

Sustainability-related disclosure

Product name: Maj Invest Minorities II K/S

LEI code: 6367003Z5FBE02NPYL95

Summary

The Fund promotes environmental and social characteristics by focusing on investments in life science, technology, and energy transition. Specifically, the Fund supports business models that promote sustainable growth by:

- Improving access to health, well-being, and medical innovation, and
- Increasing the availability and implementation of green transition technologies.

These characteristics are pursued through exclusions, ESG integration, and thematic relevance.

The Fund does not commit to sustainable investments as defined by SFDR, and no reference benchmark has been designated.

A minimum of 75% of portfolio companies are expected to contribute directly to the Fund's environmental and social characteristics. The remaining part of the portfolio may consist of investments that follow the strategy but are too early-stage to demonstrate alignment.

No sustainable investment objective

This financial product promotes environmental and social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

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Investment strategy

MIM II is a closed-end private equity and venture capital fund that drives sustainable growth through investments in innovative technology and life sciences companies in developed markets. The investment strategy of the Fund revolves around acquiring minority equity stakes in both established mid-to-large-cap private equity deals and early-stage ventures. In addition to direct investments in companies, the Fund may also invest in other funds with a complementary focus. Investments within the fund are made collaboratively alongside validated and like-minded investors, providing access to unique transactions, risk-sharing and full alignment.

Sustainability risks are assessed as part of the due diligence process and monitored throughout the investment period. Portfolio companies are expected to have sound structures and policies in place to manage material risks. Given the Fund invests in companies whose business models contribute to addressing sustainability challenges, such risks are generally considered to have a low impact on the long-term performance of the businesses.

Good governance is assessed through due diligence and monitoring of governance structures, employee relations, remuneration, and tax compliance.

Binding elements used to attain the environmental and social characteristics of the Fund:

- **Exclusions:** The Fund excludes investments in activities that do not align with the investment strategy of the Fund. These exclusions are set out in the Fund's Sustainability Policy. In addition, the Fund follows Maj Invest's Minimum Standards, which form part of the Responsible Investment Policy of Fondsmæglerselskabet Maj Invest, available on Maj Invest's website.
- **ESG integration:** MIM II and the Manager will incorporate sustainability throughout all phases of the investment process and promote sustainable practices with relevant and specific modification based on the circumstances of each investment case and the data available to the Manager. This sustainability approach includes integrating sustainability factors into investment processes, such as due diligence, monitoring, and reporting frameworks.
- **Thematic relevance:** The environmental and social characteristics promoted by the Fund are integral elements of the investment strategy. The Manager will, on behalf of the Fund, evaluate how the potential investments contribute to these characteristics in every investment decision as part of the due diligence process.

Proportion of investments

At least 75% of investments aim to comply with the environmental and social characteristics promoted. The remaining proportion may include early-stage companies or funds where ESG reporting is not yet possible, but that are still consistent with the Fund's overall strategy.

No commitments are made to sustainable investments, EU Taxonomy alignment, transitional, or enabling activities. Cash holdings are only temporary and for administrative purposes.

Monitoring of environmental or social characteristics

The attainment of the Fund's characteristics is monitored through indicators such as:

- Share of investments whose core business contributes to life science, medical technologies, or healthcare service delivery, and
- Share of investments supporting the green transition.

Monitoring is embedded in portfolio reviews and regular reporting.

Methodologies

The Fund applies a qualitative and quantitative assessment to evaluate how potential investments contribute to the environmental characteristics promoted by the Fund. Prior to making an investment, the Manager reviews the investment case description to assess whether the core business activities of the company or fund are aligned with the Fund's environmental and social characteristics.

During the ownership phase, the Manager seeks to collect relevant sustainability data from portfolio companies and fund managers where possible. However, due to the nature of the investments and the Fund's minority ownership positions, the availability of detailed data is often limited.

Data sources and processing

The Fund relies on a combination of internal assessments and external information to evaluate how investments contribute to the environmental and social characteristics

promoted. Primary data sources include investment case documentation, information provided directly by portfolio companies or fund managers, and dialogue with co-investors.

Where available, the Fund may also use publicly disclosed information, such as annual reports, sustainability reports, or regulatory filings. Given the Fund's minority ownership positions, the availability and quality of sustainability data are often limited. Data processing is carried out by Maj Invest through internal reviews of the information collected.

Limitations to methodologies and data

The Fund's ability to apply its methodologies is subject to limitations, primarily related to the availability and quality of sustainability data. As the Fund often holds minority positions in portfolio companies or invests through other funds, access to detailed company-level data is limited. Many portfolio companies are in early or growth stages and may not yet systematically collect or report sustainability information.

As a result, assessments rely to a significant degree on the investment's core business model and sector focus rather than on comprehensive quantitative data. This means that while the methodologies are consistent and applied systematically, they cannot fully capture all potential impacts.

Due diligence

As part of the investment process, the Manager conducts structured due diligence to evaluate the financial, operational, and sustainability profile of each potential investment. This includes an assessment of the investment's compliance with Maj Invest's Minimum Standards, the Fund's exclusion list, and recognized international principles on responsible business conduct. The due diligence process also evaluates ESG risks and opportunities, taking into account factors such as the maturity of the company or fund, its business model, industry context, and governance structures.

Engagement policies

The Fund's investment strategy is primarily based on minority ownership positions, which means that systematic engagement is not always feasible. Nevertheless, the Manager seeks to exercise influence where relevant, particularly if a material sustainability issue has been identified. This may take place through collaboration with co-investors or, in certain cases, through direct dialogue with portfolio companies.

Designated reference benchmark

No index has been designated as a reference benchmark for this financial product.