ANNEX IV

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: Sandwater Fund I (the "**Fund**")

Legal entity identifier: N/A

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 3% 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**

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

The environmental and social characteristics promoted by the Fund have been met to the following extent:

Exclusion: The exclusion criteria by which the Investment Manager makes norm- and product/industry-based exclusions were complied with at all times.

Positive impact and reduction of negative externalities: All direct investments in companies that formed part of the Fund's portfolio in 2023 contribute, or have the potential to contribute, to at least one of the thematic categories of impact targeted by the Fund. The thematic categories are:

1. Resource efficiency
2. Energy transition
3. Human health and wellbeing
4. Impact enablers

The portfolio companies contribute, or have the potential to contribute, in the following ways:

a) 1X Technologies contributes to human health and wellbeing through the development of its general purpose, humanoid robot by increasing the availability, and reducing the cost, of labor in high-impact sectors such as healthcare.

b) Antec contributes to the energy transition through its biomethane production technology, which prevents GHG emissions across the value chain with a three-fold mitigation effect: (a) Utilizing organic waste as feedstock prevents emissions from its decomposition; (b) The biomethane produced replaces fossil fuels as an energy source in a range of end-use applications; (c) The biofertilizer by-product reduces the need for carbon-intensive mineral fertilizer production.

c) ClimateView enables positive climate impact through its software which enables cities to model, plan and finance their transition to net zero greenhouse gas emissions.

d) Cytovation contributes to human health and wellbeing by enabling more effective cancer treatment.

e) Evyon contributes to the energy transition by developing battery storage systems utilizing second life batteries, enabling electrification of the energy grid while reducing the negative impact on nature from production and thus curbing related CO_2 emissions.

f) FarmInsect contributes to resource efficiency through its insect protein production technology, providing more sustainable protein with a lower CO_2 fooprint compared to traditional feed ingredients such as fishmeal and soybean.

g) Grunt has the potential to enable impact in the form of data transparency through its software solution allowing for source data tracking of objects published online.

h) Nofence contributes to resource efficiency through its virtual fencing solutions offering farmers an opportunity to shift to regenerative agriculture practices such as rotating pastures, leveraging new grazing areas, and leaving livestock out on grassland longer.

i) Oyster contributes to resource efficiency by utilizing recyclable materials in its thermal isolation technology.

j) Powall contributes to the energy transition by prolonging the life of rare earth minerals used in batteries through its nano-coating technology.

k) Wrepit enables impact in the form of data accessibility by providing a software platform delivering more accessible financial and sustainability reporting in their Word-to-Web solution (as opposed to PDFs).

l) Xeris enables impact in the form of data transparency by enabling transfer of product sustainability information through the supply chain.

The Investment Manager assessed the potential negative externalities of the Fund’s direct investments in companies across environmental, social and governance related indicators by way of assessing information derived from the portfolio companies' responses in an annual Impact & ESG Questionnaire, while also taking into account the Investment Manager's knowledge of the companies including the size and scale of their employee base and operations.

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

Impact Driven Enterprises: As of year end, 64% of the fund's investments were in Impact Driven Enterprises, defined as a portfolio company which:

a) has a purpose to achieve environmental and/or social impact by providing entrepreneurial solutions to an environmental and/or social issue based on a market-bases scalable approach;

b) has business models which enable it to develop self-sustainable business models making them able to access over time capital from return-seeking investors who hold and sell an interest in them in a way comparable to the venture capital model;

c) in the frame of their environmental and/or social purpose, defines their environmental and/or social impact objectives and specifies associated metrics for directing operations and monitoring their impact;

d) intends to use its own business growth to advance their pre-defined environmental and/or social targets; and

e) is managed in an accountable and transparent way, taking into account the interests of employees, customers and other stakeholders affected by their business activities.

The portfolio companies defined as Impact Driven Enterprises are 1X Technologies, Antec, ClimateView, Evyon, FarmInsect, Nofence and Powall.

How did the sustainability indicators perform?

Exclusion criteria: Attainment of the exclusion criteria will be measured by the share of investments in activities on exclusion lists applicable to the Fund. This share was 0% in 2023, which means that the characteristic was met.

Positive impact: To measure the impact of the Fund's portfolio companies, specific Impact KPIs have been set for each investment, which in 2023 performed as described below:

a. 1X Technologies: Long-term, Impact KPI is number of robots deployed in high-impact sectors such as healthcare. Near-term, prior to commercial launch of the NEO robot, Impact KPI is weight of latest NEO test unit, as a key technology development metric to enable commercial launch. At end 2023, the latest NEO robot test unit achieved weight of 38 kgs, an important step towards proving safety of the robot in real-world applications

b. Antec: Long-term, Impact KPI is GWh of biomethane produced. Near-term, prior to having projects in operation, Impact KPI is number of projects in development, past Final Investment Decision. At end 2023, Antec had 1 project past Final Investment Decision

c. ClimateView: Impact KPIs are tonnes of CO_2e under managegement, and number of cities, on ClimateOS. At end 2023, ClimateView had 76 million tonnes of CO_2e under management on ClimateOS across 38 cities

d. Cytovation: Impact KPIs are number of patients with progression free survival longer than 4 months, and number of patients with overall survival longer than 12 months. At end 2023, Cytovation had 10 patients with progression free survival >4 months; 19 patients with overall survival >12 months

e. Evyon: Impact KPI is MWh storage delivered to customers. At end 2023, Evyon had 2.2 MWh of energy storage delivered to customers

f. FarmInsect: Impact KPI is tonnes of GHG emissions reduced as a result of FarmInsect commissioned tonnes of insect protein production capacity replacing soy and fishmeal. At end 2023, Farminsect had reduced 570 tonnes of greenhouse gas emissions

g. Grunt: Impact KPI is number of objects published online allowing transparent data tracking. At end 2023, this feature was still under development, hence 0 objects were published online allowing for transparent data tracking.

h. Nofence: Long-term, Impact KPI is km2 grazed regeneratively utilizing Nofence collars. Near-term, until the company has matured it's data collection capabilities to be able to report on this metric, Impact KPI is number of collars deployed on animals enabling regenerative grazing. At end 2023, Nofence had 93k collars deployed

i. Oyster: Impact KPI is number of boxes sold containing recyclable materials. During 2023, Oyster had 2,100 boxes sold

j. Powall: Long-term, Impact KPI is kgs of materials coated using Powall's technology. Near-term, prior to commercial operation, Impact KPI is value of pilot projects sold, as commercial breakthrough is dependent on proving successful pilots. At end 2023, Powall had EUR 189k worth of pilot projects sold.

k. Wrepit: Impact KPI is number of public published reports utilizing Wrepit's accessible Word-to-Web solution. During 2023, Wrepit had 129 public reports published using their Word-to-Web solution

l. Xeris: Impact KPI is number of customers using Xeris' platorm to share product sustainability attributes. At end 2023, Xeris had 11 customers using Xeris' platform to share product sustainability attributes

Negative externalties: As part of the assessment of potential negative externalities caused by the portfolio companies' operations, all portfolio companies have completed an annual Impact & ESG Questionnaire, covering the following environmental-, social- and governance-related indicators:

1. Environmental indicators:
    - GHG emissions (Scope 1, 2, 3 and total)
    - Activities negatively affecting biodiversity sensitive areas
    - Emissions to water
    - Hazardous waste
2. Social and governance indicators:
    - Unadjusted gender pay gap
    - Board gender diversity
    - Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
    - Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
    - Lack of anti-corruption and anti-bribery policies
    - Exposure to controversial weapons

The results from the questionnaire show that not all portfolio companies have fully implemented risk assessments, policies and procedures related to ESG factors. However, this was also to be expected given the early-stage nature of the companies, with operating models still in process of being defined. At the current stage of the companies' development, the Investment Manager therefore rather uses the questionnaire to identify focus areas for improvements specific to the companies' business context.

While certain such focus areas were identified, the Investment Manager, based on an overall assessment of the results of these questionnaires and its knowledge of the companies including the size and scale of their employee base and operations, has not identified any significant negative externalities from the Fund's investments in 2023.

Impact Driven Enterprises: Attainment of the share of Impact Driven Enterprises in the Fund's portfolio have been measured by the share of the portfolio consisting of companies which, in the Investment Manager's overall assessment, meet the criteria for such investments. The Investment Manager has found that 64% of the Fund's total commitments are invested in such investments.

…and compared to previous periods?

Exclusion criteria: The exclusion criteria characteristic was also met in 2022.

Positive impact: The positive impact indicators compare as follows:

a. 1X Technologies: The NEO test unit was launched during 2023, hence no reference point is available for 2022

b. Antec: Increase in 1 project past Final Investment Decision from 2022 to 2023

c. ClimateView: New investment during 2023, being the first year for which CO2e under management on ClimateOS was measured, hence no reference point is available for 2022

d. Cytovation: Increase in 7 patients with progression free survival >4 months; increase in 18 patients with overall survival >12 months from 2022 to 2023

e. Evyon: 0 MWh energy storage delivered in 2022, i.e., an increase in 2.2 MWh of energy storage delivered to customers from 2022 to 2023

f. FarmInsect: New investment during 2023, being the first year for which tonnes of greenhouse gas emissions reduced due to the production of its insect protein was measured, hence no reference point is available for 2022

g. Grunt: No change from 2022, as the feature for online object publishing allowing transparent data tracking is still under development

h. Nofence: Increase in approx. 70k collars installed from 2022 to 2023

i. Oyster: Increase from 2 boxes sold in 2022

j. Powall: No pilot projects sold during 2022, i.e., an increase in 189k EUR worth of projects from 2022 to 2023

k. Wrepit: 0 public reports published in 2022, i.e., an increase in 129 published reports in 2023

l. Xeris: No increase in number of customers during 2023

Negative externalties: N/A. 2023 is the first year of reporting on this characteristic and its associated indicators.

Impact Driven Enterprises: N/A. 2023 is the first year of reporting on this characteristic and its associated indicators.

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

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.

The Fund had one sustainable investment in 2023, into battery storage company Evyon. The objective of this investment is to contribute to climate change mitigation by providing battery storage systems (2.2 MWh delivered in 2023).

The company contributes to climate change mitigation by:

a) Enabling the transition away from fossil fuels by manufacturing rechargeable battery storage systems. The battery storage systems manufactured by Evyon delivered 2.2 MWh in 2023. The product already contributes to, and will continute to contribute to, substantial GHG emissions reductions in stationary energy storage.

b) Ensuring that end-of-life batteries are recycled.

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

For Evyon's activities in 2023, significant harm was avoided through the company conducting the following assessments of the effects of its activities, policies and procedures in place:

a) Physical climate risk assessment

b) Environmental degredation risk assessment

c) Biodiversity impact assessment

d) Pollution risk assesment

e) Social impact assessment

f) Policy for reposponsible business conduct, covering procedures on social responsibility including human rights, labour rights and anti-corruption

g) Social responsibility requirements and expectations detailed in suplier code of conduct

h) Whistleblower policy in place and accessible

i) Compliance with tax and competition laws

These assessments put Evyon in a position to monitor the environmental and social effects of its activitites, and to act and implement mitigative measures if any potential for significant harm were to be identified.

This was documented both through the annual Impact & ESG Questionnaire mentioned above as well as through the EU Taxonomy alignment assessment of Evyon's economic activities, the result of which showed that 100% of Evyon' activities were Taxonomy-aligned. This means that Evyon fully complied with the "do no sgificant harm principle" under the Taxonomy, and thus did not cause significant harm to any environmental or social sustainable investment objective within the meaning of the SFDR .

How were the indicators for adverse impacts on sustainability factors taken into account?

The indicators were taken into account by way of a Taxonomy alignment assessment of Evyon's activities, the result of which was that 100% of Evyon's activities were taxonomy aligned.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Yes. Evyon's policy for responsible business conduct includes an interactive human rights due diligence procedure aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, and to the Investment Manager's knowledge, having made reasonable efforts to assure itself, Evyon complied with its policy.

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

The Fund does not consider principal adverse impacts within the meaning of SFDR article 7.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2023

Largest investments	Sector	% Assets	Country
1x Technologies AS	Robotics technology	35 %	Norway
Antec Biogas AS	Renewable energy technology	22 %	Norway
Cyto Invest AS	Biotechnology	8 %	Norway
Nofence AS	Agricultural technology	8 %	Norway
Powall B.V.	Nanotechnology	5 %	Netherlands
Grunt AS	Information technology	4 %	Norway
ClimateView AB	Information technology	4 %	Sweden
Evyon AS	Battery technology	3 %	Norway
Sandwater Invest AS	Venture capital	3 %	Norway
Farminsect Gmbh	Agricultural technology	3 %	Germany
Techstar Partners 2020 LLC	Venture capital	2 %	USA
Oyster Thermal AS	Thermal technology	2 %	Norway
Wrepit AS	Information technology	0.4 %	Norway
Xeris AS	Information technology	0.3 %	Norway
Sondo Fund I AS	Venture capital	0.3 %	Norway

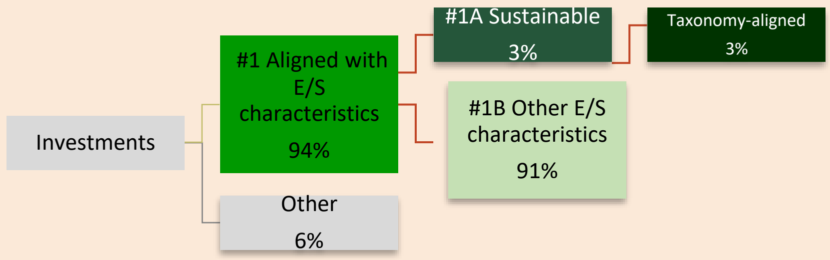
What was the proportion of sustainability-related investments?

The below overview sets out which of the EU Taxonomy environmental objectives the Fund's investments contributed to, which investments made such contributions, and what percentage of the Fund's portfolio those investments constitute.

- Environmental objective nr. 1 – climate change mitigation
  - The following investments contributed to this objective:

    Evyon (constituting 3% of the Fund's assets)

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.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

In which economic sectors were the investments made?

The investments in the list under "What were the top investments of this financial product?" above, which are all the investments of the Fund per the end of the reporting period (31 December 2023), were made in the following economic sectors: Biotechnology, robotics technology, renewable energy technology, agricultural technology, nanotechnology, information technology, battery technology, thermal technology and venture capital.

No investments were in sectors or sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels.

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.

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

The Investment Manager had one sustainable investment during 2023, in Evyon as described above. Evyon's economic activity was 100% aligned with the EU Taxonomy, with substantial contribution to climate change mitigation.

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

☐ Yes :

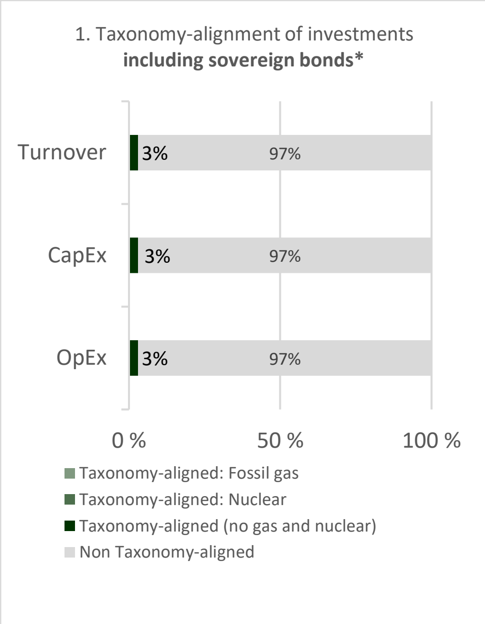
☐ In fossil gas ☐ In nuclear energy

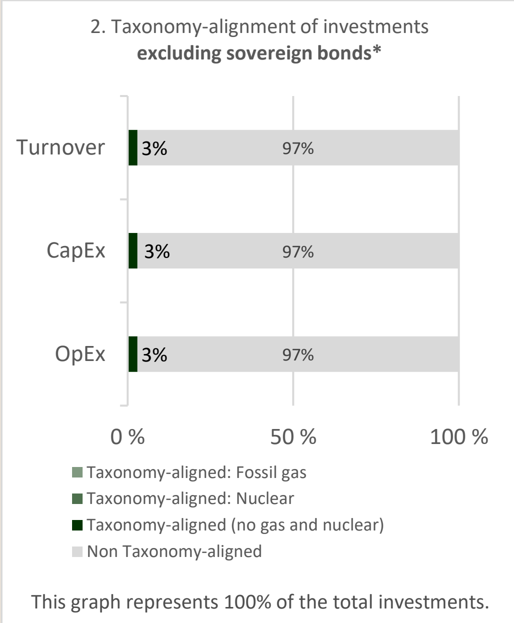
☒ No

[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.

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.

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.





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

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

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?

The percentage of investments that were aligned with the EU Taxonomy increased from 0% to 3%.

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

The section “#2 Other" includes investments in companies made indirectly through other funds. Such funds invest primarily in earlier-stage companies compared to the Fund. Minimum envioronmental and social safeguards have not been assessed for these fund investments.

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

The Investment Manager has taken the following actions to ensure the environmental and social characteristics of the Fund were met during the reference period:

For all direct investments in portfolio companies, Impact KPIs have been defined to enable target setting and tracking of the company’s impact creation towards Sandwater’s stated impact focus areas as described above. The portfolio companies report to the Investment Manager on the Impact KPIs on a quarterly basis.

To assess potential negative externalities caused by the portfolio companies’ operations, all portfolio companies have completed an annual Impact & ESG Questionnaire which addresses the indicators stated above under question “How did the sustainability indicators perform?”