

Sustainability policy for CB Asset Management AB

with respect to CB Asset Management AB, hereinafter referred to as the Company.

1. Financial sustainability

The Company's financial position.

Background

The Company operates in asset management, which in nature is a solid business since no large investments are required and the business is not exposed to any significant financial risk. Since its inception in 1994, CB Asset Management has generated a profit every fiscal year.

Purpose

Generating a profit is essential in order to be a stable player to each of the Company's stakeholders: investors, employees, owners, service providers, product suppliers and others. Long-term financial responsibility and economic proactivity are thus key factors to achieve and maintain financial sustainability.

Goals

- To operate a debt free and financially stable business
- To generate a profit every year

Principles

- Every employee acts thoughtfully and diligently in order to maximize the return on capital and to never cause the Company any unnecessary costs.
- No individual investment or expense can be of a nature where it poses a risk to the Company's financial health.

2. Social sustainability

Employee conditions, satisfaction and health

Purpose

CB Asset Management AB strives to be a long-term attractive employer. We support each other so that every employee can use their skills in the best way in line with the Company's goals. This section describes the principles used to achieve this purpose.

Goals

- To have a corporate culture that puts the funds and the management of these first – the funds are the Company's clients.
- To create a good work environment that enables the Company to be an attractive employer in order to keep important human capital and at the same time have the opportunity to recruit talented individuals.

Principles

- We recruit based on experience and competence. Every employee should have relevant education and/or experience to the work they are expected to perform.
- We promote learning and skills development. The Company pays for educational activities for the development of skills that are deemed relevant to the employees and their work.
- We have a clear organisation and division of responsibilities.
- We have a safe and supportive work environment. The Company strives to maintain and promote the employees' safety, health, well-being, and work capacity through preventive actions in developing the work environment and promoting health. Health care contributions to all employees are included in this. By having a close collaboration on a daily basis we can assure that actions of this nature are forward-looking and integrated in the daily work.
- We strive to have all our employees maintaining a good work-life balance. The physical work environment should be designed to prevent and reduce injuries and to promote the employees' health. The Company has not had any work related accidents.

3. Environmental sustainability

This section describes amongst other things how the employees at CB Asset Management AB will conduct their work with minimal environmental impact. By having clear guidelines the employees will work to minimize the environmental impact caused by the Company's operations. Today the Company's environmental impact can be attributed to employee travels and paper-based information material.

Environmental impact from operations

CB Asset Management AB works to avoid the use of paper-based material to the greatest extent possible. This applies above all to service providers such as stock brokers, whose material to a large extent is received and read digitally. In cases where material is sent via mail we ask to receive e-mails instead of physical paper in the future. Distribution of our own paper-based material (mainly monthly reports for the funds) have, due to active and continuous work, decreased drastically during the last years and instead been replaced by digital distribution. In a few cases reports are still sent via mail when digital distribution for different reasons is not suitable. Presentations are on occasion printed for client meetings but the goal is to reduce this number and in the long term replace them with alternatives such as tablets and other digital presentation formats.

In addition to reduced paper consumption, environmental considerations will be taken regarding which paper and toners to use. Our policy is that environmentally friendly alternatives will be chosen first. Every employee has their own box for paper recycling and the goal is that all recyclable paper-based material will be recycled.

Energy consumption

Environmental considerations regarding energy consumption will be taken when purchasing computers and computer screens. Only low energy light bulbs are to be used for lighting the office.

Travels

Planning

If possible, telephone meetings and modern tools such as Skype will be used to replace physical meetings and conferences. Travel distance and availability with public transport will be taken into account when choosing location for meetings. The main principle for business trips to a different location is to plan several meetings within the same trip.

Travels to and from work

CB Asset Management AB has its main office in central Stockholm and therefore good opportunities exists for the employees to travel to and from work by foot, bike or public transport. Our policy is that those options are to be chosen firsthand as long as personal circumstances or the location of the employee's residence does not significantly complicate the travel, in relation to travel by car.

Domestic business trips

Our policy is to choose the travel option with the smallest possible environmental impact for business trips. Train and bus will be chosen firsthand. Domestic flights are acceptable if corresponding travel by train takes more than five hours one way. If the destination is located so that it cannot reasonably be reached by public transportation a car may be used. In that case the rental car used should have low fuel consumption and in other aspects be environmentally friendly. If the destination requires travel by taxi an environmentally friendly taxi should be ordered. Deviation from the policy can occur due to health reasons or other private aspects and is determined by the CEO.

Foreign business trips

Commercial flights are commonly chosen for foreign business trips but considerations to more environmentally friendly alternatives will always be taken, especially in cases where corresponding travel by train takes less than five hours one way.

Accommodation during travels

Environmental and economic factors will be considered when choosing accommodation.

4. Guidelines for sustainable and ethical investments

The funds managed by CB Asset Management AB invest in companies with a stable profit growth and a long-term sustainable business model, which is why the funds do not have any holdings in companies with, e.g., fossil assets.

The funds managed by CB Asset Management AB also do not invest in companies active in:

- Production of tobacco and alcohol
- Weapons manufacturing
- Weapons sales
- Sales and manufacturing of civilian hand-held weapons
- Gambling
- Pornography
- Mining or refining of coal, natural gas, crude oil or uranium for fuel
- Companies in the energy sector that extract energy from coal, natural gas, crude oil or uranium

- Production of genetically modified seeds used by others in agriculture

These restrictions are valid also for companies who supply services/products to the above mentioned industries. Activity in these industries is defined as accounting for 5% or more of the companies reported revenue in the most recent annual report. In the case of energy production from fossil fuels, the production capacity in Gigawatt (GW) must also not exceed 5%.

Furthermore, the funds managed by CB Asset Management do not invest in companies operating in any capacity in the production or sale of the following controversial weapons:

- Nuclear weapons
- Chemical weapons
- Biological weapons
- Cluster munition
- Landmines

The restriction also applies to companies that provide components with the sole purpose of being used in these weapons and refer to those cases where it has been stated in the company's most recently published annual report that they generated sales in some capacity in the above mentioned areas.

In the case of investments in government bonds, in addition to the restrictions defined in the prospectus, investments from the funds managed by CB Asset Management may not be made in government bonds issued by:

- Countries which the EU or the UN issued financial sanctions against
- Countries that have not approved the following:
 - The UN Convention on Biological Diversity
 - The Paris Agreement
- Countries whose ranking in the Transparency International's Corruption Perception Index falls outside of the top 70.

CB Asset Management aims to invest in companies which promote human rights and should therefore show diligence in the management of funds with investments that pose a risk of contributing to:

- Harmful forms of child labor and forced labor or unreasonable working environment (defined in the UN Rights of the Child Convention and ILO Conventions nr 29, 87, 98, 105, 138 and 182)
- Deliberate discrimination of employees due to gender, race or religion (defined in the UN Declaration of Human Rights and ILO Conventions nr 100 and 111)
- Deliberate crimes against central international agreements in the environmental area (defined in the UN Climate Convention and the Kyoto protocol)
- Corruption, extortion and / or bribery (defined in the UN Convention against Corruption)

CB Asset Management is a member of UN PRI, the principles regarding socially responsible investments sanctioned by the UN, and SWESIF, Sweden's forum for sustainable investments.

CB Asset Management provides quarterly updates on all holdings in the funds managed by the company. This is done to ensure access to data and information that investors need to ensure that all investments made by the funds are within the limits of this document.