

Product name: DRIV Kapital Fund II AS (the **Fund**)

1. Summary

DRIV is committed to developing profitable companies in a responsible, ethical and transparent manner. DRIV considers responsible investment as an obligation towards our investors and the society at large, and is conscious of the impact private equity can have on the environment and social justice. In the course of our business conduct, DRIV is strongly committed to promoting sound principles for the protection of the environment, social responsibility and proper governance practices.

DRIV will seek investments where it sees an actual or potential meaningful contribution towards one or more of the United Nations Sustainable Development Goals (SDGs). When analysing investment opportunities, DRIV will assess whether the potential investment contributes to one or more of the SDGs, or has the potential to contribute to the SDGs under DRIV's active ownership.

All potential investments contemplated by DRIV will be subject to a rigorous due diligence process, including financial and tax, legal and ESG due diligence. In carrying out the positive screening for meaningful contribution to the SDGs and negative screening to ensure no investments violate the exclusion criteria of the Fund, DRIV will make use of an ESG Questionnaire. The ESG Questionnaire includes questions related to environmental, social and employee matters, respect for human rights and anti-corruption and anti-bribery matters as well as other governance topics.

Through the due diligence process, the Manager will assess a company's governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. In assessing good governance practices, the Manager will make use of the financial and tax and legal due diligence provided by external advisors, as well as the ESG Questionnaire. The Manager will also engage on governance topics directly with a potential portfolio company's management, thereby ensuring all aspects of good governance practices are evaluated prior to making the investment decision.

DRIV will be active owners in the companies in which the Fund invests. When DRIV partners with a portfolio company, a value creation plan will be established. The value creation plan will include tangible ESG-related targets and actions for each portfolio company, tailored to the company's business operations and their alignment with the SDGs. Based on the value creation plan, DRIV will take an active approach to drive enhancement on ESG performance in portfolio companies. DRIV will assist portfolio companies in reaching their targets by identifying and implementing measures to mitigate adverse impacts on sustainability factors, and capitalize on ESG opportunities.

All investments made by the Fund will be aligned with the environmental and social characteristics promoted by the Fund.

The methodology used for monitoring of environmental and social characteristics will primarily be by requiring portfolio companies to measure and report on predefined ESG related targets and actions, which will allow DRIV to assess progress on the sustainability indicators used by the Fund to measure attainment of the environmental and social characteristics. Data sources used will primarily be gathered directly from the portfolio companies. Limitations to the methodology and data is expected primarily to be lack of processes, resources or knowledge to measure and report relevant data within the portfolio companies. However, this is not expected to impact the Fund's attainment of its environmental and social ambitions.

Translations of this summary can be found in Annex 1.

2. No sustainable investment objective

This financial product promotes environmental and social characteristics, but does not have as its objective a sustainable investment.

3. Environmental and social characteristics of the financial product

DRIV will seek investments where it sees an actual or potential meaningful contribution towards one or more of the United Nations Sustainable Development Goals (SDGs). When analysing investment opportunities, DRIV will assess whether the potential investment contributes to one or more of the SDGs, or has the potential to contribute to the SDGs under DRIV's active ownership.

DRIV has identified eight non-exhaustive focus areas with accompanying targets in which the Fund, based on its investment strategy, is positioned to make a meaningful positive contribution:



Target 1: Decrease sick leave

Target 2: Increase employee satisfaction

 	<p>Target 3: Eliminate discrimination</p> <p>Target 4: Ensure equal opportunities</p>
	<p>Target 5: Promote job creation</p> <p>Target 6: Promote safe and secure working environment for all workers</p>
	<p>Target 7: Use digitalization to increase resource-use efficiency and adoption of environmentally sound technologies and processes</p> <p>Target 8: Support technology development, research and innovation</p>
	<p>Target 9: Reduce waste generation through prevention, reduction, recycling and reuse</p>
	<p>Target 10: Reduce energy consumption</p> <p>Target 11: Increase share of renewable energy</p>
	<p>Target 12: Promote responsible investments</p>

In addition to sourcing investments that are aligned with the SDGs, DRIV will not make investments that are not aligned with its investment philosophy. As such, the Fund will not invest in companies that:

- (a) produce, distribute, market or sell weapons that violate fundamental humanitarian principles through their normal use;
- (b) produce pornographic material;
- (c) produce tobacco;
- (d) produce alcoholic beverages intended for human consumption;
- (e) is engaged in prostitution or the sex industry;
- (f) is primarily engaged in gambling;
- (g) is a mining company or power producer which themselves or through entities they control derive income from thermal coal or base their operations on thermal coal;
- (h) is engaged in oil and gas exploration;
- (i) contribute to or is responsible for:
 - (i) serious or systematic human rights violations;
 - (ii) serious or systematic violations of the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work;
 - (iii) severe damage to biodiversity;
 - (iv) severe environmental damage; or
 - (v) gross corruption.

4. Investment strategy

The objective of the Fund is to achieve capital growth by making equity and equity-related investments in small and mid-sized companies within the business software, business services and consumer sectors.

Through the due diligence process, DRIV will assess the Company's governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. In assessing good governance practices, the Manager will make use of the financial and tax and legal due diligence provided by external advisors, as well as the ESG Questionnaire. The Manager will also engage on

governance topics directly with a potential portfolio company's management, thereby ensuring all aspects of good governance practices are evaluated prior to making the investment decision.

5. Proportion of investments

All investments made by the Fund is expected to be aligned with the environmental and social characteristics promoted by the Fund.

6. Monitoring of environmental and social characteristics

Monitoring of environmental and social characteristics will primarily be done through close dialogue between DRIV and the portfolio companies. DRIV will continuously work with the portfolio companies on delivering on the value creation plan, including the ESG related targets and actions. DRIV will further assist portfolio companies in establishing processes for monitoring of the targets and accompanying sustainability indicators.

7. Methodologies

The methodology used for monitoring of environmental and social characteristics will primarily be by requiring portfolio companies to measure and report on predefined ESG related targets and actions, which will allow DRIV to assess progress on the sustainability indicators used by the Fund to measure attainment of the environmental and social characteristics.

8. Data sources and processing

Data sources used will primarily be gathered directly from the portfolio companies. DRIV will process and perform a quality check of the data gathered, and engage with the portfolio companies if data is lacking or not of sufficient granularity or quality. Data will be processed internally.

9. Limitations to methodologies and data

Limitations to the methodology and data are expected primarily to be lack of processes, resources or knowledge to measure and report relevant data within the portfolio companies. DRIV will address these limitations by actively assisting portfolio companies in this effort. DRIV expects the proportion of data that will need to be estimated to be low. DRIV does not expect that limitations to methodologies and data will impact the attainment of the environmental and social characteristics of the Fund, as DRIV will be working closely with the portfolio companies on any challenges that are identified.

10. Due diligence

All potential investments contemplated by DRIV will be subject to a rigorous due diligence process, including financial, legal and ESG due diligence. In carrying out the positive screening for meaningful contribution to the SDGs and negative screening to ensure no investments violate the exclusion criteria of the Fund, DRIV will make use of an ESG Questionnaire. The ESG Questionnaire includes questions related to environmental, social and employee matters, respect for human rights and anti-corruption and anti-bribery matters as well as other governance topics. Through the ESG Questionnaire, DRIV will identify any ESG-related concerns or sustainability risks

which may require further investigation. The results from the ESG Questionnaire form the basis for the value creation plan that is established for each company in order to further enhance ESG performance.

Through the due diligence process, DRIV will assess whether the investment opportunity is aligned with the environmental and social characteristics promoted by the Fund, namely whether the investment provides a meaningful contribution to the SDGs, or has the potential to do so through DRIV's active ownership. If an investment does not provide a meaningful contribution, or has the potential to do so, to the SDGs, DRIV will not make the investment.

11. Engagement policies

As a private equity asset manager, DRIV will be active owners in the companies in which the Fund invests. When DRIV partners with a portfolio company, a value creation plan will be established. The value creation plan will include tangible ESG-related targets and actions for each portfolio company, tailored to the company's business operations and their alignment with the SDGs. Based on the value creation plan, DRIV will take an active approach to drive enhancement on ESG performance in portfolio companies. DRIV will assist portfolio companies in reaching their targets by identifying and implementing measures to mitigate adverse impacts on sustainability factors, and capitalize on ESG opportunities.

Through close dialogue and active engagement with portfolio companies, DRIV will continuously follow-up on any ESG-related issues or concerns. Progress on the ESG-related targets will be monitored and addressed by requiring portfolio companies to report regularly on predefined ESG-related targets for each company.

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Version	Changes	Date
1	Publication of disclosure	02/07/2024

Annex 1 – translations of summary section

Norwegian

DRIV søker å utvikle lønnsomme selskaper på en ansvarlig, etisk og gjennomiktig måte. DRIV ser på ansvarlige investeringer som en forpliktelse overfor våre investorer og samfunnet for øvrig, og er bevisst på den innvirkningen private equity kan ha på miljøet og sosial rettferdighet. Som ledd i vår forretningsførsel har DRIV et sterkt fokus på å fremme solide prinsipper for beskyttelse av miljøet, sosialt ansvar og god styringspraksis.

DRIV vil søke investeringer med en faktisk eller potensiell mulighet til et meningsfullt bidrag til ett eller flere av FNs bærekraftsmål (SDG-ene). Ved analysering av investeringsmuligheter, vil DRIV vurdere om den potensielle investeringen bidrar til ett eller flere av SDG-ene, eller har potensial til å bidra til SDG-ene under DRIVs aktive eierskap.

Alle potensielle investeringer som vurderes av DRIV, vil være underlagt en grundig due diligence-prosess, inkludert finansiell og skattemessig, juridisk og ESG-due diligence. I utførelsen av positiv screening tilknyttet meningsfullt bidrag til SDG-ene og negativ screening for å sikre at ingen investeringer bryter med fondets eksklusjonskriterier, vil DRIV bruke et ESG-spørreskjema. ESG-spørreskjemaet inkluderer spørsmål relatert til miljømessige-, sosiale- og ansatte-saker, respekt for menneskerettigheter og bekjempelse av korrupsjon og bestikkelser, samt andre eierskapstemaer.

Gjennom due diligence-prosessen vil Forvalter vurdere et selskaps styringspraksis, spesielt med hensyn til solide ledelsesstrukturer, ansattes relasjoner, ansattes godtgjørelse og skatteoverholdelse. I vurderingen av god styringspraksis vil Forvalter bruke den finansielle og skattemessige og juridiske due diligence som er levert av eksterne rådgivere, samt ESG-spørreskjemaet. Forvalteren vil også engasjere seg direkte i styringstemaer med ledelsen i det potensielle porteføljeselskapet, og dermed sikre at alle aspekter av god styringspraksis vurderes før investeringsbeslutningen tas.

DRIV vil være aktive eiere i selskapene Fondet investerer i. Når DRIV samarbeider med et porteføljeselskap, vil det bli etablert en verdiskapningsplan. Verdiskapningsplanen vil inkludere håndgripelige ESG-relaterte mål og tiltak for hvert porteføljeselskap, tilpasset selskapets forretningsdrift og deres samstemthet med SDG-ene. Basert på verdiskapningsplanen vil DRIV ta en aktiv tilnærming for å drive fremgang på ESG-ytelse i porteføljeselskapene. DRIV vil bistå porteføljeselskapene med å nå sine mål ved å identifisere og implementere tiltak for å redusere negative påvirkninger på bærekraftfaktorer, og utnytte ESG-muligheter.

Alle investeringer gjort av fondet vil være i tråd med de miljømessige og sosiale egenskapene som fremmes av fondet.

Metodikken som brukes for overvåkning av miljømessige og sosiale egenskapene vil først og fremst være ved å kreve at porteføljeselskapene måler og rapporterer om

forhåndsdefinerte ESG-relaterte mål og tiltak, noe som vil tillate DRIV å vurdere fremgang på bærekraftindikatorne som brukes av fondet for å måle oppnåelsen av de miljømessige og sosiale egenskapene som fremmes. Datakilder som brukes vil primært bli samlet direkte fra porteføljeselskapene. Begrensninger til metodikken og data forventes først og fremst å være mangel på prosesser, ressurser eller kunnskap for å måle og rapportere relevant data innenfor porteføljeselskapene. Dette forventes imidlertid ikke å påvirke fondets oppnåelse av sine miljømessige og sosiale ambisjoner.