Smart Value Investors (the "SICAV")

ESG factors and sustainability risks integration Policy

Approved by the Board of Smart Value Investors on March 26th 2025

"**Sustainability Risk(s)**" means an ESG event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment made by the relevant sub-fund. Such Sustainability Risk is a risk on its own, but can also have an impact on other risks, such as, but without limitation, market risks, liquidity risk or counterparty risk. Generally, the occurrence of a Sustainability Risk affecting an asset can trigger a negative impact on its value, including a total loss, that could lead to a negative impact on the net asset value of the relevant sub-fund.

Sustainability Risks are linked, but not limited, to environmental (including climate-related events resulting from climate change or transition responses), social and/or employee matters (e.g. discrimination, labour relations, accident prevention), respect for human rights, anti-corruption and anti-bribery matters as well as governance issues ("**Sustainability Factors**").

The assessment of Sustainability Risks is complex and may be based on ESG data which can be difficult to obtain, incomplete, approximated, out of date and/or otherwise materially inaccurate. Even if identified, no guarantee is given as whether these data will be correctly assessed.

Considering their potential long term economic impact, Sustainability Risks and Factors are recognized as an integral part supplementing the traditional risk/return analysis. Therefore, Sustainability Risks and Factors identified as material will be factored in investment decisions by the Investment Manager. Each sub-fund of the SICAV will invest with the intention to promote environmental (E), social (S) and governance (G) characteristics. No sub-fund has a sustainable investment objective.

The impact of a Sustainability Risk can vary depending on the specific risks, region(s) and/or from the asset class(es) a sub-fund is exposed to. As such, the integration of Sustainability Risk within the investment process is best described at sub-fund level. The ESG approach of the SICAV (and especially any mentioned ratio thereafter) is therefore appreciated at the sub-fund level.

In order to take into account Sustainability Risks and Factors, the Board of Smart Value Investors ("the Board") has decided to adopt an ESG factors and sustainability risks integration Policy (the "**ESG Policy**") to be applied by the Investment Manager in its management of the assets of the SICAV. This policy will be reviewed at least annually by the Board and is available at http://www.smart-pm.eu/wp-content/uploads/Smart_Value_Investors_-_Current_ESG_Policy.pdf. It applies to the following assets[1]:

- Direct investments in equity securities ("Equity Securities"),
- Direct investments in bonds issued by corporate or governmental entities (together "Bond Securities")[2],
- UCITS and/or other UCIs.

[1] For the avoidance of doubt, the ESG Policy only applies to assets expressly listed as being covered by the Policy. As such, the ESG Policy does not apply to any other assets such as cash at sight or Exchange Traded Commodities.
[2] For the avoidance of doubt, financial instruments displaying Fixed Income characteristics should be considered as Bond securities, for instance short-term money market instruments issued by governments or corporate entities or bank debt securities.

The ESG Policy applies to all sub-funds of the SICAV. At the date of this policy, the existing sub-funds are:

- Smart Value Investors – Equity Flexible (LEI: 549300N13ZMH8YWZX618)
  - A Share – ISIN Code LU0407238897
  - C Share – ISIN Code LU0407593283
  - E Share – ISIN Code LU2969727465
  - I Share – ISIN Code LU2038885625
  - SI Share – ISIN Code LU2969727549
- Smart Value Investors – Patrimoine Flexible (LEI: 549300UKIM7K9G7CDR38)
  - A Share – ISIN Code LU0556665551
  - C Share – ISIN Code LU0852479210
  - E Share – ISIN Code LU2969727200
  - I Share – ISIN Code LU2038885468
  - SI Share – ISIN Code LU2969727382
- Smart Value Investors – Focus Equity (LEI: 549300JMXQR7M0HDQ82)
  - A Share – ISIN Code LU2636594579
  - C Share – ISIN Code LU2636594652
  - I Share – ISIN Code LU2636594736

For each sub-fund, the information required by Art (10)1 of the Regulation (EU) of the European Parliament and the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector is available in the appendixes of this Policy.

The ESG policy relies on three pillars:

- An integration approach whose goal is to favour issuers that best address the Sustainability Risks they face and adapt their business models and strategies to these new challenges,
- An exclusion approach whose goal is to restrict the investment in issuers that do not meet minimum fundamental responsibilities or are active in controversial activities,
- A Stewardship and Engagement best practices guidelines that encourage the promotion of good corporate behaviours through voting and constructive open dialogue with the issuers.

(i) Integration approach

a. Equity and Bond Securities

The goal of the integration approach is to favour issuers that best address the Sustainability Risks they face and adapt their business models and strategies to new challenges.

The integration approach is primarily based on ESG analysis provided by a well-recognized independent agency. The Board of the SICAV has selected Morningstar as the independent agency. Although the Board of Directors considers Morningstar a reliable agency, data provided may be incomplete, approximated, out of date and/or otherwise materially inaccurate and no guarantee is given as whether these data will be correctly assessed.

For each issuer, the Investment Manager will rely on the ESG Risk Rating (the “ESG Risk Rating”) and the ESG Industry Percentile (“ESG Industry Percentile”)[3] provided by the independent agency. The ESG Risk Rating measures an issuer’s exposure to industry-specific material ESG risks and how well it is managing those risks. The ESG Industry Percentile measures how well the ESG Risks are managed by the issuer compared to its industry peers.

[3] E.g. The company X active in the industry of “Food Products” is ranked (from an ESG risk rating perspective) 200 in the 500 companies active in the same industry. Its ESG Industry Percentile would be 200/500 x 100 = 40 (ESG Percentile can alternatively be written as 40% and its weighted average may also be expressed as a %).

In case an ESG Risk Rating is not available for a governmental issuer, the Investment Manager will rely on the ESG Country Risk Rating associated with the issuer. In cases other than governmental issuer where the ESG Risk Rating is not available, the Investment Manager will not use an internally computed ESG Risk rating. For governmental issuers, the ESG Industry Percentile will be the percentile of the ESG Risk Rating associated with the issuer in the universe of governments (or countries if unavailable) rated by the rating agency.

In order not to restrain the investment opportunities pool (e.g. issuers with a low rating, but on a credible improvement track), while maintaining a sufficiently restrictive ESG framework, the integration approach for Equity and Bond Securities issuers is measured at the portfolio level of each sub fund:

- The independent agency defines issuers faced with severe and high ESG risk as having an ESG Risk Rating higher than 30. The SICAV wishes to favour issuers with a lower ESG Risk (i.e. with a rating at least considered as Medium). To make sure that this goal is met, the weighted average ESG Risk Rating of the rated issuers in each sub-fund's portfolio shall be lower than 30,
- The SICAV wishes to favour issuers with ESG characteristics higher than their industry peers. To make sure that this goal is met, the weighted average ESG Industry Percentile[4] of the rated issuers in each sub-fund's portfolio will be lower than 40. This ensures on average, that the portfolio of rated issuers will comprise the 40% best ranked peers within their industries.

To supplement this integration approach, the Investment Manager will monitor the controversy analysis as communicated by the independent agency. This analysis assesses an issuer's involvement in controversial events that have an impact on the environment or society (e.g. Bribery and Corruption, Occupational Health and Safety). Should at least one controversy event be considered by the independent agency as severe, the Investment Manager will analyse the controversy event and engage with the issuer. After a period of twelve months, if the matter has not been resolved or if the Investment Manager has not received satisfactory explanations, the Investment Manager will seek to divest the issuer.

Through a regular monitoring, the Investment Manager will use reasonable effort to make sure that the integration approach for Equity and Bond Securities issuers is constantly satisfied.

b. UCITS and/or other UCIs

Sub-funds of the SICAV may be allowed to invest in UCITS and/or other UCIs, including Exchange Traded Funds (ETF) comparable to UCITS and other UCI (the "Invested UCI").

Depending on its investment policy and its commitments to ESG issues, an Invested UCI can fall into one of three categories:

- Does not promote ESG characteristics (Category 1).
- Promotes, among other characteristics, environmental or social characteristics or a combination of those characteristics (Category 2),
- Have sustainable investment as its objective (Category 3).

The Investment Manager will classify each Invested UCI into one of those categories. In its analysis, the Investment Manager will rely on definitions provided by the Regulation (EU) 2019/2088 of the

[4] For the avoidance of doubt, the weighted average ESG Industry Percentile is computed at the sub fund's portfolio level as a single measure. As a theoretical example, if the portfolio of the sub-fund is composed of 10% of cash at sight (asset not covered by the ESG Policy), 40% of the equity of rated issuer A active in industry X with an Industry Percentile of 50 and 50% of a bond issued by a rated issuer B active in industry Y with an Industry Percentile of 20, the weighted average ESG Industry Percentile would be (40% x 50 + 50% x 20) / (40%+50%) = 33 therefore respecting the limit of 40.

European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector.

The Investment Manager will be allowed to invest in Invested UCI with a maximum per Category:

Category	1	2	3
Maximum	10% of the net assets value of the sub-fund	Maximum allowed by the prospectus	Maximum allowed by the prospectus

Through a regular monitoring, the Investment Manager will use reasonable effort to make sure that the integration approach for UCITS and/or UCI is constantly satisfied.

c. Coverage

The above rule-based integration approach allows for the inclusion of ESG aspects in the investment process. However, the strictness of this approach leads to a restrained universe of investable opportunities, such as, among others, non-rated Equity or Bond Securities issuers with good ESG track record or Category 1 Invested UCI in the process to implement Category 2 objectives. In order to be able to participate in those investment opportunities while keeping the global ESG Risk of the portfolio constrained and monitored, the Investment Manager will be allowed to invest, in aggregate, up to 10% of the net asset value of each sub-fund in non-rated issuers and Invested UCI classified as Category 1.

Through a regular monitoring, the Investment Manager will use reasonable effort to make sure that the limit described above is constantly satisfied.

(ii) Exclusion approach

The SICAV will not invest in the following assets:

- Equity or Bond Securities for which the Luxembourg Law forbids the investment (such as corporate entities involved in the production of cluster munitions weapons or explosive submunitions),
- Equity or Bond Securities issued by entities that are under European Union or United Nations sanctions,
- Equity or Bond Securities issued by corporate entities that derive more than 10% of their revenues from manufacturing controversial weapons (anti-personnel mines, biological, nuclear and chemical weaponry, depleted uranium or the components of such weapons),
- Equity or Bond Securities issued by corporate entities that derive more than 10% of their revenues from the production of tobacco or tobacco products,
- Equity or Bond Securities issued by corporate entities that derive more than 10% of their revenues from thermal coal extraction or unconventional oil and gas extraction (extraction of tar/oil sands, shale oil, shale gas, Arctic drilling),
- Bond Securities issued by government entities for which the Global Freedom Score is considered as “not free” by the latest Freedom in the World data from the Freedom House and considered as “High Warning” or below by the latest Fragile States Index data available from Fund for Peace[5].

Issuers will continuously be reviewed against those exclusions categories and the Investment Manager will seek to divest, as soon as practically possible while taking into account the interest of investors, from any issuer that is found to fall within any such categories.

[5] For the avoidance of doubt, states considered as “High Warning” or below are states with a Fragile State Index Score above 80.

The Investment Manager will also use reasonable efforts to ensure that no sub-fund invests in any Equity or Bond Securities issued by entities that seriously and systematically violate their fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption.

(iii) Stewardship and Engagement

The protection of the interests of the SICAV's investors and the successful development of an issuer (and therefore the financial success of an investment) are supported by high standards of governance. Those standards are also beneficial to other stakeholders such as employees and communities. The SICAV seeks to promote good corporate behaviours through voting and constructive open dialogue with the different issuers it is invested with.

a. Engagement

The Investment Manager will seek to proactively engage with the Investment Relations department or the management team of an issuer when the monitoring process has detected a specific issue. The Investment Manager will also seek to encourage higher disclosures of information in public reports.

When legally permitted and deemed appropriate, the Investment Manager will enter in collective engagement initiatives.

b. Voting Policy

The Board of the SICAV considers that the International Corporate Governance Network (ICGN) Global Governance Principles[6] are a detailed basis for sound voting guidelines.

The Investment Manager will therefore apply the following principles when taking decisions on how to vote for/against/abstain for the assets of the SICAV:

- The Board of the issuer should act on an informed basis and in the best long-term interests of the company with good faith, care and diligence, for the benefit of shareholders, while having regard to relevant stakeholders, including creditors,
- Board leadership calls for clarity and balance in Board and executive roles and an integrity of process to protect the interests of minority investors and promote success of the company as a whole,
- There should be a sufficient mix of directors with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making,
- The board of the issuer should adopt high standards of business ethics, ensuring that its vision, mission and objectives are sound and demonstrative of its values. Codes of ethical conduct should be effectively communicated and integrated into the company's strategy and operations, including risk management systems and remuneration structures,
- The Board of the issuer should proactively oversee, review and approve the approach to risk management regularly or with significant business change and satisfy itself that the approach is functioning effectively,
- Remuneration should be designed to effectively align the interests of the Chief Executive Officer and other executive officers with those of the company and its shareholders to help ensure long-term performance and sustainable value creation. The Board should also ensure that aggregate remuneration is appropriately balanced with the needs to pay dividend to shareholders and/or retain capital for future investment,
- The Board of the issuer should oversee timely and high-quality company disclosures for investors and other stakeholders relating to financial statements, strategic and operational

[6] https://www.icgn.org/policy/global-governance-principles

performance, corporate governance and material environmental and social factors. A robust audit practice is critical for necessary quality standards,

- Rights of all shareholders should be equal and must be protected. Fundamental to this protection is ensuring that shareholder voting rights are directly linked to shareholder's economic stake, and that minority shareholders have voting rights on key decisions or transactions which affect their interest in the company.

The Board of the SICAV requires the Investment Manager to vote on any meaningful decision. However, in some certain situations, such as when the cost of submitting a vote outweighs the estimated associated benefits, the Investment Manager is allowed to refrain from voting. In casting the vote, the Investment Manager should also take into account the particular circumstances of the company concerned and prevailing local market best practices.

The Investment Manager will issue an annual report available on his website (http://www.smart-pm.eu/wp-content/uploads/Smart_Private_Managers_-_Current_Report_Stewardship.pdf) regarding his global Stewardship and Engagement activities.

Further details on the Stewardship and Engagement Policy are available on the website of the Investment Manager http://www.smart-pm.eu/wp-content/uploads/Smart_Private_Managers_-_Current_Policy_Stewardship_and_Engagement.pdf.

Appendix

SMART VALUE INVESTORS

Patrimoine Flexible

Information required by the article 10(1) of the Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 november 2019 on the sustainability-related disclosures in the financial services sector

Article 10 web disclosure

Sustainability-related disclosure

Patrimoine Flexible

A sub-fund of Smart Value Investors • SFDR product category: Article 8

Summary

The objective of the sub-fund is to grow the capital invested above global equity markets in the long term while aiming to limit the impact of adverse shocks in equity and bond markets in the short term.

The sub-fund is actively managed without using a reference benchmark.

The sub-fund follows an ESG Policy applicable to the following assets

- Direct investments in equity securities ("Equity Securities"),
- Direct investments in bonds issued by corporate and governmental entities (together "Bond Securities"),
- UCITS and/or other UCIs. The sub-fund may invest up to 10% of its net assets into UCITS and/or other UCIs.

No sustainable investment objective

This sub-fund promotes E/S characteristics but does not have as its objective sustainable investment.

E/S characteristics

The ESG policy relies on three pillars:

1- An integration approach

The goal of this approach is to favor issuers that best address sustainability risks they face and adapt their business models and strategies to these new challenges.

The sub-fund relies on data provided by a well recognized independent agency specialized in ESG analysis. For each issuer, the Investment Manager will rely on the ESG Risk Rating ("the ESG Risk Rating") and the ESG Industry Percentile (the "ESG Industry Percentile") provided by the independent agency.

- The independent agency defines issuers faced with severe and high ESG risk as having an ESG Risk Rating higher than 30. The weighted average ESG Risk Rating of the rated issuers of the sub-fund shall be lower than 30,
- To favor issuers with ESG characteristics higher than their industry peers, the weighted average ESG Industry Percentile[7] of the rated issuers of the sub-fund will be lower than 40.

The Investment Manager will further monitor the controversy analysis provided by the independent agency. In case of a controversy considered as severe, corrective measures will be implemented that could lead to the disinvestment of the issuer.

Investment in UCITS and/or UCIs that do not promote ESG characteristics will be limited at 10%.

A maximum of 10% of the net assets of the sub-fund can be invested in non-rated issuers or UCITS and/or UCIs that do not promote ESG characteristics.

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[7] E.g. The company X active in the industry of "Food Products" is ranked (from an ESG risk rating perspective) 200 in the 500 companies active in the same industry. Its ESG Industry Percentile would be 200/500 x 100 = 40 (ESG Percentile can alternatively be written as 40% and its weighted average may also be expressed as a %).

2- An exclusion approach

The goal is to restrict the investment in issuers that do not meet minimum fundamental responsibilities or are active in controversial activities.

The sub-fund excludes investment in Equity and Bond Securities:

- for which the Luxembourg Law forbids the investment (such as corporate entities involved in the production of cluster munitions weapons or explosive submunitions),
- issued by entities that are under European Union or United Nations sanctions.

The sub-fund excludes investment in corporate entities that derives more than 10% of their revenues from:

- The manufacturing of controversial weapons
- The production of tobacco or tobacco products
- Thermal coal extraction or unconventional oil and gas extraction

The sub-fund excludes investment in Bond Securities issued by government entities that do not provide minimal politic rights and civil liberties to its citizens.

3- A stewardship and Engagement best practices guidelines

The goal is to encourage the promotion of good corporate behaviors though voting and constructive open dialogue with the issuers. E/S characteristics are an area of those guidelines.

Further details on the ESG policy can be obtained at http://www.smart-pm.eu/wp-content/uploads/Smart_Value_Investors_-_Current_ESG_Policy.pdf

Investment strategy

The sub-fund will invest its assets in a portfolio composed of the following assets:

- Equity Assets: equity securities, equity funds, equity exchange traded funds and listed closed-end equity funds and long short equity funds;
- Fixed Income Assets: fixed income securities, bonds and convertible bonds fixed income funds and fixed income exchange traded funds and listed closed-end bond funds;
- Time deposits and cash equivalents securities and investments.

The proportion of the sub-fund's assets invested in each type of asset class will vary from time to time based upon the Investment Manager's assessment of general market and economic conditions. However, the sub-fund exposure to the Equity Assets shall, at all-time, be limited to 75% of its net asset value.

Please refer to the prospectus and latest annual and semi-annual reports available at https://www.conventumtps.lu/ for further details on the investment strategy and how it is applied by the Investment Manager.

Asset allocation

	% of assets
Investments aligned with the sub-fund's E/S characteristics	**Min. 45%**
Qualifying as sustainable investments	Min. 0%
- under the EU Taxonomy	-
- with a social objective	-
Not qualifying as sustainable investments but having other E/S characteristics	Min. 0%
Other investments (1)	**Min. 0%**

(1) Includes Bank deposit at sight, Exchange trading commodities involving precious metals, Direct Equities and Bond Securities that are not rated by the independent agency, UCITS and/or UCIs that do not promote ESG characteristics

Monitoring of E/S characteristics

The Investment Manager monitors regularly and at least on a monthly basis the ESG Risk Rating and the controversy analysis provided by the independent agency as well as other parameters to ensure that the ESG Policy binding elements are satisfied.

E/S methodologies

The ESG Risk Rating measures an issuer's exposure to industry-specific material ESG risks and how well it is managing those risks as analyzed by the independent agency:

- For Equity Securities and Corporate Bond Securities, the independent agency may include the following material ESG Issues: Corporate Governance, Resource Use, Human Capital, Product Governance, Carbon-own Operations, Humans Rights – Supply Chain, Land Use and Biodiversity – Supply Chain, Business Ethics, E/S Impact of Products and Services, Occupational Health and Safety, Resource Use – Supply Chain as well as the robustness of the Company's ESG programs, practices and policies,
- For Government Bond Securities, the independent agency may include the following material ESG Issues: Natural (agriculture, forestry, etc…), Produced (machine, buildings etc), Human (skills, experience of population) and Institutional (quality of institutions) Capitals as well as the management of those risks (risk factors potentially impacting those risks, material negative impact, trend on country's performance),

In case and ESG Risk Rating is not available for a governmental issuer, the Investment Manager will rely on the ESG Country Risk Rating associated with the issuer.

The ESG Industry Percentile measures how well the ESG risk are managed by the issuer compared to its peers active in the same industry as defined by the independent agency.

For UCITS and/or other UCIs, environmental and/or social characteristics are based on the specific ESG policy of the UCITS and/or other UCIs.

Data sources and processing

Data sources include regular reports or communications provided by the issuers as well as reports provided by the independent agency.

The sources are analyzed by the Investment Manager.

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Limitations of methodologies and data

Data provided by any source, in particular companies themselves, may be incomplete, biased or incorrect. Data comparisons can often identify such situations, but in some cases little data is available to make comparisons. In some cases, metrics that appear to be comparable may have been derived using non-comparable measurements. Any of these issues could leave the sub-fund potentially vulnerable to data flaws.

Data provided by the independent agency is based on the methodology developed by the independent agency. The methodology can differ from ESG Rating agency to ESG Rating agency. As such, inconstancies can exist between the ESG Risk ratings provided by different ESG Rating agencies. In some cases, such inconstancies can be material.

See also Data sources and processing.

Due diligence

The Investment Manager evaluates and continually monitors both actual and potential investments using widely accepted standards and a variety of internal and external data sources, including major financial industry providers.

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Engagement policies

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Reference benchmark (ESG)

The sub-fund does not use a benchmark to evaluate its overall ESG profile.

Terms to understand

E/S Environmental and/or social.

ESG Environmental, social and governance.

Sustainability Risk ESG event or condition that, if it occurs, could cause an actual or potential negative impact on the value of an investment.

ESG Policy The Environmental Social and Governance factors and sustainability risks integration Policy adopted by the Board of Directors in order to mitigate Sustainability Risks.

EU Taxonomy The EU's official classification of economic activities that contribute to an environmental objective (such as climate change mitigation, water protection, circular economy, pollution prevention or biodiversity protection). In future the taxonomy will include activities with a social objective.

issuer A company, government, government agency, government-sponsored organisation, or supranational or public international entity that registers and sells securities.

UCITS and/or other UCIs UCITS and/or other UCIs, including Exchange Traded Funds (ETF) comparable to UCITS and other UCI, provided that such ETF is subject to supervision considered by the CSSF to be equivalent and comply with the provision of article 41 (1)e) of the Law of 2010

Exchange trading commodities involving precious metals exchange-traded commodities involving precious metals in accordance with Article 41 (1) a)-d) of the Law of 17 December 2010 on undertakings for collective investment and Article 2 of the Grand-Ducal Regulation of 8 February 2008 as well as point 17 of the CESR/07-044b guidelines, provided that these products do not contain embedded derivatives and do not involve physical delivery of the underlying metal.

reference benchmark An index or combination of indices used by the fund to attain or compare its E/S characteristics.

SFDR Regulation (EU) 2019/2088 on sustainability-related disclosures for financial products.

sustainable investment An investment in economic activities, undertaken by companies that follow good governance practices, that contribute to an E/S objective without significantly harming other E/S objectives.

Appendix

SMART VALUE INVESTORS

Equity Flexible

Information required by the article 10(1) of the Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 november 2019 on the sustainability-related disclosures in the financial services sector

Article 10 web disclosure

Sustainability-related disclosure

Equity Flexible

A sub-fund of Smart Value Investors • SFDR product category: Article 8

Summary

The objective of the sub-fund is to grow the capital invested above global equity markets in the long term while aiming to limit the impact of adverse shocks in equity and bond markets in the short term.

The sub-fund is actively managed without using a reference benchmark.

The sub-fund follows an ESG Policy applicable to the following assets

- Direct investments in equity securities (“Equity Securities”),
- Direct investments in bonds issued by corporate and governmental entities (together “Bond Securities”),
- UCITS and/or other UCIs. The sub-fund may invest up to 10% of its net assets into UCITS and/or other UCIs.

No sustainable investment objective

This sub-fund promotes E/S characteristics, but does not have as its objective sustainable investment.

E/S characteristics

The ESG policy relies on three pillars:

1- An integration approach

The goal of this approach is to favor issuers that best address sustainability risks they face and adapt their business models and strategies to these new challenges.

The sub-fund relies on data provided by a well recognized independent agency specialized in ESG analysis. For each issuer, the Investment Manager will rely on the ESG Risk Rating (“the ESG Risk Rating”) and the ESG Industry Percentile (the “ESG Industry Percentile”) provided by the independent agency.

- The independent agency defines issuers faced with severe and high ESG risk as having an ESG Risk Rating higher than 30. The weighted average ESG Risk Rating of the rated issuers of the sub-fund shall be lower than 30,
- To favor issuers with ESG characteristics higher than their industry peers, the weighted average ESG Industry Percentile[8] of the rated issuers of the sub-fund will be lower than 40.

The Investment Manager will further monitor the controversy analysis provided by the independent agency. In case of a controversy considered as severe, corrective measures will be implemented that could lead to the disinvestment of the issuer.

Investment in UCITS and/or UCIs that do not promote ESG characteristics will be limited at 10%.

A maximum of 10% of the net assets of the sub-fund can be invested in non-rated issuers or UCITS and/or UCIs that do not promote ESG characteristics.

2- An exclusion approach

[8] E.g. The company X active in the industry of “Food Products” is ranked (from an ESG risk rating perspective) 200 in the 500 companies active in the same industry. Its ESG Industry Percentile would be 200/500 x 100 = 40 (ESG Percentile can alternatively be written as 40% and its weighted average may also be expressed as a %).

The goal is to restrict the investment in issuers that do not meet minimum fundamental responsibilities or are active in controversial activities.

The sub-fund excludes investment in Equity and Bond Securities:

- for which the Luxembourg Law forbids the investment (such as corporate entities involved in the production of cluster munitions weapons or explosive submunitions),
- issued by entities that are under European Union or United Nations sanctions.

The sub-fund excludes investment in corporate entities that derives more than 10% of their revenues from:

- The manufacturing of controversial weapons
- The production of tobacco or tobacco products
- Thermal coal extraction or unconventional oil and gas extraction

The sub-fund excludes investment in Bond Securities issued by government entities that do not provide minimal politic rights and civil liberties to its citizens.

3- A stewardship and Engagement best practices guidelines

The goal is to encourage the promotion of good corporate behaviors though voting and constructive open dialogue with the issuers. E/S characteristics are an area of those guidelines.

Further details on the ESG policy can be obtained at http://www.smart-pm.eu/wp-content/uploads/Smart_Value_Investors_-_Current_ESG_Policy.pdf

Investment strategy

The sub-fund will invest its assets in a portfolio composed of the following assets:

- Equity Assets: equity securities, equity funds, equity exchange traded funds and listed closed-end equity funds and long short equity funds;
- Fixed Income Assets: fixed income securities, bonds and convertible bonds fixed income funds and fixed income exchange traded funds and listed closed-end bond funds;
- Time deposits and cash equivalents securities and investments.

The proportion of the sub-fund's assets invested in Equity Assets will vary from time to time based upon the Investment Manager's assessment of risk/return opportunities with however a minimum of 51% of its net assets being invested in Equity Assets.

Please refer to the prospectus and latest annual and semi-annual reports available at https://www.conventumtps.lu/ for further details on the investment strategy and how it is applied by the Investment Manager.

Asset allocation

	% of assets
Investments aligned with the sub-fund's E/S characteristics	**Min. 45%**
Qualifying as sustainable investments	Min. 0%
- under the EU Taxonomy	-
- with a social objective	-
Not qualifying as sustainable investments but having other E/S characteristics	Min. 0%
Other investments (1)	**Min. 0%**

(1) *Includes Bank deposit at sight, Exchange trading commodities involving precious metals, Direct Equities and Bond Securities that are not rated by the independent agency, UCITS and/or UCIs that do not promote ESG characteristics*

Monitoring of E/S characteristics

The Investment Manager monitors regularly and at least on a monthly basis the ESG Risk Rating and the controversy analysis provided by the independent agency as well as other parameters to ensure that the ESG Policy binding elements are satisfied.

E/S methodologies

The ESG Risk Rating measures an issuer's exposure to industry-specific material ESG risks and how well it is managing those risks as analyzed by the independent agency:

- For Equity Securities and Corporate Bond Securities, the independent agency may include the following material ESG Issues: Corporate Governance, Resource Use, Human Capital, Product Governance, Carbon-own Operations, Humans Rights – Supply Chain, Land Use and Biodiversity – Supply Chain, Business Ethics, E/S Impact of Products and Services, Occupational Health and Safety, Resource Use – Supply Chain as well as the robustness of the Company's ESG programs, practices and policies,
- For Government Bond Securities, the independent agency may include the following material ESG Issues: Natural (agriculture, forestry, etc…), Produced (machine, buildings etc), Human (skills, experience of population) and Institutional (quality of institutions) Capitals as well as the management of those risks (risk factors potentially impacting those risks, material negative impact, trend on country's performance),

In case and ESG Risk Rating is not available for a governmental issuer, the Investment Manager will rely on the ESG Country Risk Rating associated with the issuer.

The ESG Industry Percentile measures how well the ESG risk are managed by the issuer compared to its peers active in the same industry as defined by the independent agency.

For UCITS and/or other UCIs, environmental and/or social characteristics are based on the specific ESG policy of the UCITS and/or other UCIs.

Data sources and processing

Data sources include regular reports or communications provided by the issuers as well as reports provided by the independent agency.

The sources are analyzed by the Investment Manager.

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Limitations of methodologies and data

Data provided by any source, in particular companies themselves, may be incomplete, biased or incorrect. Data comparisons can often identify such situations, but in some cases little data is available to make comparisons. In some cases, metrics that appear to be comparable may have been derived using non-comparable measurements. Any of these issues could leave the sub-fund potentially vulnerable to data flaws.

Data provided by the independent agency is based on the methodology developed by the independent agency. The methodology can differ from ESG Rating agency to ESG Rating agency. As such, inconstancies can exist between the ESG Risk ratings provided by different ESG Rating agencies. In some cases, such inconstancies can be material.

See also Data sources and processing.

Due diligence

The Investment Manager evaluates and continually monitors both actual and potential investments using widely accepted standards and a variety of internal and external data sources, including major financial industry providers.

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Engagement policies

See also E/S methodologies, Monitoring of E/S characteristics and No sustainable investment objective.

Reference benchmark (ESG)

The sub-fund does not use a benchmark to evaluate its overall ESG profile.

Terms to understand

E/S Environmental and/or social.

ESG Environmental, social and governance.

Sustainability Risk ESG event or condition that, if it occurs, could cause an actual or potential negative impact on the value of an investment.

ESG Policy The Environmental Social and Governance factors and sustainability risks integration Policy adopted by the Board of Directors in order to mitigate Sustainability Risks.

EU Taxonomy The EU's official classification of economic activities that contribute to an environmental objective (such as climate change mitigation, water protection, circular economy, pollution prevention or biodiversity protection). In future the taxonomy will include activities with a social objective.

issuer A company, government, government agency, government-sponsored organisation, or supranational or public international entity that registers and sells securities.

UCITS and/or other UCIs UCITS and/or other UCIs, including Exchange Traded Funds (ETF) comparable to UCITS and other UCI, provided that such ETF is subject to supervision considered by the CSSF to be equivalent and comply with the provision of article 41 (1)e) of the Law of 2010

Exchange trading commodities involving precious metals exchange-traded commodities involving precious metals in accordance with Article 41 (1) a)-d) of the Law of 17 December 2010 on undertakings for collective investment and Article 2 of the Grand-Ducal Regulation of 8 February 2008 as well as point 17 of the CESR/07-044b guidelines, provided that these products do not contain embedded derivatives and do not involve physical delivery of the underlying metal.

reference benchmark An index or combination of indices used by the fund to attain or compare its E/S characteristics.

SFDR Regulation (EU) 2019/2088 on sustainability-related disclosures for financial products.

sustainable investment An investment in economic activities, undertaken by companies that follow good governance practices, that contribute to an E/S objective without significantly harming other E/S objectives.

Appendix

SMART VALUE INVESTORS

Focus Equity

Information required by the article 10(1) of the Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 november 2019 on the sustainability-related disclosures in the financial services sector

Article 10 web disclosure

Sustainability-related disclosure

Focus Equity

A sub-fund of Smart Value Investors • SFDR product category: Article 8

Summary

The objective of the sub-fund is seek long-term appreciation of capital.

The sub-fund is actively managed without using a reference benchmark.

The sub-fund follows an ESG Policy applicable to the following assets

- Direct investments in equity securities (“Equity Securities”),
- UCITS and/or other UCIs. The sub-fund may invest up to 10% of its net assets into UCITS and/or other UCIs.

No sustainable investment objective

This sub-fund promotes E/S characteristics but does not have as its objective sustainable investment.

E/S characteristics

The ESG policy relies on three pillars:

4- An integration approach

The goal of this approach is to favor issuers that best address sustainability risks they face and adapt their business models and strategies to these new challenges.

The sub-fund relies on data provided by a well recognized independent agency specialized in ESG analysis. For each issuer, the Investment Manager will rely on the ESG Risk Rating (“the ESG Risk Rating”) and the ESG Industry Percentile (the “ESG Industry Percentile”) provided by the independent agency.

- The independent agency defines issuers faced with severe and high ESG risk as having an ESG Risk Rating higher than 30. The weighted average ESG Risk Rating of the rated issuers of the sub-fund shall be lower than 30,
- To favor issuers with ESG characteristics higher than their industry peers, the weighted average ESG Industry Percentile[9] of the rated issuers of the sub-fund will be lower than 40.

The Investment Manager will further monitor the controversy analysis provided by the independent agency. In case of a controversy considered as severe, corrective measures will be implemented that could lead to the disinvestment of the issuer.

Investment in UCITS and/or UCIs that do not promote ESG characteristics will be limited at 10%.

A maximum of 10% of the net assets of the sub-fund can be invested in non-rated issuers or UCITS and/or UCIs that do not promote ESG characteristics.

5- An exclusion approach

The goal is to restrict the investment in issuers that do not meet minimum fundamental responsibilities or are active in controversial activities.

[9] E.g. The company X active in the industry of “Food Products” is ranked (from an ESG risk rating perspective) 200 in the 500 companies active in the same industry. Its ESG Industry Percentile would be 200/500 x 100 = 40 (ESG Percentile can alternatively be written as 40% and its weighted average may also be expressed as a %).

The sub-fund excludes investment in Equity Securities:

- for which the Luxembourg Law forbids the investment (such as corporate entities involved in the production of cluster munitions weapons or explosive submunitions),
- issued by entities that are under European Union or United Nations sanctions.

The sub-fund excludes investment in corporate entities that derives more than 10% of their revenues from:

- The manufacturing of controversial weapons
- The production of tobacco or tobacco products
- Thermal coal extraction or unconventional oil and gas extraction

6- A stewardship and Engagement best practices guidelines

The goal is to encourage the promotion of good corporate behaviors though voting and constructive open dialogue with the issuers. E/S characteristics are an area of those guidelines.

Further details on the ESG policy can be obtained at http://www.smart-pm.eu/wp-content/uploads/Smart_Value_Investors_-_Current_ESG_Policy.pdf

Investment strategy

The sub-fund will invest its assets in a portfolio composed of the following assets:

- Equity Assets: equity securities, equity funds, equity exchange traded funds and listed closed-end equity funds and long short equity funds;
- Time deposits and cash equivalents securities and investments.

The sub-fund will invest at least 90% of its net assets in equities without geographical, sectorial or currency restrictions.

Please refer to the prospectus and latest annual and semi-annual reports available at https://www.conventumtps.lu/ for further details on the investment strategy and how it is applied by the Investment Manager.

Asset allocation

	% of assets
Investments aligned with the sub-fund's E/S characteristics	**Min. 80%**
Qualifying as sustainable investments	Min. 0%
- under the EU Taxonomy	-
- with a social objective	-
Not qualifying as sustainable investments but having other E/S characteristics	Min. 0%
Other investments (1)	**Min. 20%**

(2) Includes Bank deposit at sight, Direct Equities that are not rated by the independent agency, UCITS and/or UCIs that do not promote ESG characteristics

Monitoring of E/S characteristics

The Investment Manager monitors regularly and at least on a monthly basis the ESG Risk Rating and the controversy analysis provided by the independent agency as well as other parameters to ensure that the ESG Policy binding elements are satisfied.

E/S methodologies

The ESG Risk Rating measures an issuer's exposure to industry-specific material ESG risks and how well it is managing those risks as analyzed by the independent agency. For Equity Securities, the independent agency may include the following material ESG Issues: Corporate Governance, Resource Use, Human Capital, Product Governance, Carbon-own Operations, Humans Rights – Supply Chain, Land Use and Biodiversity – Supply Chain, Business Ethics, E/S Impact of Products and Services, Occupational Health and Safety, Resource Use – Supply Chain as well as the robustness of the Company's ESG programs, practices and policies,

The ESG Industry Percentile measures how well the ESG risk are managed by the issuer compared to its peers active in the same industry as defined by the independent agency.

For UCITS and/or other UCIs, environmental and/or social characteristics are based on the specific ESG policy of the UCITS and/or other UCIs.

Data sources and processing

Data sources include regular reports or communications provided by the issuers as well as reports provided by the independent agency.

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See also Data sources and processing.

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sustainable investment An investment in economic activities, undertaken by companies that follow good governance practices, that contribute to an E/S objective without significantly harming other E/S objectives.