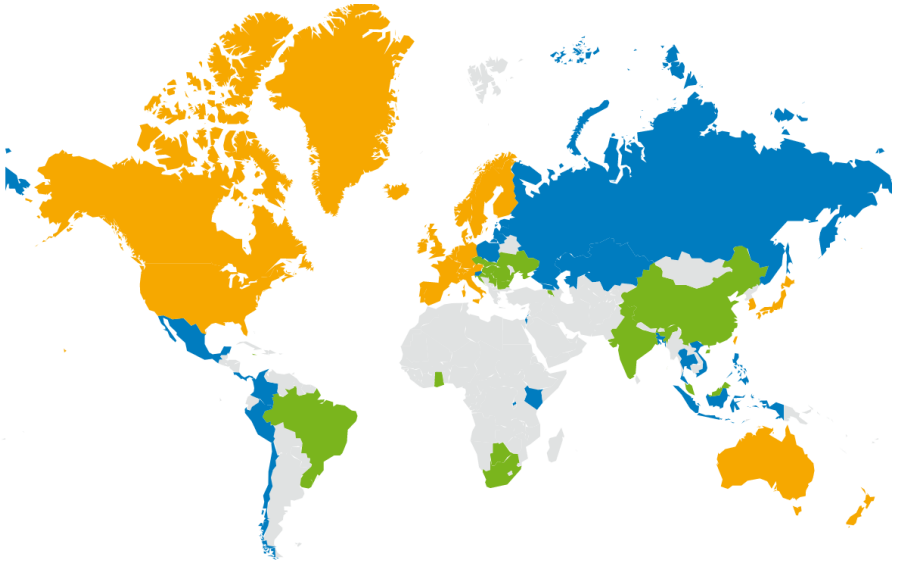


STEWARDSHIP POLICY



DUNROSS & CO



BREAKOUT NATIONS POSSIBLE BREAKOUT NATIONS OLD WORLD

This is Dunross

Dunross is an independent, global investment company focused on Breakout Nations. At present, Dunross has offices in Cyprus, Luxembourg, United Kingdom and Sweden. Dunross is a dedicated long-term value investor.

STEWARDSHIP POLICY

INTRODUCTION

The Dunross & Co Group¹ (“Dunross” or “the Group”) is a long-term value investor in the global equity markets. This document is intended to provide guidance on our policies on corporate governance and shareholder matters, and should be read in conjunction with our brochure “*Shareholder Value Creation through Corporate Governance – The Dunross way*”. Said brochure provides fundamental principles and overall guidelines, while this policy further specifies how we are likely to act in a number of given situations. The policy is only applicable to listed holdings.



We are active in numerous countries around the world, and although the ambition for this policy is to be applicable everywhere, we know that it’s impossible to find a “one-size-fits-all” solution for each possible scenario in every single market. Therefore, we might deviate from this policy from time to time.



¹ Defined as Dunross & Co Holding Ltd with subsidiaries

FRAMEWORK

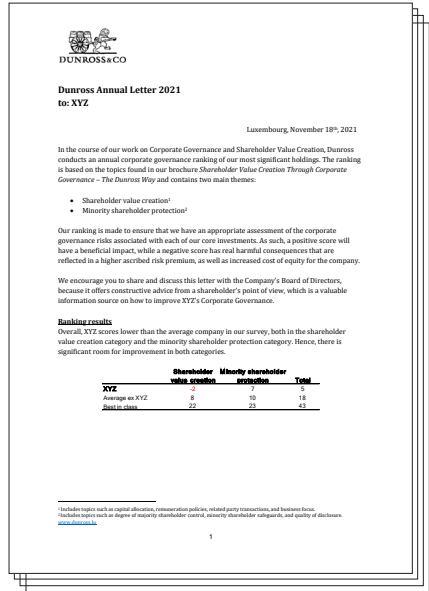
Dunross expects the companies we invest in to follow all applicable laws and regulations. National corporate governance codes also serve as useful guidelines, and should generally be encouraged to comply with. We also encourage our portfolio companies to seek guidance in our Shareholder Value Creation brochure on how to approach corporate governance matters in order to lower the cost of capital, and thereby increase company value. In return, companies can expect a trusting, listening and constructive partner for the long term.

The Group approaches stewardship in three ways:

- Proactive
- Reactive
- Ad hoc

Proactive stewardship comprises of the continuous dialogue we have with the companies in our portfolio. To better shape a company's expectations, clarify our views on specific governance matters and how we are likely to vote on these, while also demonstrate how the company compares to other companies, we have developed the so-called Dunross Annual Letter. The letter

is based on an annual internal corporate governance ranking of the companies in our portfolio and will be sent to all of the Group's significant holdings in due course before the Annual General Meeting (AGM), to allow for companies to provide feedback and potentially address issues and concerns in the AGM.



We also encourage proactivity from companies, especially when it comes to major proposals being contemplated at an upcoming general meeting, such as changes to the articles of association, share capital increases, share issue mandates or new remuneration policies. If companies reach out early to the major shareholders and discuss proposals with them, transparency will increase and there will be fewer surprises at general meetings.

Reactive stewardship refers to voting on general meetings or engagements initiated by Dunross in response to new events. It is our goal to minimize the amount of purely reactive stewardship to provide for a transparent relationship between the Group and the portfolio companies.

Ad hoc stewardship can involve collaborative efforts with fellow shareholders, if we believe this to be a better way to gain influence compared to acting alone. Dunross does not view ourselves as an activist investor, but we intend to keep a close and constructive

We generally don't seek board representation, but we are open to be represented on the nomination committee dialogue with all our portfolio companies, and will put forward proposals to the general assembly if we believe it is in the best interest of all shareholders. We generally don't seek board representation, but we are open to be represented on the nomination committees in companies where they are made up of the largest shareholders.

VOTING AT GENERAL MEETINGS

It is our intention to vote at every general meeting held by our most important portfolio companies. Voting can be conducted either by Dunross representatives present at the general meeting or by proxy, but since we want to build long-lasting relationships with our portfolio companies.



Outlined below are our guidelines for voting on the most common general meeting matters.

Meeting notices and information

In order for international shareholders to be able to prepare voting instructions before general meetings, we encourage companies to issue notice of meetings no later than four weeks before the meeting. Such notice should be made by way of press release distributed via e-mail to ensure that all investors receive the information. And, in order for shareholders to make an informed decision on how to vote, supporting information and related explanations about the agenda items should be made available in English on the company's website at the same time that the meeting notice is issued.

Voting procedures

We encourage companies to use a ballot system – preferably digital – and not conduct voting by show of hands or any other outdated method. By properly counting the number of

votes present and the number of votes cast for each agenda item, the company doesn't only ensure a fair decision-making process for all shareholders, but also safeguards a very important feedback loop: if the board of a company doesn't know what exact percentage of shareholders support or disapprove of a certain measure, it may continue proposing matters that in fact are quite unpopular, but can be misinterpreted as having broad-based support in a show-of-hands situation.

Auditors

We generally support the company's proposal of auditor, unless there is any indication of compromised independence, malpractice or other serious issues. We monitor the audit fees paid by all our portfolio companies and encourage companies to regularly review their audit firms in terms of pricing and quality. To the largest extent possible, we urge companies

We urge companies to use the same audit firm for the parent company as well as for all significant subsidiaries

to use the same audit firm for the parent company as well as for all significant subsidiaries. In situations where the audit firm consistently earns significant revenue from non-audit services aside from the audit fee, we will consider voting against the auditors, since such circumstances risk jeopardizing the auditor's independence and judgment. Local laws and recommendations shall be followed regarding the number of consecutive years the same auditor can be used.

Board members

In our view, board members should be nominated by a committee comprised of the largest shareholders as well as representatives for minority shareholders, and not by a committee made up of board members.

Having shareholders nominate board members for approval at the general meeting creates a direct link between ownership and stewardship, which risks getting lost if a board gets to choose among themselves whom to include or not. Regarding board composition, we encourage companies to create a good mix of skills and age. We generally support company proposals regarding board nominations, but would consider voting against board members who exhibit any of the following characteristics:

Regarding board composition, we encourage companies to create a good mix of skills and age

- If the board member has attended less than 75% of meetings in the previous year
- If the board member is considered independent on paper, but where circumstances point to the opposite
- If the board member has a significant number of other similar board positions or holds more than two board chairs. What exactly can be considered "significant" must be viewed in context of the company in question, but in order to put in the time necessary for meaningful

board contribution, holding a directorship in more than five listed companies should be avoided

- If the board member is employed by the company in a managerial position (with the exception of the chief executive officer)

The above should be interpreted in context of the whole board, meaning that if only one person displays any or more of the above characteristics, we are less likely to vote against this one person than if more than one board member does.

We would also like to point out that many years of service on the board is not a disqualification in itself, but could rather be seen as a merit. In our view, many corporate governance codes – although well-intended – risk creating a short-term mindset when specifying term limits for independent directors that don't extend beyond the peaks and troughs of a normal business cycle.

In order to keep the board efficient, we advocate that companies limit the board size to no more than nine members. For companies whose board exceeds this number, we could be inclined to vote against the whole board.

We encourage companies to conduct an annual assessment of the board's composition and effectiveness – especially in relation to the factors mentioned above – and to publicly disclose the findings.

If CEO = Chairman

The board should exercise objective judgement on corporate affairs and be able to make decisions independently of management. The roles of chairperson and CEO should not be held by the same individual. In these situations we would be inclined to vote against this person unless there are other safeguards in place to protect minority shareholders from the concentration of power that such a setup creates.

Management and board remuneration

We would generally vote against all management remuneration proposals that don't have a clear link to company performance and to a reasonable extent can be verified using publicly available information. The same applies for proposals that we consider unsound in any way.

Remuneration to board members should be a fixed annual fee and not be based on the number of board meetings attended. For companies who do not apply a fixed fee system, we could be inclined to vote against the whole board.

Dividends

We generally support dividend proposals that fall within the limits of the company's dividend policy, unless such dividend would jeopardize the financial health of the company.

Share buybacks

We generally support buyback proposals, provided that the scope is reasonable and there is a stated intention to subsequently cancel the shares unless they are to be used for share based remuneration. We would be inclined to vote against a buyback proposal if the company at the time of the proposal has outstanding treasury shares and there is no stated intent to cancel these or use them for share based remuneration.

Share capital changes

We will vote against increases in the authorized share capital unless the proposal increase is explicitly tied to either a defined share issue or a defined share issue mandate. Regarding decreases in the authorized share capital, we generally support such proposals if they are intended to facilitate share cancellations due to buybacks.

Share issue mandates

We will vote against directed share issue mandate proposals, unless the company's financial condition has deteriorated to the point where a directed share issue is the only viable way to save the company. We would also be inclined to vote against pre-emptive rights issue mandates that lack a stated and demonstrably profitable purpose and don't have a specific link to the company's strategy,

capital structure policy and other related frameworks.

Related party transactions

Transactions with related-parties should be carried out at market terms and be clearly beneficial to all shareholders. The board should disclose its policies for handling related-party transactions. If sufficient information on proposed related party transactions has not been issued in accordance with what is outlined under "Meeting notices and information" above, we will vote against all such proposals.

Other transactions and corporate changes

Mergers, acquisitions and other corporate transactions should maximise shareholder value and treat all shareholders equitably. If sufficient information on proposed other transactions or corporate changes – such as introduction of stock option plans or amendments to the articles of association – has not been issued in accordance with what is outlined under "Meeting notices and information" above, we will vote against all such proposals.

Other matters

We will generally vote against agenda items labelled "Other Matters" or similar, if it has not been specified in the meeting notice what exactly will be discussed and resolved under said item.

Dunross & Co AB
Sweden

Dunross & Co Holding Ltd
Dunross Investment Ltd.
Cyprus



Dunross & Co Advisory Ltd.
United Kingdom

Dunross & Co S.A. SICAV-SIF
Luxembourg



www.dunross.com.cy

Carpe terra
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