

Policy for Responsible Investments

THIS POLICY WAS ADOPTED BY THE BOARD OF DIRECTORS of Söderberg & Partners Asset Management S.A. (the "Company") on 23 September 2019. The policy for Responsible Investments (the "Policy") refers to the investments in each fund (the "Fund" or "Funds" collectively) managed by the Company. The Policy shall be reviewed at least annually, or whenever needed due to regulatory or operational changes. The Söderberg & Partners group ("Söderberg & Partners") believes that companies which conduct their business in a responsible and sustainable manner will benefit both their own customers and the society as a whole.

Sustainability is an integral part of the Company's corporate culture, and the asset management in the Funds is based on the foundation laid out in this Policy. Sustainability refers to the environment, climate, human rights, labour standards and business ethics, and is based on international norms.

The purpose of the Company's sustainability work is to impact the world for the better. Therefore, the Company incorporates the latest research conducted within sustainability and responsible ownership to work on the approaches that result in the greatest positive impact. The Company has signed the United Nations' Principles for Responsible Investment (PRI), which is the leading international initiative for responsible investment for companies in the financial sector. Söderberg & Partners is also a member of Swesif, which is an independent and non-profit organization advocating for sustainable investment in Sweden.

SCOPE OF THE POLICY

The Policy applies primarily to the Company's investments in companies that have issued shares for trading on a regulated market in the Nordics. As for other investments, such as in companies in other jurisdictions or companies in which the Company is an indirect owner, the Policy will be followed to the greatest extent possible.

RESPONSIBLE INVESTMENTS IN PRACTICE

The Company believes that successful engagements are more efficient than exclusions. However, different approaches are required depending on the nature of the investment. The Company's responsible investment activities differ between the categories listed equities, externally managed assets and index-related instruments. An explanation of the procedures for each category is detailed below.

THE COMPANY'S APPROACH TO RESPONSIBLE INVESTMENTS

1. Equities

The Company's work with responsible investments regarding direct investment in Swedish or foreign listed equities is based on three overall strategies:

1.1 Active Engagement

Through dialogues, the Company wants to encourage other companies to be compliant with international norms and conventions and manage their business in a more sustainable manner. The

Company will engage for positive outcomes with the ambition of aligning corporate outputs with the United Nations' Sustainable Development Goals (SDGs). The engagement may be exercised either independently or together with other shareholders or organisations, by one or several of the following activities; engagement in board recruitment processes, participation and voting at general meetings and various types of constructive dialogues with, among others, the management of the company, ESG-teams, other investors and partners.

1.2 Inclusion

The inclusion strategy focuses on the potential impact of environmental, social and governance (“ESG”) issues on companies. The Company will include companies where possibilities exist for improvement and where there are opportunities to engage.

1.3 Exclusion

The Funds do not invest in companies that do not show a willingness to comply with the Company's implementation of the Policy or where the Company deems that the companies are not likely to address the problematic issues stated below within an acceptable amount of time.

- Companies that manufacture, modernize, sell or buy products that are specially designed for controversial weapons or nuclear weapons
- Companies where more than 30% of their sales come from coal mining
- Companies that produce pornographic material
- Companies that violate international norms and conventions related to the environment, human rights, labour rights and business ethics, e.g. the UN Global Compact and the OECD guidelines for multinational companies

2. Externally managed assets

The Company's responsible investment activities are based on the sustainability analysis developed by Söderberg & Partners Securities AB. All grades are based on the group-wide Traffic Light system, where a fund can receive a red, a yellow or a green grade.

The sustainability rating is based on two parameters; Positive screening and Responsible ownership. A high grade in both parameters is required for a fund to receive a green grade.

Green grades are awarded to funds whose managers have tools and incentives for selecting sustainable companies and engaging actively. A yellow rating indicates that the fund manager has sufficient tools to select sustainable companies, or alternatively to try to influence companies that are not considered as being particularly sustainable. A red grade implies that the fund has less prerequisites and primarily conducts a reactive impact work.

To obtain the analytical framework, publicly available material is used, and surveys are sent to fund managers with questions about their sustainability work. The answers are often followed by additional queries and meetings are held to discuss the answers when needed.

The aggregated rating (Responsible ownership and Positive screening) is used in the investment decision when selecting and evaluating a fund manager and a fund. In existing investments, a systematic annual follow-up is conducted in combination with a discussion with fund managers or sustainability analysts.

2.1 Positive Screening

Positive screening assesses the fund manager's internal processes and incentives to select companies that have a high sustainability performance. The fund manager's access to sustainability analysis and data to make informed choices is taken into consideration, and their incentives to actively use and integrate this information into the investment process

The grade Positive screening is based on the following criteria:

- Access to sustainability analysis
- Integration of sustainability analysis
- Education for sustainability
- Incentives and follow-up work on the fund's holdings
- Potential sustainability theme

2.2 Responsible Ownership

Responsible ownership assesses how the fund managers as owners try to influence companies in a more sustainable direction. The sustainability analysis assesses the number of impact dialogues conducted, ESG issues and if the dialogues are held in the regions which the fund is invested in.

The grade Responsible ownership is based on the following criteria:

- Identification and prioritization of proactive engagement work
- Engagement dialogues
- Collaborations

2.3 Exclusion

The Funds do not invest indirectly in companies that do not show a willingness to comply with the Company's implementation of the Policy or where the Company deem that the companies are not likely to address the problematic issues stated below within an acceptable amount of time.

- Companies that manufacture, modernize, sell or buy products that are specially designed for controversial weapons or nuclear weapons
- Companies where more than 30% of their sales come from coal mining
- Companies that produce pornographic material
- Companies that violate international norms and conventions related to the environment, human rights, labour rights and business ethics, e.g. the UN Global Compact and the OECD guidelines for multinational companies

Should the monitoring show that the management of the underlying fund fails to perform on issues related to ESG, the Company shall act by taking one or several of the following measures, (1) engage with the management of the fund or (2) sell its holdings.

3. Index-related instruments

The Company's investments in index-related instruments such as equity index futures, Exchange traded funds (ETFs) or index funds are based on a predefined index where the instruments' main objective is to generate a return in line with the index. The Company considers the Sustainability rating developed by Söderberg & Partners Securities AB when selecting these instruments. When

instruments are available that are deemed to have a sustainability level that is in accordance with this Policy, those alternatives are preferred.

4. Transparency

More information about responsible investments and the Funds' key investor information documents (KIID) and information prospectus are available on www.soderbergpartners.lu.

The Company's main product groups:

Proaktiv

The Funds Contrarian, Proaktiv and Tillväxt are global fund-of funds with holdings in other funds, ETFs and equity index futures. The asset management is based on a risk control model that limits the downside in a downward stock market.

Alternative

The Funds Alternative are global fund-of funds with holdings in other funds, ETFs and equity index futures, where the management tries to maximize risk-adjusted returns by focusing on diversification and optimization between assets.

Aktiv Påverkan

The Funds Aktiv Påverkan are global fund-of funds with holdings in other funds, ETFs, equity index futures and direct investment in equities. The management tries to maximize risk-adjusted returns by focusing on diversification between asset classes with a strong focus on sustainability.

United Nations Principles for Responsible Investment:

1. We will incorporate ESG issues into the investment analysis and decision-making process.
2. We will be active owners and incorporate ESG issues into our investment policies.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the financial sector.
5. We will cooperate to enhance our effectiveness in implementing the Principles.
6. We will report on our activities and progress towards implementing the Principles.