

Policy for responsible investments

THIS POLICY WAS ADOPTED BY THE BOARD OF DIRECTORS of Söderberg & Partners Asset Management S.A. (the **"Company"**) on 10 December 2018. The policy refers to the investments in each fund managed by the Company. The Board regularly reviews the policy.

The Söderberg & Partners group (**"Söderberg & Partners"**) believes that companies which conduct their business in a responsible and sustainable manner will benefit both their customers and the society.

Sustainability is an integral part of Söderberg & Partners' corporate culture, and both advisory services and asset management are based on Söderberg & Partners' Responsible investment policy. The policy requires sustainability considerations in analyses, advisory tools and education. Sustainability refers to the environment, climate, human rights, labour standards and business ethics, and is based on international norms.

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

EXTENT OF THE POLICY

The policy covers the Company's direct investment in Swedish and foreign equities. In the case of indirect investments such as holdings in funds and derivatives, the policy is applied to the most extensive consideration possible.

RESPONSIBLE INVESTMENTS IN PRACTICE

The Company's responsible investment activities differ between the categories: equities, funds and indices. An explanation of the procedures for each category is found below.

1. EQUITIES

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

Active engagement

Inclusion

Exclusion

1.1 ACTIVE ENGAGEMENT

Through dialogues, we want to encourage other companies to be compliant to international norms and conventions and manage their business in a more sustainable manner. We will engage for positive outcomes with the ambition of aligning corporate outputs with the United Nations Sustainable Development Goals (SDGs). Through surveys and other means, our customers will choose which questions that are most important to them. We will engage through shareholding and cooperation with other asset managers.

1.2 INCLUSION

The inclusion process focuses on the potential impact of ESG issues on companies. We will include companies where we see possibilities for improvement and where we find opportunities to engage.

1.3 EXCLUSION

The Company does not invest in companies associated with the following business activities:

- Companies that manufacture, modernize, sell or buy products that are specially designed for cluster bombs, anti-personnel mines, chemical and biological weapons and nuclear weapons
- Companies where more than 30% of their sales come from coal mining
- Companies that produce pornographic material

2. FUNDS

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

The sustainability rating is based on the potential impact and the rating for funds is therefore 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 try to influence those companies that are not considered as having an equally beneficial impact. 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 questions and when needed meetings are held to discuss the answers with the fund manager.

2.1 POSITIVE SCREENING

Positive screening assesses the fund manager's internal processes and incentives to select companies that have high sustainability performance. This considers if the fund managers have access to sustainability analysis and data to make informed choices, and if they have incentives to actively use and integrate this information into the investment process. Some also have funds that appear as particularly sustainable, either by having specific sustainable investment requirements or by having a thematic investment positioning.

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, for example through proactive impact dialogues with corporate representatives and through industry cooperation. Proactive impact work means that the fund manager not only follows up when an event already has occurred, but also works proactively to identify risks and passive companies from a sustainability perspective. The sustainability analysis assesses the number of impact dialogues conducted, the areas environmental, social or governance issues and if the dialogues are held in the regions in 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

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

3. INDEX

The Company's investments in index-related instruments such as equity index futures, ETFs or index funds are based on a predefined index where the instruments main objective is to generate a return in line with this index. When selecting indices, the Company uses Söderberg & Partners' Sustainability analysis. In cases where there are no indices with sustainability aspects, discussions and impact work are being conducted against the index providers to develop indices with sustainability aspects.

TRANSPARENCY

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

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.