priorities, including ESG and DEI considerations, rather than solely financial considerations.

The directive points out that proxy advisors have a real influence that can also have an impact on the value of US investors' investments. The measures primarily entail increased regulatory attention to proxy advice and may result in Odin's implementation of voting in the US becoming more legally demanding, as well as stricter requirements for documentation and justification of own voting decisions in US companies.

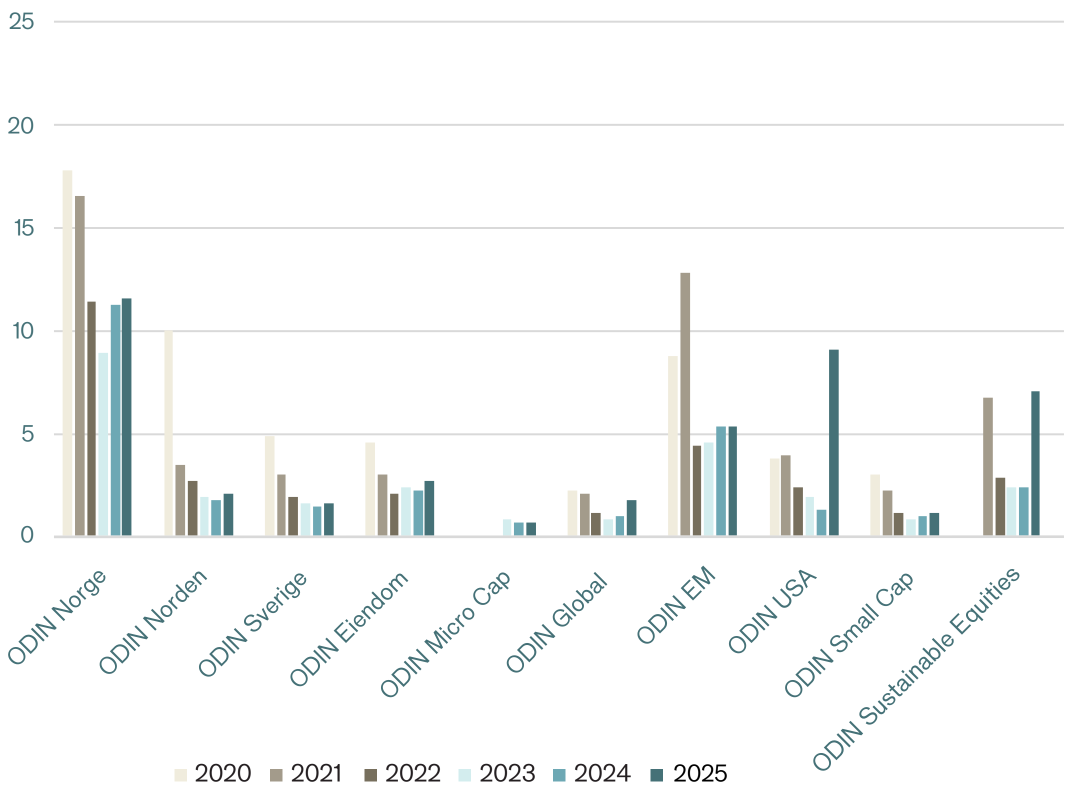
Portfolio footprint

Carbon-intensity

Odin acknowledges the need for transition to a low-carbon society and has set a goal of achieving net-zero emissions from our portfolio by 2050. We have been measuring carbon intensity for the portfolios since 2017, and believe this helps prioritize emissions reductions, both for our portfolio companies and for us as investors.

The key metrics assessed is the fund's carbon intensity, based on the latest available data as of December 31st, 2025.

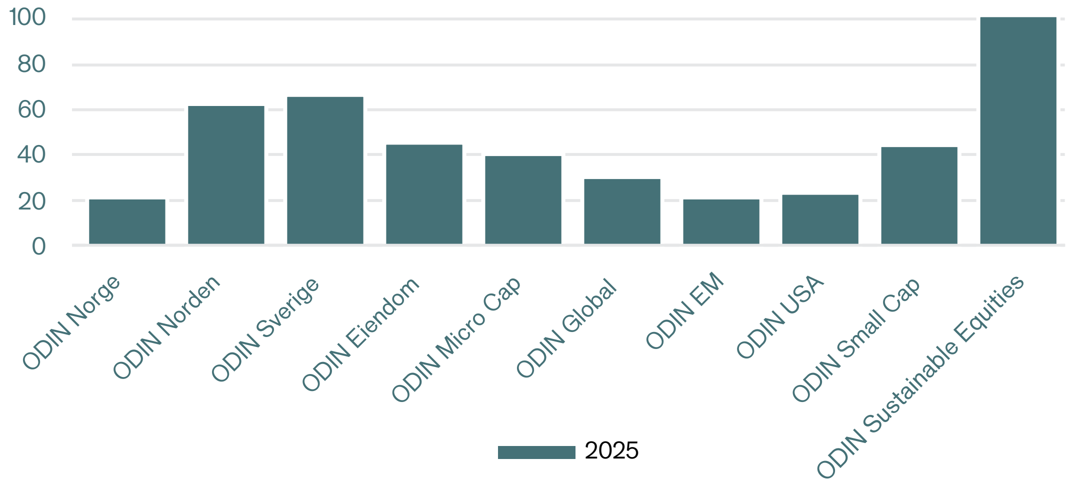
Carbon intensity (tCO2e / mNOK)



Sustainable investments

We integrate sustainability risk into the assessment of all companies we invest in as a natural part of our risk management approach. In addition, work to increase the proportion of sustainable investments in the portfolios. These investments aim, not only to address sustainability risk, but also to make a positive contribution to the global transition and to address global challenges, tackling climate, environmental and social issues.

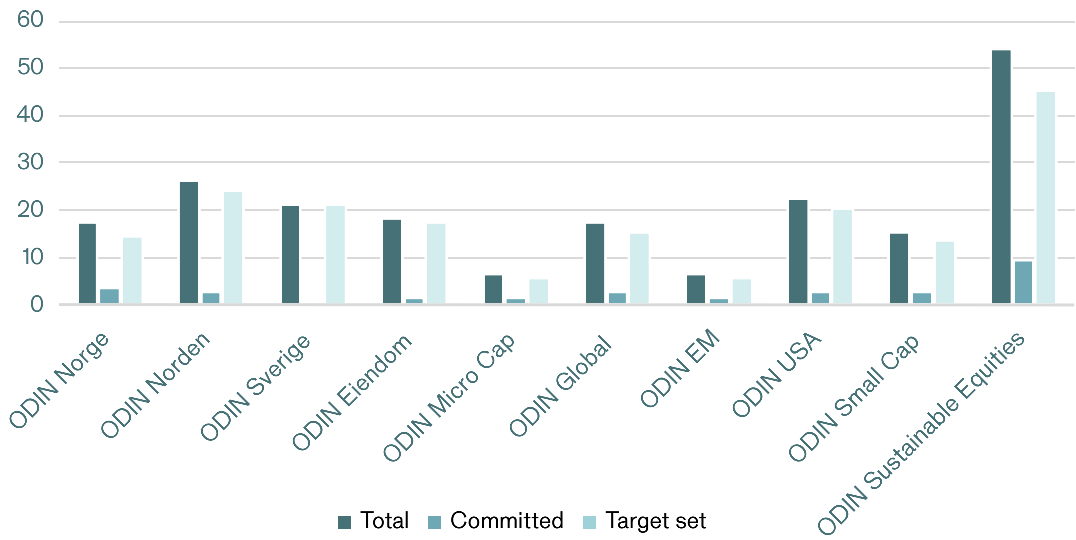
Share of sustainable investments (%)



Science-based emission targets

While carbon intensity offers a snapshot of the portfolio's current footprint, we are also focussed on future improvements. Odin's impact on carbon emissions is most significant through our efforts to encourage the companies we invest in to set emission reduction targets. To track progress, we monitor the number of companies in our portfolio that commit to setting climate targets through the Science Based Target Initiative (SBTi), or similar organisations.

Number of companies with Science Based Targets



Responsible investment

Sustainability is a natural part of the Odin model. Odin consistently seek high-quality companies that are well-managed and effectively handle their key risks. Environmental, social and governance ("ESG") factors serve as long-term value drivers for investments and analysing them is a part of our fiduciary duty. We consider these factors both before and after an investment has been made.

For us, this is what responsible investment is all about – finding future-oriented companies that safeguard our clients' interests while delivering long-term value creation. This work is integrated in our investment process, and is followed up in multiple ways.

Integration

Sustainability and ESG principles are integrated into our work in several ways:

Firstly, we apply clear exclusion criteria that specify which companies the Odin funds should not invest in (see more about these criteria under "Exclusion and Observation"). These criteria, such as not investing in companies involved in controversial weapons or those violating human rights, define the parameters for our investment universe.

Secondly, sustainability assessments are integrated in the analysis of companies we consider for investment. Odin considers both sustainability risks and opportunities for the companies, as well as the extent to which management and board is organized to handle these. Odin funds have concentrated portfolios typically comprising 30-35 companies. This makes it possible to conduct in-depth analysis and follow up on the companies we choose to include in the funds. Our goal is to ensure these companies are well-managed and effectively handle their key risks. Over time, we believe that companies with the commitment and ability to take part in sustainable transition reduce risks and deliver better returns.

Finally, we actively work to identify and increase the proportion of sustainable investments in our funds. These investments adhere to Odin's methodology for sustainable investments which is aligned with the Sustainable Finance Disclosure Regulation ("SFDR"). Sustainable investments are defined as companies with good governance that positively impact society, nature and/or the environment while avoiding doing significant harm to other sustainability objectives.

Active ownership

In Odin, we are active owners. This means that we practice our shareholder rights by promoting longterm value creation and responsible business conduct, for example by raising awareness of sustainability issues and encourage our portfolio companies to strengthening their efforts in this area. By doing so, we help companies prepare for future challenges, benefiting both the companies and shareholders. We vote at general meetings, participate in nomination committees across the Nordic region, and maintain ongoing dialogue with our portfolio companies.

General assembly

The general assembly is the highest decision-making body in a company. It provides shareholders with the opportunity to influence a company's decision through voting and ensure good corporate governance by electing board members. The Odin funds aim to vote at all general assemblies of our portfolio companies.

You can learn more about our voting practices in the Odin's Voting Guidelines in our sustainability library on Odin's website.

Nomination committees

The board is elected by the shareholders and is responsible for determining and following up on long term value creation for both the company and the shareholders. Ofte, Odin is as significant owner in the companies our funds invest inf. Where its considered valuable, Odin participate in nomination committees and contribute to ensure that board members with the right expertise, including on sustainability, are elected.

In 2025, representatives from the Odin funds sat on 11 nomination committees:

NO

Borregaard
Kitron
Multiconsult
Medisim
Kongsberg Gruppen

SE

CTT Systems
Inwido
Munters
Addlife
Fortinova Fastigheter
Sveafastigheter

Read more about Odin's work with active ownership below.

Company dialogue

Odin's portfolio managers continuously follow up the companies in which the funds are invested, including through dialogue with the companies' management and boards. For smaller companies in our home markets, the managers often have a close and direct dialogue. In larger, global companies, where Odin is a smaller owner, collaboration with other investors may be appropriate to increase their influence. A specific assessment is made in each individual case of whether dialogue should be conducted alone or in cooperation with other investors.

Company dialogue can be initiated for various reasons. We often conduct proactive, investment-driven dialogues with the aim of strengthening our understanding of the companies, their business model and significant risks, as well as providing feedback on the companies' sustainability work. In addition, we conduct targeted thematic dialogues, aimed at specific topics and/or sectors, where the purpose is to contribute to improvements in companies' ESG practices.

In some cases, dialogue may be initiated as a result of specific incidents or an increased risk of violation of Odin's guidelines. In such situations, we will quickly enter into an incident-driven dialogue to obtain further information, assess the risk and clarify any further measures.

Exclusion and Observation

We avoid investments in certain sectors and individual companies due to ethical considerations, based on the products they offer and/or their behaviour. Our exclusion criteria define the boundaries of our investment universe and are designed to provide our clients with confidence in knowing which activities are not financed through the Odin funds.

The Odin funds will not invest in companies where there is an unacceptable risk that the company contributes to or is directly responsible for:

- gross or systematic violations of human rights
- gross or systematic violations of labour rights
- serious violations of the rights of individuals in war or conflict situations
- sale of weapons to states
    - in armed conflicts that use weapons in ways that constitute serious and systematic violations of the rules of international law governing the conflicts, or
    - covered by the government bond exemption scheme referred to in the mandate for the management of the Government Pension Fund Global
- serious environmental damage
- acts or omissions that at an aggregate company level lead to unacceptable greenhouse gas emissions
- gross corruption or other gross financial crime
- other particularly serious violations of fundamental ethical norms

The Odin funds must not be invested in companies that have more than:

- 0 per cent of revenue related to controversial weapons, tobacco or cannabis for recreational purposes
- 5 per cent of revenue related to pornography, gambling, oil sands, extraction of thermal coal or companies that base a significant part of their activities on thermal coal

Some of the funds also use additional exclusion criteria.
These are described in the fund's prospectus.

We expect our portfolio companies to act in accordance with the ten principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and their underlying conventions.

Comprehensive analyses of companies' risk profiles and long-term prospects enable us to find high-quality companies while minimizing the likelihood of involvement in controversies where exclusion must be considered.

However, unforeseen events and situations may occur, and these must be addressed promptly and effectively.

If a company in the portfolio violates any of these principles or guidelines, it will be placed on our observation list, and we will initiate a targeted dialogue with them to see if the situation can be resolved. If we do not observe a desire or willingness to change over time, we will divest from the company.

Active ownership in 2025

As long-term investors in quality companies, we see active ownership as a key tool in our investment philosophy. In a year like 2025, characterized by market rotations that have challenged both quality-oriented investments, and questioned sustainability themes in some markets, this work becomes even more important.

A structured approach to active ownership enables us to strengthen transparency, contribute to the management of material ESG risks and strengthen the long-term capabilities in which we invest.

Odin has long worked with active ownership, and during 2025 we sharpened our approach by establishing clearer categories for targeted dialogues, updating performance tracking and specifying the division of responsibilities. This ensures that company dialogues remain targeted and help maintain long-term value creation.

Through structured company dialogue, Odin can provide input to companies on issues related to climate strategy, human rights, diversity, transparency and corporate governance, among other things. Such dialogue can contribute to better management of relevant risks and support long-term value creation.

Why active ownership is important now

Significant ESG risks are more relevant than ever:

climate change, biodiversity loss, human rights violations and poor governance are increasingly affecting companies' operational and financial performance and long-term shareholder value, and should therefore be an integral part of the assessment and dialogue with companies.

Regulatory ambiguity combined with increased transparency requirements:

Ongoing regulatory changes, including revisions to the Disclosure Regulation (SFDR) and the simplification elements of the EU's Omnibus proposal for sustainability reporting, contribute to increased complexity and temporary ambiguity in the framework. At the same time, institutional investors are placing increasing demands on transparent, comparable and reliable information on the sustainability of underlying investments. In this context, it is still relevant that companies deliver consistent sustainability information and clear commitments. The draft SFDR 2.0 also indicates a possible shift towards more evidence- and result-oriented product classification, and highlights active ownership as a key instrument.

The Odin-model:

Odin's investment philosophy combines fundamental analysis with systematic assessments of environmental, social and governance (ESG) issues. In the Nordic region, we benefit from a strong corporate governance culture, stakeholder dialogue and transparency. Active ownership enables us to strengthen this model and ensure that fund companies maintain quality in governance, culture and long-term robustness.

How we work with the companies

Dialogue with companies in which Odin is invested is divided into three categories, each with a clear purpose and responsibility:

Investment-driven:

The dialogue is led by the fund managers, with support from the ESG team, and aims to understand how companies identify, manage and follow up on financially significant ESG-related risks and opportunities.

Thematic:

The dialogue is led by the ESG team and covers selected topics, including climate, nature, reporting practices and product-related issues. The purpose is to contribute to better management of sustainability-related impacts in the portfolio, with the aim of creating positive and minimizing negative sustainability impacts in the portfolio.

Event-driven:

Dialogue is initiated if there are indications of a risk of a breach of Odin's guidelines for responsible investment.

Odins approach to company dialogues

Identification of risks / opportunities – Definition of goals and plan for dialogue – Dialogue – Progress monitoring – Evaluation of results – Conclusion

Read more about how we work with active ownership in Odin's guidelines for responsible investment at **odinfond.no**

What we're talking about – and why

In 2025, our five most important dialogue topics were:

1 Corporate culture

Corporate culture is a key assessment theme in the Odin model and can have an impact on companies' ability to create long-term value. The assessments include, among other things, management's communication of values and practices, ethical standards and the extent to which the company is in accordance with sustainable business practices.

2 Climate targets

Odin assesses the credibility of the companies' restructuring plans, including whether the targets are science-based, for example approved by the SBTi (Science-based targets initiative), as well as the extent to which the transition and reduction targets are integrated into strategy and investment decisions.

3 Financial performance

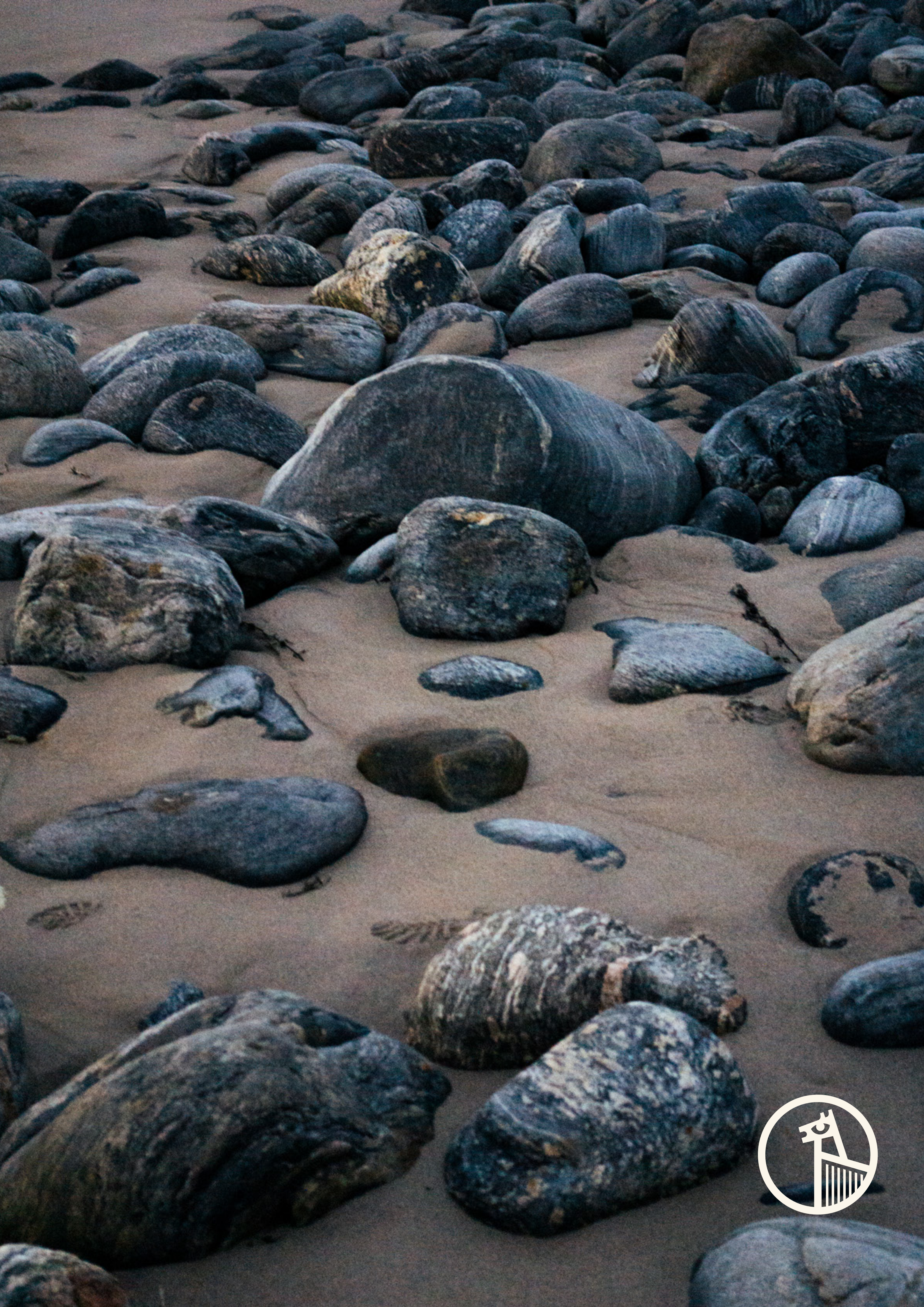
Ensures that companies maintain robust profitability and capital discipline while adapting to a tough macro environment.

4 Product quality and safety

A key assessment topic, especially for industrial and manufacturing companies, where product quality, safety and operational reliability can have an impact on competitiveness and customer trust.

5 Corporate governance

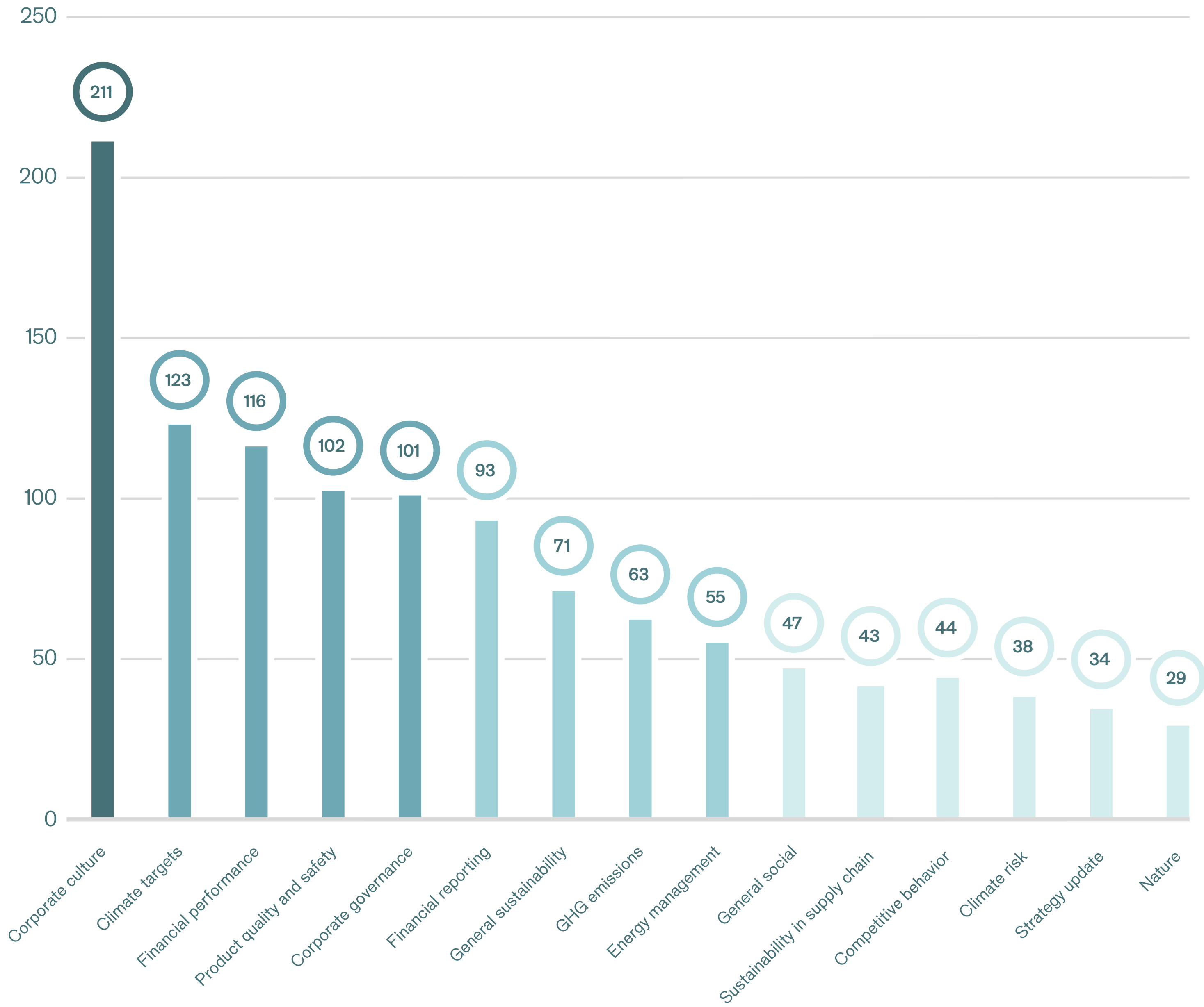
Assessment of board composition, board independence and decision-making structures that can contribute to appropriate governance, accountability and long-term robustness.



Top topics of engagement

In addition, we discussed a number of other topics with the companies, as shown in the figures below.

A significant part of the dialogues (86%) are with companies based in our home market in the Nordic region. Odin also maintains dialogue with companies in other regions, and across sectors.



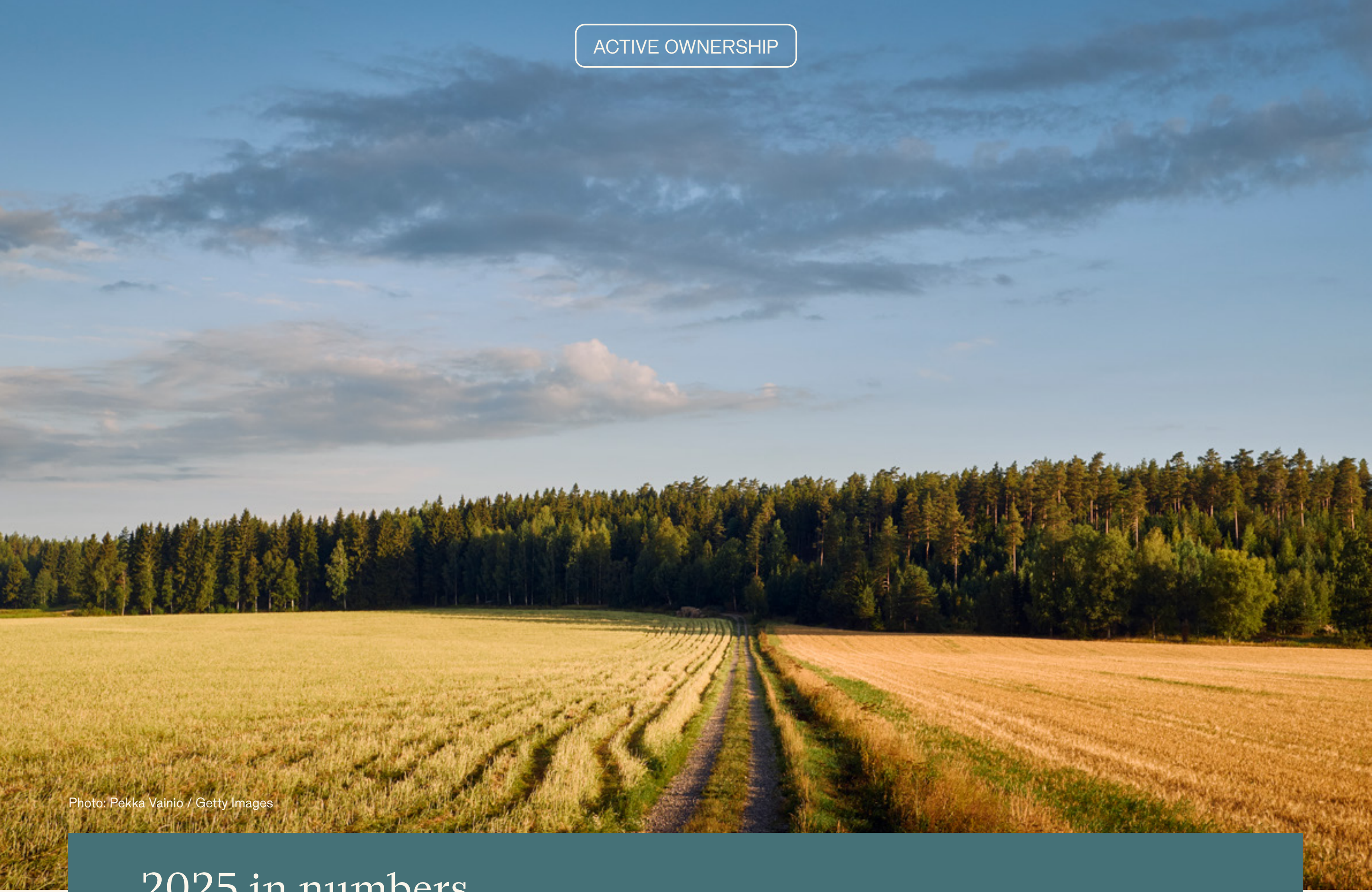


Photo: Pekka Vainio / Getty Images

2025 in numbers

305 dialogues

188 companies we have been in dialogue with

92 1-on-1-meetings

27 thematic dialogues

At Odin, we try to translate our active ownership into measurable results. We log all dialogues, including information about the company, fund, type of dialogue, topic, company response and next steps, in a central system that all portfolio managers have access to. This ensures coordination between the funds, effective follow-up and clear and concise reporting.

The way forward

In 2026, we will continue to strengthen the structure of our active ownership work, with particular emphasis on thematic dialogues. Based on the mapping of climate risk (TCFD) and nature risk (TNFD), we aim to conduct targeted dialogues with those of the companies that are more exposed to climate and nature risk. We will continue to work on assessments of companies' restructuring plans and transparency regarding the identification and management of significant sustainability risks.

This work helps to support appropriate risk management and strengthen long-term characteristics such as quality of operations, corporate culture and corporate governance, in line with the Odin model's investment philosophy. For long-term investors, active ownership is a key tool both for managing risk and for supporting the fundamentals that underpin long-term value creation.

Active ownership in fixed income funds
Creditors' power to influence

On the fixed income side, much of the fund managers' potential for ESG impact lies in the their ability to make demands as creditors. Through loan terms, dialogue and clear expectations, fixed income funds can drive better governance, lower risk and more sustainable practices.

When we talk about active ownership, the focus is often on shareholder influence, voting and resolutions at general meetings. In the fixed income market, the instruments look somewhat different, particularly because creditors do not have the opportunity to vote at general meetings. It is through access to financing, pricing of risk and the formulation of loan terms that fixed income funds can influence companies' work on environmental, social and governance ("ESG") topics.

On the fixed income side, sustainability work is mainly about identifying which ESG factors are essential for the company's ability to service its debt, and linking these insights to specific requirements, dialogue and priorities. When securities are issued for the first time in the primary market, fixed income managers can enter into dialogue with issuers and ask specific questions and pose requirements at investor presentations and roadshows. This provides the opportunity to send clear signals about what is expected and what conditions must be met for participation.

Photo: Vector Photo Gallery, Getty Images
"Beaching" of ships for dismantling in Chittagong, Bangladesh

Terms of the loan agreement: responsible shipwreck

A key instrument in fixed income fund management is the formulation of loan terms. These can be used to set requirements that provide increased transparency and better management of ESG-related risks.

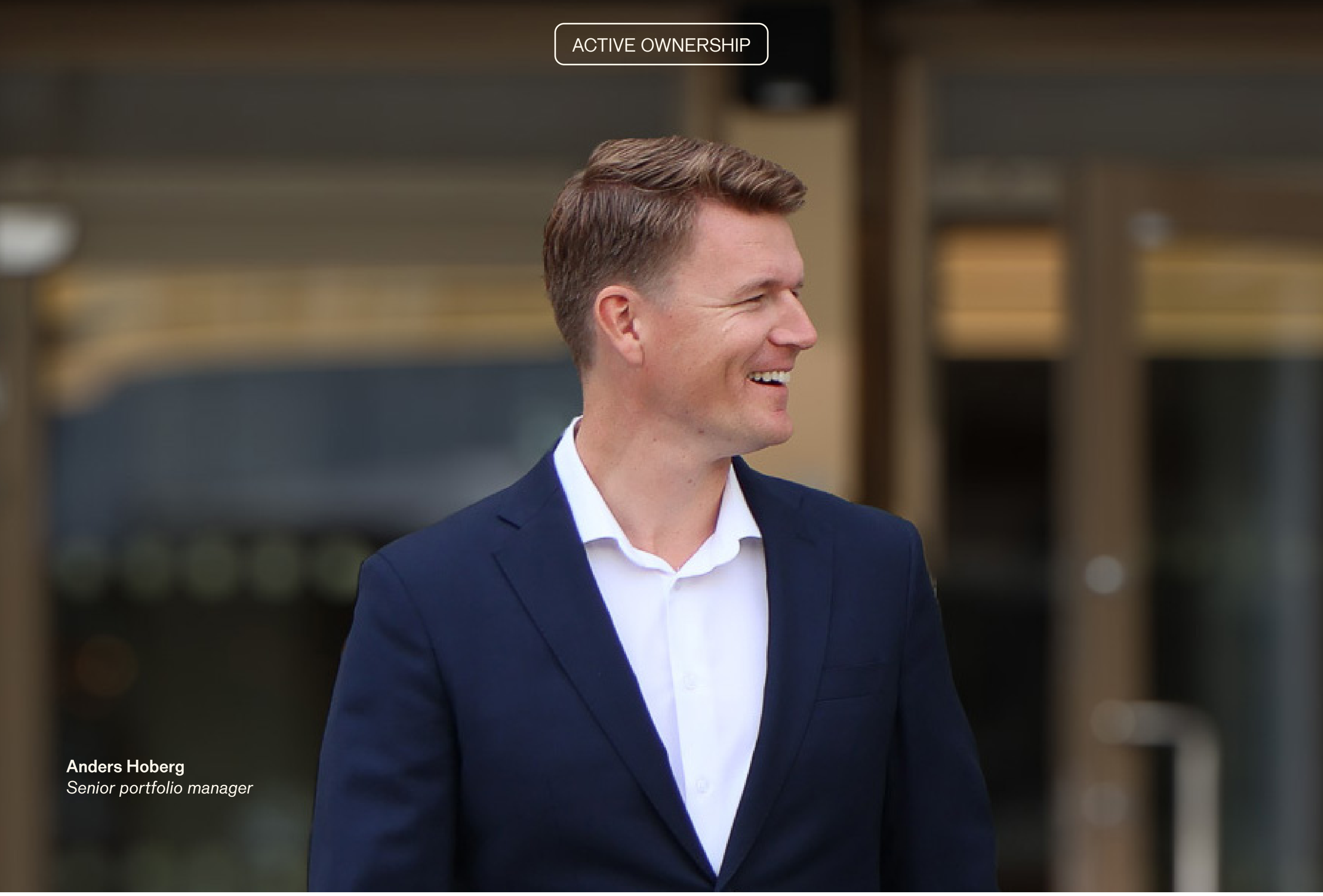
In the autumn of 2025, Odin considered an investment in the family-owned shipping company Knutsen Group. As part of the investment decision, the company was assessed for material sustainability risks and risk of violation of Odin's guidelines for responsible investments. For international shipping companies, a significant risk is the process of disposing of ships. Older ships are in practice floating stores of hazardous waste, and can emit toxic substances directly into nature if the disposal is not carried out responsibly – for example, when ships are broken up directly on beaches, a method known as "beaching".

In addition, most of the world's ship dismantling takes place in countries such as Bangladesh, India and Pakistan, where workers often operate with minimal protective equipment while performing work that is physically extremely demanding and risky.

As a responsible investor, Odin is committed to ensuring that ship recycling takes place in a sustainable and ethically responsible manner. We noted that Knutsen Group had previously sold ships to recycling facilities in India, where it is more demanding to ensure proper handling and working conditions. We contacted the company to obtain more information, and with a request to include a clause in the loan agreement stating that future scrapping of ships should be carried out in a responsible manner. The company responded positively about its processes for ship scrapping, and agreed to include the clause in the loan agreement. In the future, this will be something Odin request for shipping deals.

> *Shipping is a sector where the standard for responsible ship dismantling varies significantly from company to company.*
>
> *Many players lack specific obligations, and practice has historically been far from satisfactory. The fact that Knutsen Group not only confirmed its processes but was willing to formalize the commitment directly in the loan agreement, distinguishes them positively. For us, this is a sign that the company is taking this seriously – not just as a response to a request, but as a standard they want to hold themselves accountable against.*
>
> *We hope that other players in the sector will follow this as an example.*
>
> Christian Malde


Getty Images



Anders Hoberg
Senior portfolio manager

Post-investment follow-up: our expectations for good corporate governance

The role of active owners on the fixed income side continues after the investment has been made. The focus of credit investors is primarily to reduce downside and strengthen the stability of the companies' financial profile. That is precisely why active ownership in fixed income funds is a natural extension of good credit management. Accidents happen, even in companies with modern technological solutions and good routines. What matters is how accidents are handled when they first occur. For Odin, this is an important principle in the work on responsible investment: To ensure that the companies we invest in are able to handle challenges in a way that safeguards both the interests of the owners, the environment and society.

When it became known in April that Grieg Seafood had released around 35 million plastic balls into the Laksefjorden in Finnmark (E24) – Odin contacted the company to get clarity on the incident and how it was handled.

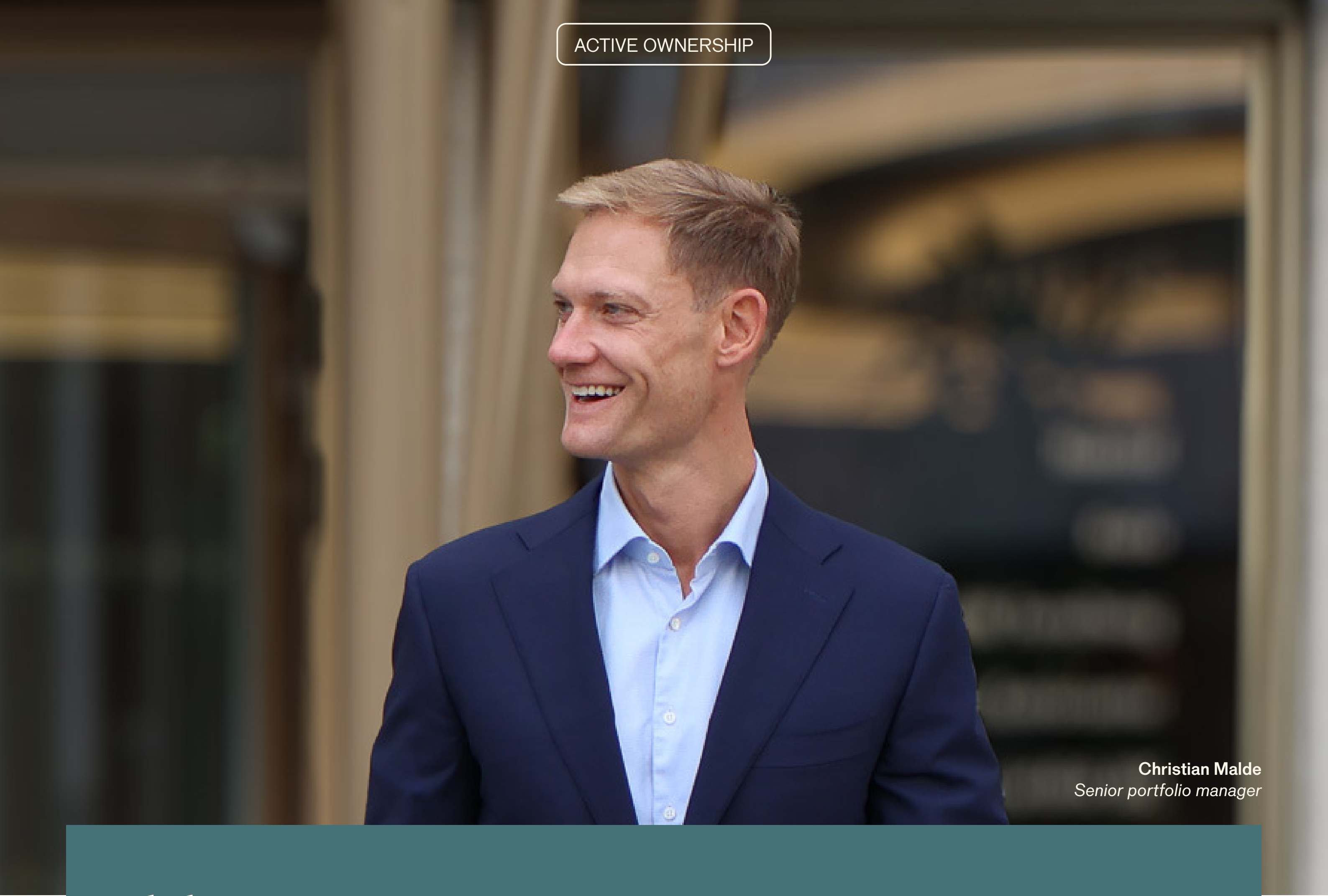
"The most concerning to us is the overall picture indicating failures of internal control, a lack of notification of minor emissions in 2023 and the late handling of a significant, environmentally damaging, emissions in 2024," says Anders Hoberg, senior portfolio manager at Odin Forvaltning.

As a bond investor, we are concerned with more than our current financial position. We also assess how the company's behavior and governance affect reputation, regulatory risk and future access to the capital market. In this case, the authorities have described the environmental damage as "permanent", and confirmed that the duty to notify was not followed. This gives reason to question the company's risk management and compliance.

"It is positive that the company now has implemented measures to prevent recurrence. However, the fact that the incident back in 2023 was not proactively notified and handled so that the problem was allowed to grow until the emissions in 2024, shows that there is a need for better management and control. Now, we expect the company to report openly on the clean-up work, and show that the lessons learned is being put into practice. Until we see concrete progress, we will adopt a restrictive attitude towards new investments," says Hoberg.

Odin has been invested in Grieg Seafood through the fixed income fund ODIN Kreditt since June 2020. The last bond matured on 25 June 2025, and Odin therefore has no further exposure to the company.

[1] Knudsen, C. (2025, 24. april)
Lakseselskap slapp ut millioner av plastkuler: – Åpenbar trussel mot fugl og dyreliv, E24.no



Christian Malde
Senior portfolio manager

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> Anders Hoberg

Responsibility is a prerequisite, also on the fixed income side

At Odin, we are responsible and active owners, both on the fixed income and equity side, and at a time when expectations from customers and society are sharpening, active ownership in fixed income funds is also a key strategy for combining robust risk management with responsible capital allocation.

Although the fixed income side does not have the opportunity to directly influence companies through voting, as a fixed income fund manager you still have several tools at your disposal. Thorough assessments of issuers before investment, defined requirements in loan agreements, and systematic follow-up mean that creditors can help reduce risk, improve returns and at the same time minimize negative social impact.

Odin's Contributions to Charitable Causes

Every year, Odin gives Christmas gifts to a charitable causes. From among the many fantastic initiatives and good causes that are out there, in 2025 the employees chose to give Christmas gifts in the form of donations to the following organisations:

Photo: Doctors Without Borders

Doctors Without Borders (Médecins Sans Frontières)

Doctors Without Borders is an international humanitarian medical organization operating worldwide, providing emergency medical assistance to those who need it most. They help people affected by war, conflict, epidemics, and natural disasters. The organization operates independently of political, economic, and religious interests and is well known for delivering aid in areas where other organizations often struggle to operate.

Photo: Frelsesarmeen

Frelsesarmeen (The Salvation Army)

Through generous and inclusive meeting places, the Salvation Army contributes to social engagement, belonging, and faith. For more than 130 years, the organization has worked to eradicate poverty and hunger, and to promote decent work and reduced inequality. The Salvation Army operates in more than 130 countries, and in Norway it has approximately 300 units nationwide.

The Salvation Army keeps its doors open to everyone – children, young people, adults, families, and the elderly. A core part of its work consists of providing services and support to people living in poverty, loneliness, or substance abuse, those exposed to neglect or human trafficking, individuals in prison, people with mental health challenges, relatives, the unemployed, and migrant workers.

The Salvation Army has contributed to the development of the United Nations Sustainable Development Goals and is an active advocate for achieving them.

Foreningen for hjertesyke barn

The Norwegian Association for Children with Congenital Heart Disease

The association was founded in 1976 by a small group of parents of children with heart disease. Today, it has grown into a large, professionally run organization with 18 regional chapters. Several hundred dedicated elected representatives and volunteers form the foundation of its work. The association has built extensive experience, and its decisions and activities are based on knowledge and thorough processes.

The organization arranges camps for young people, gatherings for families, courses, and other activities -both locally within individual regions and at a national level. It supports new and important research aimed at improving the lives of children with heart disease and their families and actively advocates for the rights of these children.

HAND IN HAND EASTERN AFRICA

Hand in hand

This year's Christmas donation from Odin Fonder is dedicated to fostering hope and future opportunities for Hand in Hand entrepreneurs. Our contribution helps more poor and vulnerable women gain the tools they need to improve their lives. Investing in people's abilities is a lasting pathway out of poverty.

One of the main reasons poverty persists is the lack of jobs and income -this is precisely where Hand in Hand's efforts make a tangible difference. Through organization into self-help groups, training, and support, more than five million small-scale entrepreneurs have been established. With more stable incomes, stronger social safety nets, and increased resilience to crises, individuals can take control of their lives and their futures.

Odin Fonder has supported Hand in Hand for many years. On a daily basis, we work to identify and invest in the best companies with skilled management for our funds - often following companies from their early stages through growth and maturity. Investing in Hand in Hand is very similar: in some of the world's poorest regions, the organization primarily helps women establish businesses that can ultimately support entire families.

Helping people help themselves is a powerful investment - one that enables both individuals and societies to grow. And if there is one thing we at Odin truly appreciate, it is great investments.

WILDHOOD FOUNDATION

Wildhood Foundation

As part of our social commitment, Odin Fonder also chose to make a Christmas donation to the Wildhood Foundation. Through this contribution, we help protect Africa's wilderness while simultaneously strengthening the local communities living in and around these areas. The support enables the training and employment of female park rangers in 2026, creating secure sources of income and strengthening women's role in nature conservation.

Experience shows that when women are given the opportunity to lead and participate in conservation efforts, gender equality improves, household finances are strengthened, and more children gain access to education. At the same time, these efforts help protect large, contiguous wilderness areas that are essential for biodiversity and for the climate's long-term resilience.

We create value
for the future

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Odin Forvaltning is a company in the
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