SUSTAINABLE DIVIDENDS

VALUE FUND

Sustainable investment policy

In this document we describe the sustainable investment policy of Sustainable Dividend Value Fund. The Sustainable Finance Disclosure Regulation (SFDR) serves as a reference for this purpose. The SFDR is a European regulation that stems from the EU Sustainable Financing Action Plan and applies to most financial market participants from March 10th 2021. The objective of the SFDR is to harmonize and make sustainability policy transparent. The Sustainable Dividend Value Fund endorses this objective. The fund supports the sustainability goals and puts this into practice by integrating sustainability into the investment process. The management therefore not only aspires to a good financial return, but also explicitly takes into account the social impact of the investments.

A concept that is central to the SFDR is sustainability risk. This is an environmental, social or governance event or circumstance (ESG: Environment, Social and Governance) which, if it occurs, can cause an actual or potentially negative effect on the value of the investment. Because sustainability risks, like the other risks mentioned in the fund's information memorandum, can affect the return on your investments, sustainability criteria are part of the investment policy of the Sustainable Dividend Value Fund. When selecting investments, the possible sustainability risks are taken into account in that context.

In addition to this specific sustainability risk, sustainability criteria are also an integral part of our investment process. In addition to the importance of the social impact of the investments, we are convinced that companies that score well on ESG criteria will perform better in the long term and can thus offer higher returns at lower risk. The expectation that ESG investments will have a higher expected return is supported by recent studies and Capital Market Assumptions (CMA) of various investment banks.

Selection criteria

When selecting stocks for our portfolio, we consider both the products or services a company provides and the way in which these products or services are produced or provided. Each share in the fund has a sustainability score for both the product (Product Score) and the production process (Process Score). The Process Score is made up of three partial scores in the field of ecological policy (Environment Score), social policy (Social Score) and good corporate governance (Governance Score). Companies with a Product Score or Process Score that are too low are not eligible for the fund. In this way, sustainability criteria are inextricably linked to the fund's investment policy.

In addition, the fund excludes companies based on controversial behavior and controversial products (including controversial weapons, tobacco, palm oil and fossil fuels). The fund's benchmark index, the MSCI Europe Index (Net Total Return in EUR) is a general market index representing the investment universe and is not a reference for the ESG features promoted by the fund.

Information resources
We base our information on sustainability on various sources. The annual reports of the companies in which the fund invests are important. These reports usually already provide a good insight into the sustainability factors. Important in this respect is the effect of the Non-Financial Reporting Directive (NFRD), the Directive with regard to the disclosure of non-financial information. This European directive requires large public interest entities (PIEs), such as securities issuers, banks and insurers, to include a statement on non-financial information. In it they report on environmental, social and personnel matters, respect for human rights and the fight against corruption and bribery. The European Commission announced in 2020 that this directive will be further tightened.

We also speak to the management of the companies in which we invest. We then also test this information from the companies themselves against external sources of sustainability information.

SFDR classification of the fund
The Sustainable Finance Disclosure Regulation (SFDR) categorizes the universe of available investment funds into three groups:

- Gray (article 6): products that do not promote ESG characteristics;
- Light green (Article 8): products that promote sustainability and contain many ESG criteria;
- Dark green (article 9): Products that have sustainability as an objective and have the best governance.

On the basis of the investment policy described above, we classify the Sustainable Dividends Value fund as a "light green" (Article 8) fund.

In line with the SFDR, the (performance) objectives for fund management do not contain incentives that could encourage taking excessive (sustainability) risks. This also means that management does not allocate any additional remuneration with regard to the sustainability objectives.