This is a non-official translation of the Swedish policy

RAM ONE AB

Policy for integrating sustainability risk and due diligence policies

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Approved by the board of directors the 8th of March 2021

1 BACKGROUND

1.1 Introduction

The regulation (EU) of the European Parliament and of the Council (2019/2088) of 27 April 2016 on sustainability-related disclosures in the financial services sector (the Disclosure Regulation) enters into effect 10 March 2021. The Disclosure Regulation is part of the EU Commission plan of action for financing sustainable growth for the purpose of ensuring transparency and greater disclosure, and more, in relation to sustainability issues.

The regulation states that financial market participants and financial advisors shall act in the best interests of end investors, including, but not limited to, a requirement to implement appropriate due-diligence procedures prior to any investment. The contents of recital 12 of the Disclosure Regulation states that to comply with their obligations under the regulatory framework, financial market participants and financial advisors should integrate in their processes, especially relating to due diligence checks, including relevant financial risks and associated relevant sustainability risks that may have a relevant material negative impact on the financial return of an investment or any advice, and that they should continually assess these risks.

Against this background, RAM ONE AB (the company) has prepared and adopted the following policy for integrating sustainability risks with due diligence policies.

2 FINANCIAL PRODUCTS AND FINANCIAL INSTRUMENTS

The company manages the RAM ONE Fund (the fund). The fund is a special fund as defined in Chap 1 §11 Item 23 of the Swedish Alternative Investment Fund Managers Act (2013:561) (LAIF).

The fund's investment policy defines it as a global long/short equity fund. The company is permitted to invest in both Swedish and foreign negotiable securities, money market instruments, derivative instruments, fund units, and deposits in financial institutions in Swedish and other equity markets. Permitted financial instruments traded may be either market listed or traded on other regulated markets, or unlisted instruments. Fund composition includes both long and short, as well as relative positions. Certain quantitative strategies, such as risk arbitrage positions, are also used. The fund also uses short selling and various derivative strategies in its management.

The company also engages in discretionary management of investment portfolios and is currently under assignment by the SICAV Rational Asset Management, a UCITS fund domiciled in Luxembourg. Rational Asset Management is managed using the same investment strategy as the fund, that is, the investment policy involves a global long/short equity fund primarily focused on Nordic markets. Thereby, the above description of fund management activities also applies to our discretionary management.

3 INTEGRATION OF SUSTAINABILITY RISKS

3.1 A sustainability risk means an environmental, social, or governance event or condition that, if it occurs, could cause an actual or potential significant negative material impact on the value of the investment (“sustainability risk”).

3.2 For the company therefore, sustainability risks involve considering risks that are identified and are related to the environment and climate, to human rights and working conditions, diversity and equality, and to transparency and greater disclosure. Transparency and greater disclosure are a prerequisite for a sustainable process, which also includes how the company determines to consider sustainability risks in selecting investees, and in regions or sectors.

3.3 Portfolio Managers conduct analyses of potential investments in portfolios or in funds, which involves identifying the sustainability risks related to potential investees as part of such analyses. These risks are analysed based on whether they are assessed to have actual or potential significant negative material impact on the value of the investment over time if the risk occurs.

3.4 When identifying potential sustainability risks, the company considered the sustainability risks as identified in the 2020 and 2021 World Economic Forum Global Risks Reports.[1] These risks associated to the environment and climate are assessed to be the most alarming whereby they also present the greatest risks in a financial risk assessment. These 2020 and 2021 Global Risks Reports identify climate and social risks in terms of likelihood and effect. Appendix 1 to this policy presents a summary of what these climate and social risks involve. Further, risks related to governance and human rights are identified as they impact investment decisions.

3.5 When the company makes an investment decision, this integrates the relevant sustainability risks as identified within the considered sector or region. Against this background the company has identified the most significant sustainability risks, adopted a method to integrate sustainability risks in considering decisions, and analysed and

[1] http://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2021.pdf, and http://www3.weforum.org/docs/WEF_Global_Risk_Report_2020.pdf

assessed the likely impact these sustainability risks have on financial returns to the portfolios or funds.

3.6 In managing the company's funds, Portfolio Managers integrate sustainability risks into their investment decisions by assessing and analysing the investee including considering possible risks linked to sustainability. These risks are analysed based on whether they are assessed to have actual or potential significant negative material impact on the value of the investment over time if the risk occurs. The company conducts these analyses internally based on collected data and documentation, which often also includes dialogue with the investee.

3.7 Based on the conclusions of completed analyses the company has conducted, Portfolio Managers will determine whether to invest or not. In their decision, the company weighs sustainability risks and the likelihood that these will occur. In connection therewith, the company also weighs actual or potential negative material impact on the portfolio or fund in relation to return that the risk may cause. The risk is assessed based on likelihood and effect, and includes consideration of possible actions by the investee. If the investee takes mitigating action that leads to a reduced effect of any risk that does occur, the company may decide to implement an investment in the investee despite a high assessed risk based on likelihood and effect. The actual or potential negative material impact on the value of the investment is the indicative factor in selecting an investee.

4 IDENTIFYING AND DESCRIBING NEGATIVE EFFECTS ON SUSTAINABILITY FACTORS

4.1 Negative effects on sustainability factors refers to factors that may have a negative impact on sustainable growth. Sustainability factors are defined in the Disclosure Regulation as environmental, social or employee related matters, respect for human rights, anti-corruption and anti-bribery matters. [2]

4.2 The company has decided to consider the negative effects on sustainability factors at the time of the investment decision, and has thereby identified the following potential negative effects on sustainability.

Environmental negative effects on sustainability factors:

- High greenhouse gas emissions
- High energy consumption from non-renewable sources
- Damage to biological diversity
- High water consumption
- Greater waste intensity

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[2] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02019R2088-20200712&from=EN, s. 5

Social and employee-related negative effects on sustainability factors:

- Lacking recognition of ILO regarding employees' rights
- Gender discrimination in wages
- Child labour

Negative effects on human rights and anti-corruption and anti-bribery efforts:

- Lacking policy for human rights
- Failure to undertake compliance with UN principles regarding human rights
- Lacking anti-corruption and anti-bribery policies

4.3 The company uses three methods to integrate the analysis of negative effects for sustainability in the investment process, which are: 1) Positive screening, 2) Negative screening, and 3) Influence. Within normal operations, the method used by the company may differ depending on whether the consideration involves individual portfolio management or fund management. Moreover, the asset class and management approach may also impact the method which the company uses.

4.4 Certain businesses will be excluded from investment because these operations are assessed to have negative effects on sustainability factors by their nature. No more than five per cent of sales in an investee company may be related to operations that are attributable to the specified product or service. Operations which are excluded at all times are:

- Cluster bombs, anti-personnel mines
- Chemical and biological weapons
- Nuclear weapons
- Production of high-alcohol liquor
- Tobacco
- Commercial gambling operations
- Pornography
- Extraction or distribution of coal
- Extraction or distribution of uranium

5 PRIORITY OF NEGATIVE EFFECTS

5.1 The company has chosen to consider negative effects in the following order of priority.

5.2 The company assessment is that the most alarming negative effect on sustainability factors are environmental negative effects. Global warming will lead to serious consequences to ecosystems with effects that even currently impact the world economy to a significant extent. The company therefore assesses the environmental impact an investment decision may have.

5.3 Thereafter, the company assesses the negative effects any investment may have on human rights and anti-corruption and anti-bribery efforts. Basic respect for human rights is assessed by the company to be a prerequisite for long term value creation, and the company shall not contribute to negative effects on human rights in either their own operations or through their investment decisions.

6 MEASURES

6.1 The company implements measures to ensure they do not contribute to negative effects on sustainability factors in their investment decisions by conducting their own assessment of the exposure to sustainability risks in each investment. This is done using internal analyses and taking in external analysis sources. By gathering information from several external sources, the company acquires an in-depth understanding and knowledge of the various companies' strategies and efforts concerning sustainability and corporate governance. External consulting service may also be used as necessary.

6.2 The company also conducts advocacy efforts by engaging with investees that the funds have invested in. This includes the company working to influence investees regarding human rights, climate, and environmental issues. More information regarding efforts for sustainability in ownership engagement is published in the company's Shareholder Engagement Policy *("Principer för aktieägarengagemang").*

6.3 Additionally, the company excludes investment in certain operations that, as such, cause negative effects on sustainability as defined in section 4.4 above.

7 PERIODIC EVALUATION

7.1 The company continually, and not less than once annually, monitors their list of approved investees and considers possible changes. Any such changes consider amendments to international agreements and standards. Where investment in a business is assessed to be inconsistent with this policy, that business shall be excluded from the list for approved investment. The CEO, Head of Research, and Sustainability Manager are assigned to update the company list for approved investment.

7.2 The company continually monitors the current holdings of its funds as described in the document "*Rutinbeskrivning för hållbarhetsarbete*" (Procedures for sustainability in the investment process).

7.3 If the company finds it has invested in a company that violates their policy despite company intentions and objectives, such a holding shall be disposed.

7.4 The Sustainability Manager shall present a written report to the board of directors at their initial regular meeting every year that describes sustainability activities conducted in the company. The evaluation shall provide the basis for sustainability information as described in item 9.

8 CODES OF CONDUCT AND INTERNATIONAL STANDARDS ETC.

8.1 The company has chosen to comply with the Ten Principles of the United Nations Global Compact, which are the guiding UN principles for business activities and human rights, and follow Principles for Responsible Investment (PRI). The company CEO or a person appointed by them shall manage implementation of annual reporting to the UNPRI. When the company evaluates negative effects on sustainability factors in potential investees, this also includes whether the investee has undertaken compliance with international standards and codes of conduct (including the Paris Agreement). The lack of compliance with any single standard will, however, not automatically result in exclusion.

9 PUBLICATION ON WEBSITE/SUSTAINABILITY INFORMATION

9.1 Article 3 of the Disclosure Regulation provides for the company to publish information on their website in reference to their policies for integrating sustainability risks into the investment decision processes.

9.2 Further Article 4 of the same regulation provides for the company to prepare and publish information on their website regarding how the company describes the considerations they use in their investment decision processes regarding negative effects on sustainability factors and similar.

9.3 Moreover, such sustainability information shall also be published in an information pamphlet and annual reporting. This information shall be designed following guidelines issued by the "Swedish Investment Fund Association"(Fondbolagens förening).

9.4 The Sustainability Manager shall ensure that this information, as above, is published and updated as needed.

10 UPDATES AND AMENDMENT TO THIS POLICY

10.1 This policy shall be reviewed periodically as needed and not less than once annually.

10.2 A review shall be conducted whenever the company invests in a new asset class or in a new region where specific negative effects on sustainability factors can be identified.

10.3 Amendments to this policy shall be approved and adopted by the company board of directors.