

Account for due diligence pursuant to the Transparency Act for the period 1 January to 31 December 2023

27.06.2024

About Incentive AS

Incentive AS (Registration no. 913 255 674) is a limited liability Company established in and operated in Norway. The Company provides financial services (within asset management), is subject to sector-specific rules and is supervised by the Financial Supervisory Authority of Norway. The Company conducts regulated business and has adopted a comprehensive set of instructions that regulate how the Company and its employees must behave and comply with applicable laws and regulations. The Company provides various types of financial services related to asset management, and is consequently not involved in the production, manufacture or trading of physical products.

The majority of the companies' suppliers and business partners are domiciled in low/moderate risk jurisdictions, which have introduced legislation related to human rights and decent working conditions with effective enforcement. The main jurisdictions from which the companies procure products and services include the low-risk countries of Norway and Ireland, as well as moderate-risk countries such as the United States and the United Kingdom. The Company does not have suppliers or business partners operating from or in higher risk countries. Because of the Company's service offering, the providers are often other regulated entities in the financial market area, which are themselves subject to supervision.

About the Transparency Act and its requirements

The Transparency Act entered into force on 1 July 2022 and aims to promote companies' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services. The public must have access to information about how companies deal with negative consequences for fundamental human rights and decent working conditions. In line with the OECD Guidelines for Multinational Enterprises, the Act imposes a duty of information and a duty to carry out due diligence assessments that must be accounted for in a report that is updated and published at least annually – the first time by 30 June 2023.

General guidelines and routines for working with due diligence in Incentive AS

The Company respects fundamental human rights and decent working conditions, and requires employees of the Company to do the same. The Company's Board of directors and general manager have the overall responsibility for regular review of risk assessments. The CEO reports to the Board of directors of the respective regulated companies on a quarterly basis. The Board reviews and takes the reports into account. The Company prepares an annual report in accordance with the Transparency Act, which is reviewed and approved by the Board. Fundamental human rights and decent working conditions must always be taken into account in the companies' operations.

The Company shall also seek to avoid creating or contributing to a negative impact on fundamental human rights and decent working conditions through its supply chains or business partners. Special rules and guidelines regarding employees' duty to respect fundamental human rights and decent working conditions have been drawn up, and which the companies' employees must comply with the *Instruction to respect Human Rights and Decent Working Conditions*.

In line with the Transparency Act, the Company monitors all its regular suppliers and business contacts and conducts regular due diligence assessments with respect to risks relating to matters related to fundamental human rights, employment, the environment and climate, and anti-corruption. When working on the due diligence assessments, we review the results of responses to

surveys that are sent out to the Company's suppliers and business partners. In addition to or as an alternative to these surveys, we look at the guidelines prepared by the business partner and possibly other public sources.

The Company has a sustainability policy and believes that sustainability must be managed as a natural and integrated part of the investment process, with a focus on ESG factors that are material to the underlying investments. The Company is a signatory to the UN Principles for Responsible Investment (UN PRI), which is the foremost international organisation for investor cooperation in the field of responsible investment. As a member, the Company undertakes to implement and report on how sustainability is integrated into the investment process. Risk assessment for violations of human and labour rights is a growing focus area for PRI. The Sector Asset Management group is engaged in several working groups focusing on human rights, including *the PRI Human Rights and Social Issues Reference Group*, *II-HRD-The Investor Initiative on Human Rights Data*, and *the AIMA Responsible Investment Working Group*.

On occasions where the Company is uncertain about the impact of the Company's business contacts on the outside world, further investigations shall be carried out, and the circumstances shall be accounted for and documented. If further investigations do not satisfy the safeguarding of the conditions under consideration, this may have consequences for the contractual relationship with the Company. We will largely seek to influence our business partners in order to minimize risk and prevent any breaches. We will strive to ensure this, among other things, by including contractual obligations regarding compliance with legal provisions, requesting them to comply with the duty to provide information about any negative impacts on human rights and decent working conditions, to comply with our Supplier Code of Conduct, etc.

In order to safeguard the fundamental human rights and working conditions of the Company's employees, the Company has coordination agreements with the Sector Asset Management group regarding Health, Safety, and Environment (HSE) and whistleblowing pursuant to the Working Environment Act. Employees are encouraged to report non-conformities via a digital non-conformance system in order to systematically work for and safeguard a good working environment. The Safety Representative in Sector Fund Services AS handles any cases and deviations on an ongoing basis, also for Incentive AS.

Risk assessment of Incentive AS's own operations, suppliers and partners

The Company has not identified potential or actual negative impacts on human rights and decent working conditions in its own operations. The Company complies with Norwegian laws and regulations that incorporate and reflect human rights and requirements for decent working conditions. The Company has not identified any other circumstances related to its own operations that indicate a risk that the Company will cause or contribute to adverse consequences for human rights and decent working conditions.

The Company has not identified any potential or actual adverse impacts on human rights and decent working conditions that are directly related to the Company's operations, products, or services via its current supply chain or business partners. Nor has the Company found any other circumstances relating to any suppliers or business partners that indicate a risk of potential or actual adverse impacts. The Company's suppliers and business partners are recognized organizations domiciled in low/moderate risk jurisdictions and often regulated financial market participants. Contracts entered into with suppliers and business partners are sought to contain common compliance clauses that require the counterparty to comply with applicable laws and regulations. The Company has not identified any other circumstances relating to its management activities that indicate a risk that the Company causes, contributes to or is directly linked to potential or actual adverse consequences.

The Company has prepared a Supplier Code of Conduct that is published on the Company's website. This is distributed to suppliers and business partners as new agreements are signed and sets out the Company's expectations in terms of human rights and decent working conditions. Furthermore, the Company seeks to include compliance clauses addressing human rights and decent working conditions in contracts entered into with new suppliers and business partners or alternatively seek to ensure compliance by allowing suppliers to specifically confirm that they comply with the Company' Supplier Code of Conduct.

Contact

For questions about this Account and the Company's approach to fundamental human rights and decent working conditions, please contact compliance@sector.no.

Oslo, 27.06.2024

The Board of Directors of Incentive AS

Peter Hammerich (Chairperson of the Board)

Niklas Antman (Board director)

H. Alexander Kopp (Board director)

Gry Knudsmoen (Board director)

Gro Furseth (Board director)

Svein R. Høgset (CEO)