

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:

Clartan Ethos ESG Europe Small & Mid Cap

Legal entity identifier:

54930043T01NZXYIFE71

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents sustainable investments]*

●● <input type="checkbox"/> Yes	● <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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.



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

In its investments, Clartan Ethos ESG Europe Small & Mid Cap (the “Sub-fund”) has applied the socially responsible investment (“SRI”) principles of Ethos Services SA (“Ethos”), the Sub-fund’s SRI advisor. The environmental and/or social characteristics promoted by the Sub-fund are achieved in particular through the approach implemented in the investment process based on the following pillars:

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

Exclusions

- Exclusion of companies whose products are incompatible with the values sought by the Sub-fund
- Exclusion of companies whose behaviour seriously violates the fundamental principles defined by Ethos

Positive selection

- Evaluation of companies according to environmental, social and governance (ESG) criteria and priority investment in those with an ESG rating above the sector average (“best-in-class” approach)
- Evaluation of companies according to how well they address climate change issues and priority investment in those that integrate these issues into their business model

Active shareholding

- Systematic exercise of voting rights at general meetings in accordance with Ethos’ guidelines promoting sustainable development
- Engagement in dialogue with company management to improve practices on specific ESG issues

The Ethos SRI principles applied to the Sub-fund are further described in the following link: <https://www.ethosfund.ch/en/principesir>

Moreover, the Sub-fund has no designated benchmark to achieve the environmental or social characteristics promoted by the Sub-fund.

● ***How did the sustainability indicators perform?***

The sustainability indicators are currently used ex post to demonstrate that the sustainability approach implemented for the Sub-fund is delivering the expected results. The following non-exhaustive list presents the indicators used in the extra-financial reports of the Sub-fund:

Environmental indicators.	Units	2024	% cov.	2023	% cov.	2022	% cov.
Carbon intensities according to the Carbon to Revenue (C/R) method, taking into account scopes 1 and 2 of the GHG Protocol	Tons of CO2e/millions of EUR turnover	116,3	100%	137	100%	138,4	100%
Carbon intensities according to the Weighted Average Carbon Intensity (WACI) method, taking into account scopes 1 and 2 of the GHG Protocol	Tons of CO2e/millions of EUR turnover	82,9	100%	110,4	100%	165,0	100%
Companies with 1.5 °C targets according to the Science-based Target initiative	As a percentage of assets	68%	100%	49%	100%	42%	100%

Carbon to Revenue method: GHG emissions (tonnes of CO2e) are allocated according to the equity stake of the invested companies. If the fund owns 5% of the total market capitalisation of a company, then the fund owns 5% of its GHG emissions. The company's turnover (in millions of EUR) is then used to adjust the result and obtain a comparable intensity measure between funds. This measure is available in the fund's monthly reporting.

WACI method: the GHG emissions (tonnes of CO2e) of each company are divided by the company's turnover (in EUR millions). The final result is obtained by weighting each company within the fund.

Social and governance indicators	Units	2024	% cov.	2023	% cov.	2022	% cov.
Breaches of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Average gender pay gap within companies	Arithmetic average of available data	1,8%	34%	4,5%	22%	-	-
Gender diversity in the board of directors (> 50% women)	Arithmetic average of available data	39,0%	100%	22,2%	100%	21,3%	100%
Number of shares of companies with a human rights policy (companies with a policy)	As a percentage of companies	100,0%	100%	100,0%	100%	100,0%	100%
Number of securities of companies that do not have a human rights policy (companies that do not have a policy)	As a percentage of companies	0,0%	100%	0,0%	100%	0,0%	100%

Exposure to excluded activities	Units	2024	% cov.	2023	% cov.	2022	% cov.
Conventional armaments (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Unconventional armament (>0% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Thermal coal (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Nuclear energy (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Fossil fuels extracted by hydraulic fracturing (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Arctic oil and gas (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Gambling (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Genetically modified organisms (GMOs) in agrochemicals (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Pornography (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Oil sands (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Tobacco (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%
Oil and gas pipelines and storage of non-conventional fossil fuels (>5% of turnover)	As a percentage of assets	0,0%	100%	0,0%	100%	0,0%	100%

Exposure to themes that have a positive impact	Units	2024	% cov.	2023	% cov.	2022	% cov.
Resilient agriculture, aquaculture and forestry	As a percentage of assets	1,1%	100%	1,0%	100%	3,3%	100%
Pollution control	As a percentage of assets	0,8%	100%	-	100%	-	100%
Circular economy	As a percentage of assets	6,2%	100%	4,6%	100%	4,8%	100%
Sustainable energy	As a percentage of assets	4,9%	100%	2,7%	100%	1,3%	100%
Education, training and culture	As a percentage of assets	3,0%	100%	2,0%	100%	-	100%
Sustainable finance	As a percentage of assets	0,0%	100%	-	100%	-	100%
Sustainable water management	As a percentage of assets	1,9%	100%	-	100%	-	100%
Sustainable real estate	As a percentage of assets	0,1%	100%	-	100%	1,6%	100%
Low carbon mobility	As a percentage of assets	3,7%	100%	1,5%	100%	1,8%	100%
Health and well-being	As a percentage of assets	4,7%	100%	3,2%	100%	0,7%	100%
Several themes	As a percentage of assets	0,0%	100%	12,5%	100%	9,6%	100%
Total	As a percentage of assets	26,4%	100%	27,4%	100%	23,1%	100%

The percentages of turnover of companies that have a positive impact are defined by interval: 0-10% 10-25% 25-50% and 50-100%. The mid-point of the range is taken into account when calculating the weighted averages of the fund.

● **...and compared to previous periods?**

Historical data is presented in the tables above.

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

Not applicable. The Sub-fund did not intend to make sustainable investments within the meaning of Regulation (EU) 2019/2088 (“SFDR”).

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

Not applicable. The Sub-fund did not intend to make sustainable investments within the meaning of Regulation (EU) 2019/2088 (“SFDR”).

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

Not applicable. The Sub-fund did not intend to make sustainable investments within the meaning of Regulation (EU) 2019/2088 (“SFDR”).

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

Not applicable. The Sub-fund did not intend to make sustainable investments within the meaning of Regulation (EU) 2019/2088 (“SFDR”).

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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

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.



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

The principal adverse impacts (“PAIs” – Principal Adverse Impacts) on the sustainability factors are taken into account through the sustainability analysis performed by Ethos and described previously.

The table below summarises the Sub-fund’s current consideration of the 14 PAIs applicable to investments in companies:

Principal adverse impacts	Considerations by the Sub-fund
1. GHG emissions	These PAIs are taken into account in the ESG analysis (ESG rating), in the analysis of companies' response to climate change (Carbon rating), as well as in the sectoral exclusions (thermal coal and unconventional fossil fuels).
2. Carbon footprint	
3. GHG intensity of investee companies	
4. Exposure to companies active in the fossil fuel sector	These PAIs are taken into account in the analysis of companies' response to climate change (Carbon rating), as well as in the sectoral exclusions (thermal coal and unconventional fossil fuels).
5. Share of non-renewable energy consumption and production	
6. Energy consumption intensity by high climate impact sector	This PAI is taken into account in the analysis of companies' response to climate change sensitivity of (Carbon rating).
7. Activities with a negative impact on biodiversity-sensitive areas	This PAI is taken into account in the analysis of companies' response to climate change (Carbon rating), as well as through behavioural exclusions.
8. Discharges into water	This PAI is taken into account in the ESG analysis (ESG rating) as well as through behavioural exclusions.
9. Ratio of hazardous waste and radioactive waste	This PAI is taken into account through sectoral (nuclear energy) and behavioural exclusions.
10. Breaches of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.	These PAIs are taken into account through behavioural exclusions.
11. Lack of compliance processes and mechanisms to monitor compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	
12. Uncorrected gender pay gap	These PAIs are taken into account in the ESG analysis (ESG rating).
13. Gender balance in governance bodies	
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)	This PAI is taken into account through sectoral exclusions. The Sub-fund excludes all companies involved in controversial arms-related activities.



What were the top investments of this financial product?

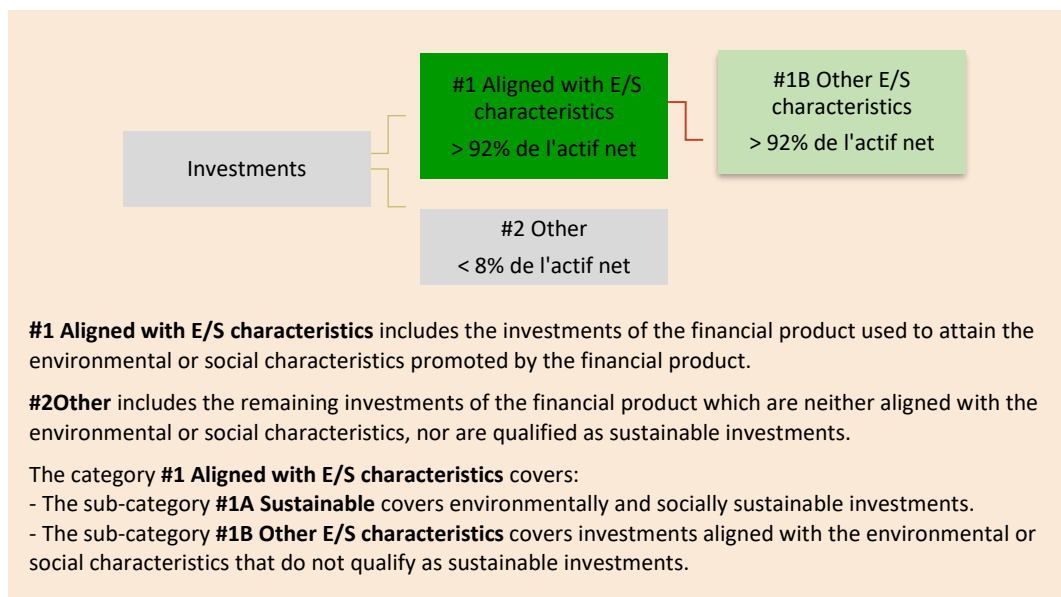
Equities Top 15	Sector	% net assets End 2024	Country
GEA	Industry	4.1%	Germany
Prysmian	Industry	3.8%	Italy
Hera	Utilities	3.6%	Italy
Munters	Industry	3.6%	Sweden
Kingspan	Industry	3.5%	Ireland
BioMerieux	Health	3.5%	France
Recordati	Health	3.4%	Italy
Arcadis	Industry	3.4%	The Netherlands
Euronext	Financial Institutions	3.3%	The Netherlands
Pearson	Consumer	3.1%	United Kingdom
Tomra Systems	Industry	3.0%	Norway
Thule	Consumer	2.9%	Sweden
Renault	Consumer	2.8%	France
Straumann	Health	2.7%	Switzerland
Kion	Industry	2.7%	Germany

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period.

What was the proportion of sustainability-related investments?



● What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

Clartan Ethos ESG Europe Small & Mid Cap	% Net assets at the end of 2024	Allocation
EQUITIES	96.9%	#1B Other E/S characteristics
LIQUIDITY	3.1%	#2 Other

● **In which economic sectors were the investments made?**

Composition of the fund	% net assets End 2024
EQUITIES	96.9%
Industry	46.0%
Health	13.5%
Discretionary consumption	12.7%
Financial Institutions	7.8%
Utilities	6.6%
Base materials	4.9%
Technology	3.4%
Energy	2.0%
LIQUIDITY	3.1%

[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 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?

The investments of the Sub-fund do not correspond to investments in environmentally sustainable economic activities as defined by the Taxonomy regulation.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

No

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.

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

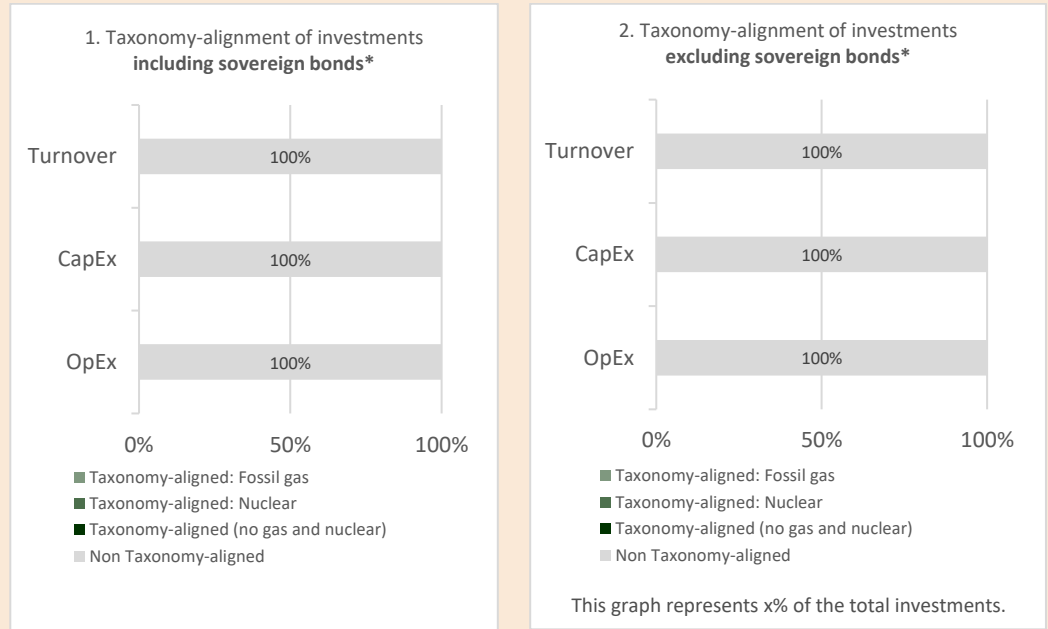
Taxonomy-aligned activities are expressed as a share of:

- **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.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

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.

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?**

The Sub-fund does not undertake to invest a minimum share of its net assets in transitional and enabling activities, as defined by the EU Taxonomy.

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

Not applicable.



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

The Sub-fund does not undertake to invest a minimum proportion of its net assets in sustainable investments with an environmental objective in economic activities that are not aligned with the EU taxonomy; however, according to Ethos, 26,4% of its net assets are invested in activities with a positive impact.

The Ethos Positive Impact methodology can be seen in greater detail at: https://ethosfund.ch/sites/default/files/2022-10/Positive%20impact%20-%20Public%20Methodology_EN_Final.pdf



What was the share of socially sustainable investments?

The Sub-fund does not undertake to invest a minimum share of its net assets in sustainable investments with a social objective, as defined by the EU Taxonomy.



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

Investments in the “Other” category at the end of 2024 were made up of 3.1% in cash (without an environmental/social guarantee).



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

At all times during the period under review, the Sub-fund applied the Ethos Principles of Socially Responsible Investment (“SRI”). The Sub-fund engaged portfolio companies and potential candidates that had issues on environmental and/or social topics. In addition, it has systematically voted its voting rights in accordance with the Ethos voting guidelines. The Sub-fund periodically publishes a voting report (<https://www.clartan.com/en/demarche-esg/documentation/>).



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

Such an index has not been designated.

- **How does the reference benchmark differ from a broad market index?**

Not applicable

- **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?**

Not applicable

- **How did this financial product perform compared with the reference benchmark?**

Not applicable

- **How did this financial product perform compared with the broad market index?**

Not applicable

[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]

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