ANNEX IV

Template 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:

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 lay down a list of socially sustainable

economic activities.

investments with an

objective might be

aligned with the Taxonomy or not.

Sustainable

environmental

Alken Fund – Small Cap Europe (the "Sub-Fund")

Legal entity identifier: 549300353V37QUFNJU68

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?				
Yes •	○ ★ No ●			
investments 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	It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 72.39% of sustainable investments with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy with a social objective			
It made sustainable investments with a social objective:%	It promoted E/S characteristics, but did not make any sustainable investments			

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



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

The financial product promotes environmental and social characteristics by using the Investment Manager's own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager's ESG methodology requires to primarly focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

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

Environmental characteristics promoted for the consumer discretionary sector:

- 1. Clean water and sanitation, in line with SDG6
- 2. Responsible consumption and production, in line with SDG12
- Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

Social characteristics promoted for the same consumer discretionary sector:

- 1. Decent work and economic growth, in line with SDG8
- 2. Industry, innovation, and infrastructure, in line with SDG9
- 3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully excluded issuers based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully categorised issuers based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully reviewed the ESG risk profiles of
 invested issuers, identifying their potential exposure to industry specific ESG concerns as well
 as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully engaged with a number of issuers in order to foster improvements on the identified environmental and social characteristics to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of environmental or social controversies, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

The following table shows the % of portfolio holdings which went through the following sustainable indicators:

Sus	stainable Indicator	2022	2023	2024
1.	Excluded issuers	100%	100%	100%
2.	Categorised issuers	100%	100%	100%
3.	Reviewed the ESG risk profiles	13%	29%	8%
4.	Engaged	16%	13%	4%
5.	Reviewed environmental or social controversies	11%	11%	8%

Overall, the Investment Manager heavily relies on its data provider to review and promote the environmental and social characteristics of the product. Its internal research complements potential gaps in the data provider's information.

No indicators were submitted to an assurance process.

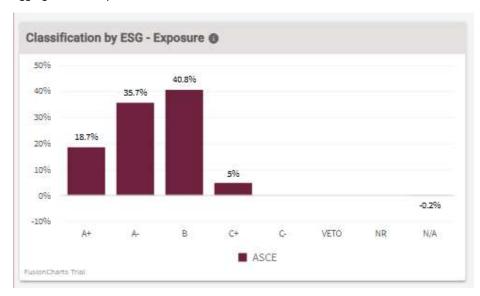
How did the sustainability indicators perform?

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2024.



Data extracted from the Investment Manager's internal ESG portal, as of end of December 30th of the relevant year since inception, for the selected sub-fund Alken Fund Small Cap Europe.

With a majority of the aggregated indicator's scores showing an overall rating of "B", this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
В	Good overall ESG performance, but some reservations	Good overall ESG quality on the selected indicators, some improvements that can be made

More precisely, the "B" rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

Disclosure	"B": The overall disclosure level is adequate on the selected environmental and social characteristics
ESG strategy	"B": Standard action plans, measures, certification, R&D projects have been undertaken on the selected environmental and social characteristics
ESG risk	"B": Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics

CSR culture

"B": Efforts are being made in order to promote the issuer's internal CSR DNA on the selected environmental and social characterics

...and compared to previous periods?

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2023. No material deviation in 2024 compared to 2023.



The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022 as comparison. No material deviation in 2023 compared to 2022.



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

Overall, the contribution of the sub fund to climate change mitigation has been of: 72.39% (note that climate change mitigation was the only sustainable investment objective).

The Sub-Fund intended to invest a **minimum of 20%** of its net asset value in companies which have contributed to "**climate change mitigation**". "Contributing to climate mitigation" means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contributed to "climate change mitigation" as described above, the Investment Manager set up **the pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which contributed to the defined environmental objective is organised as follows:

a) Companies have demonstrated a climate mitigation intent:

For this the investment manager uses companies' disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI' CDP disclosures, looking for the "YES" indicator OR
- MSCI SBTi disclosures SBTI APPROVED, looking for the "YES" indicator OR
- MSCI' carbon emissions reduction targets, looking for anything but the "No target"
 - □ Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.

b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:

For this the investment manager used companies' carbon reduction KPIs. At least <u>one of those four</u> conditions were needed to qualify as a PASS.

- Companies that have an above average taxonomy alignment (using MSCI' taxonomy alignment estimated revenues)
- Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
- Companies that have reduced or mitigated their carbon risk exposure (using MSCI' Carbon Emissions Management Score).
- □ Quantitative threshold: any score above 2/10 would qualifies as a PASS
- 3. Companies that are using alternative energy as a percentage of their revenues (using MSCI's field on alternative energy. This indicator is a percentage).
- ⇒ Quantitative threshold: any percentage above 20% qualifies as a PASS
- 4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI's renewable energy use indicator. This field is a YES/NO indicator).
- ⇒ Quantitative threshold: any YES to this indicator qualifies as a PASS.

Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

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

The Investment Manager relied on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers were not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could have been caused by issuers.

How were the indicators for adverse impacts on sustainability factors taken into account?

Extracted from the Investment Manager's internal portal, the below indicators were used to monitor and identify any of the following potential adverse impacts on the contributing issuers.

- a) No harm shall be caused to mandatory PAI 1: The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) No harm shall be caused to mandatory PAI 13: The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) No tolerance to high degree of ESG risks: The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal

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, anticorruption and antibribery matters.

ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.

- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) No tolerance to large fossil fuel revenue share exposures: The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Note on the Investment Manager's choice of PAIs as DNSH:

As of the end of the reference period, the Investment Manager decided again not to collect all the 14 mandatory PAI indicators as we believe that this is not what the obligation is and the intention of the regulator.

Today, our opinion is that a number of PAIs shall be used to meet the definition of DNSH, but not the 14 mandatory PAI specifically.

Why so? We believe that requesting the 14 mandatory PAI would in effect prevent strategies which are oriented towards "transition" from in fact investing in the high-emitting sectors, which have more capacity to in fact meet the long-term transition goals and achieve a meaningful percentage of Taxonomy Alignment, but which also have short-term PAIs. As such, we believe that the regulator does not in fact expect firms to stop investing in such sectors, on the opposite.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OCED Guidelines and by the UN Guiding Principles. For instance, the internal review has from times

to times required to verify the respect of human rights and the compliance with minimum international labour rights.



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

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager has used its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The below table details the results obtained through the years, at product level:

Summary

Alken FUND SMALL CAP EUROPE considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of AFFM.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024¹.

 $^{^{1}\,}$ Note that for the below table, the following metrics have been used:

PAI 1: Scope 1 GHG emissions in tons of CO2 equivalent

PAI 1:Scope 2 GHG emissions in tons of CO₂ equivalent

PAI 1: Scope 3 GHG emissions in tons of CO₂ equivalent

PAI 1: Total GHG emissions in tons of CO₂ equivalent

PAI 2: Carbon footprint in tons of CO₂ equivalent per million EUR invested

PAI 3: GHG intensity of investee companies in tons of CO₂ equivalent per million EUR of sales

PAI 4: Share of investments in companies active in the fossil fuel sector

PAI 5: Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources

PAI 6: Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector

PAI 7: Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas

PAI 8: Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average PAI 9: Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average

PAI 10: Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises

PAI 11: Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises

PAI 12: Average unadjusted gender pay gap of investee companies

PAI 13: Average ratio of female to male board members in investee companies, expressed as a percentage of all board members

PAI 14: Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Optional PAI: Share of investments in companies without a policy to address deforestation

Optional PAI: Number of incidents of discrimination reported in investee companies expressed as a weighted average

Optional PAI: Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour exposed to hazardous work in terms of geographic areas or type of operation

Optional PAI: Share of investments in entities without policies on anti-corruption and antibribery consistent with the United Nations Convention against Corruption

Adverse Sustainabi lity Indicator Greenhous		Metric[Adverse Sustainability Impact Indicator]	Impact 2024	Impact 2023	Impact 2022	Actions taken, and actions planned and targets set for the next reference period
e Gas	OUG Fortists		KO 440 50	50050.5	57550.05	
1.	GHG Emissions	Scope 1GHG emissions	49,413.58	59350.61	57553.05	The metrics have been integrated into our
		Scope 2 GHG emissions	13,359.01	17976.34	12720.47	integrated into our internal PAI monitoring
		Scope 3 GHG emissions	708,371.91	799230.87	832950.23	process, they are reviewe
		Total GHG emissions	771,249.68	976150.42	903223.75	and approved by
						investment team leaders
2.	Carbon Footprint	Carbon Footprint	833.57	953.13	982.13	on ESG, and they may be subject to engagement
						discussions with our
3.	GHG intensity of investee company	GHG Intensity of investee companies	1,253.41	1506.53	1552.14	issuers.
4.	Exposure to companies active in the fossil fuel	Share of investments in companies active in the fossil fuel sector	5.38%	0.0911	0.1064	
5.	Share of non-renewable	Share of non-renewable energy	71.60%	0.7807	0.7748	
5.	snare or non-renewable energy consumption and production	Snare of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	71.60%	0.7807	0.7748	
6.	Energy consumption intensity per high impact	NACE Code A (Agriculture, Forestry and Fishing)	N/A	N/A	N/A	
	climate sector	NACE Code B (Mining and Quarrying)	5.36	0.5	0.044	
		NACE Code C (Manufacturing)	0.57	0.87	0.78	
		NACE Code D (Electricity, Gas, Steam and Air Conditioning Supply)	N/A	1.08	0.81	
		NACE Code E (Water Supply; Sewerage, Waste Management and Remediation	1.09	N/A	N/A	
		Activities) NACE Code F (Construction)	5.02	0.07	0.1	
		NACE Code G (Wholesale and Retail Trade; Repair of Motor Vehicles and	N/A	0.06	0.3	
		Motorcycles)	l wa		5.05	
		NACE Code H (Transportation and Storage)	N/A	0.2	5.65	
		NACE Code L (Real Estate Activities)	0.27	0.31	0.31	
Biodiversity 7.	Activities negatively	Share of investments in investee	7.46%	0.1249	0.1112	
	affecting biodiversity- sensitive areas	companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas		0.12.10		
Water						
8.	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 .00	0	N/A	
Waste						
9.	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	2.35	2.59	3.64	
INDICATO RS						
SOCIAL						
Adverse		Metric [Adverse Sustainability Impact	Imp a a t			
Sustainabi		Indicatori	Impact			
Social and			-			
10.	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	0	0	Same as above
11.	Lack of processes and	Share of investments in investee	4.89%	0.0797	0.0769	
11.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance (complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	4.89%	0.0797	0.0769	
12.	Unadjusted genderpay gap	Average unadjusted gender pay gap of investee companies	5.32%	0.0866	0.0311	
13.	Board gender diversity	Average ratio of female to male board	38.49%	0.3816	0.382	
		members in investee companies, expressed as a percentage of all board members				
14.	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	5 .00%	0	0	
		Share of investments in companies	82.24%	0.9406	0.9585	
15.	Deforestation	without a policy to address deforestation			0	
15.		Number of incidents of discrimination reported in investee companies expressed	5.00	0	0	
	Deforestation	1. Number of incidents of discrimination	5 .31%	0.1213	0.1195	

As no thresholds were defined over the last two years, this is not disclosed yet. Remedical actions can be shared on demand.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website also elaborates on the methodologies to identify and manage PAIs: <u>Alken Asset Management Legal (alken-am.com)</u>.



What were the top investments of this financial product?

Calculating at regular intervals, with a value extracted at the end of each quarter, during the reference period, the top 15 investments were:

The list includes the investments constituting the greatest proportion of investments of the financial product, with a value extracted at the end of each quarter during the reference period which is 1 Jan. until 31 Dec. 2024.

Calculating at regular intervals, with a value extracted at the end of each quarter, during the reference period, the top 15 investments were:

Largest investments	Sector	% Assets
		Assets
ZEGONA COMMUNICATIONS	ELECTRONICS & SEMICONDUCTORS	8.29%
VALLOUREC	MACHINERY & APPARELS	6.35%
ENERGEAN OIL & GAS	PETROLEUM	5.45%
RHEINMETALL	VEHICLES	5.33%
BFF BANK	BANK & OTHER CREDIT INSTITUTIONS	4.94%
VUSIONGROUP	MISCELLANEOUS SERVICES	4.60%
TECHNIP ENERGIES	ENERGY & WATER SUPPLY	4.31%
ALLEIMA	MINING, COAL & STEEL INDUSTRY	3.30%
ALD	HOLDING & FINANCIAL TRUST	2.87%
ASR NEDERLAND	INSURANCE	2.76%
BANCA IFIS	BANK & OTHER CREDIT INSTITUTIONS	2.70%
ELIS	MISCELLANEOUS SERVICES	2.15%
MERSEN	ELECTRICAL APLLIANCES & COMPONENTS	2.12%
SOITEC	ELECTRONICS & SEMICONDUCTORS	1.99%
GRUPO CATALANA OCCIDENTE	INSURANCE	1.99%

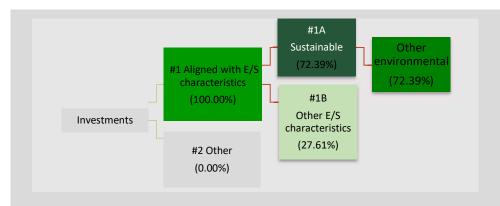
The list above represents the average of the Fund's holdings at quarter end of the reference period.



What was the proportion of sustainability-related investments?

The proportion of sustainable investments made over the reference period was 72.39%.

What was the asset allocation?



#1 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.

#20ther 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 #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

Asset Allocation	2022	2023	2024
#1 Aligned with E/S characteristics	100.00%	100.00%	100%
#2 Other	0.00%	0.00%	0.00%
#1A Sustainable	85.44%	79.40%	72.39%
#1B Other E/S characteristics	14.56%	20.60%	27.61%
Other environmental	85.44%	79.40%	72.39%

For the asset allocation table, please note explaining that the methodology has been updated. Therefore the proportion are different from the FS 2022. We have modified the calculation to provide **unadjusted exposure** for sustainability investments, unless the portfolio exposure exceeds **100%**, in which case we scale it down to **100%**.

In which economic sectors were the investments made?

The list above represents the average of the Fund's holdings at quarter end of the reference period.

	Economic Sector	% of Assets	
•	Sector Name	Average	
	AEROSPACE TECHNOLOGY	3.30%	
	AGRICULTURE AND FISHING	0.04%	
	BANK & OTHER CREDIT INSTITUTIONS	10.35%	

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

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

A: criteria include d: comprehensive sr safety and waste in management rules.

sk

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

Transitional activities are activities for which

BUILDING MATERIALS & BUILDING INDUSTRY	0.27%
Cash	-0.58%
CHEMICALS	2.19%
ELECTRICAL APLLIANCES & COMPONENTS	3.42%
ELECTRONICS & SEMICONDUCTORS	10.37%
ENERGY & WATER SUPPLY	4.32%
ENVIRONMENTAL SERVICES & RECYCLING	0.03%
GRAPHICS PUBLISHING & PRINTING MEDIA	1.82%
HOLDING & FINANCIAL TRUST	6.24%
INSURANCE	5.93%
INTERNET, SOFTWARE & IT SERVICES	1.61%
LODGING & CATERING IND., LEISURE	
FACILITIES	0.97%
MACHINERY & APPARELS	8.07%
MINING, COAL & STEEL INDUSTRY	5.41%
MISC. CONSUMER GOODS	0.43%
MISCELLANEOUS SERVICES	9.14%
MISCELLANEOUS TRADING COMPANIES	1.35%
NON-CLASSIFIABLE/NON-CLASSIFIED INST.	0.61%
NON-FERROUS METALS	0.67%
PETROLEUM	10.89%
PHARMACEUTICALS AND COSMETICS	0.19%
PHOTOGRAPHY AND OPTICS	1.29%
REAL ESTATE	1.61%
RETAIL TRADE & DEPARTEMENT STORES	0.02%
TELECOMMUNICATION	0.48%
TRAFFIC & TRANSPORTATION	1.08%
VEHICLES	8.46%

Sector allocation by average of the EOQ 2024

Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2024:

Integrated Oil & Gas	0.01%
Oil & Gas Exploration & Production	2.53%
Diversified Metals & Mining	0.68%

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.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflects the "greenness" of investee companies today.
- capital
 expenditure
 (CapEx) shows the
 green investments
 made by investee
 companies,
 relevant for a
 transition to a
 green economy.
- operational
 expenditure
 (OpEx) reflects the
 green operational
 activities of
 investee
 companies.

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

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

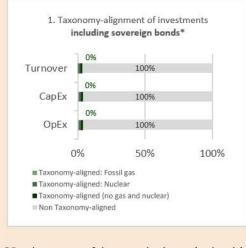
N/A

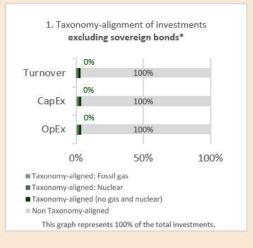
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy²?

Yes:
In fossil gas In nuclear energy

x No

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?

N/A

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

N/A



² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 72.39%. It is considered that EU Taxonomy alignment of issuers is not sufficiantly mature and available yet to commit to a minimum alignment for the product.



What was the share of socially sustainable investments?

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items.

These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

During the reference period the Investment Manager took the following engagement actions in order to ensure the environmental and social characteristics were adequately promoted:

- Action 1: The Investment Manager focused on some of the "controversial sectors", i.e. by engaging with companies belonging to the defense sector or to the fossil fuel industry.
 - As for an example, Rheinmetall, a defense company was contacted several times in 2024 regarding their potential exposure to white phosphorus following a recent company acquisition. The different engagements aimed to ensure this exposure was planned to end.
 - As for another example, the ESG Officer attended a dedicated ESG Conference organized by T.E. last Q2 2024 in Paris, in order to meet the IR and the rest of the management team, including the CEO, where discussions prioritized on the different aspects of T.E.'s environmental strategy, and in particular the controversial EACOP project. The company even invited the Investment Manager's ESG Officer to join an ESG group to visit the project on-site in Uganda, in order to check the environmental and social safeguards implemented onsite.



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

- Action 2: The Investment Manager also used its engagement strategy in order to cross
 check a number of potential controversies or perceived heightened ESG risks, for instance
 focusing on the 14 PAIs or on controversies as highlighted by external sources.
 - Regarding a controversy check, L'Oreal was for instance contacted regarding a potential controversy and more precisely regarding on-going allegations pertaining to the following products: L'Oréal's Softsheen Carson Optimum Salon Haircare Amla Legend No-Mix No-Lye Relaxer (company acquired by L'Oreal back in 2000); L'Oreal's Dark & Lovely; Revlon's Creme of Nature. The Investment Manager requested to shed some light on the on-going lawsuit (not looking for anything confidential of course), as publicly available research seem to highlight that the aforementioned products did indeed contain 'lithium hydroxide'. Additionally, the Investment Manager requested to reiterate the company' strategy in order to avoid using any harmful substances, and what the processes are put in place when it comes to ensuring such protection. After reminders sent, the Investment Manager received confirmation from L'Oréal itself that their highest priority is the health and wellbeing of all our consumers. The Investment Manager was explained that L'Oreal's products are subject to a rigorous scientific evaluation of their safety by experts who also ensure that we strictly follow all regulations in every market in which we operate. L'Oreal went on explaining their research and explained why they were confident that there was no finding of a causal connection between the use of those products and any conditions alleged by the plaintiffs.
 - Regarding the PAIs, a "PAI campaign" was launched end of 2023 and went on through 2024. Companies such as Koninklijke KPN NV, Publicis Groupe, K+S or Vallourec responded and provided a number of insightful elements which could complement information received from the Investment Manager's data provider. A number of other companies, despites several reminders sent, did not respond.
- Action 3: A third layer of action undertaken by the Investment Manager can be to engage
 with investee companies in order to cross check information which are lacking or not clear,
 from the face of the data provider. For instance, engagement can be requested to obtain
 ESG information where no ESG report is to be found. This action was not used for this
 specific strategy over 2024.
- Action 4: The Investment Manager also uses collaborative partnerships in order to support a
 number of environmental and/or social characteristics that it wishes to promote. As such, as
 of December 2024, the below highlights a number of partnerships which have been
 undertaken and are still up and running:
 - o Investor Statement Support of Robust EU Forced Labor Regulation
 - Investor Coalition on Food Policy
 - Investor Letters for US deforestation-free letters
 - Business Call for a UN Treaty on Plastic Pollution
- Action 5: Voting is also a channel to promote some E/S/G characteristics. As such, AFFM commits to vote to 100% of the AGM, using its proxy voting provider GlassLewis.

Conclusion: Overall, the Investment Manager is satisfied with its engagement companies, each year endeavouring to improve its methodology and promote meaningful dialogues.

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

Reference

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

How does the reference benchmark differ from a broad market index?
N/A

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

- How did this financial product perform compared with the reference benchmark?
 N/A
- How did this financial product perform compared with the broad market index?
 N/A