



Investing Responsibly - European Value

This fund's approach

Detailed ESG Integration	Yes
Stewardship	Yes
Best-in-class	No
Exclusions	Yes



ESG Integration

Qualitative & quantitative consideration of ESG throughout fundamental investment process. Impacts selection, analysis, valuation and portfolio construction.



Stewardship

Voting: Aim to vote all holdings, with decisions made after in-house review of agendas.

Engagement: On various ESG issues, both directly by our investment teams, collaboratively with other investors, & via service providers.



Exclusions

No Sparinvest funds invest in companies with confirmed involvement in production or distribution of controversial weapons.



Transparency

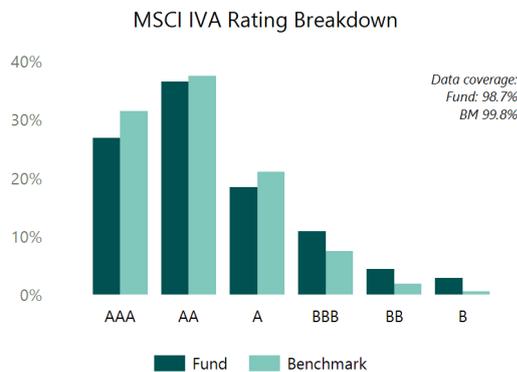
We recognise that many investors wish not only to see what their investments are achieving in terms of financial returns, but also to understand their impact on broader society. We are committed to providing our investors with that understanding.

How we invest responsibly

At Sparinvest, investing responsibly is central to our aim of providing clients with strong and sustainable long-term investment returns. ESG issues present companies, and countries, with a variety of opportunities and risks, and the way these are handled can materially affect long-term value. This mind-set is deeply engrained in our investment teams.

This fund is compared to MSCI Europe

ESG profile



Investing responsibly is not a simple question of investing in only a few 'perfect' companies, and the underlying issues are usually not black and white.

This is not a 'best-in-class' fund, but one with diversified holdings. Our strength lies in analysis and understanding of ESG issues, and factoring that understanding into our investment decisions. This fundamental approach to ESG can lead to a relatively strong ESG profile, but instead of focussing on static ESG scores, we believe that value is often generated through positive change. We believe in working with companies to encourage stronger sustainability.

Signatory of:

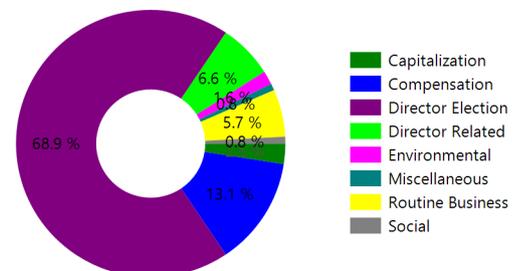


Stewardship - Voting

Voting the last 12 months

Meetings voted	55
- Proportion with votes against management	67 %
Agenda Items voted	1043
- Proportion against management	12 %

Votes Against Management



When voting against management, Sparinvest seeks dialogue with management. In the last 12 months, we communicated with 26 companies regarding voting.

Stewardship - Engagement

During the last 12 months, Sparinvest had dialogue on ESG issues with 28 companies on behalf of the fund. This includes engagement, and communication regarding voting. Issues include: carbon and climate risk, human rights, and board structure including gender diversity.

Engagement is predominantly carried out in-house by our investment teams. We also join other institutional investors in collaborative engagements, including via the Climate Action 100+. We also make use of collaborative engagements via service providers in some circumstances.

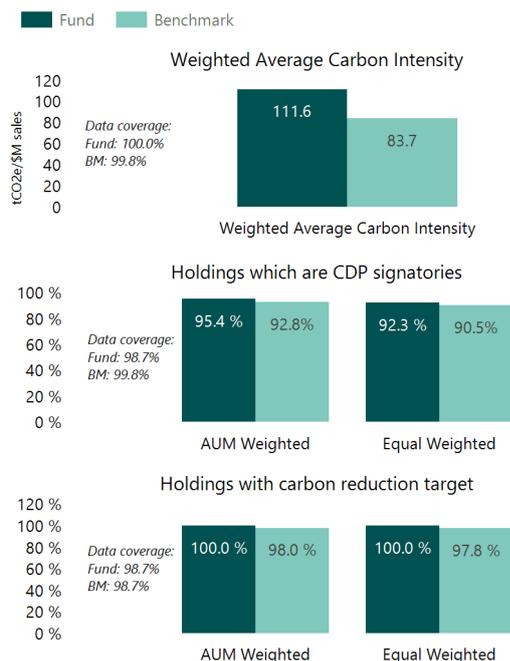
Exclusions

Controversial Weapons Exclusions

No Sparinvest funds invest in companies with confirmed involvement in production or distribution of controversial weapons (anti-personnel mines, cluster munitions, biological weapons, chemical weapons, or nuclear weapons outside the Nuclear Non-Proliferation Treaty). The fund's investment universe is broader than the benchmark, but for reference, the above criteria currently exclude 0% (0 companies) from the benchmark.

Selected ESG data

Environment

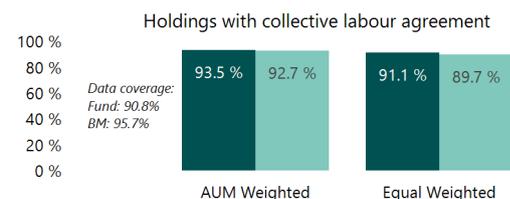


Weighted average carbon intensity provides an indication of portfolio exposure to potential climate change-related risks (such as carbon pricing), relative to the benchmark. The fund has a higher carbon intensity than the benchmark. This is explained by exposure to the Materials sector, and specifically the relatively high exposure to cement and steel. These industries are crucial to society, but are currently significant carbon emitters, and we are committed to engaging to encourage emissions reductions.

The CDP (Carbon Disclosure Project) is a global disclosure system, enabling measurement and management of environmental impacts. Improving disclosure levels for carbon emissions, and other environmental impacts, is a crucial step in enhancing management of those issues.

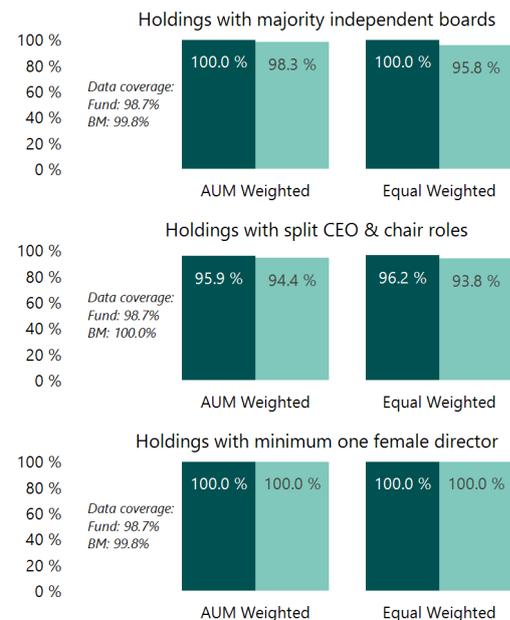
As a signatory to the PRI Montreal Pledge, we disclose the fund's carbon footprint. We are also active participants in Climate Action 100+.

Social



Approaches to labour agreements vary by country, but management disregard for employee rights can be counter-productive over the medium to long-term.

Governance



Our voting policy places an emphasis on high levels of independence in boards. We frequently vote against directors due to concerns over independence

We believe the board should provide effective independent oversight, and prefer the roles of board chair and chief executive to be separate. We typically vote against appointments that combine these roles.

We believe there are long-term benefits to various forms of diversity in the board, including gender diversity. Our voting principles set clear thresholds for board diversity, and failure to meet these thresholds typically leads to votes against certain directors.