



Active Ownership Policy

1. Objective

This Policy aims to describe the approach of Danske Invest Management A/S (“**DIMA**”) to Active Ownership on behalf of the funds and the adherence to applicable laws, regulations, internal governance and rules, as well international principles and market standards on active ownership and sound corporate governance.

2. Definitions

The definitions for the terms used throughout the Policy are available in Appendix 1. Any term not defined herein shall have the meaning ascribed to it in the Responsible Investment Policy¹

3. Scope and target group

The Policy covers active ownership activities relating to funds managed by DIMA on behalf of investors. The Policy applies differently depending on the asset class that the funds are investing in. Principles stated herein are equally relevant to the own funds of DIMA.

The Policy does not apply directly to investments in structured products, derivatives, or funds managed by other management companies. Investments in private equity and private debt are not covered by the general processes on Active Ownership, but subject to a tailored approach as set out in the Engagement Guidelines and relevant investment strategies of the funds.

DIMA also serves investors with their own responsible investment policies. These Bespoke funds are not required to follow the principles. This Policy applies to investment management on behalf of DIMA and delegates involved in the investment management of the funds, subject to agreement.

4. Active Ownership

Together with our Investment Manager, DIMA acts as a steward of our investors’ assets. We aim to use Active Ownership for the assets we have under management to the benefit of our investors, as a measure to protect shareholders’ rights and the value of investments. Addressing the long-term interests of our investors, we use Active Ownership to assess whether investments are managed responsibly in relation to financial, social and environmental aspects and, as relevant, to inform measures of escalation.

Active Ownership may also be leveraged as a measure to manage the Principal Adverse Impacts of the investments under management in accordance with commitments in the investment strategies.

4.1 Methods of exercising Active Ownership

Active Ownership is exercised through 1) Individual engagements; 2) Collaborative engagements, and 3) Voting at General Meetings.

Engagement and voting are interrelated and for corporate issuers, these two methods can support each other and be the initiator of the other. For example, where relevant, engagement can be used to inform voting decisions on proposals at a company’s general meeting and conversely a proposal may inform the focus or objectives of subsequent engagement with the issuer.

4.1.1 Individual Engagements

DIMA’s approach to engagement is aligned with the Engagement Guidelines.

Engagement activities are carried out by the Investment Manager.

¹ See the Responsible Investment Policy at: https://www.danskeinvest.dk/docs/didken_responsible_investment_policy_dima.pdf



Engagements may consist of multiple interactions with an issuer. These interactions can take various forms, such as letters, emails, one-to-one meetings, active participation in organised events (e.g. conferences, site visits), and target representatives from the Board of Directors to Investor Relations, state representatives and others.

When engaging, the Investment Manager will be expected to strive to address identified immediate or long-term financial and non-financial performance, risk, capital structure as well as corporate governance and material environmental and/or social issues.

For actively managed strategies, engagement shall form part of the day-to-day management and monitoring of portfolios. The Investment Manager may engage with issuers when needed to seek improvement in performance and processes and/or when deemed required to enhance and protect the value of investments. The Investment Manager may also engage with issuers as part of the due diligence for a given investment. Engagement associated with environmental and social aspects should be further prioritized and organised in accordance with the Engagement scope of the funds.

Engagements can be used to, among others:

- inform voting decisions and advise on the Voting Guidelines
- clarify available disclosures from the issuer
- increase insights and conduct research
- understand performance and identify potential vulnerabilities
- develop insights into risks and opportunities that could impact the issuer
- identify potential regulatory developments that could impact the issuer
- provide feedback to issuers on the development of their respective processes, strategies and/or management systems

4.1.1.1 Engagement scope

The engagement scope of individual engagement activities is steered by below principles and further outlined in the Engagement Guidelines:

Principle no. 1: Materiality Assessment

Engage with issuers with negative operational performance and/or when a severe sustainability event has occurred that prompts an engagement.

Principle no. 2: Commitments

Engage with issuers that have been defined as part of target commitments established through the involvement of the Danske Bank Group in the Net Zero Asset Manager Initiative or through individual commitments established, such as with regards to the application of Danske Bank's proprietary Biodiversity Assessment Framework and Net-Zero Pathway Framework.²

Principle no. 3: Material exposure

Engagements with issuers are predominantly undertaken with investments where DIMA manage a material ownership stake exceeding a value of 75 DKK mil or with an ownership stake of >0.4%. However, on an ad-hoc basis and due to specific commitments, engagements can be carried out with issuers where we hold a more limited ownership stake and/or where none of our managed strategies are currently invested.

As a main rule, engagements are not exercised in the following situations:

- in markets involving excessive formalities or administrative requirements,
- under circumstances where it is difficult to justify the financial cost of exercising engagements

Engagement is undertaken across asset classes for investment products where engagement forms an integral part of the investment strategy. Engagement is in that respect treated as made on behalf of all managed funds having that exposure.

4.1.2 Collaborative Engagements

² See Net-Zero Pathway Framework for investee companies at <https://danskebank.com/sustainability-related-disclosures>



Subject to regulatory limitations, internal governance and market practices, DIMA may through the Danske Bank Group be part of collaborative engagement activities with peers, like-minded investors and other relevant parties when deemed appropriate under guiding principles approved by the Responsible Investment Committee of Danske Bank.

Collaborative engagements capture any interaction between a group of investors vis-à-vis an issuer with the goal of jointly addressing matters tied to the issuer, e.g. sustainability practices and/or disclosure.

Collaborative engagements can be done on an ad-hoc basis or through formal investor networks or membership forums, such as Climate Action 100+, Nature Action 100, the Institutional Investors Group on Climate Change (IIGCC). These engagements are not subject to any frequency targets.

Being part of the Danske Bank Group, DIMA also participates in investor initiatives to encourage increased transparency and sustainability standards in companies and financial markets. This includes, for instance, CDP (formerly the Carbon Disclosure Project)

4.1.3 Voting at General Meetings

DIMA's approach is to accept the delegation of discretionary proxy from the funds and further delegate the discretionary proxy to Danske Bank. Alternatively, DIMA supports delegation of the discretionary proxy from the fund Boards directly to Danske Bank. The decision to give the discretionary proxy to Danske Bank can be withdrawn with immediate effect.

Delegation of the voting power to other parties than Danske Bank can take place for Bespoke funds. In that case, it will be the active ownership policies of that party that will found the base for the voting. The decision not to vote is also an option for these funds.

To avoid conflicts of interests voting at the general meeting in Danske Bank is not part of the general discretionary proxy to Danske Bank and may only take place when individually approved by the independent member of the DIMA Board of Directors representing the Danish UCITS alternatively the independent member representing the Luxembourg UCITS. The Board of Directors representing the Danish-domiciled funds will maintain the voting right at the Danish-domiciled funds' general meetings.

A company's general meeting is an opportunity for investors to voice opinions on a company's corporate governance, financial and non-financial performance.

By the delegation to Danske Bank, DIMA vote by proxy or in-person, at general meetings of companies. The voting activities are guided by the Danske Banks Group's Voting Guidelines and subject to the voting scope.

The Voting Guidelines are available on Danske Bank website.

4.1.3.1 Voting scope

DIMA seeks to ensure that votes are cast for shares, where DIMA is mandated to exercise voting. Voting activities may be constrained by preconditions, resources, and the costs of exercising voting rights, however, voting is sought to be performed for assets identified within the voting scope.

The voting scope covers listed shares in funds that through disclosures confirm to have voting activities performed. The voting scope is in that respect further steered by the following principles:

- *Principle no. 1: Majority of Equity Portfolio Value*
Vote on the largest holdings on an individual fund in scope (in terms of market value), meaning the sum of voted holdings should exceed 50% of every individual fund's equity portfolio value.
- *Principle no. 2: Substantial ownership (>0.40%)*
Vote all shareholdings that have substantial ownership, meaning exceeding 0.40% of votes or capital in an investee company.
- *Principle no. 3: Issues of material importance*
Vote on issues of material importance, which could be related to, for example, shareholder proposals regarding the environmental, social area, board diversification, political lobbying and/or media attention.



- *Principle no. 4: Engagement scope*
Vote on relevant equity shareholdings identified under the engagement scope.

As a main rule, voting is not exercised in the following situations:

- at general meetings of companies whose shares are listed on markets involving excessive formalities or administrative requirements,
- under circumstances where it is difficult to justify the financial cost of exercising voting rights
- for investee companies domiciled in countries for which our custodians do not offer proxy voting services or where electronic voting may not be provided,
- for investee companies in markets where share-blocking is maintained.

4.3 Escalation of Active Ownership Activities

If Active Ownership is unsuccessful, the matter may be escalated. Examples of forms of escalation, include but are not limited to, decreasing weighting, selling/divesting the position and/or, where relevant, exclusion of the issuer from the investable universe. As with all actions undertaken under this Policy, the guiding principle determining the best course of action for escalation is DIMA's fiduciary duty to safeguard its investors' interests. If exclusion of the issuer from our investable universe is identified as the best course of action, it is subject to the process and governance outlined under the Exclusion Instruction.

4.4 Research & Training

Employees exercising Active Ownership must obtain and maintain an appropriate level of competence to carry out their responsibilities and be aware of relevant requirements that is applicable to a specific asset class and investment strategy. This is also expected of DIMA's Investment Managers.

5. Conflict of interest

DIMA handles Active Ownership in accordance with the Policies and Instructions for Code of Conduct and Conflicts of Interest. Furthermore, respective employees, functions and/or units are required to comply with these policies in their exercise of Active Ownership under this Policy.

Conflicts of interest may arise from, but are not limited to:

- Affiliations
- Business relationships
- Cross-directorship
- Diverging interests of customers, beneficiaries and Danske Bank
- Employees linked personally or professionally to an investee company

Further information on the approach to identifying and managing conflicts of interest within the Danske Bank Group is available in the Guidelines on the management of Conflicts of Interest in Active Ownership³.

6. Disclosures

The registration and monitoring of engagement activities are conducted through an application developed for this purpose. The registration and monitoring of voting activities is maintained through a platform provided by the Proxy Voting Advisor to DIMA through Danske Bank.

Voting statistics are made available online on an ongoing basis, a day after a general meeting has taken place. Disclosures on the implementation of this Active Ownership Policy is provided through an annual report which is made available online. Activities are also largely disclosed in funds annual reports.

³ See the Guidelines on the management of Conflicts of Interest in Active Ownership at <https://danskebank.com/sustainability-related-disclosures>



7. Review

This Policy is managed by the Board of Directors. The Policy must be reviewed and approved at least annually. It is the responsibility of the Owner of this Policy to ensure that the Policy is updated and approved. 2nd line is a required reviewer prior to the approval to challenge the governing information.

8. Change Log

Date	Version number	Comments/changes
20 June 2022	Version 1.0	Alignment with updated Responsible Investment Policy
28 June 2023	Version 2.0	Alignment with updated Responsible Investment Policy and Danske Bank active ownership instruction
12 June 2024	Version 3.0	Updated structure and additional clarifications on scope of active ownership activities
27 November 2024	Version 3.1	Update of reporting frequency
19 August 2025	Version 4.0	Alignment with updated Responsible Investment Policy and Danske Bank active ownership instruction
23 February 2026	Version 5.0	Update of voting scope



Appendix 1 - Definitions

The below definitions apply to the terms used throughout the policy. Any term not defined herein has the meaning ascribed to it in the Responsible Investment Policy.

Active Ownership	The use of rights and position of ownership to influence the activities or behaviour of investee companies and other issuers based on financial and/or impact materiality considerations.
Bespoke funds	All funds established within the responsibility of the Bespoke Institutional Fund Board of Directors for a specific investor.
Danske Bank or the Bank	Danske Bank A/S
Danske Bank Group or the Group	Danske Bank, its branches and its subsidiaries.
Engagement Guidelines	The Engagement Guidelines for Danske Bank
Investment Manager	The party undertaking and/or advising on investments of assets on behalf of the Funds
Principal Adverse Impacts	A principal adverse impact is any impact of investment decisions or advice that results in a negative effect on sustainability factors, such as environmental, social and employee concerns, respect for human rights, anti-corruption, and anti-bribery matters.
Proxy Voting Advisor	An external provider of research, analysis and corresponding services that supports investors in the execution of votes at the general meetings of companies.
Responsible Investment Policy	The Responsible Investment Policy for Danske Invest Management
Sustainability Factors	Environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters
Target Group	The group of people, subsidiaries, areas and/or functions, for whom the governing information is intended to be directly applicable.
Voting Guidelines	The Voting Guidelines for Danske Bank.