

CataCap II K/S Website Product Disclosure

CATACAP

BEYOND CAPITAL



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1 SUMMARY

CataCap II K/S (“**CC II**”) is a financial product managed by CataCap Management A/S (“**CataCap**”) that promotes environmental and social characteristics but does not have sustainable investments as its objective.

CC II excludes investments in controversial sectors and promotes environmental and social characteristics by setting ESG minimum requirements across its portfolio. All portfolio companies must (i) report on three active ESG KPIs, (ii) measure Scope 1-3 emissions and set GHG reduction targets, (iii) implement diversity measures aiming at representation of at least two genders at board and leadership levels, (iv) commit to good governance practices including UN Global Compact membership and implementation of a Code of Conduct, and (v) measure employee engagement scores to promote employee well-being.

CC II's investment strategy targets small and medium-sized companies in Denmark and adjacent markets, with ESG integration carried out through due diligence, ownership, and exit. CataCap assesses ESG impacts, risks and opportunities material to each company but does not consider principal adverse impacts.

ESG due diligence is conducted prior to investment governed by the Responsible Investment Policy and the Investment and Due Diligence Policy. No benchmark is designated for this product.

Monitoring is conducted bi-annually via ESG data collection and board oversight. Methodologies include standardised KPI reporting, verified GHG emissions data, and diversity tracking. Data is provided by portfolio companies, processed internally in CataCap, and externally verified where relevant.

Opsummering (dansk)

CC II er et finansielt produkt forvaltet af CataCap, som fremmer miljømæssige og sociale karakteristika, men har ikke bæredygtig investering som sit mål.

CC II investerer ikke i kontroversielle sektorer og fremmer miljømæssige og sociale karakteristika ved at stille ESG-minimumskrav til sine porteføljeselskaber. Alle porteføljeselskaber skal (i) rapportere på tre aktive ESG-KPI'er, (ii) måle Scope 1-3 emissioner og fastsætte reduktionsmål, (iii) tilstræbe sig efter kønsdiversitet med minimum to køn repræsenteret i bestyrelse og ledelse, (iv) forpligte sig til god selskabsledelse, herunder medlemskab af FN's Global Compact og implementering af adfærdskodekser, og (v) løbende måling af engagementsscorer på tværs af organisationen for at sikre medarbejdertrivsel.

CC II investerer i små og mellemstore virksomheder i Danmark og nærliggende markeder. ESG-integrationen sker gennem hele investeringscyklussen – fra due diligence til ejerskab og exit. CataCap vurderer ESG-risici og muligheder, der er væsentlige for den enkelte virksomhed, men tager ikke højde for væsentlige negative påvirkninger på entitetsniveau jf. SFDR artikel 4.

ESG-due diligence gennemføres før investering styret af CataCaps ansvarlige investeringspolitik og investerings- og due diligence-politik. Der er ikke udpeget et specifikt referencebenchmark for dette produkt.

Overvågning sker halvårligt via ESG-data indsamling og bestyrelsesstilsyn. Metodikken omfatter standardiseret KPI-rapportering, verificerede GHG-data og måling af diversitet. Data indsamles fra porteføljeselskaberne, behandles internt i CataCap og valideres eksternt hvor relevant.

2 NO SUSTAINABLE INVESTMENT OBJECTIVE

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

3 ENVIRONMENTAL AND SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

CataCap considers ESG matters during due diligence and ownership and will employ reasonable best endeavours not to invest in controversial sectors such as offensive military equipment, tobacco, gambling, pornography, or companies in breach of international sanctions or who is performing aggressive tax planning.

The following environmental and social characteristics are considered minimum ESG requirements by CataCap:

(i) Managing material ESG issues

Portfolio companies owned by CC II shall set and report on three company specific ESG key performance indicators (“KPIs”). Target measures for the KPIs, including baseline and ambitioned time frame for achieving the target, must be disclosed. If the target is achieved, new target(s) must be set or new KPIs added, so the portfolio company always reports on a minimum of three “active” KPIs.

(ii) Reducing GHG emissions

It is expected that portfolio companies measure their Scope 1-3 emissions, develop GHG baselines and set reductions targets to be achieved by 2030.

(iii) Diversity

Portfolio companies owned by CC II shall employ initiatives to strengthen the gender balance in the Board of Directors and on management levels. Specifically, it is expected that (i) a minimum of two genders is represented in the board of directors, (ii) a minimum of two genders is represented among the final candidates for new leadership hires, and (iii) portfolio companies actively report on diversity across the entire organisation.

(iv) Organisational development

Portfolio companies owned by CC II are required to promote employee well-being as a core element of responsible management. This includes measuring and reporting on employee engagement scores across the organisation.

(v) Governance (UN Global Compact and Codes of Conduct)

Portfolio companies owned by CC II are required to join the UN Global Compact and commit to its 10 ESG principles, and report annually on these.

Further, portfolio companies must implement a Code of Conduct for employees and relevant business partners, covering the following areas in line with the UN Guiding Principles on Business and Human Rights & OECD Guidelines for Multinational Enterprises:

- a. Governance and ethics, including anti-corruption & bribery policy and tax compliance,
- b. Human and labour rights, including policies for child labour, discrimination and working conditions,
- c. Employee health & safety, and
- d. Anti-harassment policy.

4 INVESTMENT STRATEGY

CC II invest in small and medium-sized companies located in Denmark and adjacent markets. CC II aims to invest in companies where CataCap sees an opportunity to strengthen ESG performance as part of the overall value creation approach and/or companies with a business model already contributing positively to the ESG agenda.

To ensure that the investments contribute to the environmental and social characteristics of the product, CataCap's ESG Framework and Responsible Investment Policy is applied to all stages of the investment lifecycle:

- I. **Screening:** The investment team conducts an initial ESG assessment to identify material risks and opportunities and to screen for alignment with CataCap's Responsible Investment Policy and negative list.
- II. **Due diligence:** Detailed ESG due diligence, internally or with external experts, evaluating material risks and potential value creation areas, including assessment of maturity in addressing material ESG topics.
- III. **Investment decision:** ESG findings are presented to and reviewed by the Investment Committee before approval, and ESG priorities are embedded into development plans.
- IV. **Ownership:** The investment team works with portfolio company management using the ESG Toolbox to strengthen ESG performance, governance structures, and reporting practices. A structured approach to enable portfolio companies to meet CataCap's ESG Minimum Requirements is applied.
- V. **Exit:** ESG performance and improvements achieved during ownership are documented and shared with investors and prospective buyers.

CataCap considers material sustainability impacts, risks and opportunities at company level but does not consider principal adverse impacts on sustainability factors at entity level in accordance with Article 4 of SFDR.

CataCap ensures that all portfolio companies act in accordance with good governance practices as defined under Article 2(17) of the SFDR. Good governance is assessed prior to investment and monitored throughout the ownership period through due diligence, active ownership and ongoing oversight.

Good governance is assessed across the four SFDR governance pillars:

- I. **Sound management structures:** Portfolio companies must have functioning boards, clear allocation of responsibilities, audited financial statements, and no unresolved corruption or bribery cases. Portfolio companies are required to maintain Codes of Conduct for employees and relevant business partners and, where applicable, whistleblower mechanisms.
- II. **Employee relations:** Portfolio companies must comply with applicable labour laws and internationally recognised labour and human rights standards and have no significant unresolved labour-related controversies.
- III. **Remuneration:** Remuneration practices must be fair and transparent.
- IV. **Tax compliance:** Portfolio companies must follow responsible tax practices, refrain from aggressive tax planning, and comply with Active Owners Denmark's Tax Code of Conduct.

For new investments, good governance is assessed through legal, tax and ESG due diligence. During ownership, adherence is monitored on an ongoing basis through board engagement and annual assessments.

5 PROPORTION OF INVESTMENTS

All CC II's investments are direct equity investments in portfolio companies that promote the environmental and social characteristics described above. No use of derivatives is planned. No sustainable investments are made under SFDR definition Art. 2(17).

6 MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

Throughout the lifecycle of CC II, the social and environmental characteristics described in Section 3 are monitored by:

- (i) Bi-annual collection of ESG data from portfolio companies, ensuring that ESG minimum requirements are met and ESG related KPI's and targets are set.
- (ii) Ongoing oversight by the board of directors of the relevant portfolio company, where CataCap is represented.

7 METHODOLOGIES

The attainment of CC II's environmental and social characteristics is measured through the following mechanisms:

All portfolio companies owned by CC II shall comply and subsequently report on the ESG minimum requirements defined by CataCap and described in Section 3 above within 12 months of ownership. This includes:

- (i) Mandatory ESG KPI reporting on minimum 3 company-specific KPI's
- (ii) Annual reviews of ESG targets, with new targets or KPIs set if existing ones are achieved
- (iii) Scope 1-3 GHG emissions calculated and reported, and reduction targets are in place
- (iv) Diversity tracking across organisation and in hiring and leadership promotions
- (v) Report on employee engagements scores across the organisation

8 DATA SOURCES AND PROCESSING

Data on the environmental and social characteristics is sourced directly from the portfolio companies governed by a standardised reporting structure outlined in CataCap's ESG Framework. The incoming data is processed and analysed by CataCap's ESG Responsible and relevant members of the investment team. Data regarding GHG emissions is externally validated by a qualified third party ensuring that it is calculated and reported according to recognised standards before the first reporting. Estimation methods are applied where primary data is missing, particularly for early-stage Scope 3 calculations.

9 LIMITATIONS TO METHODOLOGIES AND DATA

CataCap acknowledges inherent limitations in data quality and methodologies, particularly regarding Scope 3 emissions, due to varying ESG maturity across portfolio companies. To mitigate this, CataCap applies a structured reporting framework, standardised templates, and recognised methodologies, e.g. the GHG Protocol, the VSME Standard and SASB. Data quality is expected to improve over the ownership period through active engagement, onboarding processes, and external validation where relevant.

10 DUE DILIGENCE

CataCap integrates ESG considerations systematically throughout the investment cycle in accordance with the Responsible Investment Policy and the Investment and Due Diligence Policy.

Any platform investment in CC II is subject to the following steps before a final investment decision is made:

- (i) CataCap performs an initial assessment of ESG risks and opportunities, which entails evaluating a potential target company's ESG efforts and performance vis-à-vis material issues, using recognised frameworks for assessment, such as SASB's Materiality Map. The results of the initial assessment are presented at the first meeting of the Investment Committee.
- (ii) The initial assessments will then guide the ESG due diligence which is supported by internal and external experts. The ESG due diligence results are subject to the Investment Committee assessment in the second meeting of the Investment Committee.

11 ENGAGEMENT POLICIES

CataCap – on behalf of CC II – is an active owner that empowers and supports portfolio companies in strengthening their ESG performance as part of its value creation approach. Through structured onboarding, tailored development plans, and ongoing engagement and reporting, the ESG Responsible and the Investment Team actively assist and oversee ESG implementation. CataCap is represented on the board of directors of each portfolio company and ensures ESG matters are addressed proportionately, considering the company's industry, maturity, and organisational capacity.

12 DESIGNATED REFERENCE BENCHMARK

No specific reference benchmark has been designated for this financial product.