Annex IV – latest update: January 23, 2025

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Value Equity I

Legal entity identifier: 724500V4VTV0BQUDGS49

Mpartners
value investing

Environmental and/or social characteristics (E/S characteristics)

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

[ ] Yes	[x] No
[ ] It made **sustainable investments with an environmental objective:** ___%	[x] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 42% of sustainable investments.
[ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[x] with a social objective
[ ] It made **sustainable investments with a social objective:** ___%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reporting period, this portfolio promoted ecological and/or social characteristics in accordance with Article 8 of the SFDR, but did not have a sustainable investment objective.

For this, four formal processes have been essential: measuring sustainability indicators, applying exclusions, measuring ESG risks, and making sustainable investments.

1. Sustainability Indicators

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Sustainability indicators have been measured by Clarity AI. These indicators are based on the PAIs and linked to the six environmental objectives as defined in Article 9 of the EU Taxonomy. The indicators were measured per company and at portfolio level, at the end of the reporting period.

2. Exclusions

In addition to the aforementioned quantitative measurements, this portfolio used investment exclusions. Throughout the reporting period, the portfolio contained no investments in companies directly involved in the production of tobacco, pornography, and controversial weapons, nor in the provision of gambling services.

3. ESG Risks

For this portfolio, an assessment of ESG risks was conducted: a comprehensive risk assessment of material ESG factors. Clarity AI was used for this purpose. Each company received a specific score based on environmental, social, and governance aspects, resulting in a score at the portfolio level. The scores mentioned here are from the end of the reporting period, i.e. the end of December 2024.

4. Sustainable Investments

At the portfolio level, the share of sustainable investments was measured based on the SFDR definition. A minimum of 20% was required during the reporting period, which was significantly exceeded.

How did the sustainability indicators perform?

The performance of the sustainability indicators, ESG risks and the proportion of sustainable investments were monitored throughout the reporting period and are listed below. These figures consistently represent the performance at the end of the fourth quarter. We have listed below the indicators that are of most importance to Mpartners.

Sustainability indicators

Indicator	Portfolio
Environment	
Greenhousegas emissions (intensity – scope 1+2+3 emissions per €1M turnover)	715 tons
Air pollution (tons pollution per €1M invested)	0.6 tons
Waste production (tons hazardous waste per €1M invested)	1 tons
Water usage (water usage per €1M invested)	413 m^3
Biodiversity (investments in companies with facilities/activities in or nearby biodiversity-sensitive areas)	0%
Social & Governance	
Gender diversity (share of women on board of directors)	41%
Excessive pay (salary ratio of highest-earning versus median-earning employee)	154x
Good governance (investments in companies without policies against corruption and bribery)	0%
Controversial weapons (share of investments with exposure to controversial weapons)	0%

data retrieved from Clarity AI, at the end of 2024

ESG risks

The overall ESG score is the weighted average of the quantitative-, policy- and controversy scores as provided by the data supplier, with a range of 0-100, measured at the end of 2024. 100 is the highest score, 0 the lowest.

ESG aspect	Portfolio
Environmental	71
Social	67
Governance	82
Total ESG score	72

data retrieved from Clarity AI, at the end of 2024

Sustainable Investments

By the end of the reporting period, 42% of the investments in this portfolio could be classified as sustainable. The classification as a sustainable investment is based on the criteria outlined in the SFDR, taking into account environmental and social factors, as well as good governance. The portfolio did not have a sustainable investment objective.

…and compared to previous periods?

The performance and comparison of sustainability indicators and the proportion of sustainable investments have been monitored throughout the reporting period and are listed below. These figures consistently represent the measurements at the end of the year.

Sustainability indicators

The table below shows the key sustainability indicators at the end of 2024 compared to the end of 2023. Almost all indicators show an improvement or equal performance compared to the previous year.

Indicator	Portfolio 2024	Portfolio 2023
Environment		
Greenhousegas emissions (intensity – scope 1+2+3 emissions per €1M turnover)	715 tons	740 tons
Air pollution (tons pollution per €1M invested)	0.6 tons	0.6 tons
Waste production (tons hazardous waste per €1M invested)	1 tons	1 tons
Water usage (water usage per €1M invested)	413 m^3	418 m^3
Biodiversity (investments in companies with facilities/activities in or nearby biodiversity-sensitive areas)	0%	3.3%
Social & Governance		
Gender diversity (share of women on board of directors)	41%	41%
Excessive pay	154x	150x

(salary ratio of highest-earning versus median-earning employee)		
Good governance (investments in companies without policies against corruption and bribery)	0%	0%
Controversial weapons (share of investments with exposure to controversial weapons)	0%	0%

data retrieved from Clarity AI, at the end of 2024

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The proportion of sustainable investments was 42% at the end of 2024, compared to 31% at the end of 2023. This implies an increase of 11%. The ESG risks were not yet included in the year 2023, and therefore are not compared here. There was no change in exclusion policy for this portfolio.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Although this portfolio does not have a sustainable objective as defined in the SFDR, during the reporting period it aimed for a minimum of 20% sustainable investments. This percentage was significantly exceeded in the reporting period, with 42% sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments in this financial product have not significantly harmed any environmental or social sustainable investment objectives by complying with the "Do No Significant Harm" (DNSH) principle as defined in the Sustainable Finance Disclosure Regulation (SFDR).

At the end of the reporting period, this financial product had 42% sustainable investments. According to Clarity AI's analysis for the year 2024, 64% of the investments met the DNSH criterion.

The DNSH principle requires that investments:

1. Contribute to an environmental or social objective; and
2. Do not significantly harm any other environmental or social objectives; and
3. Comply with minimum governance standards.

Compliance with the DNSH principle is assessed using Principal Adverse Impact (PAI) indicators and alignment with minimum social safeguards.

How did this financial product consider principal adverse impacts on sustainability factors?

This financial product has taken into account the Principal Adverse Impacts (PAIs) on sustainability factors. We systematically monitor and measure these PAIs for our investments.

A detailed overview of the PAIs and our approach can be found in our SFDR PAI Entity Report. This report provides transparency on how we address the principal adverse impacts of our investment decisions on sustainability factors.

The sustainable investments in this financial product are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This is ensured through:

1. Systematic screening of companies for compliance with these guidelines;
2. Exclusion of companies that violate these principles;
3. Integration of relevant ESG criteria into the investment process;
4. Continuous monitoring of controversies and violations.

This approach ensures that the selected investments comply with international standards for responsible business conduct.

What were the top investments of this financial product?

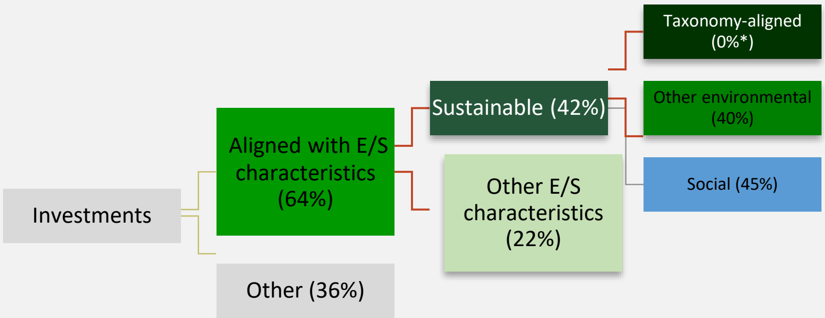
Top investments	Sector	% weight	Country
Still Equity	Smaller companies	9%	Europe
Ryanair	Consumer discretionary	4.25%	Ireland
Danone	Consumer staples	4%	France
Grafton	Consumer discretionary	4%	Ireland
Kerry	Healthcare	4%	Ireland

What was the proportion of sustainability-related investments?

The data below comes from Clarity AI, measured at the end of the reporting period.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets



Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **Aligned with E/S characteristics** covers:
- The sub-category **Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

The equity portfolio included investments across a wide range of sectors: Energy, Technology, Materials, Industrials, Consumer Goods, Healthcare, Financial Services, and Utilities. Additionally, investments were made in physical gold and shares of smaller companies (small cap equity).

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

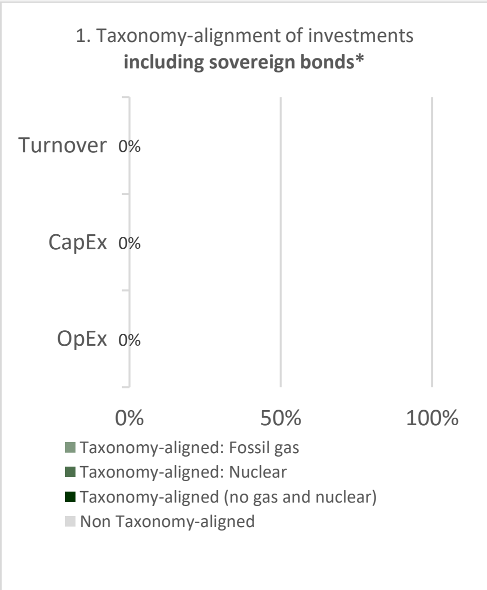
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

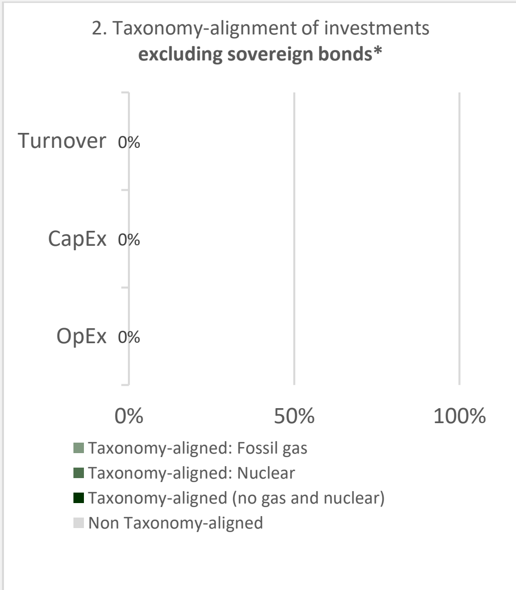
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

*Due to the ongoing development of the EU Taxonomy, its open interpretation, and the associated fact that we cannot provide guarantees in this regard, we report 0% alignment with the EU Taxonomy. 64% of the portfolio promoted E/S characteristics, of which 42% was a sustainable investment according to the SFDR.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

Not applicable: this measurement was not carried out during the reporting period.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable: see* in the text above.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

There was no minimum share of sustainable investments according to the EU Taxonomy; the total minimum sustainable investments was 20%. The achieved share of sustainable investments according to the SFDR at the end of the reporting period was 42%, which is the same as the average for the entire year.

What was the share of socially sustainable investments?

There was no minimum share of socially sustainable investments; the total minimum sustainable investments was 20%. The achieved share of sustainable investments at the end of the reporting period was 42%, and the share of socially sustainable investments was approximately equal to that.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The share of investments in "other" was 36%. The investments falling under this category did not promote E/S characteristics as defined in the SFDR. However, these investments were always subject to the minimum standards of good governance practices. Additionally, for these investments, we always look for improvement compared to previous periods in terms of E/S characteristics and performance relative to other players in that industry.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Compliance with the environmental and social (E/S) characteristics was primarily ensured during the due diligence process for securities selection. The portfolio was continuously monitored and adjusted as necessary to maintain alignment with the investment strategy and E/S characteristics.

As a small financial institution, Mpartners adopted a pragmatic approach to engagement. Instead of intensive dialogue with companies, divestment was considered the most effective tool to achieve our E/S objectives. We selected companies whose management was demonstrably aligned with our social and environmental criteria. In cases of significant deviations from these criteria, divestment was implemented.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for this financial product for the purpose of attaining the environmental and social characteristics that it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.