

PRODUCT DISCLOSURE PURSUANT TO SFDR ARTICLE 10

This website product disclosure has been prepared by Aeternum Management AS (the "**Manager**" or "**Aeternum**") in accordance with the Regulation (EU) 2019/2088 Sustainable Finance Disclosure Regulation ("**SFDR**") Article 10(1) and the draft Regulatory Technical Standards ("**Draft RTS**") issued by the European Supervisory Authorities Article 32. According to Article 32 it is a requirement to include the information referred to in Articles 33 to 44 of the Draft RTS (dated 2 February 2021¹, see also the Draft RTS dated 22 October 2021²) when publishing the information referred to in Article 10(1) of the SFDR on Aeternum's webpage. Please note that the Draft RTS has currently not been implemented, and therefore not all of the below mandatory product disclosures are fully set out by the Manager in the below table. However, the Manager intends to complete and disclose all relevant information going forward and when the Draft RTS has been fully implemented in Norway.

Product disclosures (cf. Article 32 of the Draft RTS)	
Summary	The Manager will provide a summary in accordance with Article 32 of the Draft RTS when implemented.
No sustainable investment objective	This financial product, Aeternum Capital AS (the " Fund "), promotes environmental or social characteristics in accordance with the SFDR Article 8, but does not have as its objective a sustainable investment.
Environmental or social characteristics of the financial product	The Fund promotes E/S characteristics through a host of environmental, social and governance (" ESG ") enhancement initiatives. Specifically, the Fund seek to initiate board discussions in portfolio companies regarding business strategy impact on environment. This involves, among other things, focus on the portfolio companies' management of waste and hazardous waste and implementation of procedures for measurement and reduction of emission (e.g. by encouraging or assist its portfolio companies in the establishment of emission targets and internal guidelines in this regard). For social characteristics, the Fund aim to promote a sound work environment that encourages diverse work styles and human resource development in its portfolio companies.
Investment strategy	<p>The Manager intends to achieve the Fund's objective based on research and due diligence skills, portfolio management skills and risk management skills of the Manager. The Manager has developed a structured investment process in order to seek an efficient and fact-based decision making.</p> <p>As part of the investment research process the Manager analyses various ESG factors such as how Aeternum can reduce its environmental load, coexist with local communities where the Fund invest and operate its assets, contribute to solving social issues and achieve healthy growth. The Manager will consider these ESG factors throughout an asset's lifecycle even after its acquisition or investment decision by analysing how to prioritize, act and monitor the sustainability performance of its assets and actively collaborate with its portfolio companies in such matters.</p>

¹ https://www.esma.europa.eu/sites/default/files/library/jc_2021_03_joint_esas_final_report_on_rts_under_sfdr.pdf

² https://www.esma.europa.eu/sites/default/files/library/jc_2021_50_-_final_report_on_taxonomy-related_product_disclosure_rts.pdf

<p>Proportion of investments</p>	<p>Currently the Manager has not decided the minimum proportion of the investments of the financial product used to attain the environmental or social characteristics promoted by the Fund in accordance with the Draft RTS Article 16. However, the Manager intends to assess and decide such minimum proportion of the investments when the Draft RTS is implemented.</p>
<p>Monitoring of environmental or social characteristics</p>	<p>The Manager intends to assess, on an ongoing basis, how and to what extent environmental or social characteristics are integrated into the Funds investment decisions.</p> <p>As part of such monitoring of investments, the Manager intends to assess whether any changes or amendments should be made to the Check List (as defined below under "Due Diligence"). Further the Manager will assess whether any measures needs to be implemented in order for the Manager to be compliant with regulatory requirements under the SFDR applicable at that time, or other relevant regulation and/or internal policies.</p>
<p>Methodologies</p>	<p>The Manager has developed policies and procedures to ensure that the companies the Fund invests in meet Aeternum's expectations of ESG performance, and the Manger will ensure that sustainability risks are an integrated part of the investment processes and decisions.</p> <p>The Manager measure the attainment of the social or environmental characteristics promoted by the Fund and it uses its own procedures, policies and metrics to assess the adverse impacts of investment decisions on sustainability factors which to not align with those prescribed under Article 4 of the SFDR. This is due to, inter alia, the regulatory uncertainty related to the Draft RTS. It is expected that consideration of principal adverse impacts within the meaning of SFDR will require collecting, measuring, validating and reporting correct and precise data on a number of mandatory sustainability indicators, whereas this information may not be readily available. The Manager will on an ongoing basis reassess its position on whether to consider principal adverse impacts on sustainability factors within the meaning of SFDR, based on the availability of relevant data from the portfolio investments.</p> <p>The Manager actively manages the Fund's portfolio and the assessment of sustainability risks is part of the investment decision process together with traditional financial factors, such as risk and valuation metrics. How sustainability risks are integrated differs among the Fund's investments, as the materiality of the sustainability risk will vary depending on investment strategy, asset class, client objectives, and market trends.</p>
<p>Data sources and processing</p>	<p>The Manager uses various data sources to attain the environmental or social characteristics promoted by the Fund. Mostly such data/ information is received directly from the portfolio companies and then processed by the Manager's investment team, both prior to an investment and during the lifecycle of the Fund. As most of the underlying portfolio companies where the Fund invests do not report specifically on ESG factors and ESG performance the Manager must gather such information as part of the investment</p>

	<p>process. Currently the Manager take all reasonable measures to ensure data quality and sound processing of data and information. The Manager has general routines in place for handling and processing of data. The Manager assume that the estimated proportion of data in connection with investments will increase, especially ESG related data, and that it will be easier to obtain and measure ESG relevant data received from portfolio companies during the time to come and when the SFDR and the taxonomy regulation has been fully implemented in EU/EEA and in Norway.</p>
<p>Limitations to methodologies and data</p>	<p>Even though there are limitations to the methodologies and data sources, as referred to above, such limitations do not affect the attainment of the environmental or social characteristics promoted by the Fund. The Manager intend to implement internal procedures to address any such limitations and how and when actions should be made when the Draft RTS is implemented.</p>
<p>Due diligence</p>	<p>The Manager will conduct an initial screening process prior to an investment by the Fund by implementing an ESG scoring system (that also reflect the sustainability risks identified by the Manager). The Manager has prepared an ESG due diligence check list ("Check List"). In order to conduct an initial high-level assessment of sustainability risks associated with each planned investment. The pre-investment process covers risks related to the environment, climate, working conditions, human rights, labour rights, corruption, money laundering, and more.</p> <p>The Manager will assess whether the potential investment falls within the ambit of the Fund's investment mandate, including assessing whether the potential acquisition is compatible with the environmental and social characteristics promoted by the Fund and applicable internal policies.</p> <p>If deemed necessary, based on the nature, art and scope of a potential investment, the Manager may consider external ESG due diligence support on a base-by-case basis.</p>
<p>Engagement policies</p>	<p>Currently the Manager does not consider engagement as part of the environmental or social investment strategy, however the Manager will consider implementation of management procedures applicable to sustainability-related controversies in investee companies.</p>
<p>Where an index is designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product, 'Designated reference benchmark'</p>	<p>Currently no index has been designated as a reference benchmark.</p>