

Maj Invest Equity | Responsible Investment Policy

This policy outlines the Responsible Investment Policy of Maj Invest Equity A/S (Maj Invest Equity).

Our primary responsibility as manager is to secure the best possible return for our clients while protecting and enhancing the value of the companies in which we invest. In this role, we also believe that environmental, social and governance (ESG) factors can affect the performance of the investment portfolios. Therefore, and where consistent with our responsibilities, we are committed to incorporating ESG standards into our investment criteria.

Maj Invest Equity is a signatory to the UN-backed Principles for Responsible Investment, PRI, outlining our commitment as investment manager. The PRI is a set of six principles that encourage the adaption of ESG issues in the investment analysis of companies.

Additionally, Maj Invest Equity is a member of the Danish Venture Capital and Private Equity Association (DVCA) which has a set of guidelines on fund management and ownership practices ensuring high ethical standards and transparency in the private equity funds.

Approach

Our responsible investment principles are based on the ten principles of the UN Global Compact which is a framework applicable to all industry sectors based on international conventions covering areas within human rights, labour rights, the environment, anti-corruption and corporate governance. An ESG analysis is incorporated in our investment criteria and as part of the initial due diligence conducted prior to investment in a company, Maj Invest Equity focuses on ESG factors and potential risks of the company. The companies' policies, commitment to reporting and approach to improving on ESG factors will also be taken into account.

Practices as manager

Maj Invest Equity continuously follows up on any existing and/or potential ESG risks during the entire investment period. We monitor the portfolio companies' ESG performance through board participation, visits, reporting and ongoing dialogue with the companies. If a company should be found to be in severe incompatibility with the present policy, Maj Invest Equity will

engage in dialogue with the management of the company as well as other shareholders and strongly encourage working towards compliance and develop a plan for implementation of improvements. If dialogue and/or other measures do not result in improvement, Maj Invest Equity may as a last result choose to divest the company.

Reporting

On an annual basis we report our ESG progress and activities through the PRI reporting and assessment survey. The PRI Transparency report is published on our website. In addition, we report on our ESG progress on an annual basis to clients as well as upon request.