PAI Statement

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PUBLIC DISCLOSURE PURSUANT TO ARTICLE 4 OF REGULATION (EU) 2019/2088 (SFDR)

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IWC Investment Partners A/S

1 Summary

IWC Investment Partners A/S ("IWC IP"), LEI 213800L3G4ULAXHJKK81, considers principal adverse impacts of its investment decisions on sustainability factors. This is the consolidated statement on principal adverse impacts on sustainability factors of IWC IP, prepared in accordance with Article 4 of Regulation (EU) 2019/2088 ("SFDR") and Chapter II and Annex I of Commission Delegated Regulation (EU) 2022/1288.

This statement covers the reference period from 1 January 2025 to 31 December 2025. IWC IP's reported investment activities during the reference period related to forestry investments, labelled in accordance with Article 9 of the SFDR.

IWC IP's relevant investment activities are carried out by separate teams, managing separate funds, operating under distinct governance and conflict-of-interest (information barrier) arrangements. Funds are managed by IWC IP on a discretionary basis within the meaning of Article 2(6) of SFDR and therefore fall within scope of this entity-level statement. This statement consolidates the principal adverse impacts arising from funds at entity level; the application of underlying policies and procedures may differ by team and fund.

IWC IP's approach to principal adverse impacts is based on the IWC Group ESG Policy and the IWC IP Sustainable Investment Policy, which support the integration of sustainability risks and principal adverse impacts into due diligence, investment decision-making or advice, monitoring, engagement and reporting.

IWC IP reports on the mandatory principal adverse impact indicators in Table 1 of Annex I of the Delegated Regulation, to the extent relevant and applicable to its investment activities, together with one additional environmental indicator (exposure to areas of high water stress) and one additional social indicator (number of identified cases of severe human rights issues and incidents), selected on the basis of their relevance to land-based natural capital investments. Indicators applicable to sovereign and supranational issuers and to real estate assets are not applicable, as IWC IP does not invest in these asset classes. Data has been collected on a best-efforts basis from internal records, investees, forest and asset managers, service providers, and third-party certification and audit reports.

This is IWC IP's first consolidated statement on principal adverse impacts for a full reference period. No historical comparison is therefore provided in the table below; future statements will include historical comparisons as prior-period data becomes available.

Methodology note: quantitative indicators across IWC IP's mandates have, for this first reporting period, been combined as an average of each mandate's own weighted-average figures, rather than a single fully weighted calculation across both; absolute figures (such as total greenhouse gas emissions) have been aggregated by summation. Values reported in a non-EUR currency have been converted to EUR at the relevant ECB year-end reference rate. This reflects the best available information for the period; IWC IP will continue to refine this to a fully weighted methodology in future reporting periods.

Dansk resumé / Danish summary

Resumé

IWC Investment Partners A/S ("IWC IP"), LEI 213800L3G4ULAXHJKK81, tager hensyn til de væsentligste negative indvirkninger af sine investeringsbeslutninger på bæredygtighedsfaktorer. Dette er IWC IP's konsoliderede erklæring om de væsentligste negative indvirkninger på bæredygtighedsfaktorer, udarbejdet i overensstemmelse med artikel 4 i forordning (EU) 2019/2088 ("SFDR") samt kapitel II og bilag I i Kommissionens delegerede forordning (EU) 2022/1288.

Denne erklæring omfatter referenceperioden fra 1. januar 2025 til 31. december 2025. IWC IP's rapporterede investeringsaktiviteter i referenceperioden var relateret til skovbrugsinvesteringer. IWC IP's investeringsaktiviteter udføres af separate teams, der forvalter separate fonde under forskellige governance- og interessekonfliktordninger (informationsbarrierer). Begge fonde forvaltes af IWC IP i henhold til artikel 2(6) i SFDR, og begge er derfor omfattet af denne erklæring på enhedsniveau. Denne erklæring konsoliderer de væsentligste negative indvirkninger, der følger af fondene, på enhedsniveau; anvendelsen af de underliggende politikker og procedurer kan variere efter team og fond.

IWC IP's tilgang til væsentligste negative indvirkninger er baseret på IWC Group ESG Policy og IWC IP Sustainable Investment Policy, som understøtter integrationen af bæredygtighedsrisici og væsentligste negative indvirkninger i due diligence, investeringsbeslutninger eller -rådgivning, overvågning, engagement og rapportering.

IWC IP rapporterer om de obligatoriske indikatorer for væsentligste negative indvirkninger i tabel 1 i bilag I til den delegerede forordning, i det omfang de er relevante og anvendelige for selskabets investeringsaktiviteter, sammen med én yderligere miljøindikator (eksponering mod områder med høj vandstress) og én yderligere social indikator (antal identificerede tilfælde af alvorlige menneskerettighedsspørgsmål og -hændelser), udvalgt på baggrund af deres relevans for naturkapitalinvesteringer. Indikatorer, der gælder for statslige og overstatslige udstedere samt for fast ejendom, er ikke relevante, da IWC IP ikke investerer i disse aktivklasser. Data er indsamlet efter bedste skøn fra interne registre, investeringsobjekter, skov- og aktivforvaltere, tjenesteudbydere samt tredjeparts certificerings- og revisionsrapporter.

Dette er IWC IP's første konsoliderede erklæring om væsentligste negative indvirkninger for en fuld referenceperiode. Der gives derfor ikke nogen historisk sammenligning; fremtidige erklæringer vil indeholde historiske sammenligninger, når data for tidligere perioder er tilgængelige.

Metodenote: kvantitative indikatorer for IWC IP's mandater er for denne første rapporteringsperiode kombineret som et gennemsnit af hvert mandats egne vægtede gennemsnitstal, snarere end en samlet fuldt vægtet beregning for begge; absolutte tal (såsom samlede drivhusgasemissioner) er aggregeret ved summering. Værdier angivet i en valuta forskellig fra EUR er omregnet til EUR til den relevante årsultimo-referencekurs fra ECB. Dette afspejler den bedst tilgængelige information for perioden; IWC IP vil fortsætte med at videreudvikle metoden til et fuldt vægtet grundlag i fremtidige rapporteringsperioder.

2 Description of the principal adverse impacts on sustainability factors

The table below sets out the principal adverse impacts of IWC IP's investment decisions and investment advice on sustainability factors for the reference period from 1 January 2025 to 31 December 2025.

IWC IP does not invest in sovereign, supranational or real estate assets. Accordingly, the indicators applicable to those asset classes are not included in this statement.

Adverse sustainability indicator	Metric	Impact 2025	Explanation	Actions taken, and actions planned for the next reference period
Indicators applicable to investments in investee companies				
Climate and other environment-related indicators				
1. GHG emissions	Scope 1 GHG emissions	34,289 tCO2e	Operational emissions from forest management activities (e.g. fuel use in harvesting, site preparation and transport) together with biological emissions associated with managed forest ecosystems. Biological carbon removals from forest growth are reported separately and are estimated at -73,130 tCO2e for the period.	Forest carbon accounting and monitoring frameworks continued to be developed across the Group's forestry holdings, including calibration against national forest inventory data and alignment with EU Taxonomy climate mitigation criteria.
	Scope 2 GHG emissions	0 tCO2e	No material Scope 2 emissions sources were identified across the Group's forestry investment activities during the period.	Energy use is monitored on an ongoing basis as part of standard asset management practice.
	Scope 3 GHG emissions	21,661 tCO2e	Primarily relates to harvested wood product emissions, contractor and haulage activity, and embodied emissions from forestry inputs such as fertiliser and herbicide use.	Coverage of Scope 3 categories continued to be extended, including improved emission factors and engagement with underlying forest managers to align with the GHG Protocol (GHG-P).

Adverse sustainability indicator	**Metric**	**Impact 2025**	**Explanation**	**Actions taken, and actions planned for the next reference period**
	Total GHG emissions	55,950 tCO2e gross emissions; -73,130 tCO2e gross removals	See Scope 1–3 above. On a net basis, removals exceeded gross emissions across the Group's forestry investment activities during the reference period.	See Scope 1–3 above.
2. Carbon footprint	Carbon footprint	-114.09 tCO2e/€m invested	Simple average, after currency conversion to EUR at the ECB year-end reference rate, of the carbon footprint reported across the Group's forestry investment activities. The negative figure reflects that biological carbon removals exceeded emissions during the period.	Carbon balance is monitored at asset level through periodic climate benefit/carbon assessments, with continued focus on improving carbon accounting and alignment with national forest inventory data and EU Taxonomy climate mitigation criteria. IWC IP is also working to harmonise methods and units across mandates, to support more fully consolidated reporting at entity level in future reporting periods.
3. GHG intensity	GHG intensity of investee companies	-43,890.07 tCO2e/€m revenue	Materially affected by the early stage of deployment and correspondingly limited operational revenue relative to biological carbon removals during the period. Combined as a simple average after currency conversion.	See Carbon footprint above.
4. Fossil fuel exposure	Share of investments in companies active in the fossil fuel sector	0%	The Group's forestry investment activities are not permitted to invest in companies active in the fossil fuel sector.	Fund and mandate terms continue to exclude fossil fuel sector exposure.

Adverse sustainability indicator	Metric	Impact 2025	Explanation	Actions taken, and actions planned for the next reference period
5. Non-renewable energy	Share of non-renewable energy consumption	50%	Operational energy use across the Group's forestry investment activities relates mainly to diesel-powered machinery used in harvesting, silviculture and transport, which is non-renewable. Combined as a simple average pending refinement.	Lower-emission machinery, fuel alternatives and operational efficiencies continue to be monitored for relevance to forest management activities.
	Share of non-renewable energy production	0%	The Group's forestry investment activities do not produce energy.	Not applicable.
6. Energy intensity (high impact sectors)	Energy consumption per high impact climate sector	Not material	Direct energy consumption associated with the Group's forestry investment activities is not separately modelled as a distinct intensity metric, given its limited scale relative to overall portfolio carbon balance.	Coverage will be assessed for future reporting periods as data systems develop.
7. Biodiversity-sensitive areas	Share of investments with sites/operations in or near biodiversity-sensitive areas with negative effects	0%	No adverse impacts on biodiversity-sensitive areas were identified during the reference period. Biodiversity values are assessed at acquisition and monitored through forest management planning and third-party sustainable forest management certification and audit.	Mapping, monitoring and management of natural and high conservation value areas continued across the Group's forestry holdings, including site-specific habitat and conservation measures.
8. Emissions to water	Tonnes of emissions to water per €m invested, weighted average	0 t/€m invested	No significant emissions to water were identified. Use of fertilisers, herbicides and pesticides is controlled, monitored and reported, and riparian management zones are maintained around mapped waterways.	Monitoring and spatial mapping of chemical use and watercourses continued to be strengthened during the period.

Adverse sustainability indicator	Metric	Impact 2025	Explanation	Actions taken, and actions planned for the next reference period
9. Hazardous waste ratio	Tonnes of hazardous waste per €m invested, weighted average	0.0006 t/€m invested	Forest management activities do not generate hazardous waste as a matter of course. Isolated instances identified (e.g. third-party illegal dumping) were addressed through site remediation and monitoring.	Tracking and quantification of hazardous waste incidents continued to be improved, including community engagement where relevant.
Social and employee, respect for human rights, anti-corruption and anti-bribery matters				
10. UNGC/OECD violations	Share of investments involved in violations	0%	No violations of the UN Global Compact principles or OECD Guidelines for Multinational Enterprises were identified across the Group's forestry investment activities during the period.	Alignment with these standards continues to be monitored through due diligence, third-party certification and ongoing oversight of underlying managers and service providers.
11. Lack of compliance mechanisms (UNGC/OECD)	Share of investments without monitoring policies	50%	Underlying managers and service providers generally maintain substantive policies, grievance mechanisms and compliance processes addressing the matters covered by these instruments; not all are yet formalised as standalone policies expressly referencing them, which is reflected in the combined figure.	Work is underway to formalise human rights and related policy commitments at investee/manager level, including supplier codes of conduct, to align more closely with these instruments.
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	18.57%	Reported based on the one underlying activity for which investee-level employee data is available; other investee structures are non-operational holding entities without employees, to which this indicator does not apply.	Diversity, equity and remuneration policies maintained by underlying managers continue to be monitored, including tracking of gender equality indicators.

Adverse sustainability indicator	Metric	Impact 2025	Explanation	Actions taken, and actions planned for the next reference period
13. Board gender diversity	Average ratio of female to male board members	6.5% female / 93.5% male	Blends an operating manager's board composition with that of non-operational holding entities with minimal board structures and limited representativeness; this will be refined in future reporting periods.	Board composition and governance arrangements across underlying managers continue to be monitored.
14. Exposure to controversial weapons	Share of investments in controversial weapons	0%	The Group's forestry investment activities are not permitted to invest in controversial weapons.	Fund and mandate terms continue to exclude such exposure.
Additional indicators selected by IWC Investment Partners A/S				
High water stress	Share of investments with sites/operations in areas of high water stress	0%	No assets within the Group's forestry investment activities were identified as located in areas of high water stress, based on recognised geospatial screening tools and asset-level climate risk assessments.	Water-related risk continues to be assessed at asset level and incorporated into forest management planning.
Severe human rights cases	Number of cases connected to investee companies	0	No cases of severe human rights issues or incidents connected to the Group's forestry investment activities were identified during the reference period.	Human rights-related risks (including land tenure, indigenous and community rights) continue to be assessed through due diligence and monitored on an ongoing basis; formalisation of a Group-level human rights position is in progress.

3 Description of policies to identify and prioritise principal adverse impacts on sustainability factors

IWC IP identifies and prioritises principal adverse impacts through the IWC Group ESG Policy and the IWC IP Sustainable Investment Policy. These policies set out the Group's environmental, social and governance principles – including screening, sustainability risk integration, principal adverse impact consideration and active ownership – and govern the integration of sustainability risks and principal adverse impacts into due diligence, investment decision-making or advice, monitoring, engagement and reporting.

Principal adverse impacts are considered with respect to the relevant team's mandate, investment discretion, client arrangement, asset class, geography, data availability and applicable law. Where information is not readily available, IWC IP uses best efforts to obtain it from investees, managers, service providers, clients, public sources, external advisers or other appropriate sources.

Both policies are approved by the Board of Directors of the relevant IWC Group entity. The Chief Executive Officer is responsible for their implementation, and day-to-day maintenance is allocated to the ESG Manager under the oversight of the Sustainability Committee.

4 Engagement policies

IWC IP's engagement approach is based on the IWC Group ESG Policy. Engagement may be conducted with clients, investees, managers, service providers and other relevant counterparties, depending on the team, mandate, product, client arrangement and degree of investment discretion.

Where potential or actual adverse impacts are identified, IWC IP may seek to engage with the relevant party, request further information, agree an action plan, monitor implementation, escalate the matter, or consider other measures available under the relevant mandate or contractual arrangement, up to and including recommending an earlier exit of the relevant holding.

IWC IP does not generally apply an engagement policy under Article 3g of Directive 2007/36/EC, as its activities do not involve listed equity shareholder engagement of the kind addressed by that Article.

5 References to international standards

IWC IP's policies and procedures are informed by international standards and frameworks relevant to responsible investment and sustainable natural resource management, including, as applicable: the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the UN Convention against Corruption, the UN Global Compact's Ten Principles, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the UN Principles for Responsible Investment, the UN Sustainable Development Goals, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD); the IFC Performance Standards on Environmental and Social Sustainability; and, as conformity and certification standards, the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) principles.

Adherence to these standards is assessed through due diligence, monitoring, engagement, third-party forest certification, policy review, and incident or significant event reporting. Climate-related risks are assessed at asset level through climate risk and vulnerability assessments; no single Group-wide forward-looking climate scenario model has been applied for the purposes of this statement.

6 Historical comparison

This statement covers the reference period from 1 January 2025 to 31 December 2025. As this is IWC IP’s first consolidated statement on principal adverse impacts for a full reference period, no historical comparison is provided. Future statements will include historical comparisons as prior-period data becomes available.