

Periodic disclosure for Article 8 financial products

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852 for the period 01.01.2023-31.12.2023.

Product name: Axcel V

Legal entity identifier: 89450012BSVE5Z4ZU905

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Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Diversity, equity & inclusion

Axcel V worked to improve gender diversity in portfolio company leadership teams by tracking gender diversity KPIs and considering diversity in hiring and promotion processes.

Climate change

Axcel V worked to reduce GHG emissions in its portfolio companies by asking portfolio companies to measure GHG emissions and to set science-based targets. Axcel Management furthermore worked to reduce its own GHG emissions by sourcing renewable electricity.

Principal adverse impact indicators

Axcel V worked to reduce adverse impacts of portfolio companies by asking portfolio companies to measure and report on principal adverse impact indicators. 2023 was the first year a principal adverse indicator report was published.

ESG requirements

Axcel V implemented Axcel Management's five-step sustainability programme in portfolio companies.

How did the sustainability indicators perform?

Diversity, equity & inclusion

Axcel V targets that during its ownership period 40% of persons hired into portfolio company leadership teams will be of the underrepresented gender (measured as the share of women hired into the leadership team, or in the case men are the underrepresented gender, the share of men hired into the leadership team). The target applies from January 2022 onwards.

As per 30 September 2023

- 33% of Axcel V companies have achieved a 60/40 gender split in the leadership team, and there is therefore no underrepresented gender
- 33% of Axcel V companies have met the target of 40% of additions to leadership teams being of the underrepresented gender
- 33% of Axcel V companies have not met the target of 40% of additions to leadership teams being of the underrepresented gender
- 0% of Axcel V companies did not make additions to the leadership team
- 0% of Axcel V companies did not report on additions to the leadership team

Leadership teams are defined as the CEO, direct reports to the CEO (L1), and direct reports to L1 (L2). Only employees who have others reporting to them are included. Additions are defined as persons promoted or hired into the leadership team.

Climate change

Axcel Management has set an approved science-based target. Axcel Management targets that by 2025, 60% of its portfolio companies across Axcel funds will have set approved science-based targets and that by 2030, 100% of portfolio companies will have done so. Portfolio coverage is measured as the share of invested capital in companies owned for more than two years.

As per 30 September 2023, four companies in the Axcel portfolio had approved science-based targets representing 43% of invested capital in companies owned for more than two years. Three

of the companies, GUBI, Loopia, and Capture One are owned by Axcel V representing 69% of invested capital in Axcel V companies owned for more than two years.

Axcel Management is furthermore committed to sourcing at least 85% renewable electricity. During 2023, Axcel Management sourced 100% renewable electricity.

Principal adverse impact indicators

During 2023 Axcel V companies reported on principal adverse impact indicators. A PAI report was published on Axcel's website on 30 June 2023 which contains results from 2022. A second PAI report will be published by 30 June 2024 with full-year 2023 results.

ESG requirements

As per 30 September 2023, 100% of Axcel V companies had implemented Axcel required ESG policies, commitments, and processes.

...and compared to previous periods?

Diversity, equity & inclusion

Measure	Results	
	2022	2023
Share of Axcel V companies that have achieved a 60/40 gender split in the leadership team, and where there is therefore no underrepresented gender.	33%	33%
Share of Axcel V companies that have met the target of 40% of additions to leadership teams being of the underrepresented gender.	50%	33%
Share of Axcel V companies that have not met the target of 40% of additions to leadership teams being of the underrepresented gender.	17%	33%
Share of Axcel V companies did not make additions to the leadership team.	0%	0%
Share of Axcel V companies did not report on additions to the leadership team	0%	0%

Climate change

Measure	Results	
	2022	2023
Number of companies in the Axcel portfolio with approved science-based targets.	2	4
Share of invested capital in companies owned for more than two years with approved science-based targets.	29%	43%
Number of Axcel V companies in the Axcel portfolio with approved science-based targets.	1	3

Share of Axcel V invested capital in companies owned for more than two years with approved science-based targets.	23%	69%
Share of renewable electricity purchased by Axcel Management	100%	100%

Principal adverse impact indicators

Measure	Results	
	2022	2023
principal adverse impact indicators data collected and reported	Yes	Data is being collected. Report will be published in June 2024.

ESG requirements

Measure	Results	
	2022	2023
Share of Axcel V companies that have implemented Axcel required ESG policies, commitments, and processes	100%	100%

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088. The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



How did this financial product consider principal adverse impacts on sustainability factors?

Axcel collected data on the principal adverse indicators presented in Annex 1 of the Sustainable Finance Disclosure Regulation Regulatory Technical Standards. Axcel engages with its companies on sustainability matters with the aim of reducing adverse impacts and increasing positive impacts on sustainability topics, including the adverse sustainability indicators.



What were the top investments of this financial product?

Largest investments	Sector	% Assets ¹	Country
Nissens	Business services & industrials	20-30%	Denmark
Mountain Top	Business services & industrials	20-30%	Denmark
Loopia	Technology	20-30%	Denmark
GUBI	Consumer	20-30%	Denmark
Total		100%	

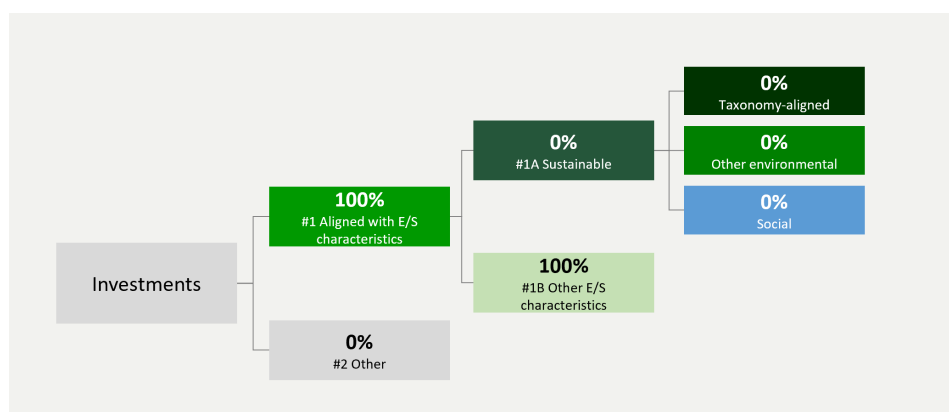
1) Share of invested capital



What was the proportion of sustainability-related investments?

The fund did not make sustainability-related investments.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Investments have been made in Industrials & Business Services, Healthcare, Technology and Consumer sectors.



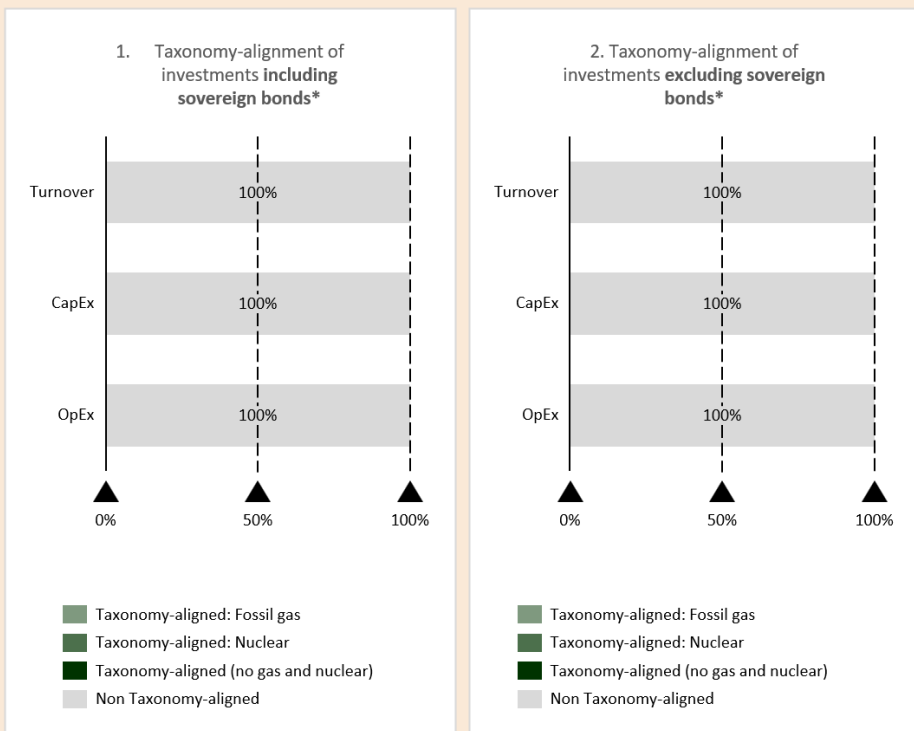
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088. None of the investments (0%) are aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

- Yes
 - In fossil gas
 - In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

What was the share of investments made in transitional and enabling activities?

None of the investments (0%) are aligned with the EU Taxonomy criteria for transitional or enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Measure	Results	
	2022	2023
Share of Taxonomy aligned investments	0%	0%



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.



What was the share of socially sustainable investments?

This product has environmental and social characteristics. It does not make sustainable investments in the manner described in Regulation (EU) 2019/2088.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

No investments are included under “other”. All investments are categorized as #1B Other E/S characteristics.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- Worked together with portfolio companies to improve performance on diversity, equity & inclusion, climate change, and ESG management
- Collected and reported EU Principal Adverse Impact data as well as Data Convergence initiative data
- Continued engagement with portfolio companies through Board review of progress on ESG priorities, ongoing sparring with Axcel Management’s Head of Sustainability, quarterly reporting to Axcel Management, and competency building events



How did this financial product perform compared to the reference benchmark?

A reference benchmark has not been defined for this product.

How does the reference benchmark differ from a broad market index?

Not applicable as a reference benchmark has not been defined for this product.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable as a reference benchmark has not been defined for this product.

How did this financial product perform compared with the reference benchmark?

Not applicable as a reference benchmark has not been defined for this product.

How did this financial product perform compared with the broad market index?

Not applicable as a broad market index has not been used for this product.