

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Den Sociale Kapitalfond Invest I K/S

Legal entity identifier: CVR no.: 38968815

Sustainable investment objective

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

●● <input checked="" type="checkbox"/> Yes	● ● <input 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 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 made sustainable investments with a social objective: <u>100</u> %	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent was the sustainable investment objective of this financial product met? *[list the sustainable investment objective of this financial product, and describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, indicate to which environmental objectives set out in Article 9 of Regulation (EU) 2020/852 to the investment underlying the financial product contributed to. For the financial products referred to in Article 9(3) of Regulation (EU) 2019/2088, indicate how the objective of a reduction in carbon emissions was aligned with the Paris Agreement]*

[list the sustainable investment objective of this financial product, and describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, indicate to which environmental objectives set out in Article 9 of Regulation (EU) 2020/852 to the investment underlying the financial product contributed to. For the financial products referred to in Article 9(3) of Regulation (EU) 2019/2088, indicate how the objective of a reduction in carbon emissions was aligned with the Paris Agreement]

The sustainable investment objective is to empower marginalised people and people in marginalised areas through the creation of jobs, training positions, education and enabling services and products via the Fund's investment portfolio.

The sustainable investment objective was met. The Fund's investments collectively employed 174 currently or previously marginalised people at the conclusion of the reference period (including divestments in the period). Investment companies reported that between 9% and 30% of their workforce was comprised of currently or previously marginalised individuals as determined by the labour market, social sector, or third party based on objectively verifiable factors. This indicates that all investment companies are successfully integrating currently and previously marginalised individuals into their workforce.

● **How did the sustainability indicators perform?**

A simple average of 21% of the workforce of portfolio companies (including divestments in the period) are currently or previously marginalised people, based on average of inclusion rates for the individual portfolio companies.

● **...and compared to previous periods?** *[include for financial products where at least one previous periodic report was provided]*

The sustainability indicator performed slightly better in 2023 as compared to 2022 which reported an average of 20%. This is despite new investments made during the reference period (2023), and can be attributed to the work with social impact and good performances in the portfolio companies.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?** *[include where the financial product includes sustainable investments]*

All investments undergo a pre-investment screening and ESG due diligence to ensure that the Fund will contribute to social objectives and will "do no significant harm" to other sustainable investment objectives.

The investments are assessed regularly through an internally developed model that considers each investment's positive and negative impacts on all UN SDGs and the extent of that impact in conjunction with each investment's qualitative and quantitative reporting on principal adverse impact indicators. Based on this assessment, no investment is deemed to have a significant negative impact on sustainability factors.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

— *How were the indicators for adverse impacts on sustainability factors taken into account?*

The indicators for adverse impacts on sustainability factors are integrated into the internal due diligence process and annual review for assessing whether an investment caused significant harm.

The Fund does not report externally on principal adverse impact indicators.

— *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. All investments are required to report annually on their continued alignment and specific relevant governance practices, and this data is incorporated into the assessment model.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
01/01/2022 – 31/12/2022



What were the top investments of this financial product?

Largest investments	Sector	% Assets*	Country
Watercare ApS	Water collection, treatment and supply	>12%	Denmark
Tolstrup A/S	Landscape service activities	>12%	Denmark
ProfilService A/S	Cleaning activities	>12%	Denmark
Langebjerggaard ApS	Specialised social care services	>12%	Denmark

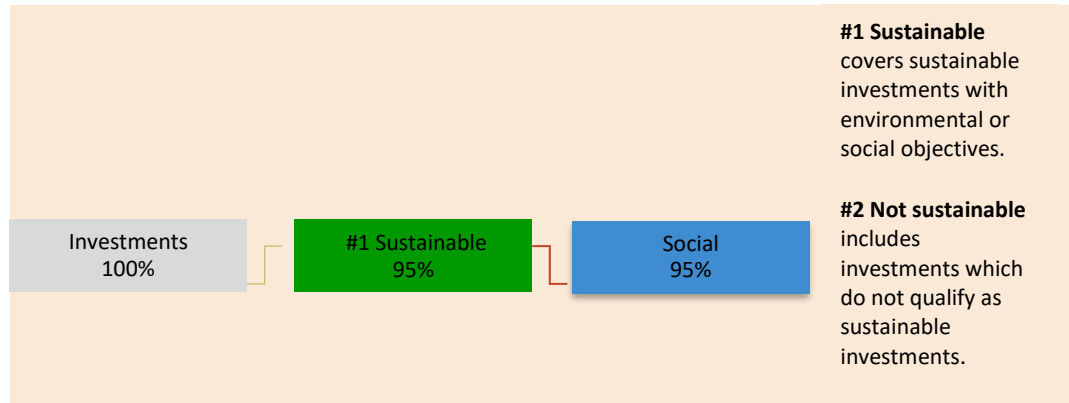
** The investments listed above are all above 12% and together represent more than 50% of the Fund's investments at cost.*



What was the proportion of sustainability-related investments?

What was the asset allocation?

100% of assets are sustainable investments with social objectives.



In which economic

sectors were the investments made?

Investments were made in water collection, treatment and supply; landscape service activities; cleaning activities; manufacture of products of wood, cork, straw and plaiting materials; renting and leasing of motor vehicles; manufacture of other special-purpose machinery; warehousing and storage; manufacture of furniture; and wholesale of information and communication equipment; specialised social care services.



What was the share of socially sustainable investments? *[include only where the financial product includes sustainable investments with a social objective]*

95% of investments are socially sustainable.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The purpose of the remaining proportion of the investments of the Fund (2-5%) will be cash held for cash management purposes only.

What actions have been taken to attain the sustainable investment objective during

the reference period? *[list the actions taken within the period covered by the periodic report to attain the sustainable investment objective of the financial product, including shareholder engagement as referred to in Article 3g of Directive 2007/36/EC and any other engagement relating to the sustainable investment objective]*

Den Sociale Kapitalfond Invest I K/S assesses all potential investments for alignment with the sustainable investment objective prior to investing; companies that do not align with the objective are excluded from investment consideration. The Fund is committed to an active ownership and has undertaken a range of engagement activities with portfolio companies to encourage them to improve practices related to the sustainable investment objective and promote a long-term approach to decision-making, including providing education and external expert guidance to attain this.

Asset allocation
describes the share
of investments in
specific assets.

