

ESG Report of the Fund Q4 2025

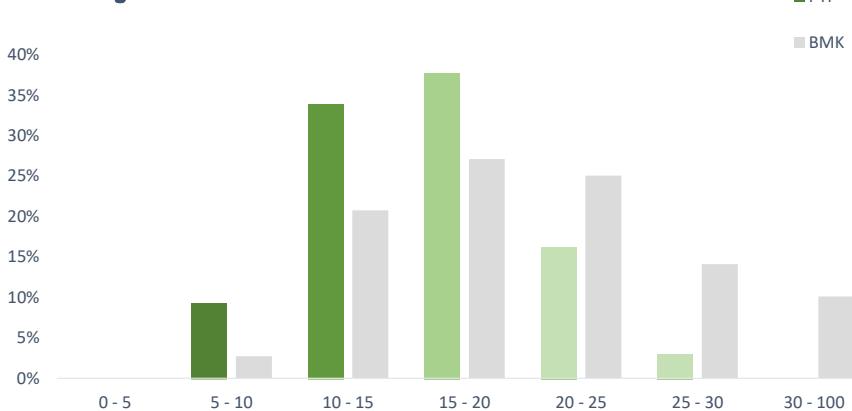
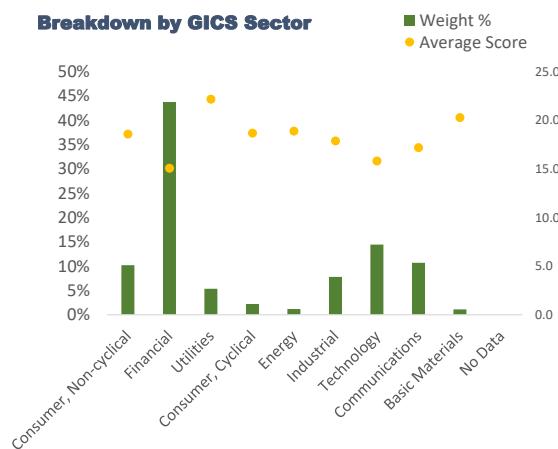
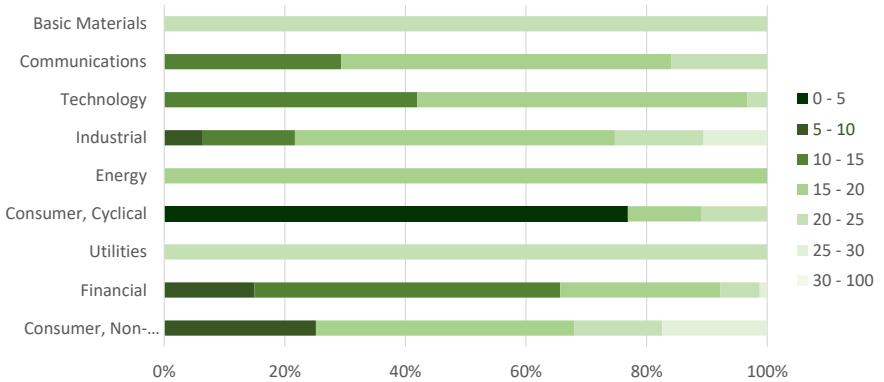
The Fund incorporates ESG aspects into investment decisions through its financial impact on the company, but also by considering non-quantifiable governance matters and social practices. The investment strategy is based on bond and stock selection and a negative screening applies thorough the ESG integration 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:

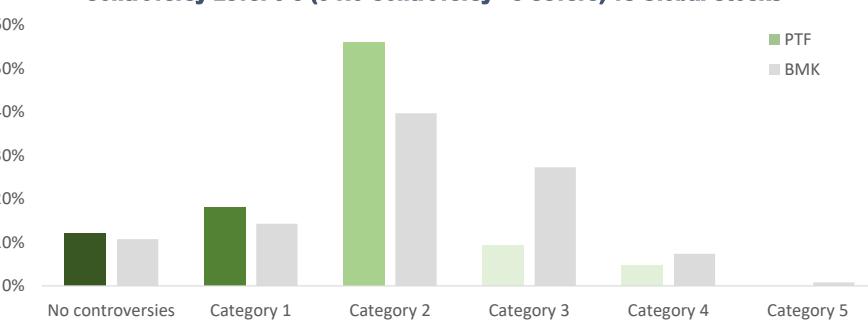
- Its ESG Score **exceeds 50** (0-100, 0 being the best and 100 being the worst).
- It has **Severe Controversies** in place (Level 5)
- It derives above a certain percentage of the revenues from **forbidden activities** (e.g. Predatory lending more than 10% of revenues, Controversial Weapons more than 0% of Revenues)
- After 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%
Meta Platforms Inc	1.0%
Alphabet Inc	0.8%

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

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
Unibail-Rodamco-	7.0	2.9	Insmed Inc	25.9	0.2	JPMorgan Chase & Co	-10.7	Kingdom of Denmark
Cigna Group/The	7.8	-5.2	Coinbase Global Inc	25.7	-2.1	Amazon.com Inc	-9.5	AC2R La Mondiale SGAM
Fredensborg AS	8.1	0.2	Dover Corp	25.4	0.9	Meta Platforms Inc	-8.1	Unibail-Rodamco-Westfield
ManpowerGroup Inc	8.3	-0.7	Meta Platforms Inc	24.7	-8.1	Uber Technologies Inc	-6.4	Kingdom of Spain
TD SYNNEX Corp	9.0	1.1	Vistra Corp	24.3	-5.1	Tesla Inc	-5.9	Mitsubishi Estate Co Ltd
Stichting	9.7	0.4	AG2R La Mondiale	24.2	3.1	Cigna Group/The	-5.2	QUALCOMM Inc
Vereniging Achmea	9.9	-4.4	Kingdom of Denmark	23.6	3.7	PepsiCo Inc	-5.1	BPER Banca SPA
Cisco Systems Inc	10.2	-2.7	Legend Holdings Corp	23.1	-0.2	Vistra Corp	-5.1	Telecom Italia SpA/Milano
KBC Group NV	10.2	-0.7	Canadian Pacific	23.1	-1.0	NatWest Group PLC	-4.9	Fidelity National Information

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.

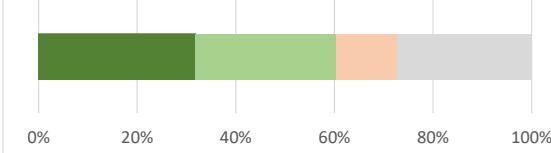
We monitor the **ESG momentum** of our holdings to have exposure to Issuers that are improving their ESG profile. A positive momentum is associated with inflows in the asset. Positive momentum securities show a reduction of **at least 1 point** in the Sustainalytics score over a 1-year period.

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

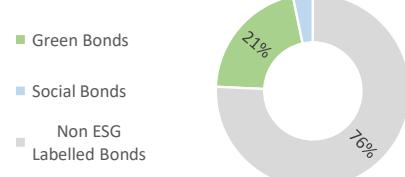
ESG RELATIVE SCORES	Weight	Subindustry
Basic Materials	1%	9.8
Communications	11%	14.0
Consumer, Cyclical	2%	12.7
Consumer, Non-cy	0%	
Diversified	0%	
Energy	1%	3.9
Financial	44%	10.8
Industrial	8%	17.2
Technology	14%	11.6
Utilities	5%	16.1

ESG momentum of the portfolio

■ ESG Positive Momentum ■ ESG Stable Momentum
■ ESG Negative Momentum ■ Data Not Available



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.



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