


ESG Report of the Fund Q4 2025

The Fund incorporates ESG aspects into investment decisions through its financial impact on the company, but also by considering non-quantifiable governance matters and social practices. The investment strategy is based on bond and stock selection and a negative screening applies thorough the ESG integration process. The analysis is performed by the portfolio management team with data sourced from leading service providers (**Sustainalytics**) and by an in-house ESG team.

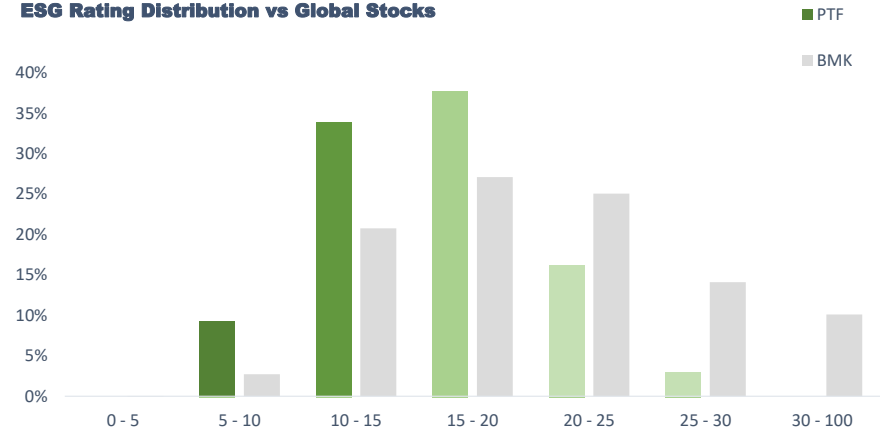
SFDR Classification	Art 8+
Overall Avg Corporate ESG Rating	16.3
Avg Country ESG Rating Bond	
Portfolio Coverage*	86%
Nummus Compliant	YES
Morningstar Sustainability Rating	

Within Valori AM ESG policy a company is excluded if:

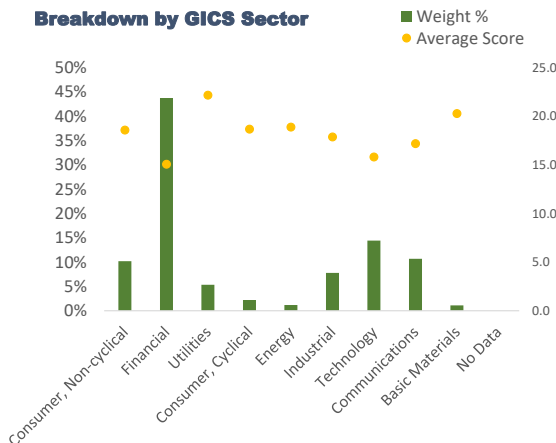
- Its ESG Score **exceeds 50** (0-100, 0 being the best and 100 being the worst).
- It has **Severe Controversies** in place (Level 5)
- It derives above a certain percentage of the revenues from **forbidden activities** (e.g. Predatory lending more than 10% of revenues, Controversial Weapons more than 0% of Revenues)
- Aftern having determined the Investable Universe of each fund we consider uninvestable the **worst 5% of the universe** in terms of ESG Score

Within Valori AM ESG policy a country is excluded if its rating is in the lower 3rd decile according to Valori AM proprietary Country ESG Score.

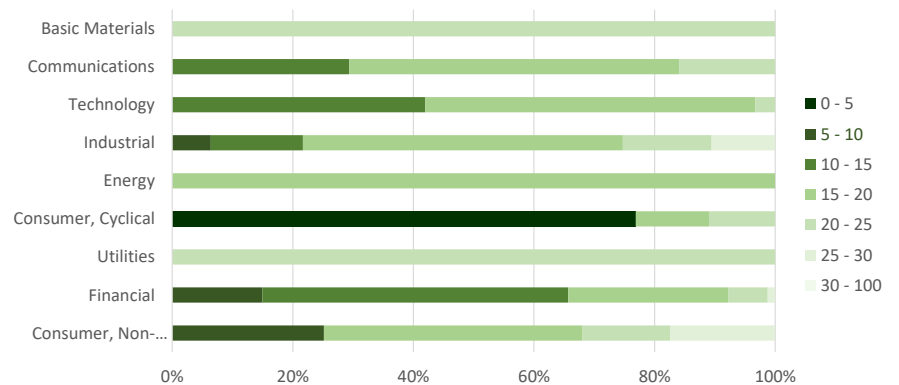
ESG Rating Distribution vs Global Stocks



Breakdown by GICS Sector



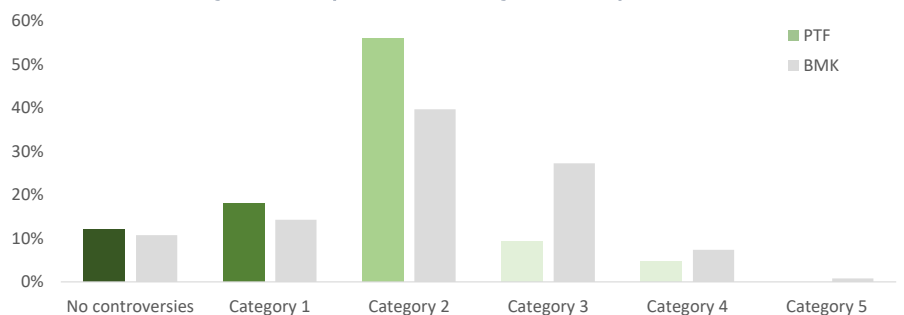
Weights within GICS Sector



Controversies represent an important part of portfolio construction limiting the Investable Universe with the objective to exclude those companies that might incur in short term volatility due to **Severe Controversies**. This approach proved in the past effective avoiding underperformers such as Credit Suisse and Bayer.

Issues with High Controversy	%	
UBS	2.1%	Category 4
Meta Platforms Inc	1.0%	Category 4
Alphabet Inc	0.8%	Category 4

Controversy Level 0-5 (0 No Controversy - 5 Severe) vs Global Stocks



Valori Asset Management & the Principles For Responsible Investing (PRI)

Valori became a signatory of the United Nations' Principles for Responsible Investing (PRI) in 2018. As the PRI are becoming the global standard in responsible investing, it was a natural framework for Tendercapital to adopt those principles in order to further strengthen its on- going commitment to responsible investing and ESG matters generally. A strong ESG proposition can enhance investment returns by allocating capital to more promising and more sustainable opportunities (for example, renewables, waste reduction, innovative materials...). When it comes to ESG, it's important to bear in mind that a do-nothing

Signatory of:



VALAM will exclude any company from the investment universe that is involved in **detrimental activities or sectors**. VALAM uses a “**level of involvement**” in certain activities, which is an indicator based on the percentage of the revenues, the production, the distribution and the significant ownership that a company may have to the following activities. Controversial Weapons has 0% revenues threshold while other activities (e.g. Gambling, Tobacco etc) have a 10% of revenues threshold to determine the exclusion.

Activity	PTF %	BMK %	Company	Weight	Business Involvement Exposure
Controversial Weapons	0.0%	0.0%	Brookfield Corp	3%	Gambling
Predatory Lending	0.0%	0.0%	Apple Inc	2%	Gambling
Gambling	7.8%	9.8%	NVIDIA Corp	2%	Gambling
Arctic Oil & Gas	0.0%	1.6%	Amazon.com Inc	1%	Adult Entertainment Production
Oil Sands	0.0%	1.9%	Mitsubishi Estate Co Ltd	1%	Tobacco Products
Tobacco Products	0.9%	7.8%	Verizon Communications Inc	1%	Gambling
Shale Energy	0.0%	2.5%	Bandai Namco Holdings Inc	0%	Gambling
Adult Entertainm.	1.7%	4.3%	Telefonica SA	0%	Adult Entertainment Production

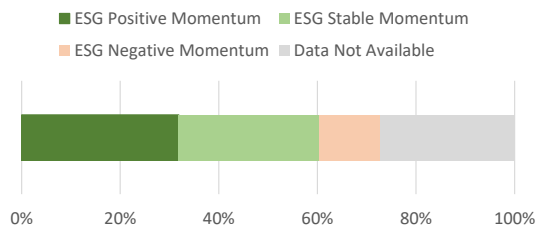
TOP ESG ISSUERS			ESG Rating	Momentum	WORST ESG ISSUERS			ESG Rating	Momentum	Positive Momentum Holdings		Negative Momentum Holdings	
Vonovia SE			6.4	0.5	TransMedics Group Inc			27.0	-4.4	UBS	-12.6	Apollo Global Management Inc	5.0
Unibail-Rodamco-			7.0	2.9	Insmid Inc			25.9	0.2	JPMorgan Chase & Co	-10.7	Kingdom of Denmark	3.7
Cigna Group/The			7.8	-5.2	Coinbase Global Inc			25.7	-2.1	Amazon.com Inc	-9.5	AG2R La Mondiale SGAM	3.1
Fredensborg AS			8.1	0.2	Dover Corp			25.4	0.9	Meta Platforms Inc	-8.1	Unibail-Rodamco-Westfield	2.9
ManpowerGroup Inc			8.3	-0.7	Meta Platforms Inc			24.7	-8.1	Uber Technologies Inc	-6.4	Kingdom of Spain	2.6
TD SYNEX Corp			9.0	1.1	Vistra Corp			24.3	-5.1	Tesla Inc	-5.9	Mitsubishi Estate Co Ltd	2.5
Stichting			9.7	0.4	AG2R La Mondiale			24.2	3.1	Cigna Group/The	-5.2	QUALCOMM Inc	2.4
Vereniging Achmea			9.9	-4.4	Kingdom of Denmark			23.6	3.7	PepsiCo Inc	-5.1	BPER Banca SPA	2.2
Cisco Systems Inc			10.2	-2.7	Legend Holdings Corp			23.1	-0.2	Vistra Corp	-5.1	Telecom Italia SpA/Milano	2.2
KBC Group NV			10.2	-0.7	Canadian Pacific			23.1	-1.0	NatWest Group PLC	-4.9	Fidelity National Information	1.5

Average ESG Risk Score of portfolio securities compared to their subindustry with 1 representing the company with the best ESG Risk Score and 100 the company with the worst.

ESG RELATIVE SCORES	Weight	Subindustry
Basic Materials	1%	9.8
Communications	11%	14.0
Consumer, Cyclical	2%	12.7
Consumer, Non-cy	0%	
Diversified	0%	
Energy	1%	3.9
Financial	44%	10.8
Industrial	8%	17.2
Technology	14%	11.6
Utilities	5%	16.1

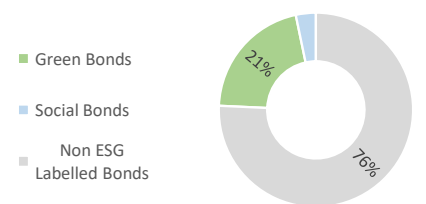
We monitor the **ESG momentum** of our holdings to have exposure to Issuers that are improving their ESG profile. A positive momentum is associated with inflows in the asset. Positive momentum securities show a reduction of **at least 1 point** in the Sustainability score over a 1-year period.

ESG momentum of the portfolio



Green Bonds and Social Bonds link the use of proceed to certain activities that we deem aligned with the principles of our Investment Products.

Social and Environmental Debt as % of total Debt



Integrating the UN Sustainable Development Goals (SDGs) into a portfolio is crucial as it aligns investments with global sustainability efforts, potentially enhancing long-term returns while addressing critical social and environmental challenges. This approach not only supports ethical investing but also meets growing investor demand for responsible and impactful financial strategies

In the table the first data is the percentage of coverage within the portfolio and the second one is the impact on the SDG of that portion of the portfolio.

1 NO POVERTY	43.3%	5 GENDER EQUALITY	48.8%	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	61.4%	13 CLIMATE ACTION	44.5%	17 PARTNERSHIPS FOR THE GOALS	3.8%
	-5.6%		-55.3%		44.2%		-39.6%		-1.9%
2 ZERO HUNGER	7.3%	6 CLEAN WATER AND SANITATION	38.8%	10 REDUCED INEQUALITIES	69.9%	14 LIFE BELOW WATER	42.2%		
	-60.2%		-27.6%		-47.4%		-57.8%		
3 GOOD HEALTH AND WELL-BEING	74.9%	7 AFFORDABLE AND CLEAN ENERGY	7.0%	11 SUSTAINABLE CITIES AND COMMUNITIES	77.4%	15 LIFE ON LAND	26.7%		
	-39.3%		69.3%		-34.8%		-61.5%		
4 QUALITY EDUCATION	15.4%	8 DECENT WORK AND ECONOMIC GROWTH	56.7%	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	86.8%	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	46.6%		
	45.3%		1.9%		-65.5%		-64.1%		

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