



Article 10 (SFDR)

Website disclosure for an Article 9 fund

Ruth Core Global Small Cap

Version	Date	Explanation
1.0	June 28 2024	First version
2.0	May 9 2025	Amended disclosures following updated prospectus

**Product name: Ruth Core Global Small Cap
(the "Fund")**

Legal entity identifier: 636700P43PL8SHU2K707

Does this financial product have a sustainable investment objective?

☒ Yes

☐ No

☒ It will make a minimum of **sustainable investments with an environmental objective: 35%**

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It will make a minimum of **sustainable investments with a social objective: 35%**

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**



A. Summary

Betydande skada orsakas inte för målet för hållbar investering

För att säkerställa att hållbara investeringar inte orsakar betydande skada på något miljömässigt eller socialt mål, tillämpar förvaltaren en kombination av exkludering, analys och integrering av relevanta hållbarhetsfaktorer. Detta inkluderar de obligatoriska indikatorerna för huvudsakliga negativa konsekvenser (PAI), samt efterlevnad av OECD:s riktlinjer för multinationella företag och FN:s vägledande principer för företag och mänskliga rättigheter. Dessa aspekter beaktas i flera steg av investeringsprocessen. Den finansiella produktens mål för hållbar investering
Att investera i bolag som bidrar positivt till miljömässiga och sociala mål kopplade till klimatomställningen och FN:s globala mål för hållbar utveckling.

Investeringsstrategi

Fonden investerar i likvida aktier på utvecklade marknader med undantag för aktier i företag som uppfyller exkluderingskriterierna. Portföljförvaltaren använder modellen Sustainability Cube™ för att identifiera bolag i investeringsuniversumet med betydande bidrag till de hållbara investeringsmålen. Valet av bolag till investeringsportföljen baseras därför på en övergripande hållbarhetsbedömning som mäter det kombinerade bidraget från alla de enskilda hållbarhetsmålen. Denna kombinerade poäng kallas Sustainability Cube™ -poäng och mäter prestationen enligt tre dimensioner: ESG-ledarskap, SDG-ledarskap och klimatomställning.

Andel av investeringar

Fonden kommer göra ett **minimum av hållbara investeringar med ett miljömål: 35 %** samt ett **minimum av hållbara investeringar med ett socialt mål: 35 %**. Andelen hållbara investeringar kommer vara 95%.

Övervakning av mål för hållbar investering

Fonden kommer att använda följande hållbarhetsindikatorer för att mäta uppnåendet av målet för hållbara investeringar:

- Andelen tillgångar som innehas i företag som inte tillhör de 25 % bästa inom sin region och sektor baserat på Sustainability Cube™-poängen;
- Andelen investeringsobjekt som inte klarade något av produktbidragen, bidragen till den allmänna verksamheten och bidraget till klimatspecifika aktiviteter.
- Andelen investeringar som inte följer bolagets exkluderingar.

Metoder

Datapunkterna används för att fastställa potentiella exkluderingar och för att beräkna bidraget till Sustainability Cube™-poängen. Den totala poängen består av delpoäng som används för att mäta bidraget till varje enskilt hållbart mål: (i) bidrag till klimatomställningen och (ii) bidrag till de globala målen för hållbar utveckling (SDGs). Andelen hållbara investeringar som är relaterade till de två målen baseras på varje investerings relativa ranking givet att investeringsens totala poäng är bland de 25 procent bästa inom sin sektor och region.

Datakällor och databehandling

Uppnåendet av fondens hållbarhetsmål mäts med hjälp av data från tredje part. Flera olika datakällor används i Sustainability Cube™, inklusive MSCI, Materia och Googles patentdatabas (gröna patent).

Begränsningar för metoder och data

Att bedöma ett företags hållbarhet kan innebära utmaningar som är relaterade till behovet av förbättrad kvalitet på tillgänglig hållbarhetsdata. Utmaningarna inkluderar:

- Hållbarhetsanalys kräver ett brett spektrum av kompletterande data och kvalitetsförbättringar för att säkerställa robusthet, eftersom hållbarhetsdata initialt kan vara otillräckliga och ofullständiga.
- Hållbarhet är en dynamisk process som förändras över tiden.
- Hållbarhet bör mätas utifrån bolagens nuvarande position och ur ett framåtblickande perspektiv samt om möjligt även utifrån uppfattningar om bolagens hållbarhetsstandarder.
- Historisk information fångar inte vart bolaget är på väg.

Flertalet olika källor och robustheten i vårt ramverk Sustainability Cube™ bidrar till att mildra dessa begränsningar.

Due Diligence

Se bolagets policy för ansvarsfulla investeringar på www.ruthassetmanagement.com för mer information.

Strategier för engagemang

Bolagsdialog är en integrerad del av förvaltarens hållbarhetsramverk; förvaltaren anser att engagemang generellt sett är den bästa strategin för att bidra till att förbättra hållbarhet och ansvarsfullt beteende i företag. Som en allmän regel avser förvaltaren att utöva sin rösträtt i företag. Förvaltaren strävar efter att skydda och öka värdet på investeringen genom att se till att företaget minskar riskerna och har lägsta möjliga kostnader, samtidigt som det agerar ansvarsfullt. Förvaltaren uppmuntrar företag att öka sina intäkter genom att söka hållbara möjligheter som stöder samhälleliga och globala mål. Detta ligger till grund för principerna för utövande av rösträtten.

Uppnående av målet för hållbara investeringar

Inget index har valts som referensvärde i syfte att uppnå målet för hållbara investeringar.

**B. No significant harm to the sustainable investment objective****How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

Each investment is carefully analyzed to avoid significantly harming any of the Fund's environmental and social sustainable investment objectives. The analysis is divided into two parts and is described below:

No significant harm (DNSH) – Test 1:

First, companies that violate the Fund manager's exclusion policy are not considered suitable for investment, which means that companies that generate a certain percentage of revenues from activities in sectors that are considered specifically harmful to either the environment or society, are excluded.

For all companies that pass the first Do No Significant Harm test, a second analysis is performed to understand whether the company is conducting its business in a way that can cause significant harm to the environment or society. This is measured by assessing the Net Operational Alignment Scores for each of the SDGs as well as the Net Product Alignment Scores, using the MSCI SDG score as an indicator. This test ensures that a company that contributes positively to one SDG does not also cause significant harm to another SDG.

The investment may be deemed to meet the DNSH criterion provided that one of the following criteria are met: 1) the investment passes the DNSH test 1+2 within set thresholds, 2) there is data from more reliable sources or company- or sector-specific circumstances that refute the result, 3) the related PAI indicator is within the approved limit.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The PAI indicators from Table 1 and Table 2 and/or Table 3 of Annex 1 to the SFDR RTS ("PAIs") are considered at several stages of the investment process to assess that the investments do not cause significant harm.

The manager primarily uses quantitative data to measure the potential contribution of investments to negative impacts on sustainability factors, but also takes part in qualitative information in cases where available and reliable data is insufficient.

In summary, PAI indicators are considered by:

1. Excluding companies that knowingly and repeatedly violate international norms and conventions according to the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises;
2. Excluding companies in sectors with a high risk of negative sustainability effects;
3. Being included as a sub-component of the management process.

PAIs are also considered within the framework of the two tests that are set up for DNSH. The DNSH test evaluates any investment's potential harm to any of the environmental and social objective (SDG). In investments, they are assessed in relation to their potential incompatibility with the SDGs. This analysis includes consideration of compatibility with certain SDGs, the underlying sub-indicators of which are similar to some PAI indicators. In addition, the Fund's managers have set thresholds for each PAI indicator in cases where the DNSH test indicates significant harm to a social or environmental goal (an SDG). As data availability varies per PAI indicator, thresholds are only used in cases where other data provided by the manager is not sufficient to assess the extent of the potential harm to the sustainability factor in question.

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

The Fund does not invest in companies that violate rules set by national authorities in the markets in which the company operates or by key international organizations that are generally accepted globally. This includes, but is not limited to, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This is ensured by checking a potential investment prior to the investment and by regularly checking the Fund's holdings via third-party data.



C. Sustainable investment objective of the financial product

What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to invest in companies that contribute positively across the environmental and social objectives. To achieve the Fund's objectives, each underlying investment (i.e. companies and the activities they engage in) is measured based on its contribution to the UN Sustainable Development Goals (SDGs). To distinguish between environmental and social objectives, each SDG has been classified as either environmental or social (or both), allowing for an understanding of how the Fund as a whole contributes to either social or environmental objectives.

Contributions to an SDG can be made by meeting one of the following three criteria:

1. Selling products that contribute to achieving an SDG (Product alignment):

One way to measure contribution through SDG alignment is to assess how a company's products and/or services enable or hinder the achievement of one or more of the SDGs (or more specifically, the milestones linked to each SDG).

Each SDG's sub-indicators and targets have been analysed to determine that these SDGs can be impacted through companies' products and services – enabling 'product contributions'. The following SDGs have been deemed justified from a product alignment perspective:

SDG 1: No poverty

SDG 2: Zero hunger

SDG 3: Good health and well-being

SDG 4: Quality education

SDG 6: Clean water and sanitation

SDG 7: Affordable and clean energy

SDG 9: Industry, innovation and infrastructure

SDG 11: Sustainable cities and communities

SDG 12: Responsible consumption and production

SDG 13: Climate action

SDG 14: Life below water

SDG 15: Life on land

2. To operate in a way that contributes to the achievement of an SDG (General Operational alignment (SDG)):

This means looking at a company's operations, or the alignment of their operations against the SDGs and their targets. Here, each company is assessed on the basis of how they, in their operations, facilitate or hinder the achievement of the SDGs and their sub-goals.

Thus, each SDG's sub-indicators and targets have been analysed to determine which SDGs can be impacted by a company's operations – thereby enabling "operational contributions". The following SDGs have been justified from a perspective of operational alignment:

SDG 4: Quality education

SDG 5: Gender equality

SDG 6: Clean water and sanitation

SDG 8: Decent work and economic growth

SDG 10: Reduced inequalities

SDG 15: Life on land

SDG 16: Peace, justice and strong institutions

3. To work in a way that contributes to the Climate Transition by positively contributing to an SDG (climate-related operational alignment):

An investment can also contribute based on a company's specific Climate Transition Potential. This analysis is performed to understand how well a company, regardless of business model and industry, is pursuing actions that facilitate climate-related SDGs – and thus striving to reshape its business model or operations towards a low-carbon society. Each SDG's sub-indicators and targets have been analysed to determine that these SDGs can be impacted through a company's climate-related operational efforts, enabling "climate-related operational contributions". The following SDGs have been deemed justified from a climate-related operational alignment perspective:

SDG 7: Affordable and clean energy

SDG 9: Industry, innovation and infrastructure

SDG 12: Responsible consumption and production

SDG 13: Climate action

As part of the assessment of positive contribution to SDGs based on one of the three criteria listed above, the Fund manager uses a proprietary framework, the Sustainability Cube™ to evaluate sustainability characteristics for all companies in the investment universe along three dimensions:

- Climate transition ("Climate")
- ESG industry leadership ("ESG")
- UN SDG alignment ("SDG")

More information on the analytical model can be found under the section on the investment strategy.



D. Investment strategy

What investment strategy does this financial product follow?

The Fund invests in liquid shares in developed markets except for shares in companies, provided that the companies are not subject to exclusion criteria in accordance with the Fund's exclusion policy. The Fund manager uses the Sustainability Cube™ model to identify companies in the investment universe with significant contributions to the sustainable investment objectives. Selection of companies for the investment portfolio is therefore based on an overall sustainability assessment measuring the combined contribution across all the individual sustainable objectives. This combined score is called the Sustainability Cube™ score and is described below. The Sustainability Cube™ score is calculated as a geometric weighted average of the following three sub-scores:

- Climate Transition score

o Defined as the score for measuring contribution to the Climate Transition objective described above

- ESG score

o This score measures financial risks and opportunities related to environmental-, social-, and governance issues. A low score reflects high financial risks and limited opportunities

related to ESG, whereas a high score reflects low financial ESG risk and good ESG-related opportunities

- Combined SDG score

- o Defined as the combined contribution to all 17 SDGs calculated in the same way as the calculation for measuring contribution to the individual SDGs described above

The Climate Transition score and the combined SDG score are directly related to the attainment of the sustainable investment objective. The ESG score is included in the overall Sustainability Cube™ score to ensure that companies selected by the investment strategy (i) follow good governance practices, (ii) have a strong sustainability profile across a broad range of environmental and social indicators, and (iii) to reduce the sustainability risk of the investment strategy.

Companies which are among the 25% best in their region and industry measured by the Sustainability Cube™ score are considered to follow good governance practices and to contribute to one or more of the environmental and social objectives. If such companies do no significant harm to any environmental or social sustainable investment objectives, they are considered sustainable investments as defined in SFDR 2(17).

As part of the process, a number of indicators are used to measure whether an investment in a company contributes to the sustainable investment objective. At least one of the following indicators needs to be achieved:

- For product contributions:

- o SDG Net Product alignment score – A measure of the combined compatibility of a company's products and services with the SDGs. The Fund will rely on MSCI's methodology on SDG alignment. Ruth AM applies a threshold of ≥ 5 for MSCI's net product score, in accordance with MSCI's methodology, to identify investments with a positive product alignment towards the Sustainable Development Goals (SDGs).

- o % SDG-aligned revenues— A measure of a company's revenue compliant with the SDGs. Expressed in relation to total turnover. Threshold: Equal to, or above 20 %.

- For operational contributions:

- o Net SDG Operational alignment score – A measure of a company's overall business alignment with the SDGs. The Fund will rely on MSCI's methodology on SDG alignment. To assess operational alignment, Ruth AM evaluates each company based on its operational score, requiring a net score of at least 2 for a minimum of two Sustainable Development Goals (SDGs).

- o Number of patents compatible with any SDG. Threshold: Twice as many as sector average.

- For climate-related activities' contribution

- o Carbon intensity (Actual scope 1+2 emissions / market value). Threshold: Below 50 % of sector median.

Number of green patents. Threshold: Twice as many as sector average.

- o Science-based emission reduction targets (approved by SBTi). Threshold: At least one approved Science-based target according to the Science Based Target Initiative (scope 1+2).

- o Annual emission reduction – scope 1+2. Threshold: - 7% annual reduction compared to 2019 baseline.

Furthermore, an investment can be deemed as contributing to the sustainable investment objective if it meets the substantial contribution criteria for its related economic activity as listed under the EU Taxonomy.

The Fund will also exclude companies involved in sectors deemed to be harmful to either the environment or society as described further above in this document.

Attainment of the sustainable investment objective

The sustainable investment objective of the Fund is attained by only investing in companies which, by the time of investment, are among the best 25% within its region and sector as measured by the Sustainability Cube™ score. The Sustainability Cube™ score of investee companies may change over time, and if the score of an investee company falls below the top 25% it is no longer considered sustainable and the investment is sold.

Contribution to the individual environmental and social objectives is calculated and reported on a quarterly basis to the portfolio manager's Investment Committee and Sustainability Committee. If the contribution to any of the objectives is considered insufficient, the Committee may decide to alter the calculation of the Sustainability Cube™ score to address this.

Sustainability data are often incomplete and/or measured with uncertainty, and it is a core investment belief that the best way to identify sustainable investments is via a broad set of indicators measuring sustainability in several dimensions as done by the Sustainability Cube™ score. Corporate dialogue is an important part of the manager's sustainability framework, as it is considered that engagement in general is the best strategy to help improve sustainability and responsible behavior in business. As a general rule, the portfolio manager intends to exercise his right to vote in companies in which the Fund is invested.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Fund aims to make 'sustainable investments', which means that it will invest in:

1. An economic activity that contributes to an environmental objective or an economic activity that contributes to a social objective (Contribution Criteria),
2. provided that such investments do not significantly harm any of these objectives (DNSH criteria),
3. and that the issuer follows the Good Governance Practices (Good Governance Criteria).

The following binding elements are used in the investment strategy:

1. Each investment shall be subject to a contribution criteria test. This can be done by passing a test for Product Contributions, General Activities Contributions and/or Climate-Specific Activities Contributions. In addition, investments that meet the substantial contribution criteria outlined in the EU Taxonomy for their related economic activity will be deemed to pass the contribution test.

In addition to the above, the Fund also uses the Sustainability Cube™ score as follows: the Fund will only select companies that belong to the top 25% within their region and sector;

2. Each investment must undergo a test to ensure that it does not cause significant harm to any of the sustainability goals. This can be done by not meeting the Fund's proprietary exclusion criteria that include norm-based and revenue-based thresholds). In addition, each investment must undergo a misalignment test, which is carried out to ensure that no issuer with a positive contribution to one area also causes significant harm in another sustainability area.
3. Each investment must undergo a test for good governance principles. This is done by not violating the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the UN Global Compact.

What is the policy to assess good governance practices of the investee companies?

The assessment of good governance practices is addressed first by evaluating investments based on their compliance with the UN Global Compact, as well as with the OECD Guidelines for Multinational Enterprises (Global Norm-Based Policies) and the UN Principles on Business and Human Rights (UNGP)

The data used to assess this compliance is obtained through MSCI, with each investment categorized according to "Fail", "Watch-list" or "Pass" in line with MSCI's methodology for determining compliance with these international norms. An overview of each score is presented below.

- "Fail" – The issuer is directly involved in one or more very serious unresolved controversies related to aspects covered by relevant global norm standards.
- "Watch-list" - The issuer has either i) resolved the concerns of most stakeholders related to its involvement in a very serious controversy related to aspects covered by relevant global norms, ii) continues to be involved in such controversy indirectly through its business partners, or iii) is involved in one or more controversies related to aspects covered by relevant global norms but with a lower level of severity.
- "Pass" – The issuer has not been implicated in any ESG controversy cases related to aspects covered by relevant global norm standards, or its involvement in such cases is not considered serious enough to warrant a failure or watchlist signal.

To meet the criteria of good corporate governance practices, an investment must be categorized as "Pass" or "Watch-list", where an investment categorized as "Watch-list" would involve further analysis of the investment firm concerned to understand the reasons for the categorization.

Corporate governance is moreover a key component of the ESG industry leadership dimension in the Sustainability Cube™ score, as well as sub-components of the UN SDG dimension.

Does this financial product consider principal adverse impacts on sustainability factors?

- ☒ Yes, principal adverse impacts indicators are taken into account in the norm-based and industry exclusions and in the selection of sustainable investments, as defined by the Sustainability Cube™ score, made by the Fund.

The table below show how the mandatory PAIs are considered in the investment process

Indicator and measure of negative impacts on sustainable development	Exclusion	Integration (analytics) Cube™ score	Integration (analytics) DNSH
<i>Indicators applicable to investments in investee investments</i>			
15. Greenhouse gas emissions	Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles Limit: 0% Fail	X	Assessment of negative contribution to the UN Development Goals 7,9,12,13 Limit: > 50% turnover related
16. Carbon footprint	Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles Limit: 0% Fail	X	Assessment of negative contribution to the UN Development Goals 7,9,12,13 Limit: > 50% turnover related
17. Greenhouse gas intensity of the investee	Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles Limit: 0% Fail	X	Assessment of negative contribution to the UN Development Goals 7,9,12,13 Limit: > 50% turnover related
18. Exposure to companies operating in the fossil fuel sector	Sales related to production and distribution in oil sands, Arctic drilling, coal: Limit: 0% involvement Conventional oil and gas, excluding service: Limit involvement: 5%, except if holding exceeds set transition criteria	X	Assessment of negative contribution to the UN Development Goals 7,9,12,13 Limit: > 50% turnover related
19. Share of non-renewable energy consumption and production	Established involvement in one or more serious controversies related to aspects covered by the	X	Assessment of negative contribution to UN Development Goal 7

	<p>UNGC Environmental Principles</p> <p>Limit: 0% Fail</p>		<p>Limit: > 50% turnover related</p>
20. Energy consumption intensity by sector with a high climate impact	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles</p> <p>Limit: 0% Fail</p>	X	<p>Assessment of negative contribution to UN Development Goal 7</p> <p>Limit: > 50% turnover related</p>
21. Activities that adversely affect areas with sensitive biodiversity	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles</p> <p>Limit: 0% Fail</p>	X	<p>Assessment of negative contribution to the UN Development Goals 12.15</p> <p>Limit: > 50% turnover</p>
22. Discharge to water	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles</p> <p>Limit: 0% Fail</p>	X	<p>Assessment of negative contribution to UN development goals 15</p> <p>Limit: > 50% turnover related</p>
23. Hazardous waste and radioactive waste	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Environmental Principles</p> <p>Limit: 0% Fail</p>	X	<p>Assessment of negative contribution to UN development goals 2.12</p> <p>Limit: > 50% turnover related</p>
24. Violation of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Principles and OECD Guidelines</p> <p>Limit: 0% Fail</p>		<p>Assessment of negative contribution to most of the UN development goals</p> <p>Limit: > 50% turnover related</p>
25. No processes and compliance mechanisms to monitor compliance with the UN Global Compact and the OECD Guidelines for Multinational Enterprises	<p>Established involvement in one or more serious controversies related to aspects covered by the UNGC Principles and OECD Guidelines</p>	X	<p>Assessment of negative contribution to most of the UN development goals</p>

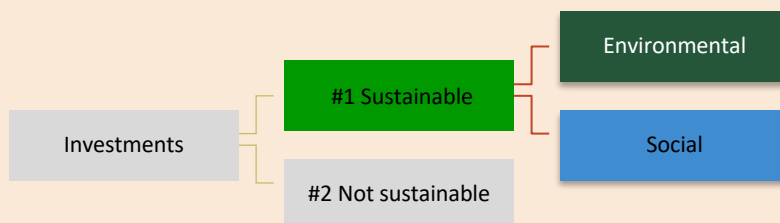
	Limit: 0% Fail		Limit: > 50% turnover related
26. Unadjusted gender pay gap	Established involvement in one or more serious controversies related to aspects covered by the UNGC's Principles of Labour Law Limit: 0% Fail	X	Assessment of negative contribution to most of the UN development goals Limit: > 50% turnover related
27. More even gender balance on boards	Established involvement in one or more serious controversies related to aspects covered by the UNGC's Principles of Labour Law Limit: 0% Fail	X	Assessment of negative contribution to most of the UN development goals Limit: > 50% turnover related
28. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Production & Distribution Limit: 0% involvement		Assessment of negative contribution to UN Development Goals 16 Limit: > 50% turnover related
Additional climate- and environment-related indicators - Table 2 Investments in companies without decarbonization initiatives		X	
Additional indicators on social and human resources, respect for human rights, and anti-corruption and bribery issues – Table 3	No Supplier Code of Conduct	X	
<input type="checkbox"/> No			



E. Proportion of investments

What is the asset allocation and the minimum share of sustainable investments?

A minimum of 95% of Net Asset Value (“NAV”) is expected to be invested in sustainable investments (#1 Sustainable), within the meaning of Article 2(17) SFDR. Within this category, at least 35% of the NAV is intended to be invested in sustainable investments with a social objective, whereas 35% of the NAV is intended to be invested in sustainable investments with an environmental objective, as the distribution between these two categories may vary over time. The proportion allowable to be held in investments for liquidity and hedging purposes (#2 Not sustainable) is expected to be 5% of the NAV of the Fund.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

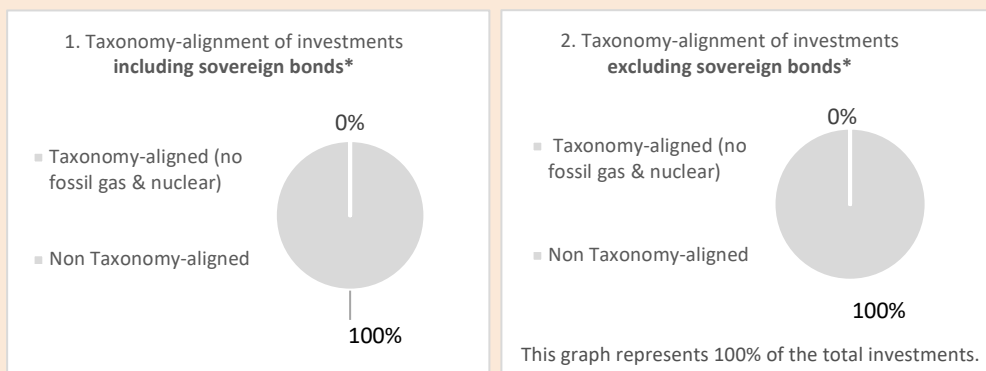
The Fund commits to make a minimum 35% of sustainable investments with an environmental objective aligned with SFDR. Some of the sustainable investments made by the Fund may be aligned with the EU Taxonomy, however the Fund does not commit to make any sustainable investments aligned with the EU Taxonomy. The minimum share of EU Taxonomy-aligned sustainable investments is therefore 0%. Because the data coverage and data quality improve over time, the portfolio manager expects to increase the minimum proportion of sustainable investment aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/ or nuclear energy related activities that comply with the EU Taxonomy¹?

- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

¹ 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. 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.

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

The Fund does not commit to invest in transitional and enabling activities. As a result, the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy is set at 0%.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund commits to make at least 35% of sustainable investments with an environmental objective. These investments could be aligned with the EU Taxonomy but the manager is not currently in a position to specify the exact proportion. However, the position will be kept under review as the underlying rules are finalized and the availability of reliable data increases over time.

What is the minimum share of sustainable investments with a social objective?

The Fund commits to make at least 35% of sustainable investments with a social objective.

What investments are included under “#2 Not Sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Included in “#2 Not sustainable” are cash, cash equivalents and derivatives. The purpose of these investments is liquidity management and hedging. No minimum environmental or social safeguards are

applied. The Fund management company assesses that these assets does not prevent the Fund from achieving its sustainable investment objectives.



F. Monitoring of the sustainable investment objective

What sustainability indicators are used to measure the attainment of the sustainable investment objective by this financial product?

The Fund will use the following sustainability indicators to measure the attainment of the sustainable investment objective:

- The share of assets held in companies that do not belong to the top 25% within their region and sector based on the Sustainability Cube™ score
- The share of investee companies that did not pass any of the Product Contributions, General Activities Contributions and Climate-Specific Activities Contributions;
- The share of investments that do not comply with the exclusion policy.

How are the sustainable investment objective and the sustainability indicators monitored throughout the lifecycle of the financial product?

The sustainability indicators used to measure the attainment of the sustainable investment objective are monitored on a regular basis throughout the lifecycle of the Fund. This is done by collecting third party data according to the Fund's investment process as well as through ex-post evaluation.



G. Methodologies

What are the methodologies used to measure the attainment of the sustainable investment objective?

The attainment of the Fund's sustainability objective is measured using third party data. The data points are used to determine potential exclusions and to calculate contribution to the Sustainability Cube™ score. The total score consists of sub scores that are used to measure contribution to each individual sustainable objective: (i) contribution to climate transition, and (ii) contribution to the SDGs. The share of sustainable investment related to the two objectives is based on each investment's relative rank given that the investment's total score is among the top 25 percent within its sector and region.



H. Data sources and processing

What are the data sources used to attain the sustainable investment objective of the financial product?

Data for Sustainability Cube™ is obtained from various data providers and sources:

- MSCI (carbon emissions, environmental, social, and governance data, UN SDG alignment):
 - Macro-level segment or geographic data from academic, governmental, and NGO datasets.
 - Company information (sustainability reports, proxy reports, financials, etc.).
 - Government databases, media, NGOs, other stakeholders.
 - Companies are invited to participate in a formal data verification process.
- Materia (sustainability sentiment data)
 - Natural language processing of UN SDG-related news from 30,000-60,000 daily news articles.
- Google's patent database (green patents)
 - Patent applications from 17 patent offices worldwide.

Data quality assessment is performed by the data provider as well as by the manager.

- MSCI
 - Quality review committee: This committee aims to conduct data quality checks on all companies before publication. An automated quality database flags holdings to the committee when pre-specified conditions related to score changes are triggered, or when some values appear suspicious.
 - Data review and corporate engagement: A data review process allowing companies to comment on the accuracy of corporate data for all MSCI ESG Research reports. Companies are invited to participate in the data review ahead of the annual update. 50% of companies provided substantial feedback on ESG research in 2018.
- Matter
 - Out of sample validation: The natural language processing algorithm is continuously validated. Random sampling of news data is identified as either positive or negative for SDGs and assessed manually.
- Manager
 - Data consistency checks
 - Quality checks
 - Completeness assessment

Aggregated Sustainability Cube™ scores are calculated to assess the overall sustainability characteristics of companies in the investment universe. The goal of designing this scoring framework has been to create a robust and balanced measurement. The Sustainability Cube™ scoring method measures sustainability across multiple dimensions, with different indicators considered in each dimension to achieve the sustainable investment goal of the Fund. Dimensions include but are not limited to:

- Climate transition ("Climate"): Indicators include current carbon footprint, carbon goals, decarbonization initiatives, and development of products and services supporting greenhouse gas emission reduction.
- ESG industry leaders ("ESG"): Current ESG scores, ESG progress scores, and controversy screening.

- Alignment with UN SDGs ("SDG"): UN SDG revenues measured as companies' revenues in line with UN SDGs' development of products and services supporting UN SDGs. In addition to measuring companies' current status based on the above dimensions, Sustainability Cube™ scores also evaluate how well companies are positioned for the transition to a more sustainable economy, measured by corporate strategy and development of sustainable products and services.

The proportion of estimated data varies between different metrics. For metrics such as indicators of negative consequences and carbon intensity, both reported data from companies and estimated data are used in cases where reported data is not available. When estimated data is used, it comes from third-party providers whose methods are considered robust and reliable. For some metrics, estimated data may account for up to 100%.



I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources?

Assessing a company's sustainability status can pose challenges related to the need for improved quality of available sustainability data. Challenges include:

- Sustainability analysis requires a wide range of complementary data and quality improvements to ensure robustness, as sustainability data may initially be inadequate and incomplete.
- Sustainability is a dynamic process and changes over time.
- Sustainability should be measured based on companies' current position as well as from a forward-looking perspective, and if possible, also based on perceptions of companies' sustainability standards.

Historical information does not capture where the company is headed. These challenges are addressed by:

- Using various data sources and sustainability dimensions,
- Real-time controversy monitoring to ensure potential issues are addressed early,
- Engaging data providers to fully understand data, and
- The robustness of the multi-dimensional Sustainability Cube™.

Sustainability factors can be challenging to measure, and the data involved are often incomplete and inadequate. Missing data in sub-dimensions to the Sustainability Cube™ are attributed as best as possible to avoid excluding companies with incomplete sustainability data. For smaller-sized companies, it may be more difficult to obtain complete sustainability data. The manager believes that to achieve the fund's sustainability goal, the key is to allocate significant resources to search for new relevant data sources and develop tools to optimize insights into existing data. Furthermore, the manager always strives to measure sustainability factors through various data sources and from different perspectives. The philosophy behind the Sustainability Cube™, used in the investment process, is that sustainability is a multidimensional and dynamic factor, and no single data point can capture all aspects of environmental or social sustainability factors.



J. Due diligence

What is the due diligence carried out on the underlying assets?

The fund's investment strategy is implemented systematically and is rules-based. The implementation of the investment strategy and the monitoring of companies regarding relevant issues, financial and non-financial performance and risk, capital structure, social and environmental impact, and corporate governance, are primarily based on quantitative measures.

As the fund only invests in liquid financial instruments traded on a regulated market under an open disclosure system, much of the necessary financial information is readily available. Regarding sustainability, data is not as readily available and is often incomplete and to some extent unclear. As a consequence, an important part of the investment's due diligence process is to ensure that relevant data is obtained to ensure compliance with applicable financial and non-financial regulations, including sustainability, is available in good quality as described in the "Data sources and processing" section.

See the Company's Due Diligence policy at www.ruthassetmanagement.com for further information



K. Engagement policies

Is engagement part of the sustainable investment objective?

☒ Yes

☐ No

What are the engagement policies?

Corporate dialogue is an integral part of the manager's sustainability framework; the manager believes that engagement is generally the best strategy to contribute to improving sustainability and responsible behavior in companies. As a general rule, the manager intends to exercise its voting rights in companies. The manager aims to protect and enhance the value of the investment by ensuring the company mitigates risks and has the lowest possible costs, while acting responsibly. The manager encourages companies to grow their revenues by seeking sustainable opportunities that support societal and global goals. This underlies the principles of exercising voting rights.



L. Attainment of the sustainable investment objective

Has a specific index designated as a reference benchmark to meet the sustainable investment objective?

☐ Yes

☒ No

Where can more product-specific information be found?

More product-specific information can be found in the periodic reports:

https://www.ruthassetmanagement.com/media/kibcbqvd/fs_ruth-asset-management-sicav-31-12-2024.pdf