



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input checked="" type="checkbox"/> To engage investor ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input checked="" type="checkbox"/> To engage investor ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> <li><input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input type="checkbox"/> To engage investor ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service provider engagements</li> </ul>

# RI TRANSPARENCY REPORT

## 2020

### Dansk Vaekstkaptal II

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	✓	Public							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	✓	Public	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	ESG incorporation strategies	🔒	n/a	✓						
SAM 02	Selection processes (LE and FI)	✓	Public	✓						
SAM 03	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	🔒	n/a		✓					
SAM 04	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 05	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 06	Monitoring on active ownership (listed equity/fixed income)	🔒	n/a	✓						
SAM 07	Percentage of (proxy) votes	🔒	n/a		✓					
SAM 08	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓						
SAM 09	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	🔒	n/a							✓
CM1 01 End	Module confirmation page	✓	-							

# Dansk Vaekstkapital II

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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### OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02	Mandatory	Public	Peering	General
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### OO 02.1 Select the location of your organisation's headquarters.

Denmark

### OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10



**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

14

**OO 03** **Mandatory** **Public** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 04** **Mandatory** **Public** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2019

**OO 04.2** Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM			701	302	000
Currency	DKK				
Assets in USD			103	469	922

Not applicable as we are in the fund-raising process

**OO 04.4** Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06	Mandatory	Public	Descriptive	General
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**OO 06.1** Select how you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	0	100
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0

Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

**OO 06.2** Publish asset class mix as per attached image [Optional].

**OO 06.3** Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

<b>OO 08</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Peering</b>	<b>General</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**OO 08.1** Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds or investments.

Asset class breakdown	Segregated mandate(s)	Pooled fund(s) or pooled investment(s)	Total of the asset class (each row adds up to 100%)
[f] Private equity	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<b>100%</b>

<b>OO 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Peering</b>	<b>General</b>
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<b>OO 09.1</b>	Indicate the breakdown of your organisation's AUM by market.
	Developed Markets
100	
	Emerging Markets
0	
	Frontier Markets
0	
	Other Markets
0	
	Total 100%
100%	

**Asset class implementation gateway indicators**

<b>OO 11</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
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**OO 11.2** Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Private equity	<p>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>

**OO 11.4** Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

We incorporate ESG-questions in our due diligence process and talk about relevant issues if any.

**OO 12.1** Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

**Core modules**

- Organisational Overview
- Strategy and Governance

**RI implementation via external managers**

**Indirect - Selection, Appointment and Monitoring of External Managers**

- Private Equity

**Closing module**

- Closing module

# Dansk Vaekstkapital II

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

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## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

At Dansk Vækstkapital II we want to create growth and return in an ethically and socially responsible manner. Our investment principles stipulate that ethical and environmental aspects must be considered when making our investment decisions. Our investment policies and strategies reflect this. Therefore, we include environmental, social and governance considerations in our decision-making and in our daily procedures. We require the funds we invest in to act responsibly, and we follow a number of established principles for responsible investment ourselves.

Our points of reference for the CSR policy are the UN Principles for Responsible Investments (UNPRI) and the principles outlined in the UN Global Compact initiative. Furthermore, we follow the codes and guidelines established by Invest Europe (the European Private Equity and Venture Capital Association, EVCA) and the Danish Venture Capital and Private Equity Association (DVCA).

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Our approach to ESG is based on internationally agreed principles for sustainable development, primarily UN Global Compact and PRI.

As a responsible investor, our approach to ESG-factors is focused on dialogue, information, and cooperation. As a part of our due diligence processes, we strive to identify possible ESG-issues and we instruct potential investee funds to give us their own account of their ESG profile.

We include ESG-questions in our due diligence process and we require, that the funds we invest in commit to handling ESG-issues based on the ten UN principles. Even for well-prepared funds, things can go wrong. If a negative impact-issue occurs, we go into constructive dialogue with the fund to stop and avoid further negative impact.

No

SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**SG 01.6 CC**

Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.

Yes

No

Describe why your organisation has not yet gone through a process to identify transition and physical climate-related risks and opportunities.

Dansk Vaekstkapital II has not yet gone through a process to identify transition and physical climate-related risks and opportunities.

Dansk Vaekstkapital II can commit to new investments until the end of 2020, but we will be looking closely at the TCFD-recommendations and try to identify how we can communicate climate-related risks and opportunities with the funds we invest in during 2020. We always support opportunities and transition to a green and low carbon economy.



**SG 01.8  
CC**

Indicate whether the organisation publicly supports the TCFD?

- Yes
- No

Explain the rationale

We haven't publicly expressed our support to the TCFD, because we have to look further into the TCFD to investigate how to approach the four central recommendations in our dialogue with new fund managers.

**SG 01.9  
CC**

Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

- Yes
- No

Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.

Ideally, we would have implemented a strategy to manage climate-related risks and opportunities during 2020, but because the investment period expires at the end of 2020, this is not expedient. We will make an effort in having a dialogue about climate-related risks and opportunities with the funds.

**SG 1.10  
CC**

Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other
- We currently do not publish TCFD disclosures

**SG 02**

**Mandatory**

**Public**

**Core Assessed**

**PRI 6**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 02.1**

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<http://www.danskvaekstkapital.dk/dvk2/en/investeringspolitik/>

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- We do not publicly disclose our investment policy documents

**SG 02.2**

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

<http://www.danskvaekstkapital.dk/dvk2/en/investeringspolitik/csr-politik/>

- Attachment
- Your investment objectives that take ESG factors/real economy influence into account
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting

URL/Attachment

- URL

URL

<https://rapport2018.danskvaekstkapital.dk/dvk2/#>

- Attachment
- We do not publicly disclose any investment policy components

**SG 02.3**

Additional information [Optional].

The document related to Reporting is the Annual Report for Dansk Vakeskapital II (in Danish).

<b>SG 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
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**SG 03.1**

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

 Yes**SG 03.2**

Describe your policy on managing potential conflicts of interest in the investment process.

At Dansk Vaekstkapital II we want to create growth and returns in an ethically and socially responsible manner. Therefore, we include environmental, social and governance considerations in our decision-making and in our daily procedures. We require the funds we invest in to act responsibly - and ask them to commit themselves contractually to this. We follow a number of international principles for responsible investment ourselves, as mentioned in SG 01.

 No**SG 04**

Voluntary

Public

Descriptive

General

**SG 04.1**

Indicate if your organisation has a process for identifying and managing incidents that occur within investee entities.

 Yes No**SG 04.2**

Describe your process on managing incidents

We always prefer - and encourage funds - to go into dialogue with the implicated parts to find a solution to the issue. In very difficult situations, our board of directors will be presented to the concrete case to discuss any relevant consequences.

## Objectives and strategies

**SG 05**

Mandatory

Public

Gateway/Core Assessed

General

**SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

**SG 06**

Voluntary

Public

Descriptive

General

**SG 06.1**

List the main responsible investment objectives that your organisation set for the reporting year.

Responsible investment processes

- Provide training on ESG incorporation

Key performance indicator

By carrying out spot checks on a regular basis, we continuously monitor that our ESG-DD framework is properly implemented in all investments and loans.

Progress achieved

By looking into specific investment and loan cases, we see what considerations we had when the financing took place. In this way, we monitor the due diligence process and get an indication of where to make improvements and how to take the necessary steps to address any issues if needed.

- Provide training on ESG engagement
- Improved communication of ESG activities within the organisation

Key performance indicator

All investment managers receive training on regular basis.

Progress achieved

All investment managers have been introduced to the ESG-due diligence framework. The overall level of awareness in regards to ESG has been strengthened and the investment teams regularly discuss ESG-issues, but we are still planning to make further training and improvements, especially concerned about environmental and climate-related risks and opportunities.

- Improved engagement to encourage change with regards to management of ESG issues
- Improved ESG incorporation into investment decision making processes

Key performance indicator

All investment managers are aware of making ESG-due diligence with the funds.

Progress achieved

ESG-risks are considered and addressed in investments.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

### Financial performance of investments

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

### ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio
- Setting carbon reduction targets for portfolio
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

### Other activities

- Joining and/or participation in RI initiatives
- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

### SG 06.2

### Additional information.

We encourage the funds we invest in to follow the principles within the UN Global Compact and PRI. Besides that, they must follow our own policy for responsible investments

## Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

**Roles**

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

**Select from the below internal roles**

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
  - Head of Fund of Funds**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

**SG 07.3** Indicate the number of dedicated responsible investment staff your organisation has.

**Number**

1

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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**SG 07.5  
CC**

Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

Board members or trustees

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other Chief-level staff or heads of departments

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

**SG 07.6  
CC**

For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

If any issues related to climate-risks with negative impact occur, the board-level will discuss and make decisions about how to handle the issue.

**SG 07.7  
CC**

For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.

If any issues related to climate-risks with negative impact occur, the management-level will discuss and come up with solutions on how to handle the issue.

**SG 07.8  
CC**

Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.

- Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)
- Request incorporation of TCFD into regular client reporting
- Request that external managers complete PRI climate indicator reporting
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide
- Other
- We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation

**Promoting responsible investment**

**SG 09**

**Mandatory**

**Public**

**Core Assessed**

**PRI 4,5**

**SG 09.1**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced



Provide a brief commentary on the level of your organisation's involvement in the initiative.  
[Optional]

We report annually to PRI and have meetings with staff in the PRI-organisation.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We follow the ten principles in UN Global Compact and implement them in our ESG due diligence.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

<b>SG 09.2</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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Indicate approximately what percentage (+/- 5%) of your externally managed assets under management are managed by PRI signatories.

%

23.5

<b>SG 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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**SG 10.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**SG 10.2** Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

Transparency is a keyword in our daily work with the fund managers. Especially when it comes to transparency in fund constructions and cash flow.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI

#### Description

As an integrated part of our due diligence processes, we encourage both fund managers and companies to adopt responsible business practices, e.g. by following frameworks such as PRI, UN Global Compact and other international guidelines.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify

#### specify description

In 2019 Dansk Vaekstkapital II decided a policy for equality and gender diversity.

#### Description

In September 2019 Dansk Vaekstkapital II's board of directors adopted a policy for gender diversity. The policy focuses on prioritizing and promoting equal opportunities, gender equality, and diversity. Gender equality and diversity are important principles to adhere to and we believe that improved gender balance and diversity across portfolio funds and underlying portfolio companies will benefit the financial performance and the ecosystem impact of DVK II investments. Read the full policy here:  
<http://www.danskvaekstkapital.dk/dvk2/koensdiversitetspolitik/>

### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- No

## Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 12.1

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants

SG 12.2

Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers.

- We use investment consultants in our selection and appointment of external managers

### Asset class

- Private equity (PE)
- Other asset classes
- We use investment consultants in our monitoring of external managers
- We do not use investment consultants for selection, appointment and monitoring of external managers.

SG 12.3

Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants.

- Responsible investment is considered when evaluating investment consultants' investment beliefs, strategies and policies in the selection process.
- Responsible investment is considered when evaluating investment consultants' public commitment to, and promotion of, responsible investment in the selection process.
- Responsible investment is considered when reviewing investment consultants' approach to investment manager ratings, research and recommendations in the monitoring process.
- Consultants' responsibilities in terms of responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with the investment consultants.
- We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

**SG 12.4**

Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

- Custodial services
- Investment policy development
- Strategic asset allocation
- Investment research

Describe how responsible investment is incorporated

See below

- Other, specify (1)
  - Other, specify (2)
  - Other, specify (3)
  - None of the above
- No, we do not use investment consultants.

**SG 12.7**

Additional information [Optional].

We use legal consultants to assess questions about tax conditions. It is mandatory in all investments in funds headquartered outside of Denmark.

## ESG issues in asset allocation

**SG 13****Mandatory****Public****Descriptive****PRI 1****SG 13.1**

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities
- No, our organisation does not currently carry out scenario analysis and/or modelling

## Communication

**SG 19****Mandatory****Public****Core Assessed****PRI 2, 6****SG 19.1**

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

## Selection, Appointment and Monitoring

### Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

### SG 19.2

#### Additional information [Optional]

We report on a portfolio level - not on individual investments.

Our annual reports can be found here:

<https://www.danskvaekstkapital.dk/dvk2/om-dansk-vaekstkapital/aarsrapport/>

# Dansk Vaekstkapital II

## Reported Information

### Public version

#### Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

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## Selection

SAM 02

Mandatory

Public

Core Assessed

PRI 1

SAM 02.1

Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

											<b>Private equity</b>		
Your organisation's investment strategy and how ESG objectives relate to it											<input type="checkbox"/>		
ESG incorporation requirements											<input checked="" type="checkbox"/>		
ESG reporting requirements											<input type="checkbox"/>		
Other											<input type="checkbox"/>		
No RI information covered in the selection documentation											<input type="checkbox"/>		

SAM 02.2

Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

Strategy

											<b>Private equity</b>		
Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements											<input type="checkbox"/>		
Assess the quality of investment policy and its reference to ESG											<input checked="" type="checkbox"/>		
Assess the investment approach and how ESG objectives are implemented in the investment process											<input checked="" type="checkbox"/>		
Review the manager's firm-level vs. product-level approach to RI											<input type="checkbox"/>		
Assess the ESG definitions to be used											<input checked="" type="checkbox"/>		
Other											<input type="checkbox"/>		
None of the above											<input type="checkbox"/>		



ESG people/oversight

									<b>Private equity</b>		
Assess ESG expertise of investment teams									<input type="checkbox"/>		
Review the oversight and responsibilities of ESG implementation									<input checked="" type="checkbox"/>		
Review how is ESG implementation enforced /ensured									<input checked="" type="checkbox"/>		
Review the manager's RI-promotion efforts and engagement with the industry									<input type="checkbox"/>		
Other									<input type="checkbox"/>		
None of the above									<input type="checkbox"/>		

Process/portfolio construction/investment valuation

										Private equity		
Review the process for ensuring the quality of the ESG data used										<input type="checkbox"/>		
Review and agree the use of ESG data in the investment decision making process										<input checked="" type="checkbox"/>		
Review and agree the impact of ESG analysis on investment decisions										<input type="checkbox"/>		
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)										<input checked="" type="checkbox"/>		
Review and agree manager's ESG risk framework										<input type="checkbox"/>		
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives										<input checked="" type="checkbox"/>		
Review how ESG materiality is evaluated by the manager										<input type="checkbox"/>		
Review process for defining and communicating on ESG incidents										<input checked="" type="checkbox"/>		
Review and agree ESG reporting frequency and detail										<input type="checkbox"/>		
Other, specify										<input type="checkbox"/>		
None of the above										<input type="checkbox"/>		

**SAM 02.3** Indicate the selection process and its ESG/RI components

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

**SAM 02.4** When selecting external managers does your organisation set any of the following:

						<b>Private equity</b>		
ESG performance development targets						<input type="checkbox"/>		
ESG score						<input type="checkbox"/>		
ESG weight						<input type="checkbox"/>		
Real world economy targets						<input type="checkbox"/>		
Other RI considerations						<input checked="" type="checkbox"/>		
None of the above						<input type="checkbox"/>		

You selected an `Other` option in table SAM 02.4 above, please specify

For us, it is important that the funds are aware of the UN guidelines and the PRI, and that they include ESG-factors related to UN guidelines and PRI in their due diligence processes.

### Appointment

<b>SAM 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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**SAM 04.1** Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

**SAM 04.2** Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class

- Private equity

**Benchmark**

- We do not set benchmarks

**ESG Objectives**

- ESG guidelines/regulation, principles/standards, specify

We expect managers to comply with our policy for responsibility and that this is reflected in their approach to responsible investment.

- We do not define ESG objectives

**Incentives and controls**

- We do not set incentives and controls

**Reporting requirements**

- We do not require the reporting on ESG objectives

**SAM 04.3** Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Place investment manager on a “watch list”
- Track and investigate reason for non-compliance
- Re-negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify
- No actions are taken if any of the ESG requirements are not met

**SAM 04.4** Provide additional information relevant to your organisation’s appointment processes of external managers. [OPTIONAL]

We do not require specific reporting on ESG-objectives from the funds we invest in, but we expect them to include ESG-objectives in their ongoing reporting to us. We also expect them to inform us immediately if any significant ESG-issues arise in a fund or in its portfolio companies.

**Monitoring**

<b>SAM 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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**SAM 05.1** When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates

							<b>Private equity</b>		
ESG objectives linked to investment strategy (with examples)							<input checked="" type="checkbox"/>		
Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund							<input type="checkbox"/>		
Compliance with investment restrictions and any controversial investment decisions							<input checked="" type="checkbox"/>		
ESG portfolio characteristics							<input checked="" type="checkbox"/>		
How ESG materiality has been evaluated by the manager in the monitored period							<input type="checkbox"/>		
Information on any ESG incidents							<input checked="" type="checkbox"/>		
Metrics on the real economy influence of the investments							<input type="checkbox"/>		
PRI Transparency Reports							<input type="checkbox"/>		
PRI Assessment Reports							<input type="checkbox"/>		
RI-promotion and engagement with the industry to enhance RI implementation							<input type="checkbox"/>		
Changes to the oversight and responsibilities of ESG implementation							<input type="checkbox"/>		
Other general RI considerations in investment management agreements; specify							<input type="checkbox"/>		
None of the above							<input type="checkbox"/>		

**SAM 05.2**

When monitoring external managers, does your organisation set any of the following to measure compliance/progress



**SAM 09.1**

Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

- Add Example 1
- Add Example 2
- Add Example 3
- Add Example 4
- Add Example 5
- Add Example 6
- Add Example 7
- We are not able to provide examples

# Dansk Vaekstkapital II

## Reported Information

### Public version

### Confidence building measures

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## Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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**CM1 01.1** Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
- Other, specify

The report has been completed by CSR Advisor and reviewed by Team Lead for Responsibility.

- None of the above

CM1 02	Mandatory	Public	Descriptive	General
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**CM1 02.1** We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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**CM1 03.1** We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
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**CM1 04.1**

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report