

Corporate Governance

RESS Life Investments A/S

Statutory report on corporate governance
for the period 1 January 2023 -31 December 2023,
cf. Section 107 b of the Danish Financial Statements Act

This statement forms part of the management's commentary in Ress Life Investments A/S' (hereinafter "Ress Life") Annual Report for the financial year 1 January – 31 December 2023.

This report on corporate governance has been prepared on the basis of the recommendations by the Danish Corporate Governance Committee (hereinafter, the "Committee"). In addition, Ress Life has been asked about certain matters.

The recommendations on Corporate Governance issued by the Committee, aims to comply with OECD's Principles of Corporate Governance and recognized best practice, and are aimed primarily at Danish companies whose shares are admitted to trading on a regulated market.

The recommendations, which can be found on <https://corporategovernance.dk/>, are based on, and supplement company law and stock exchange regulation. Nasdaq Copenhagen A/S's *Nordic Main Rulebook for Issuers of Shares* include a requirement for companies to apply corporate governance recommendations applicable to the Issuer. Requirements are further described in Executive order no. 1441 of 14 November 2022 on Publication of Reports issued pursuant to the Financial Statements Acts section 107 b(4).

The recommendations are formed to enable the individual company to organize its governance optimally in accordance with the 'comply or explain' principle, where the company has to explain why it has chosen not to comply with a recommendation and what it has chosen to do instead. Failure to comply with a recommendation is not considered a breach of rules, but merely implies that the board of directors of the company has chosen a different approach.

The report is made up of the following main sections:

1. Interaction with the company's shareholders, investors and other stakeholders
2. Duties and responsibilities of the board of directors
3. The composition, organization, and evaluation of the board of directors
4. Remuneration of management
5. Risk management

The Board of Directors evaluates the recommendations on a yearly basis. Comments on compliance with the recommendations on Corporate Governance, can be found below.

1. Interaction with the company's shareholders, investors and other stakeholders

1.1. Communication with the company's shareholders, investors and other stakeholders

The company complies with the Committees recommendation 1.1.1 with regards to the board of directors through an ongoing dialogue and interaction that shareholders, investors and other stakeholders gain relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.

The company has found recommendation 1.1.2. not relevant with regards to adopting policies on the company's relationship with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interest are included in the company's considerations, and making such policies available on the company's website due to the nature of the company activities where relevant events will be very few.

The company has found the recommendation 1.1.3. with regards to publishing quarterly reports, not to be relevant since the company publishes net asset value (NAV) twice per month.

1.2. The general meeting

The company complies with the Committees recommendation 1.2.1. with regards to the board of directors organizing the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The company has found that the further recommendation of the board of directors ensuring that shareholders can observe the general meeting via webcast or other digital transmission is not relevant due to no previous request!

The company complies with recommendation 1.2.2. with regards to proxies and postal votes be used at the general meeting enabling the shareholders to consider each individual item on the agenda.

1.3. Takeover bids

The company complies with the Committees recommendation 1.3.1. with regards to having procedures in place in the event of takeover bids, and as further described therein. The standard procedure is to call an extraordinary board meeting.

1.4. Corporate social responsibility

The company complies with the Committees recommendation 1.4.1. with regards to the board of directors adopting, and ensuring compliance with, a policy for the company's corporate social responsibility, including social responsibility and sustainability as the AIF manager has adopted a CSR policy that applies to the business. The company has found the further recommendation of the board of directors making the policy available in the management commentary and/or on the company's website not to be relevant.

The company has found the Committees recommendation 1.4.2. that the board of directors adopt a tax policy to be made available on the company's website not to be relevant.

2. The duties and responsibilities of the board of directors

2.1. Overall tasks and responsibilities

The company complies with the Committees recommendation 2.1.1. with regards to the board of directors, in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company has found that the further recommendation of the board of directors providing an account hereof in the management commentary and/or on the company's website not to be relevant due to the nature of the company business.

The company complies with recommendation 2.1.2. with regards to the board of directors at least once a year discussing and on a regular basis following up on the company's overall strategic targets in order to ensure value creation in the company.

The company has found recommendation 2.1.3. with regards to the board of directors on a continuous basis take steps to examine whether the company's share and capital structure which supports that the strategy and long-term value creation in the interest of the company as well as the shareholders, and that the company gives an account thereof in the management commentary, not to be relevant due to its AIF status.

The company complies with recommendation 2.1.4. that the board of directors prepare and on an annual basis review, guidelines for the executive management, including requirements in respect of the reporting to the board of directors.

2.2. Members of the board of directors

The company has found that the Committees recommendation 2.2.1. with regards to the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent, and who can generally act as the chairperson's close sparring partner not to be relevant due to the simple business model as an AIF with a fund manager.

The company complies with the Committees recommendation 2.2.2. with regards to the chairperson in cooperation with the individual members of the board of directors ensure that the members update and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.

The company complies with recommendation 2.2.3. with regards to the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent, overall management and control function, and that any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.

3. The composition and organization of the board of directors

3.1. Composition

The company complies with the Committees recommendation 3.1.1. with regards to the board of directors on an annual basis review and in the management commentary, and/or on the company's website states i) which qualifications the board of directors should possess, collectively and individually, to perform its duties in the best possible manner, and ii) the composition of and diversity on the board of directors.

The company complies with recommendation 3.1.2. with regards to the board of directors on an annual basis discussing the company's activities to ensure relevant diversity at the different management levels of the company and adopting a diversity policy which is included in the management commentary and/or available on the company's website. The Board currently has 1 woman and 2 men. The Board does not consider having an unrepresented gender, Management aside, the Company has no employees, thus also no underrepresented gender.

The company complies with recommendation 3.1.3. with regards to candidates for the board of directors being recruited based on a thorough process approved by the board of directors. In assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.

The company complies with recommendation 3.1.4. with regards to the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory requirements- also includes a description of the proposed candidates' i) qualifications, ii) other managerial duties in commercial undertakings, including board committees, iii) demanding organizational assignments, and iv) independence.

The company complies with recommendation 3.1.5. with regards to members of the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.

3.2. The board of director's independence

The company complies with the Committees recommendation 3.2.1. that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests, and as further provided for in the recommendation.

The company complies with recommendation 3.2.2. with regards to members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors, immediately thereafter.

3.3. Members of the board of directors and the number of other managerial duties

The company complies with the Committees recommendation 3.3.1. with regards to the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendations 3.5.1., assessing how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.

The company complies with recommendation 3.3.2. with regards to the management commentary, in addition to the statutory requirements, including the information on the individual members of the board of directors. as further provided for in the recommendation.

3.4. Board Committees

The company has found the Committees recommendation 3.4.1 with regards to the management describing in the management commentary: i) the board committees' most significant activities and number of meetings in the past year, and ii) the members of the individual board committees, including the chairperson the independence of the members of the committee in question, and that the board committees' terms of reference are published on the company's website, not to be relevant due to the fact that the board consists of only four members.

The company has found that recommendation 3.4.2 with regards to the board committees solely consists of members of the board of directors and that the majority of the members of a board committee are independent are not relevant due to the fact that the board consists of only four members.

The company has found that recommendation 3.4.3. with regards to members of the board of directors establishing an audit committee and appointing a chairperson of the audit committee, who is not the chairperson of the board of directors, and the thereto related recommendations as further described therein, not to be relevant as the company as AIF, is according to the Act on Approved Auditors and Audit firms, § 31, pc. 7, No. 4, exempt from the Audit Committee requirements

The company has found that recommendation 3.4.4 with regards to the board of directors establishing a nomination committee to perform at least the preparatory tasks as further

provided for in the recommendation, not be relevant due to the simple business model as an AIF with a fund manager.

The company has found that recommendation 3.4.5 with regards to the board of directors establishing a remuneration committee to perform the preparatory tasks as further provided for in the recommendation, not to be relevant due to the simple business model as an AIF with a fund manager.

3.5. Evaluation of the performance of the board of directors and the executive board

The company partially complies to the Committees recommendation 3.5.1. with regards to the board of directors annually evaluating the board of directors and that external assistance should be engaged at least every three years, that the evaluation focuses on the board of directors' work, efficiency, composition and organization, cf. the Committees recommendations 3.1.-3.4 above, and that such evaluation as a minimum includes the topics as further described in the recommendation. The company revalues annually and every five years with external assistance. In November 2023, the board of directors has been evaluated externally, whereas the evaluation did not give rise to any matter. The next evaluation with external assistance is planned for 2028.

The company partially complies with recommendation 3.5.2. with regards to the entire board of directors discussing the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation be described in the management commentary, on the company's website and at the company's general meeting.

The company complies with recommendation 3.5.3 with regards to the board of directors at least once a year evaluating the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, considering the company's strategy.

4. Remuneration of management

4.1. Remuneration of the board of directors and the executive management

The company complies with the Committees recommendation 4.1.1. with regards to the remuneration for the board of directors and the executive management and the other terms of employment/service being considered competitive and consistent with the company's long-term shareholders' interests.

The company has found that the recommendation 4.1.2 with regards to share-based incentive schemes being revolving, that they are periodically granted, and that they primarily consist for long-term schemes with a vesting or maturity period of at least three years not to be relevant, as the company does not use share-based remuneration.

The company finds that the recommendation 4.1.3. with regards to the variable part of the remuneration having a cap at the time of grant, and that there is transparency in respect of the

potential value at the time of exercise under pessimistic, expected and optimistic scenarios is not relevant due to only fixed remuneration.

The company has found that recommendation 4.1.4 with regards to the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years remuneration, including all remuneration elements, not to be relevant as the company's remuneration relating to the notice period as provided for in the recommendation, does not exceed two years of remuneration.

The company complies with recommendation 4.1.5 with regards to the members of the board of directors not being remunerated with share options or warrants.

The company complies with the Committees recommendation 4.1.6. and has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith.

5. Risk management

5.1. Identification of risks and openness in respect of additional information

The company complies with the Committees recommendation 5.1.1. with regards to the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks, and the company in the management commentary give an account of these risks and the company's risk management.

The company complies with the Committees recommendation 5.1.2. with regards to the board of directors establishing a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicions thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.