

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: REQ Global Compounders

Legal entity identifier: 635400NXKHLWATN5II59

## Environmental and/or social characteristics

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

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

**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. 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?

All investments made by REQ promote social and environmental characteristics. Both aspects are important parts of the investment criterias before making a new investment. The social and environmental characteristics are assessed prior to investment through a standardized inhouse KPI-framework.

The Fund promotes environmental and social characteristics, including by taking sustainability into account in investment decisions, both as part of the assessment of a company and through the use of exclusion lists, as described in further detail below. The fund met these environmental and social

characteristics, as measured by reference to the sustainability indicators set out below. In particular, the Fund promotes the following environmental characteristics through the use of environmental exclusion criteria:

- i. Climate change mitigation
- ii. Affordable and clean energy
- iii. Climate change adaptation
- iv. The transition to a circular economy
- v. Pollution prevention
- vi. Lower deforestation

The Fund promotes the following social characteristics: i. Durable corporate cultures, ii. Decent work and economic growth, iii. Reduced inequalities, iv. Good corporate governance, v. Health and well-being in society, vi. The promotion of human rights.

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

REQ follows a standardized ESG assessment framework in which all information is obtained on a best effort basis.

We confirm there is no investment in companies on the exclusion list or with >5% exposure to pornography, gambling, weapons. The majority of the investments are in companies that are founder-led. REQ's assessment is that our portfolio companies are being proactive in terms of social issues.

While we have made every effort to obtain complete and accurate data from these companies, some may not have provided all of the required information, or may not have provided it in a timely manner.

As a result, the analysis presented in this report may be limited in its scope and accuracy, and should be interpreted with caution. We encourage investors and other stakeholders to consider the limitations of the data when using this report for decision-making purposes. We will continue to work with companies to improve their reporting practices and to provide more complete and accurate data in future reports.

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

This is the first reporting period.

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

The Fund does not commit to making sustainable investments.

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

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

N/A. The fund does not commit to making sustainable investments.

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

N/A. The fund does not commit to making sustainable investments.

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

N/A. The fund does not commit to making sustainable investments.

*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.*



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

N/A. The fund does not consider principal adverse impacts on sustainability factors.



**What were the top investments of this financial product?**

Largest investments	Sector	% Assets	Country
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Constellation Software	IT	9,1%	Canada
Lifco AB	Industrials	8,9%	Sweden
Heico Corp	Industrials	8,9%	US
Judges Scientific	Industrials	4,5%	UK
IMCD	Materials	4,5%	Netherlands
Lagercrantz	Industrials	4,4%	Sweden
Roper Technologies	IT	4,3%	US
Diploma	Industrials	4,3%	UK
Nordson	Industrials	4,1%	US
DCC	Materials	3,9%	UK

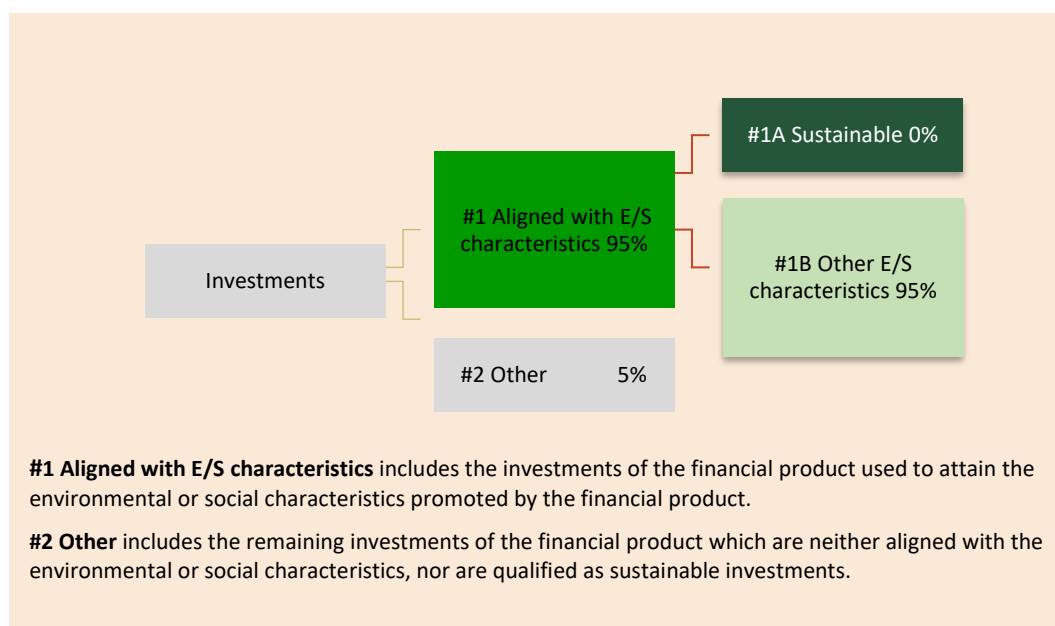
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 to 31 December 2022



### What was the proportion of sustainability-related investments?

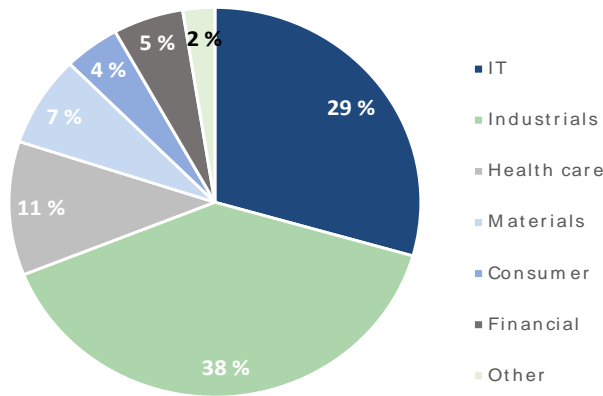
The investments of this financial product are expected to directly promote both environmental and/or social characteristics through its investment strategy, but without a minimum commitment of sustainable investments.

### What was the asset allocation?



### In which economic sectors were the investments made?

Below is an overview of the sector allocation of the portfolio:



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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?

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any "sustainable investments" within the meaning of the SFDR.

#### ● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?



Yes:



In fossil gas



In nuclear energy



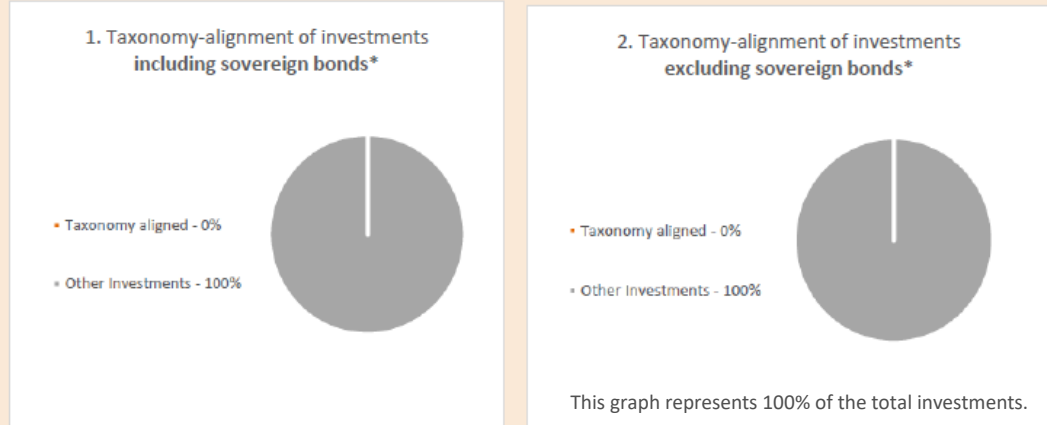
No

<sup>1</sup> 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.

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.

*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 Fund does not commit to making any investment in transitional and enabling activities*
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

*Not relevant*

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

*The Fund does not commit to a minimum share of sustainable investments.*

### What was the share of socially sustainable investments?

*While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any "sustainable investments" within the meaning of the SFDR.*

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

*The Fund has investments that are included under "Other", which includes cash and cash equivalents. Given the nature of these investments, no minimum environmental or social safeguards are applied, however the Investment Manager has assessed the risk related to holding such investments.*

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

During the period all new investments have been evaluated on the basis of environmental and/or social characteristics. Specifically, each new investment is evaluated through an in-house "ESG Scorecard". The portfolio managers engage and monitor sustainability indicators in the current portfolios. The investments of this financial

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.



product directly promote both environmental and/or social characteristics through its investment strategy, but without a minimum commitment of sustainable investments.



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

*The Fund does not use a designated index to reference benchmark its investments, neither in terms of financial performance, nor in terms of benchmarking whether it is aligned with the environmental and/or social characteristics that the Fund promotes.*

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

*Not relevant given reference above*

- **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 relevant given reference above*

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

*Not relevant given reference above*

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

*Not relevant given reference above*

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