

## SFDR Website disclosures TG Partners VIII Feeder 1 A/S

### Sustainability-related disclosures

#### **No sustainable investment objective**

Fundrock Asset Management Denmark ApS, CVR no. 43 72 34 64 (the "**Manager**") has prepared this document. This financial product named TG Partners VIII Feeder 1 A/S, CVR.no. 44 41 18 81 ("**the Fund**").

The Fund is a feeder fund and invests exclusively in TG Partners VIII Holding K/S, CVR no. 43 80 72 77 (the "**Master Fund**"). The Master Fund is managed by Thylander Gruppen A/S, CVR no. 34 80 07 82 ("**Master Fund Manager**").

The purpose of the Master Fund is to invest in, own and operate properties in Denmark, either directly or through subsidiaries, in order to achieve a market-compliant return.

The Fund promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

The document describes the integration of sustainability risks into the decision-making process of investments of the Fund and whether the main adverse impacts on sustainability factors are taken into account (the "**Document**").

The document has been prepared in accordance with Articles 3(1) and 6 (1) of Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ('**SFDR**').

It should be stated that sustainability risks associated with the Fund's investments are not part of the investment decision process. The manager of the Master Fund has made such information available to investors in the Master Fund in accordance with section 62 ("**Section 62 document**"), of the Act on Managers of Alternative Investment Funds etc. (the "**FAIF Act**"). Sustainability risks associated with the Master Fund's investments are thus included in the Master Fund Manager's investment decision making process. Each investment decision is preceded by an assessment (due diligence) of the potential sustainability risks associated with the Master Fund's underlying investments.

The sustainable investments undertaken by the Master fund will be analysed against the EU Taxonomy's "do no significant harm"-criteria as an integrated part of the Master Fund's investment process. 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.

The Master Fund considers Principal Adverse Impact ("**PAI**") indicators, as they are defined in the European Supervisory Authorities' Regulatory Technical Standards ("**RTS**") for SFDR Annex 1. The

Master Fund will report on all real estate PAIs in table 1 and 2 and the PAIs for Social and employee matters in table 1.

Environmental or social characteristics of the financial product

Environmental characteristics promoted by the Master Fund:

- Climate change mitigation: Acquire and own buildings and reduce the GHG emissions in the use-phase by energy efficiency initiatives and thereby contribute to climate change mitigation.
- Climate change adaptation: Analyse all buildings both current and new acquisitions for physical climate risk and implement solutions in line with “Substantial contribution to climate change adaptation” in the EU taxonomy.

### **Investment strategy**

The investment strategy of the Master Fund is to invest in real estate assets for rental purposes, primarily located in the Copenhagen area. The objective is to develop a portfolio of robust and stable rental properties. The Master Fund’s lifespan is eight years, subject to extension provision (one year + one year).

All investments undertaken by the Master Fund will be subject to Thylander’s ESG investment policy that incorporates sustainability factors in all steps of the investment process starting with an initial ESG screening of the investment opportunities and all the way through the asset management phase.

### **Proportion of investments**

The Master Fund will invest 100% in real estate. Across the entire portfolio the Master Fund will have a minimum allocation of 80% to real estate assets in the Copenhagen area (measured in GAV).

The real estate portfolio is planned to have a segmental allocation of (measured in GAV).:

- Residential/office +80%
- Other 0-20 %

The allocations above are planned to be complied with at the end of 2026.

As the Master Fund follows Thylander’s ESG investment policy all investments in the financial product promote E/S characteristics. This implies that the 40% share of sustainable investment and the remaining part of the portfolio have the same investment purpose which is to manage a stable real estate portfolio with continuous focus on the beforementioned E/S characteristics. By following this investment purpose, the Master Fund seeks to increase the share of sustainable investment.

### **Monitoring of environmental or social characteristics**

The environmental and social characteristics are monitored on an ongoing basis throughout the lifecycle of the Master Fund by the Master Fund manager who has a dedicated ESG team. This team gathers the

data sourced from different sources and internal control mechanisms are set up and these are SFDR followed at least on an annual basis. External control mechanisms are not in place yet. However, the Master Fund Manager is investigating different solutions for an annual external limited assurance.

## **Methodologies**

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics of the Master Fund:

Environmental indicators:

- CO2 intensity
- Energy intensity
- Reuse of building materials
- Climate risk adaptation initiatives
- Biodiversity

The above sustainability indicators are defined based on the following methodologies:

- CO2 intensity of operations: Measured as kg CO2/sqm/year
- Energy intensity: Measured as kWh/sqm/year
- Exposure to energy-inefficient real estate assets: Share of investments in energy inefficient assets
- Raw materials consumption for major renovations: Share of raw building materials (excluding recovered, recycled and bio-sourced) compared to the total weight of building materials used in new construction and major renovations
- Climate risk adaptation: Measured as share of real estate assets with a climate risk assessment
- Climate risk adaptation: Measured as share of real estate assets with implementation of climate risk adaptation initiatives if the climate risk assessment suggests such
- Waste production in operations: Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract
- Exposure to fossil fuels through real estate assets: Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
- Biodiversity: Share of real estate assets with biodiversity initiatives verified by third party with expert knowledge on biodiversity
- Biodiversity: Share of non-vegetated surface area (surfaces that have not been in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets.

## **Data sources and processing**

Data on sustainability indicators are sourced by Thylander from the relevant parties. Data is processed and managed by Thylander and will be stored during the lifetime of the Master Fund.

Internal control mechanisms such as the two-person rule are set up to ensure data quality.

The proportion of data that are estimated is expected to be very limited, but estimates can occur, and these will be disclosed properly.

## **Limitations to methodologies and data**

The Master Fund recognizes inherent limitations in our ESG data collection and analysis methodologies:

- Data completeness and accuracy: Despite thorough efforts, some data may rely on estimations due to gaps in available information, affecting reliability.
- Evolving methodologies: Our assessment methodologies are based on current standards, which are subject to change as new insights and technologies emerge, potentially impacting comparability over time.
- External influences: Factors outside our control, such as regulatory shifts and market changes, can impact data quality and the relevance of our methodologies.

We are committed to refining our approaches and enhancing transparency around these limitations to better inform our stakeholders about the sustainability performance of our investments.

### **Due diligence**

ESG due diligence is part of Thylander’s ESG investment policy and the following steps are integrated in all investment processes prior to closing.

ESG screening:

Once an investment opportunity is identified, in the pre-investment phase, the investment team prepares an initial ESG screening. This screening is a high-level preliminary assessment of the ESG risks that the project/investment may be involved in along with the project’s relation to the Master Fund’s mandate. The potential new business partners are also assessed in terms of their ability to comply with the ESG standards set out in Thylander’s Code of Conduct and Supplier Code of Conduct.

Initial analysis/Advisor analysis:

If an investment project is deemed attractive it is analysed further internally, if necessary, supported by external professional ESG advisors, to identify any significant ESG issues. Once this initial analysis is finalised the investment project will be passed through an internal decision gate. If a risk is identified that cannot be sufficiently mitigated, then the investment project will be terminated.

Due diligence:

Once the project moves forward, a more thorough and comprehensive evaluation of the sustainability risks of the investment is completed. This is based on our ESG due diligence framework. The outcome of this evaluation is then presented in an ESG due diligence report. The main purpose of this exercise is to identify and manage any specific ESG risks and opportunities for each investment project. The report is prepared by both internal and external ESG advisors.

### **Engagement policies**

The Master Fund does not have any engagement policies in relation to the environmental and social characteristics.

### **Designated reference benchmark**

The Master Fund does not follow an index to achieve the environmental and social characteristics of the fund. The environmental and social characteristics are achieved based on the elements described in this disclosure, incl. the listed sustainability indicators.

**No consideration of negative impacts of investment decisions on sustainability factors**

Taking due account of the nature of TGP VIII Feeder 1 A/S' only investment in the Master Fund, the Manager does not systematically assess the negative impact of investment decisions on sustainability factors. The manager has no direct or indirect control or influence over requiring the data and information necessary to report on the impact on such factors.

Therefore, the manager does not take into account the negative impact of investment decisions on sustainability factors.