



-AXCEL

Responsible investment report 2015







CSR at Axcel

Axcel gives consideration to sustainability in all its investments. It is now a precondition for successful investments that owners are fully aware of CSR issues and actively work to address them.

Axcel joined the Global Compact in 2010, since when we have worked strategically with CSR. In 2016, Axcel submitted its first report to the UN PRI (Principles of Responsible Investment).

All Axcel's companies are required to join the Global Compact within one year and to continuously work on developing positively in line with the Global Compact's ten principles. This work constitutes an integral part of active ownership, with companies drawing up an annual Communication on Progress (COP) report which is published on the UN Global Compact's website.

Axcel regards CSR as an integral part of the work on risk in companies. It is there-

fore natural for Axcel to have CSR fully integrated in its investment processes and in the exercise of its ownership during the investment period.

Axcel only invests in companies that satisfy, or are willing to satisfy, Global Compact's principles. The companies' capacity and willingness to work in accordance with the principles are also therefore part of Axcel's due diligence when acquiring new companies.

Whereas Global Compact mainly focuses on CSR at company level, UN PRI addresses environmental, social and governance matters at fund level under the designation ESG (environment, social, governance). As a member of both schemes, Axcel has the best possible platform for establishing the framework for CSR reporting, as acknowledged by both companies and investors.

It is Axcel's goal to continuously develop its companies' CSR work. This is a demanding process requiring that the companies set aside both time and resources to develop in this area. Consequently, Axcel undertakes ongoing dialogue with the companies on the development of CSR work. This takes place at regular meetings with a circle of CSR officers and directly with the companies.

Axcel works to ensure that its companies:comply with relevant laws, rules and internationally recognised principles

- consider risks relating to CSR issues and address them proactively
- are in a position to meet the requirements and expectations of customers and business partners concerning supply chain management and code of conduct
 consider future business opportunities
- and positioning in relation to CSR
- comply with the DVCA's guidelines on openness and transparency.

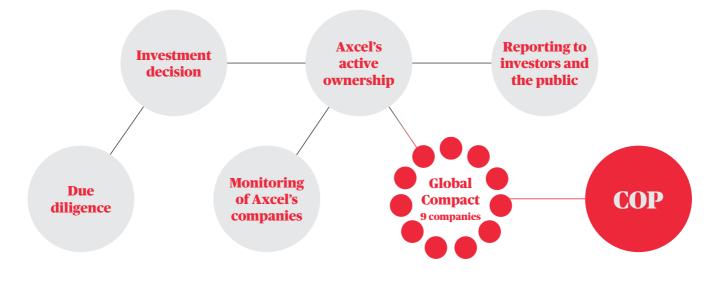
Virtually all Axcel's companies have published a COP, and the rest are on the way to doing so. Axcel routinely makes proposals to its companies for improvements, but it is vital that they themselves assume basic responsibility for CSR work.

Global Compact status of Axcel-owned companies as at 31.03.2016

	Joined Global Compact	First COP
Ball Group	Х	2012
Conscia	New investment	-
Delete Group	Х	2015
Driconeq	Х	2013
EG	Х	2015
EXHAUSTO	Х	2015
Mita-Teknik	Х	2015
Netel	Х	2016
Nordic Waterproofing	Х	2013
Silkeborg Data	Х	
TCM Group	Х	2012

Axcel's approach to CSR

Axcel has signed up to both the PRI and the Global Compact at fund level. At company level, all portfolio companies have signed up to the Global Compact, which ensures real improvements in ESG performance and risk management.



COP assessment for Axcel III and IV

Human Rights	Risks regarding equality, life and security, personal freedom, economic, social and cultural freedoms.
Labour	Risks regarding freedom of association and recognition and the right to collective bargaining, elimination of forced and compulsory labour, abolition of child labour, elimination of discrimination in respect of employment & occupation.
Environmental Challenges	Risks regarding environmental impact, damage to ecosystems, pollution, damage to acquatic ecosystems, land degradation, the impacts oc chemicals use and disposal, waste production and depletion of non-renewable resources.
Anti-corruption	Risks regarding corruption in all its forms, including extortion and bribery.
Overall assessment of Axcel con	Overall assessment of Axcel companies: 1 = Low risk 2 = Medium risk 3 = High risk
	Accochant of viel by ontonony

Fund	Portfolio Company	Human Rights	Labour	Environment	Anti-corruption
Axcel III K/S	Ball Group	-	_	-	
	Driconeq	-			
Axcel IV K/S	Exhausto	-	_	-	
	Mita-Teknik	_	-	-	N
	Netel		N	-	
	Nordic Waterproofing				
	EG	-	-1	-	-1
	Delete Group	-	-	N	
	Conscia	-	-1	-	-1

Assessment of risk by category

	Annual ESG as	nnual ESG assessment questionnaire 2015.			
Is thready written any written any any management all backcartification? Yes Y	Assessment of portfolio companies	' compliance with ESG criteria	Netel	Mita-Teknik	Mita-Teknik comments
Has the company, data and any environmental label/certification? No No If yes, please give name of black/certification? The business maragement system in certification? The business maragement system is not disclosed in system. The business maragement system. <t< th=""><th></th><th>Is there any written environmental policy in place within the company (1)?</th><th>Yes</th><th>(Yes)</th><th>Mita has an approved CSR policy, which also includes environmental issues. But the company has no specific "Environmental policy" in place.</th></t<>		Is there any written environmental policy in place within the company (1)?	Yes	(Yes)	Mita has an approved CSR policy, which also includes environmental issues. But the company has no specific "Environmental policy" in place.
Barry The busies measured in the origin of the part of service of an align of the origin		Has the company obtained any environmental label/certification? (e.g. ISO 14000, Eco-label européen)	No	No	
Has the company measured its carbon foxprint ? Not Not Not Has the company benefited from energy cost savings ? Not applicable Yes Number of employees at year-end (2015) 340 238 Number of employees at year-end (2015) Yes Yes Has the company completed any acquisition is 2015 ? Yes Yes Has the company completed any acquisition is 2016 ? Yes No Has the company benefited from a reduction of: Yes No Has the company benefited from a reduction of: Yes Yes Do employees ta year-end (2015) Yes Yes Do employees ta the access to capital of the company/stock option plan? Yes Yes If yes, please select proportion of employees benefiting from such policy? Yes Yes Does the GP seat at the portfolio company band? Yes Yes Has the company indimenet dimenal procedures or efficial code covering Yes Yes Child abour and torced labour Yes Yes Yes Has the company benefiting incompany fraud, or subject to Yes Yes Yes Has the company fra	Environmental practice of the portfolio company	If yes, please give name of label/certification	The business management system is not officially certified. However, the BMS is reviewed and signed off by an external consultant. The BMS is considered to fulfil the require- ments of ISO 140001:2004.		
Has the company benefited from energy cost savings? Not applicable Yes Number of employees at year-end (2015) 340 238 Number of employees at year-end (2014) 196 224 Has the company completed any acquisition in 2015 ? Yes No 224 Has the company completed any acquisition in 2015 ? Yes No 224 Has the company benefited from a reduction of: Yes No 224 absentedsm rate? Yes Yes Yes No 224 Do employees have access to capital of the company/stock option plan? Yes		Has the company measured its carbon footprint ?	No	No	
Number of employees at year-end (2015) 340 238 Number of employees at year-end (2014) 196 224 Has the company completed any acquisition in 2015 ? Yes No Has the company completed any acquisition in 2015 ? Yes No Has the company benefited from a reduction of: Yes Yes Yes absenteeism rate? Yes Yes Yes Do employees ta excess to capital of the company/stock option plan? Yes Yes If yes, please saled: proportion of employees benefiting from such policy? Yes Yes If yes, please saled: proportion of employees benefiting from such policy? Yes Or-10% Has the company implemented intenal procedures or ethical code covering? Yes Yes Has the company beard for any fraud, or subject to Yes Yes Has the company beard for any fraud, or subject to Yes Yes Has the company bear under investigation for any fraud, or subject to Yes Yes Has the company bear under investigation for any fraud, or subject to No No No No No No No No		Has the company benefited from energy cost savings ?	Not applicable	Yes	Mita-Teknik benefits from an intelligent control system in the buildings in Rødkærsbro saving energy to heat and electricity.
Number of employees at year-end (2014) 196 224 Has the company completed any acquisition in 2015 ? Yes No Has the company benefited from a reduction of: Yes No Has the company benefited from a reduction of: Yes Yes Incident rate? Yes Yes Yes Do employees have access to capital of the company/stock option plan? Yes Yes Yes It yes, please select proportion of employees benefiting from such policy? Yes Yes Yes Boemployees thave access to capital of the company/stock option plan? Yes Yes Yes It yes, please select proportion of employees benefiting from such policy? Yes Oracle option Oracle option Has the company setablished a safety and/or a health plan for its employees? Yes Yes Yes It also company planeted iternal procedures or ethical code covering: Yes Yes Yes Bibery Yes Yes Yes Yes Yes Has the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ? Yes Yes Yes Yes Ye		Number of employees at year-end (2015)	340	238	
Has the company completed any acquisition in 2015? Yes No If yes, please indicate the number of employees of add-ons prior to htegration Yes Incident reaction of employees of add-ons prior to htegration Yes Yes Yes Incident reaction of employees of add-ons prior to htegration Yes		Number of employees at year-end (2014)	196	224	
If yes, please indicate the number of employees of add-ons prior to inlegration Yes Yes Has the company benefited from a reduction of: Yes Yes Yes incident rate? Yes Yes Yes Yes Do employees have access to capital of the company/stock option plan? Yes Yes Yes If yes, please select proportion of employees benefiting from such policy? Nofes 0.0 0.0 Has the company established a safety and/or a health plan for its employees? Yes Yes Yes Has the company implemented internal procedures or ethical code covering: Yes Yes Yes Has the company been under investigation for any fraud, or subject to Yes Yes Yes Has the company beact Yes Yes Yes Has the company been under investigation for any fraud, or subject to Yes Yes Yes Has the company been under investigation for any fraud, or subject to No No No Has the company been under investigation for any fraud, or subject to No No No Has the company been under investigation for any fraud, or subject to No		Has the company completed any acquisition in 2015?	Yes	No	
Has the company benefited from a reduction of: Yes Yes absentedism rate? Yes Yes Yes incident rate? Yes Yes Yes Do employees have access to capital of the company/stock option plan? Yes Yes Yes If yes, please select proportion of employees benefiting from such policy? Yes Yes Yes Has the company established a safety and/or a health plan for its employees? Yes Yes Yes Does the GP seat at the portfolo company board? Yes Yes Yes Yes Has the company implemented internal procedures or ethical code covering: Yes Yes Yes Yes Bibery Yes Yes <td></td> <td>If yes, please indicate the number of employees of add-ons prior to integration</td> <td></td> <td></td> <td></td>		If yes, please indicate the number of employees of add-ons prior to integration			
npanyincident rate?YesYesYesDo employees have access to capital of the company/stock option plan?YesYesIf yes, please select proportion of employees benefiting from such policy?10% - 30%0-10%Has the company established a safety and/or a health plan for its employees?YesYesDoes the GP seat at the portfolio company board?YesYesHas the company implemented internal procedures or ethical code covering:YesYesChild abour and forced labourYesYesYesHas the company been uncler investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoNoIf yes, please provide additional informationNoNoNo		absenteeism rate?	Yes	Yes	Generally on very low level - and reduced in DK and UA; DK: from 2.67% to 1.59%; UA; from 1.0% to 0.85%; CN: from 0.35% to 0.70%;
Do employees have access to capital of the company/stock option plan?YesYesYesIf yes, please select proportion of employees benefiting from such policy?10% - 30%0-10%Has the company established a safety and/or a health plan for its employees?YesYesDoes the GP seat at the portfolio company board?YesYesHas the company implemented internal procedures or ethical code covering:YesYesChild labour and forced labourYesYesYesBriberyYesYesYesYesMoney launderingYesYesYesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoNoIf yes, please provide additional informationNoNoNo	behaviour of the portfolio company	incident rate?	Yes	Yes	No incidents in DK and UA last two years; 3 smaller incidents in CN last two years;
If yes, please select proportion of employees benefiting from such policy?10% - 30%0-10%Has the company established a safety and/or a health plan for its employees?YesYesYesDoes the GP seat at the portfolic company board?YesYesYesHas the company implemented internal procedures or ethical code covering:YesYesYesChild labour and forced labourYesYesYesYesBriberyYesYesYesYesYesMoney launderingYesYesYesYesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoNoNoIf yes, please provide additional informationMoneyNoNoNo		Do employees have access to capital of the company/stock option plan?	Yes	Yes	
Has the company established a safety and/or a health plan for its employees?YesYesYesDoes the GP seat at the portfolio company board?YesKesKesHas the company implemented internal procedures or ethical code covering:YesKesKesChild labour and forced labourYesKesYesKesBriberyYesYesKesYesKesMoney launderingYesYesYesKesKesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoNoNoIf yes, please provide additional informationKesKesKesKes		If yes, please select proportion of employees benefiting from such policy?	10% - 30%	0-10%	
Does the GP seat at the portfolio company board?YesHas the company implemented internal procedures or ethical code covering:YesChild labour and forced labourYesBriberyYesMoney launderingYesHas the company been under investigation for any fraud, or subject to any lawsult in relation to ESG criteria ?NoIf yes, please provide additional informationIf yes, please provide additional information		Has the company established a safety and/or a health plan for its employees?		Yes	Part of the quality system including instructions when people onboard; people working with dangerous equipment pass special exam; CP obtain permission to work in hights;; Safety committee and Cooperation committee in DK;
Has the company implemented internal procedures or ethical code covering:YesChild labour and forced labourYesYesBriberyYesYesMoney launderingYesYesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoNoIf yes, please provide additional informationIf yes, please provide additional informationIf yes, please provide additional informationIf yes, please provide additional information		Does the GP seat at the portfolio company board?	Yes	Yes	
Child labour and forced labourYesBriberyYesMoney launderingYesMas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoIf yes, please provide additional informationIf yes, please provide additional information		Has the company implemented internal procedures or ethical code covering:			
BriberyYesMoney launderingYesMoney launderingYesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoIf yes, please provide additional informationIf yes, please provide additional information		Child labour and forced labour	Yes	Yes	
Money launderingYesHas the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?NoIf yes, please provide additional informationIf yes, please provide additional information	Governance	Bribery	Yes	Yes	
for any fraud, or subject to No	within the portfolio company	Money laundering	Yes	Yes	
If yes, please provide additional information		Has the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?	No	No	
		If yes, please provide additional information			

Annual ESG assessme	
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Assessment of portfolio companies' compliance with ESG criteria

		EG	Delete Group	Conscia
	Is there any written environmental policy in place within the company (1)?	Yes	Yes	No
Environmental	Has the company obtained any environmental label/certification? (e.g. ISO 14000, Eco-label européen)	No	Yes	No
practice of the portfolio company	If yes, please give name of label/certification		ISO 14001, 9001, OHSAS 18001	
	Has the company measured its carbon footprint ?	No	No	No
	Has the company benefited from energy cost savings ?	Information not available	Yes	No
	Number of employees at year-end (2015)	1805	730	118
	Number of employees at year-end (2014)	1501	677	71
	Has the company completed any acquisition in 2015?	Yes	Yes	Yes
	If yes, please indicate the number of employees of add-ons prior to integration		81	20
Social	Has the company benefited from a reduction of:			
behaviour of the portfolio company	absenteeism rate?	Yes	Yes	No
	incident rate?	Not applicable	Yes	No
	Do employees have access to capital of the company/stock option plan?	Yes	Yes	Yes
	If yes, please select proportion of employees benefiting from such policy?	0-10%	0-10%	10% - 30%
	Has the company established a safety and/or a health plan for its employees?	Yes	Yes	Yes
	Does the GP seat at the portfolio company board?	Yes	Yes	No
	Has the company implemented internal procedures or ethical code covering:			
	Child labour and forced labour	Yes	Yes	No
Governance	Bribery	Yes	Yes	Yes
within the portfolio company	Money laundering	Not applicable	Yes	No
	Has the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?	No	No	No
	If yes, please provide additional information			

(1) such as energy efficicency, waste management, carbon footprint reduction, etc.

Yes0–10%No10–30%Not applicable30–50%Information not availableMore than 50%

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Assessment of portfolio companies' compliance with ESG criteria	compliance with ESG criteria			
		EXHAUSTO A/S	NWP	NWP comments
	Is there any written environmental policy in place within the company (1)?	No	Yes	
Environmental	Has the company obtained any environmental label/certification? (e.g. ISO 14000, Eco-label européen)	No	Yes	
practice of the portfolio company	If yes, please give name of label/certification		ISO 14000 for SE and FI	
	Has the company measured its carbon footprint ?	No	No	
	Has the company benefited from energy cost savings ?	Yes	Yes	
	Number of employees at year-end (2015)	318	634	Average 2015
	Number of employees at year-end (2014)	301	644	Average 2014
	Has the company completed any acquisition in 2015 ?	No	No	
	If yes, please indicate the number of employees of add-ons prior to integration			
Social	Has the company benefited from a reduction of:			
behaviour of the portfolio company	absenteeism rate?	No	Yes	
	incident rate?	No	Yes	
	Do employees have access to capital of the company/stock option plan?	Yes	Yes	
	If yes, please select proportion of employees benefiting from such policy?	0-10%	0-10%	
	Has the company established a safety and/or a health plan for its employees?	Yes	Yes	
	Does the GP seat at the portfolio company board?	No	Yes	
	Has the company implemented internal procedures or ethical code covering:			
	Child labour and forced labour	Yes	Yes	
Governance	Bribery	Yes	Yes	
within the portfolio company	Money laundering	Yes	Yes	
	Has the company been under investigation for any fraud, or subject to any lawsuit in relation to ESG criteria ?	No	No	

(1) such as energy efficicency, waste management, carbon footprint reduction, etc.

If yes, please provide additional information

Yes 0–10% No 10–30% Not applicable 30–50% Information not available More than 50%