



Enviromental, social and governance policy

Introduction

This Environmental, Social and Governance (ESG) Policy has been adopted by Driv Kapitalforvaltning AS (**Driv**). The purpose of the ESG Policy is to function as a foundation for Driv's approach to ESG in all phases of our business operations and to demonstrate Driv's commitment to responsible investment.

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.

This ESG Policy is applicable to all funds managed by Driv and all investments made by funds under management.

Driv's commitments to ESG

Driv's commitment to contribute towards a more environmentally and socially sustainable society starts within our own operations.

We will seek to minimize the environmental impact of our business operations, foster a culture whereas employees are conscious of their environmental footprint, and assess the environmental aspects of our decisions.

It is a part of Driv's core organizational values to be a responsible employer and promote social responsibility, equal opportunity and diversity.

Driv will act with integrity and transparency in all business operations, and promote fair business practices in the entire value chain. Driv has a zero tolerance for corruption, fraud and other illegal business practices.

As a private equity asset manager, Driv's main potential for positive contribution to ESG factors is within our investment operations. Being a responsible investor, Driv commits to

1. Incorporate ESG factors into investment analyses and decision-making processes
2. Be an active owner and incorporate ESG issues into our ownership policies and practices
3. Seek appropriate disclosure on ESG issues by the entities which we invest

ESG considerations in our investment decisions

ESG considerations are an integral part of our investment process, from deal sourcing, through due diligence and in making the investment decision.

Driv's approach to integrating ESG considerations in the investment process includes both a positive and a negative screening to assess whether potential investments are aligned with our values.

As a starting point, Driv will seek investments where we see an actual or potential meaningful contribution towards one or more of the United Nations Sustainable

Development Goals (**SDGs**). When analyzing 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 will not make investments that are not aligned with Driv's investment philosophy. As such, Driv will conduct a negative screening to ensure Driv does 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

In carrying out the positive and negative screening, Driv will make use of an ESG Questionnaire, which includes questions related to environmental, social and governance topics. Through the ESG Questionnaire, Driv will identify any ESG-related concerns which may require further investigations. 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.

Prior to making the final investment decision, the Investment Committee will review the investment proposal and assess whether the potential investment is aligned with the ESG Policy.

ESG in our ownership practices

As a private equity asset manager, Driv will be an active owner in the companies in which we invest. 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. 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.

Reporting

Driv will report on progress made on the predefined ESG-related targets in annual reports for funds under management.

Responsibilities

The CEO of Driv is the ultimate responsible for adhering to the commitments set out in this ESG Policy.

Review

This ESG Policy has been adopted by the Board of Directors and will be reviewed annually.

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