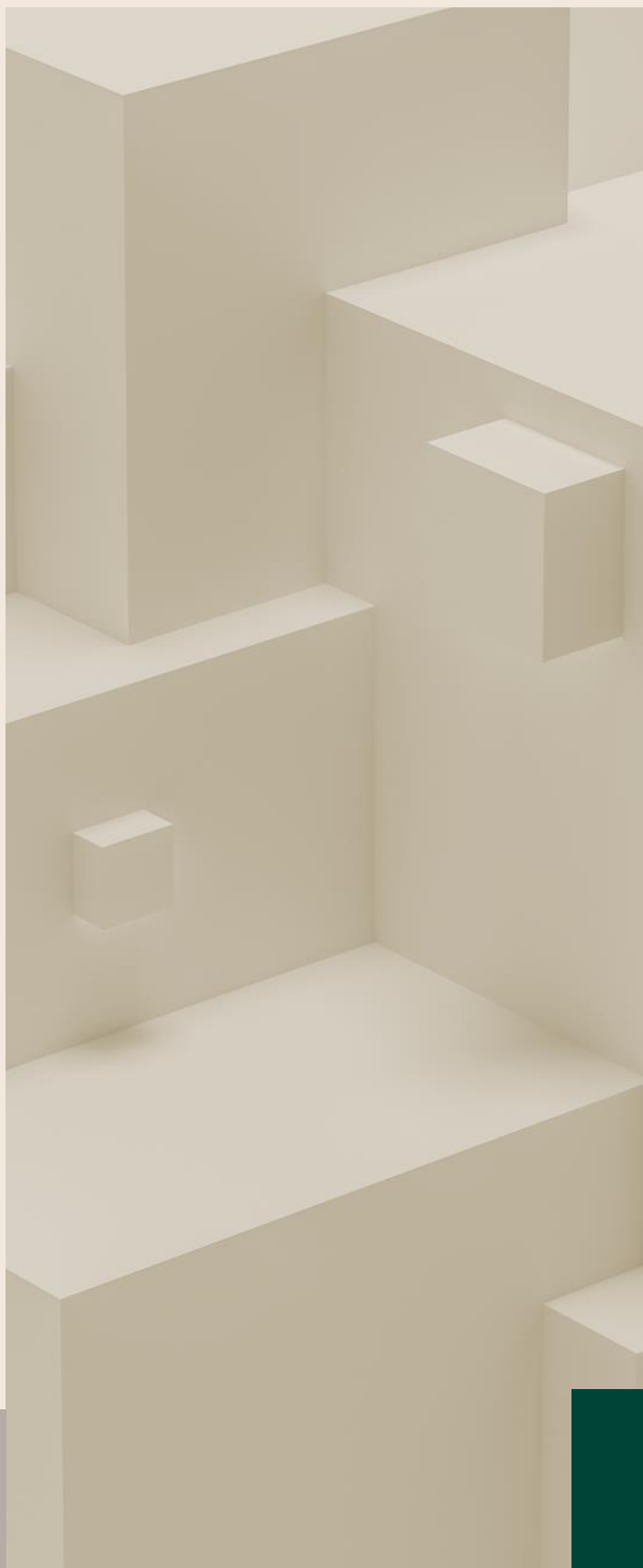


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ACTIVE OWNERSHIP POLICY.

Last updated August 2023



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1. Introduction

Aeternum Management AS (the “**Manager**”) has adopted this policy (the “**Active Ownership Policy**”) to be of guidance for the management of Aeternum Capital AS (the “**Fund**”). Active ownership is an important part of responsible investing. Aeternum’s approach to responsible investing is found in (the “**Responsible Investment Policy**”) and is integrated in the investment and engagement processes. This document provides a general overview of the Manager's approach to integrate active ownership into the Fund's investment strategy, including but not limited to the following:

- a) *Objective and active ownership integration*
- b) *Monitoring of portfolio companies;*
- c) *Exercising rights as shareholder;*
- d) *Dialogue and engagement in portfolio companies;*
- e) *Cooperation and communication with other shareholders/stakeholders;*
- f) *Minimize conflicts of interests related to active ownership.*

The Chief Executive Officer of the Manager is overall responsible for the Active Ownership Policy, however, all Investment Directors and Managers must adhere to the Policy and are responsible for leading the active ownership agenda of their portfolio companies. The Manager reports on its active ownership activities in the Fund’s Annual Investor Report.

In short, we seek to use our influence to

- vote on all general meetings
- engage with company management ad hoc and at least once a year.
- engage with the board to contribute to company strategy.
- work towards a well-functioning and systematic process in nomination committee work.

2. Objective and scope of integration in the investment strategy

The main objective of the Fund is to seek long term capital appreciation for the investors of the Fund, although the Fund’s mandate gives the Manager flexibility in terms of ownership stake and time horizon. The Manager’s believes in active ownership and that a long-term approach is key, and therefore seek to invest, support and build companies with the mind-set of a perpetual owner.

The Manager has an active ownership agenda for each portfolio company and performs its active ownership through monitoring, dialogue and exercising shareholder rights. The level of engagement beyond this depends on the manager's assessment of the upside potential, and the Manager will thus allocate time and efforts towards these companies. In addition to considering the operational potential, aspects such as size in portfolio and the Fund’s relative ownership are relevant. Select companies are labelled ‘Strategic Investments’ and typically require a deeper level of engagement and commitment.

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3. Monitoring

The Manager aims to support the portfolio companies in the relevant areas where needed. The Manager monitors the companies on an ongoing basis, ranging from financial reporting and sustainability matters to management changes and other events. The information is usually obtained directly from the company or via service providers such as Bloomberg, FactSet, ISS etc. The responsible investment director will be carrying out the active ownership agenda. The Investment director will share progress and/or issues at the weekly team meeting and in more detail as part of quarterly portfolio update.

4. Exercising rights as shareholder

The Manager will, from time to time, be a substantial owner in several companies. The Manager will in this capacity seek to exercise its influence by way of dialogue with these companies. As a long-term active owner, the Manager will seek to exercise its voting rights as a shareholder. The Manager may employ ISS Proxy Voting Services, or a similar service provider, to assist in this respect.

5. Dialogue and engagement

The Manager primarily engage with portfolio companies in four ways; through the Nomination Committee, the Board, at General Meetings, and through Dialogue. The latter is done with all portfolio companies, and is an important part of the Manager's strategy. As an active owner, the Manager seeks to vote on all General Meetings. The involvement in Board and Nomination committees depend on the Fund's influence. If the company is considered a Strategic Investment the Manager participate in Boards and Nomination committees directly or via members of the Advisory Board.

Dialogue is an important part for the investment strategy, and can be divided into two types; continuous dialogue and event-driven dialogue. The former relates to discussions of the company strategy, targets, sustainability, and corporate development in general. The dialogue is typically done via meetings, on site visits, IR-events etc. The meetings help the Manager in identifying areas where the Manager can provide relevant competence or support for the company. The event-driven dialogue is related to a specific event that requires action. Examples are new business risk, ESG incidents, rights issue, acquisitions, etc. Aeternum will engage and evaluate the situation with the intention of maximising long-term value creation.

6. Cooperation and communication

The Manager will seek to collaborate and communicate with founders and other shareholders and stakeholders to receive relevant information for the Manager's active ownership agenda and to ensure the best possible long term conditions for the company.

7. Managing and preventing conflicts of interest

The Manager has established an '*Instruction on Managing Conflicts of Interest*'. It states that the Manager shall act in the best interests of funds under management, their investors and the clients, and act honestly, fairly and professionally. These principles are also applicable for the Manager's approach to manage and prevent conflicts of interest when performing active ownership. As a precautionary step the employees of the Manager are not allowed to own shares in listed companies in the Nordics. Employees should neither engage in Boards if the Fund is not a shareholder in the company.