Disclosure as per the Sustainable Finance Disclosure Regulation (2019/2088)

Hybridge Mezzanine AS (“Hybridge”), acting as an Alternative Investment Fund Manager, makes the following disclosures based on the EU’s Sustainable Finance Disclosure Regulation (2019/2088) (“SFDR”).

No Consideration of Adverse Impacts of Investment Decisions on Sustainability Factors

Hybridge does not consider any adverse impacts of its investment decisions on sustainability factors.

Hybridge does not currently consider adverse impacts due to the limited investment volume of assets currently under management given each investment has a short time horizon (12-36 months) and is limited in its geographical scope (the Nordic region). Considering adverse impact on sustainability factors would significantly limit the investment universe in which Hybridge in accordance with its investment strategy intends to operate in. Furthermore, Hybridge’s investments are mainly structured as passive liability-side financings as opposed to active participating equity-side investments, which means Hybridge has less impact and control over the underlying asset than what is the case for typical real estate investments. Given the changing regulatory landscape and the lack of reporting requirements/frameworks in the real estate sector as of now, Hybridge will be monitoring the development of adequate data in order to conduct sufficient analysis' of adverse impacts, and continuously assess the opportunity to implement such assessments for future funds.

Sustainability Risk

Hybridge has implemented a risk management framework which adequately identifies and manages relevant risks that the funds and their investments may be exposed to. As a part of this risk management framework, Hybridge integrates sustainability risks that can cause an actual or a potential material negative impact on the value of the funds' investments, and conversely on the returns to the funds' investors. Sustainability risks are identified and assessed in the same manner as other financial risks that have been deemed relevant in any investment case, and to the extent that an identified sustainability risk can have a potential material negative impact on an investment's value, Hybridge will monitor such risk on an ongoing basis, as any other relevant financial risk. This process is also reflected in Hybridge's set of processes, routines and policies for reducing risk and optimising the management of its fund.

The occurrence of a sustainability risk can both impact a specific investment and affect a greater portion of the funds' portfolios. Hybridge's sustainability risk management includes, but is not limited to, the following sustainability risks:

- **Physical risk**: risks resulting from climatic events, for example extreme weather, which can damage the commercial real estate assets that back the debt and preferred equity positions held by the funds. As the funds have a short time frame and invest in real estate across the Nordic countries, Hybridge regards this risk to be limited. However, if the risk was to materialise, it could have a detrimental impact on the value of the funds' investments.

- **Transitional risk**: impact on financial value due to risks that arise from the transition to a more sustainable economy is regarded as more probable for the funds' investments. Regulatory and political developments and changes in consumer behaviour can affect the value of the funds' underlying assets, for example through new environmental building requirements, limited access to beneficial financing or changes in consumer demand. Given the rapid national and EU regulatory development within sustainability, transitional risk can have potential material negative impacts on the value of the funds' investments, regardless of their short time frames.

- **Social risk**: risks arising out of social factors are less relevant in the context of real estate investments, and more so when considering that the investments are primarily structured as financings. However, when relevant, Hybridge will identify and assess risks related to human rights, poor working conditions and discrimination, for example in relation to development of real estate property and the use of suppliers. As Hybridge invests in real estate across the Nordic countries, the probability of a social risk occurrence is regarded to be limited. However, if a social risk was to materialise, it could have material impact on the value of the funds' investments.

- **Governance risk**: risks related to governance are continuously assessed and monitored, including matters of corruption, tax avoidance, bribery, poor management and liability. Specifically, Hybridge has developed a risk management system when as it relates to KYC/AML requirements, both towards its own investors and for its investments. Hybridge also takes into account reputational risk connected to environmental, social or governance factors. However, the probability of governance risk impacting the value of the funds' investments is regarded to be limited due to Hybridge's focus on real estate across the Nordic countries.

Renumeration Policy

Hybridge considers sustainability risk in its corporate renumeration policy. Hybridge offers its employees a variable renumeration, based on performance and risk management. As sustainability risk is an integrated factor of Hybridge's general risk management framework, Hybridge will assess whether the relevant employee has complied with Hybridge's policy for integration of sustainability risks when deciding the employee's variable remuneration and bonus. If the policy has not been complied with, or the employee has demonstrated excessive risk taking in relation to sustainability risk, this may lead to a reduction of the employee's variable remuneration or bonus. The role of sustainability risk in the risk management of the fund is communicated to employees as part of Hybridge’s variable renumeration policies.