

Engagement and Proxy Voting Policy

BLS Capital Fondsmæglerselskab A/S

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1. INTRODUCTION

- 1.1. This engagement and proxy voting policy (the "Policy") applies to BLS Capital Fondsmæglerselskab A/S (hereinafter the "Company") and has been approved by the Board of Directors.
- 1.2. The Company provides portfolio management for professional and institutional investors. The Company invests in listed companies on behalf of its clients, and this Policy describes how the Company integrates shareholder engagement in its investment strategy.
- 1.3. The Policy is made publicly available, with the purpose of providing to clients, investors, and other stakeholders on the Company's exercise of active ownership through engagement and exercise of voting rights.

2. LEGAL BASIS

- 2.1. This Policy has been prepared in accordance with Section 49 of the Danish Act on Investment Firms and Investment Services and Activities, cf. the Consolidated Act no. 232 of 1 March 2024.
- 2.2. With respect to the Company's portfolio management for alternative investment funds ("AIFs") and UCITS, the Policy ensures compliance with the AIFM's obligations pursuant to Article 37 of the Commission Delegated Regulation (EU) No 231/2013 to have in place Strategies for the exercise of voting rights of the AIF portfolios, and respectively the UCITS management company's obligation pursuant to Article 21 of the Commission Directive 2010/43/EU to have in place Strategies of the exercise of voting rights of the UCITS portfolios.

3. GENERAL PRINCIPLES OF ENGAGEMENT

- 3.1. As a guiding principle, the Company acts on behalf of its clients as a long-term and active co-owner of listed companies that are also considered to act in the long-term interests of their shareholders.
- 3.2. In its identification of potential investments, the Company considers businesses that consistently take necessary management decisions to reinforce and ensure sustained business and growth. The Company considers good corporate governance a prerequisite for managing a business responsibly and sustainably. The Company invests in companies where there is reason to believe that the management is capable of managing the specific risks that are relevant to the business and the industry in which it operates.
- 3.3. A responsible management with good business ethics and the ability to create a unique culture is essential for an investee company's business and how sustainable it is. Thus, the Company focuses on identifying companies with skilled management that ensures that the right guidelines and policies are described and implemented in the company, to ensure compliance with applicable legislation, and that the investee company complies with its own guidelines for responsibility. An assessment of

the management is a fundamental element in the Company's investment decisions. Thus, the Company does not invest in companies where there is no confidence that management identifies and manages relevant risks.

4. MONITORING

- 4.1. The Company continuously monitors the development of the investee companies through, amongst other sources, annual and quarterly financial statements, company presentations, ESG screenings, and news updates. The Company's ongoing monitoring is focused on areas that are relevant, including strategy, financial and non-financial results, risk, capital structures, social and environmental impact, and good corporate governance. Monitoring may include the use of external research and screening data as found relevant for the individual investment case and as set out in the Company's Policy on Integration of Sustainability Risks.

5. DIALOGUE WITH INVESTEE COMPANIES AND RELEVANT STAKEHOLDERS

- 5.1. The Company is in continuous dialogue with investee companies and handles this dialogue itself, also regarding sustainability themes. Physical meetings, telephone, or virtual meetings are generally utilized for dialogue where the Company discusses relevant topics with the investee company's management and/or other relevant stakeholders in the investee company.
- 5.2. The Company attaches importance to the ability of investee companies to communicate with the capital market. The Company believes that the management of investee companies should recognize and explain developments and issues as and when they arise, rather than neglecting them. Furthermore, the Company considers it essential that the management of the investee company sets ambitious goals and follows up on these goals with a view to continued improvement of the investee company's results. Where the management of the investee company has not sufficiently addressed matters the Company believes to be important, it will seek to engage with the investee company's management to clarify its position.

6. PROXY VOTING

- 6.1. The Company votes at all general meetings of the investee companies and exercises voting rights in accordance with the best interests of its clients, which may include improved return opportunities and, where applicable, the achievement of related relevant sustainability-related objectives. The Company relies on its guiding principle for voting, as set out below.

- 6.2. The Company's votes on behalf of its clients are cast on a discretionary basis based on the guiding principle that voting is done to maximize the economic value of the shares in which the Company exercises voting rights.
- 6.3. The Company assesses and analyses the individual agenda items and makes the final decision on the exercise of voting rights.
- 6.4. The Company's assessment of management considers, among other things, the composition of the Board of Directors of the investee company, including that the right competencies and experience are present. In addition, the Company assesses whether the necessary management committees have been established – e.g., a Remuneration Committee – as well as the number of meetings held by the Board of Directors, as well as for the various committees.
- 6.5. In addition, the Company considers whether the remuneration structure is long-term – for example, what bonus schemes consist of and how they are measured. The Company aims to invest in companies where the management is financially motivated to work for the shareholders, for example, through share remuneration or existing co-ownership.
- 6.6. Routine Matters

The Company reviews all proxies to determine whether they involve only routine matters or non-routine matters for which a uniform voting position should be taken.

Routine proposals will generally be voted on in accordance with management recommendations. However, the Company will vote against management if it finds this position to be in the client's best interest.

Routine matters are defined as:

- Election of directors, except where there is a proxy fight or other unusual situations;
- Election of auditors;
- Mandatory retirement age for directors;
- Elimination of preemptive rights;
- Date and place of annual meeting;
- Ceiling on pension benefits;
- Limitation on charitable contributions, fees paid to lawyers, etc.;
- Mailing to shareholders a summary of the annual meeting;
- Ratification of directors' actions on routine matters since previous annual meeting;
- Change in the corporate charter authorizing additional common shares or changing the par value merely to effect a share split or share dividend;

- Authorization to issue common shares under option and incentive plans provided that:
 - An actual or equivalent lowering in the exercise price is not being recommended for shares covered by existing plans, and
 - The maximum increase in shares outstanding over the life of the plan(s) does not exceed an average of 1% per year based on the number of shares outstanding on the date of notice of the meeting.
 - Management incentives appear to be reasonable in amount.

6.7. Non-Routine Matters

Non-routine matters are assessed on a case-by-case basis and votes are cast in the manner, which is determined in the client's best interest.

Non-routine matters are defined as:

- Acquisitions, dissolutions, mergers, greenmail, reincorporate in states with laws more favorable to resisting hostile takeovers, opting out of Delaware's anti-takeover law, and poison pills;
- Proxy fights for the election of directors, whether to allow large shareholders equal access to proxy materials to discuss nominees to board of directors, votes regarding the size of the Board and votes regarding shareholder advisory committees;
- Shareholder proposals opposed by management where the Board has no established precedent for voting;
- Amendments to the corporate charter or bylaws which might materially affect shareholder rights;
- New or revised bonus, incentive, profit sharing, saving or pension plan, employee share ownership plans ("ESOPs"), severance (golden parachute) plans, share options and compensation for directors and officers;
- Authorization of additional or new shares of any class for any purpose other than to effect a share split or dividends;
- Minority shareholder proposals involving consumerism, minority rights, ecology, election of special directors, etc.;
- Indemnification of directors;
- Proposals designed to restrict shareholders' options to approve merger offers, such as fair pricing, super majority votes, classification of directors, issuance of securities at Board of Director's discretion, cumulative voting of directors, and staggered terms for directors.
- Confidential voting, and independent inspection of votes.

7. COOPERATION WITH OTHER SHAREHOLDERS

- 7.1. As a general rule, the Company does not cooperate with other investors.

8. CONFLICTS OF INTEREST

- 8.1. The Company will use reasonable efforts to determine whether a potential conflict may exist or whether there is the perception that a conflict may exist in connection with its engagement. Any such actual or potential conflicts of interest are monitored and managed in accordance with the Company's policy on conflicts of interest.
- 8.2. The Company has identified the following potential conflicts of interest concerning its engagement with investee companies:
- An employee of BLS Capital or any person involved in the proxy decision-making process currently serves on the board of the portfolio company.
 - An immediate family member of an employee of BLS Capital currently serves as a director or executive officer of the portfolio company.
- 8.3. The above examples are not intended to be an exhaustive list. All employees are reminded that they are obliged to disclose potential conflicts of interest after following internal guidelines and procedures. Potential conflicts will be determined after assessing the particular facts and circumstances. Such reviews include review by the Company's Chief Compliance Officer, and one or more of the following methods may be used to resolve a conflict that may arise:
- Voting in accordance with the recommendation of another independent third party/fiduciary;
 - In the case of a conflict of interest resulting from a particular employee's personal relationships, removing such employee from the decision-making process with respect to such proxy vote; or
 - Any other method deemed appropriate under the particular facts and circumstances, given the nature of the conflict.
- 8.4. The method used to resolve conflicts of interest are documented, and the Company will maintain supporting documentation in accordance with regulatory requirements.

9. DISCLOSURE

- 9.1. The Company will annually make public how the Company has implemented the Policy and exercised voting rights at general meetings of the investee companies. Casts of votes that are insignificant due to the subject matter of the vote or the size of the equity interest in the investee company in question

may be omitted from the publication. Information about the Company's exercise of voting rights is published on the Company's website.

- 9.2. The content of the reporting in its entirety is tailored at BLS Capital's discretion for the reasons explained below. For this reason, the reporting may be more detailed than the regulatory outset in some areas and less detailed in others.
- 9.3. BLS Capital values the discretion to tailor its reporting. This enables a disclosure of information restricted to information deemed relevant to the public while still allowing for professional courtesy and discretion in concrete dialogues and engagements. This contributes to fostering trusting and long-term relationships where influence and points of view can be cultivated and exchanged freely.
- 9.4. The above prioritization of reporting efforts allows for a proportionate and efficient deployment of resources where investment management takes priority over (voluntary) public disclosures. BLS Capital has tailored the content as it sees it as fit to meet and serve the long-term interests of its clients.

10. RESPONSIBILITY

- 9.5. The Investment Research Team is responsible for evaluating proxies and recommending voting instructions. On routine matters the Investment Research Team will generally provide voting instructions without escalation. Non-routine matters, will generally, however after a case-by-case evaluation be escalated for further review as appropriate. The Portfolio Managers are ultimately responsible for proxy voting decisions. The Operations team is responsible for facilitating the overall voting process—from receipt of the proxies to casting the votes. The Chief Compliance Officer ensures accurate and adequate disclosure of proxy policies and procedures, and regulatory required filings and disclosures.

11. REVIEW

- 10.1. The policy must be reviewed when deemed necessary by the Board of Directors, but at least once a year. The next planned update is in Q1-2026, cf. the annual plan of the Board of Directors.

12. VERSION

Updated by: EN/CS	Approved by: The Board of Directors	Version:
Date: 01/08/2025	Date: 28/8/2025	2.0

Chairman of the Board of Directors
Steen Juul Jensen

Member of the Board of Directors
Pernille Backhausen

Deputy Chairman of the Board of Directors
Peter Bundgaard

Member of the Board of Directors
Anders Lund