



EV MICRO COMPANIES GROWTH FUND

ESG REPORT 2024

BASED ON ESG PERFORMANCE OF PORTFOLIO COMPANIES IN 2023

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ESG AT EVALUATION CAPITAL MANAGEMENT

WHAT IS ESG?

The ESG framework consists of three main factors: Environmental, Social and Governance. It is a framework used by investors and other stakeholders to evaluate the sustainability and societal impact of an investment in a company or organization. Moreover, it is a tool to identify risks and opportunities within the investment portfolio.



Environmental

A company's impact on the natural environment. This includes topics such as:

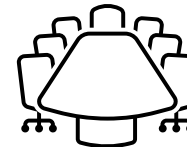
- Carbon emissions
- Water usage
- Waste management



Social

A company's relationships with its stakeholders. This includes topics such as:

- Human rights
- Community development



Governance

A company's leadership and management practices. This includes topics such as:

- Executive compensation
- Board diversity
- Whistleblowing system

WHY DOES ESG MATTER?

Evaluation Capital Management believes that integrating ESG is becoming increasingly important.

Integration

Integration of ESG principles in investing strategies provides a social return in addition to a financial return.

Encouragement

- On the one hand, this encourages companies to invest in the well-being of people, the environment and society.
- On the other hand, it may make it more difficult for companies with environmentally harmful or unethical practices to secure financing.

Be prepared

Companies that are, and act, socially responsible often seem more aware of risks and will therefore have better policies to prevent sustainability incidents. They are thus better prepared for the future.

ESG AT EVALUATION

In its investments for the EV Micro Companies Growth Fund (EVMCGF), the fund manager takes ESG into account and aims to contribute to a more sustainable world through the EVMCGF. Although the EVMCGF does promote both environmental and social characteristics it does not have a sustainable investment objective. All investments are tailored to the ecological and social characteristics that the fund promotes, but no direct sustainable investments are made.

The strategy of the EVMCGF stipulates that only those companies operating in four megatrends are considered. These megatrends offer attractive long-term growth potential. These are also trends that can have a major positive impact on society and are visible in developments in technology, demographics and ecology.

Four megatrends are considered:

- 1. Connected World & Industry 4.0**
- 2. Smart Mobility**
- 3. Energy Transition & Climate**
- 4. Health & Well-being**

ESG AT EVALUATION

The fund manager will not make long investments in companies that are active in the following areas:

1. Production and or sales of tobacco;
2. Production or sales of controversial weapons: being cluster bombs, land mine or nuclear and biological weapons;
3. Production or sale of coal;
4. Pornography or prostitution;
5. Companies that grossly violate human rights and/or systematically and significantly violate workers' rights. This includes forced labor or child labor. Forced labor is any work of service that is not performed voluntarily and that is enforced on an individual under threat of punishment or fine as defined by ILO conventions. Child labor means that individuals are not allowed to be employees when they are still 14 years old, as defined by the ILO Fundamental Human Rights Conventions; and
6. Companies with products or activities that are illegal in relevant countries under applicable laws and regulations or under international conventions and agreements.

ESG AT EVALUATION

In 2015, all United Nations Member States adopted the 2030 Agenda for Sustainable Development, which outlines a common plan for promoting peace and prosperity for both people and the planet. The agenda's core consists of the 17 Sustainable Development Goals (SDG's), which urgently require action from all nations, regardless of their development status, through global collaboration.

The fund manager believes that we as investors also bear responsibility for achieving the SDG's, as established by the United Nations, and a better world. Therefore, the fund manager prioritizes investments in companies that contribute to one or more of the selected SDG's, aligning with the identified megatrends:

1. Connected World & Industry 4.0

SDG 8, 9 & 12

2. Smart Mobility

SDG 8, 9, 11 & 12

3. Energy Transition & Climate

SDG 7, 8, 9, 11, 12 & 13

4. Health & Wellbeing

SDG 8 & 12

7 AFFORDABLE AND
CLEAN ENERGY



8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



SDG OVERVIEW

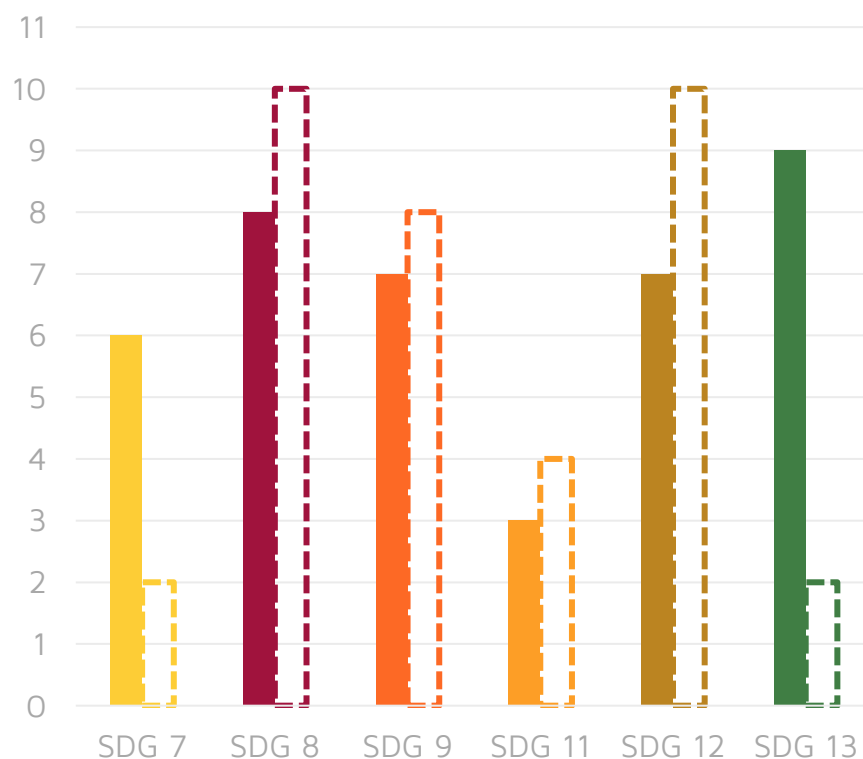
This graph shows the number of companies in the EV Micro Companies Growth Fund which have committed themselves to at least one the fund manager's chosen SDG's, related to the megatrends.

Commitment means that the company includes the SDG in their business model.

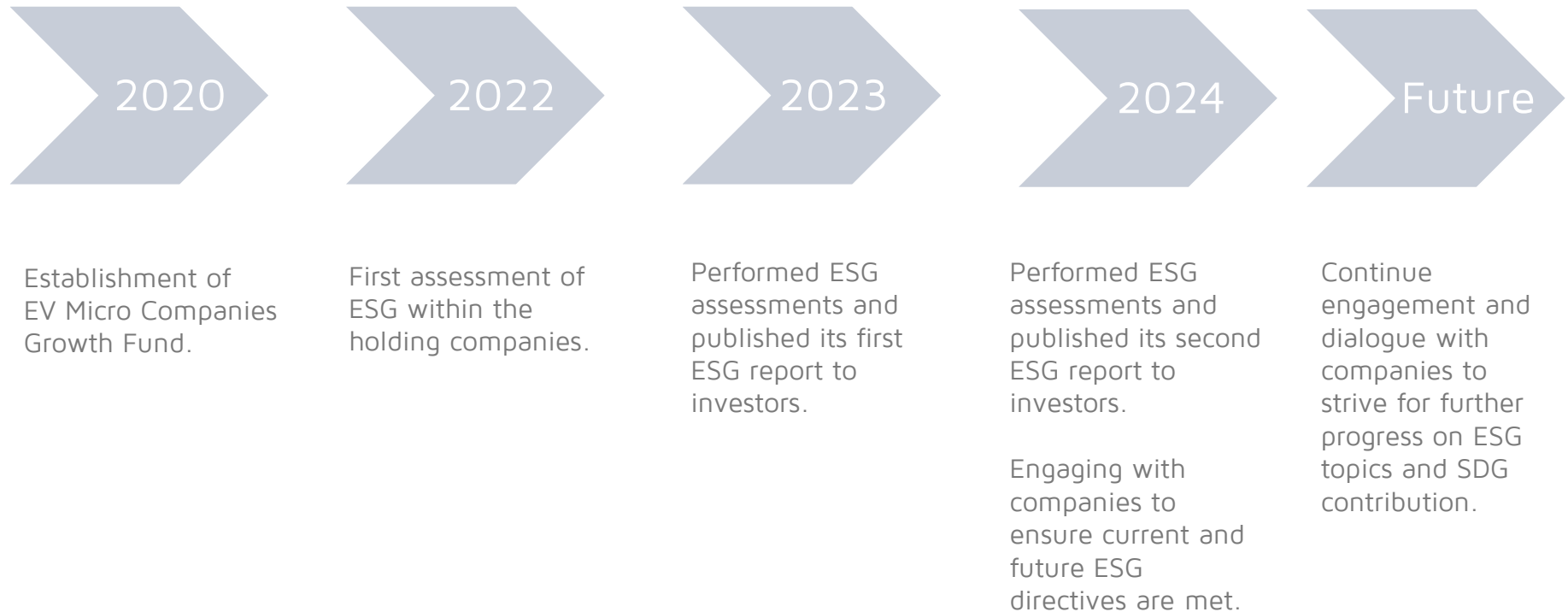
The dashed column on the right represents the full potential of SDG inclusion of the current portfolio. The full potential is based on the SDG's that are connected to the megatrends of the EVMCGF.

Analysis reveals that for SDG 8, 9, 11, and 12 there still potential for inclusion by portfolio companies.

Number of companies committed to chosen SDG's



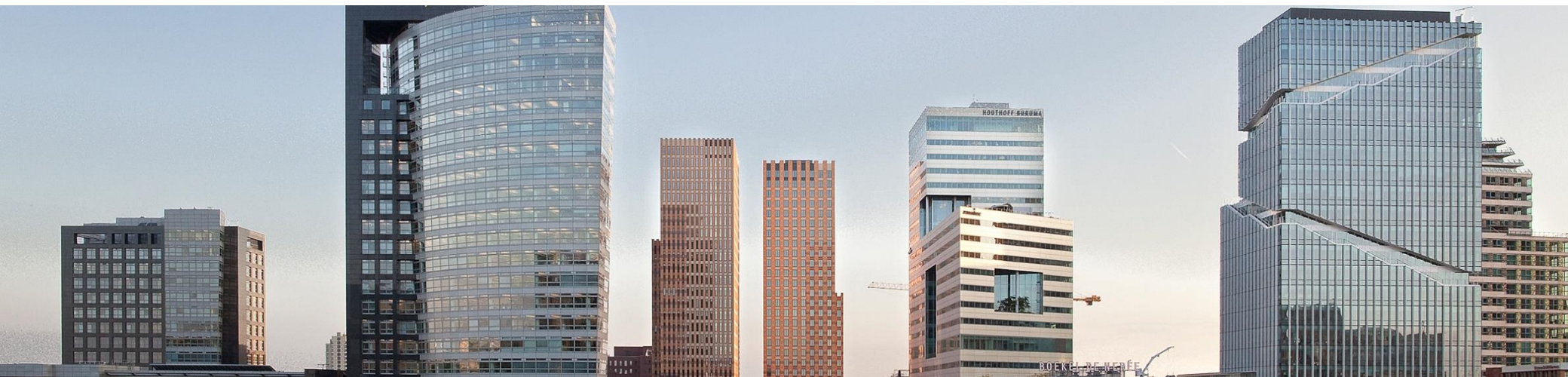
ESG ROADMAP & AMBITIONS



ENGAGEMENT POLICY

The fund manager believes that active ownership and engagement with portfolio companies is essential to drive positive change in ESG practices. The fund manager will engage with investee companies on ESG topics and will seek to influence their ESG practices through constructive dialogue and voting.

- Constructive dialogue: The fund manager strives to engage at least once a year with the management team of holding companies on certain ESG topics. During this meeting, the fund manager will express its expectations and communicate where improvement(s) can be made.
- Voting rights: The fund manager may use its voting rights to steer a company into a more ESG confirmative approach.



THE EV MICRO COMPANIES GROWTH FUND

FUND CHARACTERISTICS

The EV Micro Companies Growth Fund is a long-only equity fund with the following characteristics:

- Invests in up to 20 listed companies with a market capitalisation of less than € 500m;
- With a geographical focus on the Benelux & Germany;
- Comprising companies that are unique in their market segment and have exceptional long-term growth prospects;
- Focusing on four megatrends that have a major impact on society;
- Considering the Sustainable Development Goals set by the United Nations; and
- The fund seeks a long-term average net return of 10% per annum.

FUND OVERVIEW AS PER Q3 2024

Company	Description	% of portfolio
Süss MicroTec	Specializes in manufacturing equipment and process solutions for the semiconductor industry.	15.7%
JDC Group	Data and digitalization service provider in the financial and insurance industry.	15.2%
SFC Energy	A globally leading company specializing in mobile energy solutions and power management for the business segments Clean Energy & Clean Power Management.	11.4%
INIT Innovation	A worldwide leading supplier of software and hardware solutions for public transport.	11.1%
Kendrion	Design, manufacture and deliver intelligent actuators and controllers that help advance the global push towards electrification and sustainable energy.	9.5%

FUND OVERVIEW AS PER Q3 2024

Company	Description	% of portfolio
Medios	Leading German pharma wholesale specialist and provider of individualized medicinal preparations.	9.1%
PVA TePla	Manufactures vacuum and high-temperature systems for processing materials for semiconductors, aerospace, and medical technology.	7.6%
Brunel	Brunel is a global provider of staffing and recruitment services, specializing in engineering, IT, (renewable) energy, finance and technical sectors.	7.2%
Fabasoft	One of the leading software product companies and cloud service providers for digital document, process and file management in Europe.	7.0%
MBB	Generating value growth through investments in German mid-sized technological and engineering companies, listed and non-listed.	1.9%



ESG PERFORMANCE INDICATORS

SUSTAINABLE FINANCE DISCLOSURE REGULATION

The Sustainable Finance Disclosure Regulation (SFDR) is a set of regulations implemented by the European Union (EU) to promote sustainable finance and ensure greater transparency in the financial industry.

The SFDR applies to financial market participants, including asset managers, who provide investment services in the EU. The regulations require the fund manager of the EVMCGF to disclose information regarding the integration of sustainability risks into their investment decision-making processes, the consideration of adverse sustainability impacts in their investment decisions and the methodology used to measure the sustainability of investments.

Key performance indicators in the SFDR are:

- Principle Adverse Impacts (PAI's)
- EU-Taxonomy

PRINCIPLE ADVERSE IMPACTS

Principle Adverse Impacts (PAI's) refer to the significant negative effects of an investment decision on environmental, social or governance factors. These negative effects are material or likely to be material on sustainability factors that are caused, aggravated by or directly linked to investment decisions. In other words, PAI's are the harmful consequences of an investment on the environment or society.

The EU has identified 64 adverse impact indicators that must be calculated, of which 14 will be mandatory to report. They focus on environmental, social and governance (ESG) factors that investors are used to following. These factors can range from carbon emissions, fossil fuel exposure and waste levels (E) to gender diversity and due diligence over human rights (S) and a company's record on exposure to corruption, bribery or other scandals (G). Mandatory PAI's fall into three categories:

- Environment (PAI 1 – 9)
- Social (PAI 10, 12, 14)
- Governance (PAI 11, 13)

PRINCIPLE ADVERSE IMPACTS

In addition, a fund manager must include two additional voluntary PAI's; in our case:

- Investments in companies without emission reduction initiatives; and
- Inadequate protection of whistleblowers.

While the fund manager is aware of the importance of transparent sustainability reporting and is committed to integrating sustainability factors into investment decisions, the complexity of assessing adverse impacts for a diverse portfolio of small companies poses unique challenges. The availability of standardized and reliable data from these entities can be limited, making it challenging to conduct comprehensive impact assessments within the given timeframe.

Furthermore, it is also important to note that certain companies are not yet legally obliged to report on these PAI's. For companies that do not yet provide this information, the PAI's cannot yet be included in the fund manager's reporting. In the first half of 2024, the fund manager conducted an investigation into the publication of data and information on PAI's by the portfolio companies. This showed that there is improvement in availability and disclosure of data on company level, however this is still insufficient to assess this fully at portfolio level. The majority of the companies in the portfolio do expect to publish more PAI statements in 2025 or 2026.

PRINCIPLE ADVERSE IMPACTS

Our analysis of the investee companies does reveal an improvement in PAI disclosure. Many portfolio companies are reporting on 11 of the 14 mandatory PAI's as well as both of our two voluntary PAI's. On average the number of mandatory PAI's reported by each company over 2023 is 9,5 (up from 9,2 in 2022). However, underlying the improvement is more significant as companies have now also provided 2022 information for reference purposes to measure progress. This is in particular the case for Environmental PAI's where data was simply not collected in previous years (e.g. green house emissions). The fund manager strives to obtain more information over the coming years by active engagement with its investee companies as they will be legally required to do so.

At this moment, the relevant and measurable PAI information found is:

Environment (PAI 1 – 9): PAI 1, 2, 3, 4, 5, 6 and 9.

Social (PAI 10, 12, 14): PAI 10 and 15.

Governance (PAI 11, 13): PAI 11 and 13.

ENVIRONMENTAL

	PAI 1	PAI 2	PAI 3	PAI 4	PAI 5	PAI 6	PAI 7	PAI 8	PAI 9
Süss MicroTec	✓	✓	✓	✓	✓	✓	✗	✗	✓
JDC Group	✓	✓	✓	✓	✓	✓	✗	✗	✗
SFC Energy	✓	✓	✓	✓	✗	✗	✗	✗	✗
INIT	✓	✓	✓	✓	✓	✓	✗	✗	✓
Kendrion	✓	✓	✓	✓	✓	✓	✗	✗	✗
Medios	✓	✓	✓	✓	✓	✓	✗	✗	✓
PVA TePla	✓	✓	✓	✓	✓	✓	✗	✗	✗
Brunel	✓	✓	✓	✓	✗	✗	✗	✗	✗
Fabasoft	✓	✓	✓	✓	✗	✗	✗	✗	✗
MBB	✓	✓	✓	✓	✗	✗	✗	✗	✗

PAI 1: Greenhouse Gas Emissions, PAI 2: Carbon Footprint, PAI 3: GHG Intensity, PAI 4: Exposure to Fossil Fuel Sectors, PAI 5: Non-Renewable Energy Consumption & Production, PAI 6: Energy Intensity, PAI 7: Number of Sites in Environmental Sensitive Areas, PAI 8: Emissions to Water, PAI 9: Hazardous Waste

Source: Company websites, annual reports, sustainability reports, ESG reports and Bloomberg company data.

SOCIAL

	PAI 10	PAI 12	PAI 14			
Süss MicroTec	✓	✗	✓			
JDC Group	✓	✗	✓			
SFC Energy	✓	✗	✓			
INIT	✓	✗	✓			
Kendrion	✓	✗	✓			
Medios	✓	✓	✓			
PVA TePla	✓	✗	✓			
Brunel	✓	✗	✓			
Fabasoft	✓	✗	✓			
MBB	✓	✗	✓			

PAI 10: UN Global Compact principles violations, PAI 12: Gender Pay Gap, PAI 14: Exposure to Controversial Weapons

Source: Company websites, annual reports, sustainability reports, ESG reports and Bloomberg company data.

GOVERNANCE

	PAI 11	PAI 13				
Süss MicroTec	✓	✓				
JDC Group	✓	✓				
SFC Energy	✓	✓				
INIT	✓	✓				
Kendrion	✓	✓				
Medios	✓	✓				
PVA TePla	✓	✓				
Brunel	✓	✓				
Fabasoft	✓	✓				
MBB	✓	✗				

PAI 11: UN Global Compact Compliance Policies Score, PAI 13: Board Gender Diversity

Source: Company websites, annual reports, sustainability reports, ESG reports and Bloomberg company data.

VOLUNTARY

	Emmission Reduction initiatives	Protection of Whistleblowers		
Süss MicroTec	✓	✓		
JDC Group	✗	✓		
SFC Energy	✗	✓		
INIT	✓	✓		
Kendrion	✗	✓		
Medios	✓	✓		
PVA TePla	✓	✓		
Brunel	✓	✗		
Fabasoft	✓	✗		
MBB	✓	✗		

Source: Company websites, annual reports, sustainability reports, ESG reports and Bloomberg company data.

EU-TAXONOMY

The EU Taxonomy is a classification system developed by the EU to define and categorize environmentally sustainable economic activities. It allows financial and non-financial companies to share a common definition of economic activities that can be considered environmentally sustainable. This should help direct investments to the economic activities most needed for the transition, in line with the European Green Deal objectives. The taxonomy is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate. The taxonomy covers six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems.

Thus far, only the first two objectives are implemented.

EU-TAXONOMY

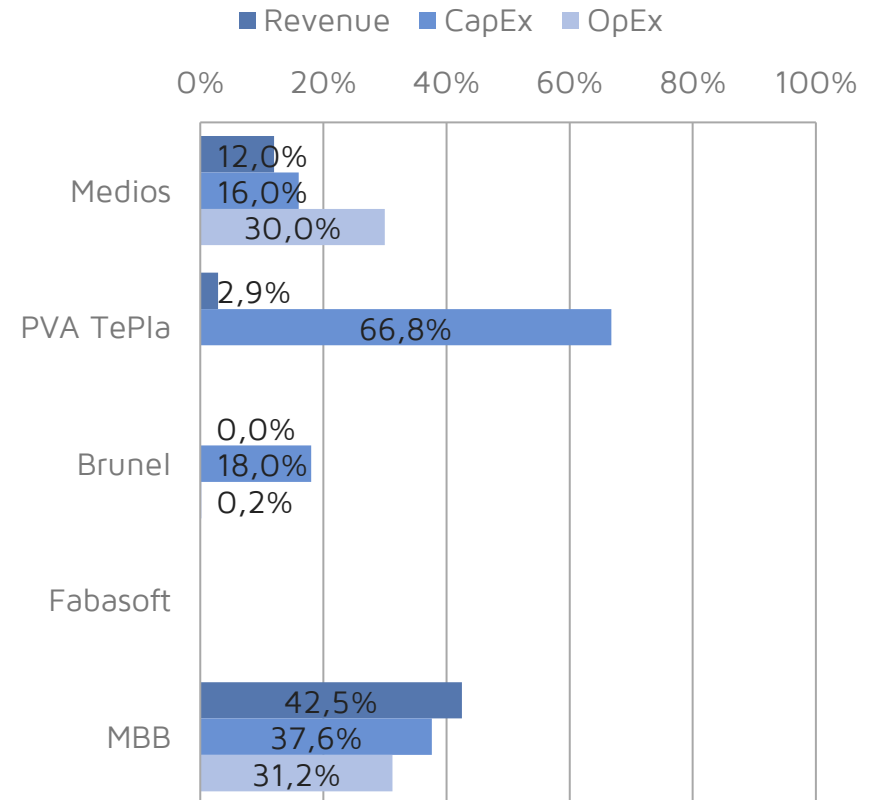
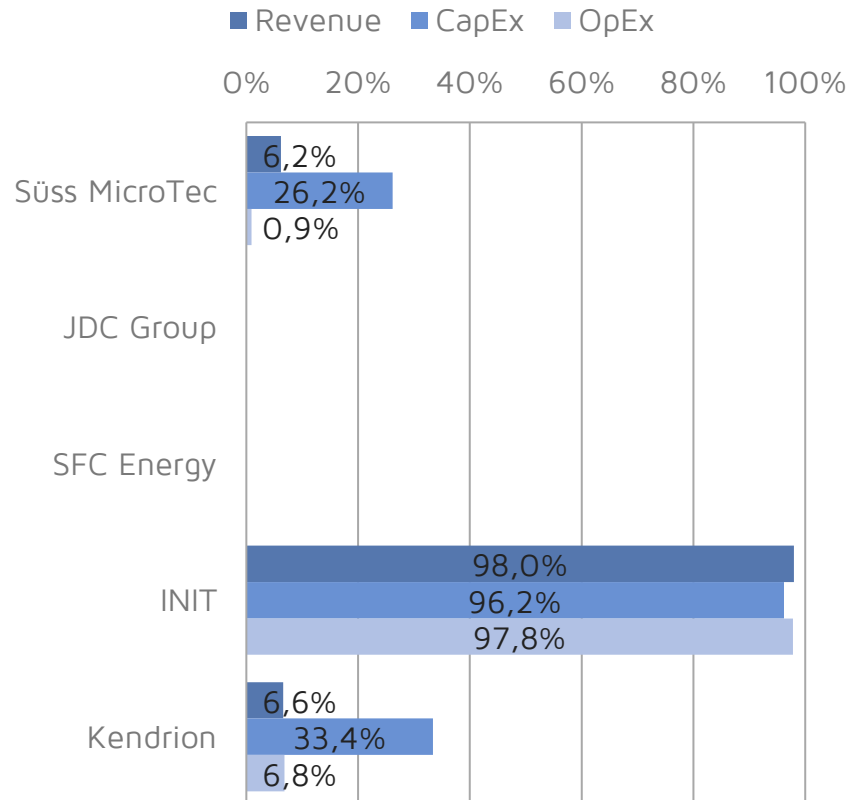
The EU-Taxonomy distinguishes eligible and aligned economic activities.

An activity is *eligible* if it makes a substantial contribution to one or more of the six environmental objectives. If such an activity is eligible under the taxonomy, then all revenue, capital expenditure (CapEx) and operating expenditure (OpEx) for this economic activity is therefore taxonomy eligible.

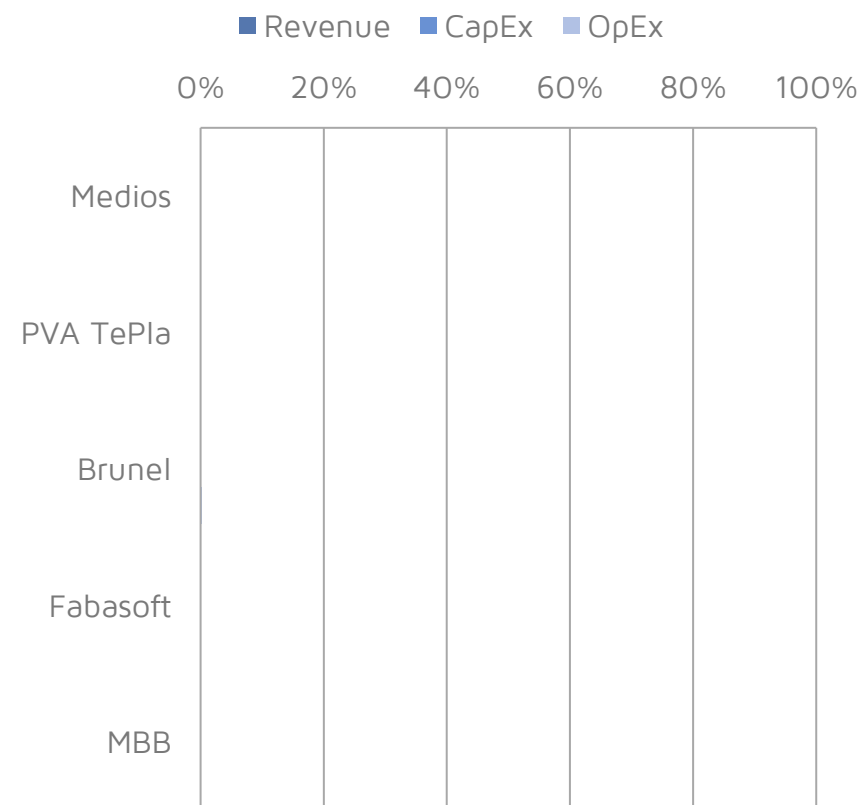
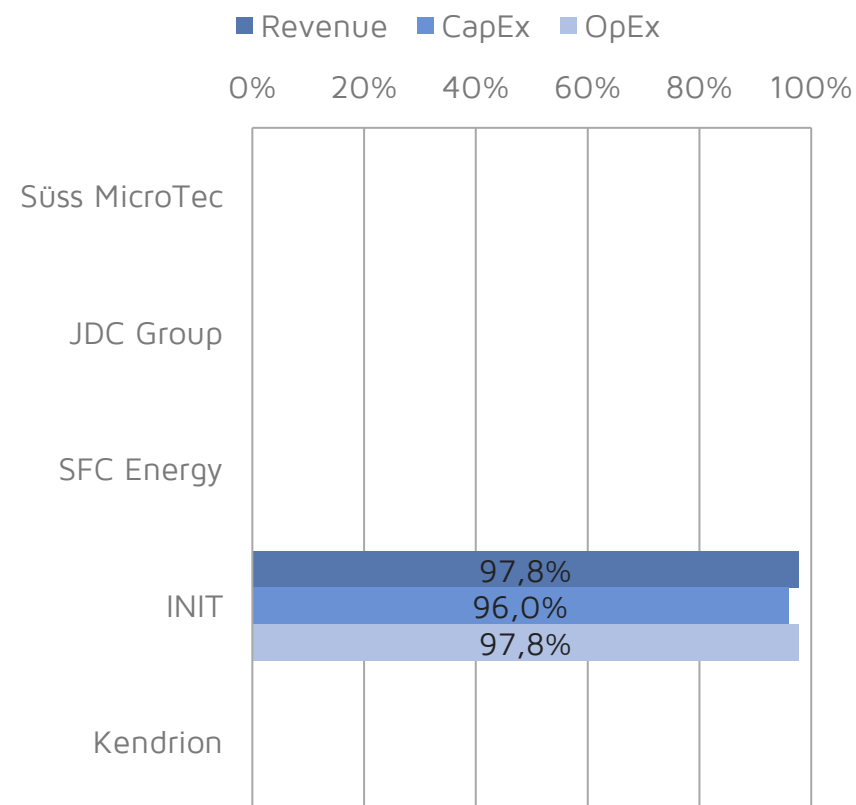
Eligible activities become *aligned* activities when the following criteria are met:

- Substantially contribute to one of the six environmental objectives in line with Technical Screening Criteria. These screening criteria are a set of rules and metrics used to evaluate whether an economic activity can be considered environmentally sustainable
- Do-no-significant-harm in relation to the other environmental objectives. For an activity pursuing one or more of the six objectives to qualify as sustainable it cannot cause significant harm to any of the other taxonomy objectives.
- Comply with Minimum Social Safeguards as described in the taxonomy regulation. These safeguards require compliance with minimum human and labor rights standards, preventing activities that breach key social principles.

EU-TAXONOMY: ELIGIBILITY



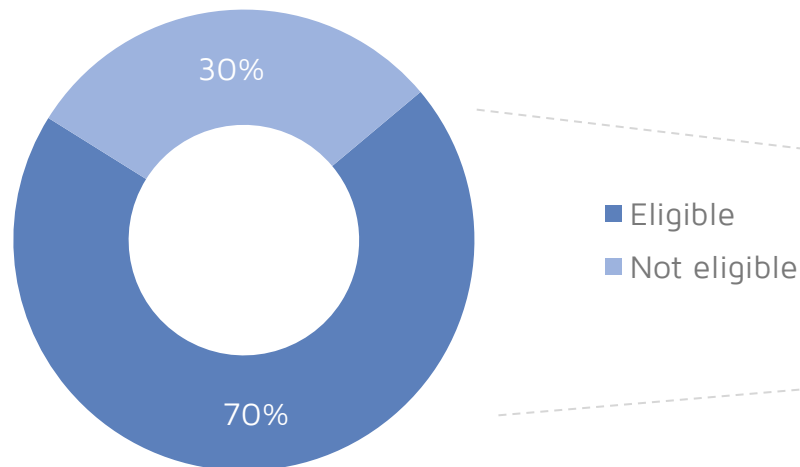
EU-TAXONOMY: ALIGNMENT



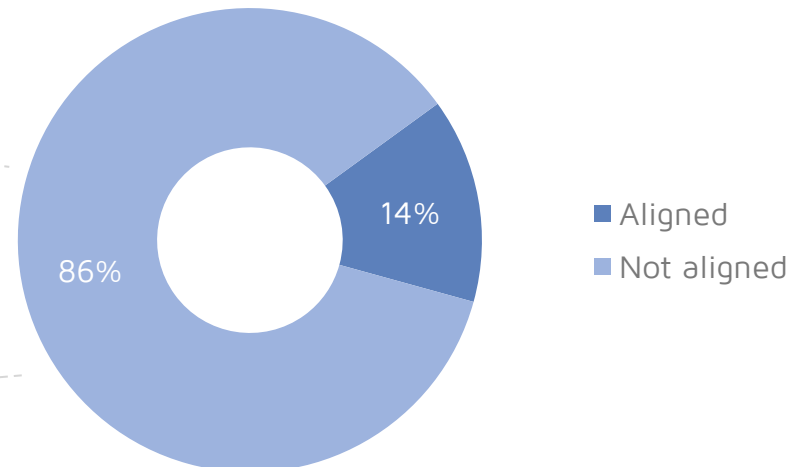
EU-TAXONOMY: PORTFOLIO LEVEL

Our analysis of the investee companies reveals that 7 are eligible, however of those only 1 has alignment with EU-Taxonomy. The fund manager strives to obtain more information over the coming years by active engagement with its investee companies as they will be legally required to do so.

Portfolio Eligibility



Portfolio Alignment



CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

The Corporate Sustainability Reporting Directive (CSRD) is a new reporting framework that aims to improve the transparency and comparability of sustainability reporting by companies in the EU. The CSRD will replace the current Non-Financial Reporting Directive (NFRD) and is expected to come into effect from fiscal year 2024.

Under the CSRD, companies that are currently subject to the NFRD will be required to report on a wider range of sustainability issues. This will include specific disclosures on ESG, and companies will be mandated to report on the EU-Taxonomy.

Moreover, the CSRD will require companies to set targets and present Key Performance Indicators (KPI's) on ESG principles, which will help investors and other stakeholders assess the sustainability performance of companies more accurately. This should also provide the fund manager with more data to make an informed statement about ESG developments at the EVMCGF portfolio companies.

It is important to note, however, that while companies subject to the NFRD will be required to comply with the CSRD from fiscal year 2025, other listed companies will be given more time to prepare for the guidelines and will be required to implement them from the financial year 2026 onwards.

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

- 2024: Companies subject to the NFRD (> 500 employees) are required to report according to the CSRD in 2025 on FY2024 data.
- 2025: Large companies (when two of three criteria are met) are required to report according to the CSRD in 2026 on FY2025 data. Criteria:
 - > 250 employees
 - > € 40 million revenue
 - > € 20 million total assets
- 2026: Listed SME's are required to report according to the CSRD in 2027 on FY2026 data.

FY2024	FY2025	FY2026
Kendrion	JDC Group	MBB
Medios	INIT	
Süss MicroTec	SFC Energy	
Brunel	PVA TePla	
	Fabasoft	



ESG SCORE

ESG SCORE

The portfolio of the EVMCGF is diverse and consists of companies across many sectors. This makes comparison between the ESG performance within the portfolio a challenge. For manufacturing companies reducing CO₂ emissions and waste is of great importance, while this may be less apparent in the software industry. For the latter, governance indicators as data privacy are more interesting. Therefore, the relevance per material ESG topic would vary between companies and industries. This methodology is captured in the Bloomberg ESG score, as more data is becoming available, and used by the fund manager.

The Bloomberg ESG score is calculated based on publicly disclosed data across three key areas: Environmental, Social, and Governance (ESG). Bloomberg collects this data from company reports, regulatory filings, and other publicly available documents. The scoring system uses standardized criteria to ensure comparability across companies and industries. Factors such as carbon emissions, labor practices, and corporate governance structures are assessed, with the scores depending on the quality and availability of the information a company discloses.

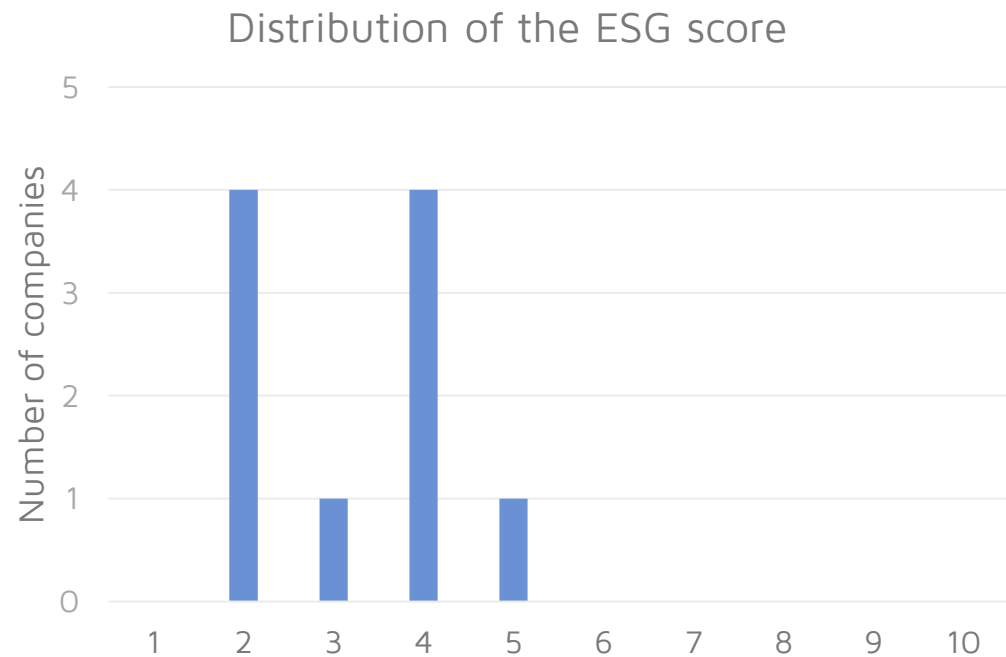
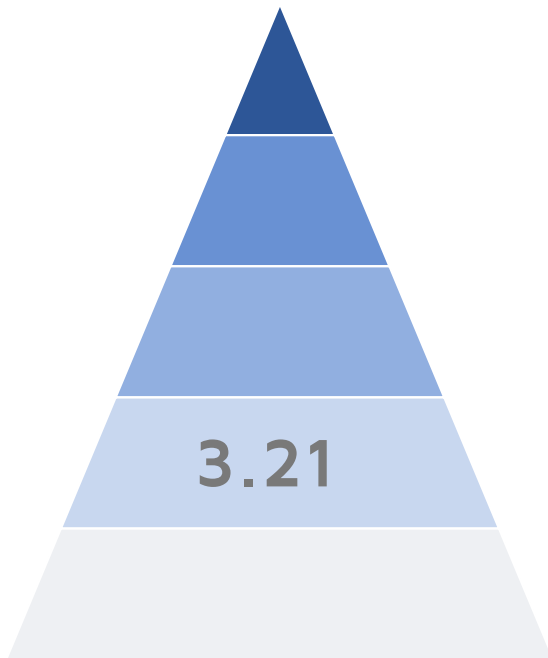
ESG SCORE

The final ESG score ranges from 0 to 10, with higher scores indicating better ESG performance and transparency. Bloomberg normalizes and weights the data to account for differences in industry relevance and company size. Weights are applied to each subcategory within the ESG framework based on the importance of specific factors in each industry. For example, environmental factors may have more weight for a company in the energy sector than for a financial services firm. The score is continuously updated as new information is released. The scoring emphasizes disclosure, meaning that companies that report more comprehensively are generally scored higher.

Reference is also made whether the company is leading or lagging compared to peers or whether its above or below the median of its peers.

PORTFOLIO ESG SCORE

The ESG score of the EVMCGF is calculated as the weighted average of the ESG scores of the companies it invests in, with weights based on the proportion of capital invested in each company. The ESG score of the portfolio has improved to 3,21 in 2023 from 2,75 in 2022. The biggest improvement was made by JDC Group (from 0,73 to 2,34) followed by steady improvements at Süss MicroTec, PVA TePla, Kendrion and SFC Energy. However, this indicates that there is ample room for improvement on ESG implementation and disclosure.





COMPANY PAGES

COMPANY PAGES

The following pages contain company-specific information about their ESG status. It includes a materiality analysis, which covers ESG topics and current initiatives taken by the company which can be monitored. These are areas which could be improved over the next years. During meetings with companies in the portfolio, the fund manager will discuss the focal points as part of their engagement policy.



MEGATREND 1

CONNECTED WORLD & INDUSTRY 4.0

Reports

ESG Reporting	Yes
ESG on website	No
Code of Conduct	Yes
SDG goals	Yes: 7,8,9,12,13

ESG score

ESG score 2023: 4,43 Above median

ESG score 2022: 3,85

PAI disclosure 2023: 81%

PAI disclosure 2022: 81%

ESG initiatives to monitor

Environmental	<p>Aiming to reduce global CO₂ emissions to zero by 2030. Conducted energy audits at all production sites to identify measures for reducing energy consumption and CO₂ emissions. Targets need to be formulated.</p> <p>Improving energy efficiency in products and operations to reduce carbon footprint.</p> <p>Increase share of power from renewable sources, stood at 48,7% of total electricity consumption.</p> <p>Set up of buy-back program for used systems for refurbishment to extend lifecycle and lower waste.</p> <p>Chemical consumption reduction project. Volume hazardous waste decreased by 39% in 2023.</p>
Social	<p>Aiming to keep employee turnover < 8%; in 2023 it was 9,5% in Germany.</p> <p>Training and study programs for employees; 210 sessions in this year (235 in 2022).</p> <p>Promote diversity: more women representation and including of employees with disabilities.</p>
Governance	<p>Implementing a Supplier Code of Conduct to ensure suppliers adhere to human rights, labor standards, and sustainable sourcing.</p> <p>Share of women in Management Board increased to 33% in 2023, Supervisory Board at 40%.</p> <p>Mandatory compliance and anti-corruption training for all; 2023 completion rate was 90%.</p>

SDG

7 AFFORDABLE AND CLEAN ENERGY



Explanation

SUSS develops and produces products and solutions that support energy efficiency and the reduction of energy consumption in the semiconductor industry (LED).

8 DECENT WORK AND ECONOMIC GROWTH



Emphasizes employee satisfaction and well-being, aiming to create a safe and attractive work environment. SUSS also promote equal opportunities and diversity in the workforce, with initiatives such as a diversity concept targeting a certain percentage of women in management positions.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SUSS develops and produces specialized equipment and process solutions for the semiconductor industry, which supports the production of high-performance chips that are essential for various technological applications, including AI, e-mobility, and Industry 4.0.

SDG



Explanation

SUSS established SUSS MicroTec ReMan, a subsidiary that remanufactures used systems and sells them as refurbished equipment, effectively extending the lifecycle of their products and reducing waste.



The company has set ambitious targets to reduce its CO2 emissions to zero by 2030 and conducts energy audits to improve energy efficiency at its production sites. Increasing the use of renewable energy sources.

Reports

ESG Reporting	Yes
ESG on website	No
Code of Conduct	Yes
SDG goals	Yes: 3,4,5,8,13

ESG score

ESG score 2023: 2,34 Below median

ESG score 2022: 0,73

PAI disclosure 2023: 69%

PAI disclosure 2022: 56%

ESG initiatives to monitor

Environmental	<p>Plans to develop a net-zero strategy and offset unavoidable emissions through certified sustainability projects.</p> <p>Introduction of an environmental system by 2026, aiming to reduce energy consumption, water usage, waste, and emissions from travel activities.</p> <p>Transition to 100% green electricity at all locations and promote EV company fleet. In 2023 71% of their electricity was sourced from renewables.</p>
Social	<p>Signing the Diversity Charter and promoting diversity and inclusion within company.</p> <p>Introduction of gym pass for employee wellbeing; participate in local charitable projects.</p> <p>Offering a wide range of training and development opportunities.</p>
Governance	<p>Implementation of group compliance analysis, auditing information security management, and evaluation possible ISO certifications by 2024.</p> <p>Ensuring confidentiality, integrity, and security of customer data through external audits and data protection measures.</p> <p>Conducting internal and external stakeholder surveys.</p>

SDG



Explanation

Ensure healthy lives. JDC aims to expand its range of health measures for employees, such as the introduction of the EGYM wellness pass.



Ensure inclusive and quality education and promote lifelong learning opportunities for all. The company offers various training and development opportunities for its employees.



JDC works towards creating an inclusive working environment where everyone feels accepted and respected, focusing on equality and equal opportunities.

SDG

8 DECENT WORK AND
ECONOMIC GROWTH



Explanation

JDC enhances its platform to meet the requirements and needs of market participants, thereby enabling better access to financial products for small and medium-sized enterprises.

13 CLIMATE
ACTION



The company seeks to reduce its consumption of natural resources and aims to make its operations climate-neutral while offsetting unavoidable emissions. Introducing an environmental system by 2026, aiming to reduce energy consumption, water usage, waste, and emissions from travel activities.

Reports

ESG Reporting	Yes
ESG on website	No
Code of Conduct	Yes
SDG goals	Yes:4,5,7,8,9,12,13

ESG score

ESG score 2023: 2,73 Above median
ESG score 2022: 2,25

PAI disclosure 2023: 63%
PAI disclosure 2022: 63%

ESG initiatives to monitor

Environmental	Aiming to reduce energy consumption by 25% by 2025. Implemented energy-efficient technologies at data centers and invests in renewable energy sources. Energy consumption up in 2023 by 7%. Projects initiated to reduce carbon emissions by 42% by 2030. Renewable energy sourcing rate increased to 92.1% in 2023, targeting 100%. Transitioning to 100% electric cars by 2027; 63% were fully electric in 2023.
Social	At least 20 hours of professional development training per employee annually. Promotes work life balance offering childcare facilities and summer camps for employee children. Aiming to maintain or increase proportion of female employees. Proportion of women in in the company 28,4% and in management positions was 19,4% in 2023.
Governance	Aims for 100% compliance with its ethical business practices and anti-corruption policies through its compliance management system. Target quota women in Supervisory Board of 25%, since 2022 at 50%. Plans annual stakeholder engagement surveys to improve ESG strategies.

SDG



Explanation

The company has established the Fabasoft Academy, which focuses on the continuous professional and social development of its employees. This includes internal and external training programs, such as management training aligned with Fabasoft's strategic objectives, as well as opportunities for employees to gain certifications in project management and agile methodologies.



The company has a policy of equal treatment regarding chances of promotion and compensation across all corporate levels, which has been practiced for many years. It actively supports women returning to work by creating a family-friendly working environment. Additionally, flexible working time models are implemented to accommodate employees' family commitment.



Fabasoft aims to ensure access to affordable, reliable, sustainable, and modern energy for all, through its commitment to using renewable energy sources for its operations. Currently, 92.1% of total energy consumption is sourced from renewable energy sources

SDG

8 DECENT WORK AND ECONOMIC GROWTH



Explanation

Committed to diversity and equal opportunities in the workplace, fostering sustainable corporate culture promoting open communication, teamwork and wellbeing.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Invests around 31% of its revenue in R&D, a crucial driver for innovation and economic growth. It develops high performance software solutions that improve business processes and productivity across various sectors.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Focuses on minimizing its ecological footprint by implementing sustainable practices in its operations: digitalization of business processes, energy efficient operations, sustainable procurement and waste reduction policies.

13 CLIMATE ACTION



Offsets direct and indirect emissions from its business operations, has greenhouse gas emissions reduction targets, increasing energy consumption from renewable sources and sustainability supply chain practices.

Reports

ESG Reporting	Yes
ESG on website	Yes
Code of Conduct	Yes
SDG goals	Yes: 7,9,12,13

ESG score

ESG score 2023: 3,84 Above median
ESG score 2022: 3,48
PAI disclosure 2023: 75%
PAI disclosure 2022: 75%

ESG initiatives to monitor

Environmental	Aims to become CO ₂ neutral by 2024; emissions were reduced by 25% in 2023. Improving energy efficiency in production process from renewable sources and using energy-efficient equipment. Wetttemberg and Jena locations source 20% of electricity need from own solar panels. Electricity consumption from certified green energy stood at 45% in 2023, expected to rise to 80%. Developing waste recycling concept, to avoid, recycle, or properly dispose waste during production. Working on implementing a group wide Supplier Code of Conduct.
Social	Monitoring employee satisfaction through the introducing key performance indicators (KPI). Defining KPI's to measure diversity and inclusion, initial collection to take place in 2024. Employee benefits: flex working hours, remote work, job cycle scheme, subsidized canteen. Targeting to significantly increase the number of trainees; offer more training and education.
Governance	Female representation in Supervisory Board 25%, in line with 25% target. Management Board 50%, above 30% target. Implemented compliance management system.

SDG

7 AFFORDABLE AND
CLEAN ENERGY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Explanation

PVA is involved in building reactors for customers to manufacture patented raw materials used in high-efficiency electricity storage systems. These energy storage systems are beneficial for various industries, including automotive and energy, as they enhance the efficiency and reliability of energy supply.

The company develops and produces advanced systems for the manufacturing and quality assurance of semiconductor materials. These technologies support the production of high-performance semiconductors that are critical for various digital applications, including mobile phones, computers, and 5G networks.

Policies in place for reduction and closed-loop recycling concept for waste, water, and other resources. PVA technologies, such as those used in the production of semiconductor materials and energy-efficient products, contribute to reducing waste and improving the efficiency of production processes.

PVA technologies are integral to the production of components used in renewable energy technologies, such as solar panels and wind turbines. Their ultrasound scanning microscopes, for example, are employed for the non-destructive inspection of photovoltaic panels, ensuring high quality and efficiency in solar power generation.



MEGATREND 2

SMART MOBILITY

Reports

ESG Reporting	Yes
ESG on website	No
Code of Conduct	Yes
SDG goals	Yes: 3,4,5,8,9,11,13

ESG score

ESG score 2023: 1,74 Below median
ESG score 2022: 1,80
PAI disclosure 2023: 81%
PAI disclosure 2022: 75%

ESG initiatives to monitor

Environmental	To achieve net-zero emissions by 2030 it is upgrading facilities with energy efficient equipment. By 2025 60% of energy consumption to come from renewable sources, in 2023 at 43%. Implementing waste reduction and recycling programs aiming to keep waste levels at par.
Social	At least 10 hours of professional development training per employe annually; 9,7 in 2023. Implementing programs to promote women in leadership positions, currently first and second level management at 33% and 64%. Aims to increase women in male dominated professions.
Governance	Targets 100% completion rate for anti-corruption training among employees, in 2023 98%. Ensures 100% of employees complete annual compliance and ethics training, in 2023 98%. Female representation in Supervisory Board 33%, exceeding 25% target. Management Board 0%.

SDG

3 GOOD HEALTH
AND WELL-BEING

Explanation

INIT has implemented health promotion measures such as vaccination campaigns, including a flu vaccination campaign that was well-received by employees at their Karlsruhe location. Additionally, they offer online sports courses and health courses aimed at maintaining and improving employee well-being, which in turn fosters a positive working environment and contributes to overall health outcomes.

4 QUALITY
EDUCATION

INIT conducts training sessions, workshops on management development, and have established the INIT Academy, which offers a structured onboarding and training program for new employees. It evaluates its performance in training and further education based on metrics such as the training rate and the number of training hours completed by employees.

5 GENDER
EQUALITY

The company is committed to increasing female representation in its workforce, particularly in management positions. The company has instituted targets for female representation.

SDG

8 DECENT WORK AND
ECONOMIC GROWTH9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE11 SUSTAINABLE CITIES
AND COMMUNITIES13 CLIMATE
ACTION

Explanation

Efficient public transport system creates jobs in the transport sector, supports economic activity, promotes sustainable urban development, and enables transport operators to increase efficiency, optimize processes, and improve service offerings, thereby directly contributing to economic growth and employment opportunities.

INIT contributes by providing solutions that enhance public transport systems, thereby fostering innovation and improving infrastructure. Their efforts in developing integrated planning, dispatching, telematics, and ticketing solutions support the advancement of efficient and reliable public transport.

INIT's solutions help transport operators meet the increasing demand for mobility and contribute to the development of smart cities. Its multi-modal digital mobility service connects various public transport options, promoting a climate-neutral and efficient transport system.

INIT encourages greater use of public transport and supports the introduction of electric bus fleets, which contributes to reducing carbon emissions and combating climate change.

Reports

ESG Reporting	Yes
ESG on website	Yes
Code of Conduct	Yes
SDG goals	Yes: 3,12,13

ESG score

ESG score 2023: 3,92 Above median
ESG score 2022: 3,55
PAI disclosure 2023: 75%
PAI disclosure 2022: 75%

ESG initiatives to monitor

Environmental	<p>A 15,3% reduction in energy consumption was achieved (target 15%) and a 22,9% reduction in CO₂ emissions reached (target 15%) by 2023 compared to 2018. Completed new 2024-2028 ESG program: further 70% reduction in CO₂ emissions, set up framework for Scope 1, 2 and 3 reporting. Waste reduction and recycling programs across operations, overall recycling rate was 84,8% slightly up. Aims implement new waste standards and monitoring parameters.</p> <p>Sustainable sourcing, 25 supplier audits (29 in 2022); must adhere to Supplier Code of Conduct.</p>
Social	<p>Implementing safety training programs, to reduce workplace accidents. Accidents per 1,000 FTE 7,7 (target 6,5), lost time injuries 573 days (target 707) and illness rates 4,7% (target 5,4%).</p> <p>Completed new 2024-2028 ESG program: gender diversity target at business group level for indirect staff of 33%. 2023 workforce composition is 46% female. Global Diversity Committee established.</p>
Governance	<p>Conducting regular training and audit sessions, aiming to achieve 100% compliance with Code of Conduct.</p> <p>Increase diversity of the Supervisory Board to include at least 30% women, in 2023 at 50%.</p>

SDG

3 GOOD HEALTH
AND WELL-BEING



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Explanation

Kendrion contributes by enhancing employee well-being through comprehensive safety training programs aimed at reducing workplace accidents. It also aims to contribute to healthier lives and the improvement of well-being through its Responsible Product Portfolio, which includes products that improve health.

By developing innovative technologies, it enhances industrial efficiency and sustainability. It also minimizes waste and ensures environmentally responsible waste disposal in its production processes.

Kendrion contributes to creating a sustainable future as many products in its product portfolio help meet the increasing demand for clean energy and facilitate the accelerating development of electrification of industrial processes. It has policies in place to increase energy efficiency, utilize renewable energy, and reduce emissions at its operations.



MEGATREND 3

ENERGY TRANSITION & CLIMATE

Reports

ESG Reporting	Yes
ESG on website	Yes
Code of Conduct	Yes
SDG goals	Yes: 7,8,9,11

ESG score

ESG score 2023: 1,67 Lagging
ESG score 2022: 1,55
PAI disclosure 2023: 56%
PAI disclosure 2022: 56%

ESG initiatives to monitor

Environmental	<p>SFC is working on expanding its decarbonization targets and strategy across the entire value chain and product portfolio.</p> <p>Its subsidiaries have implemented environmental management systems certified according to ISO 14001, which guide the company in minimizing its environmental impact.</p> <p>Actively working on continuously optimizing resource use during production processes, which not only aims at reducing environmental impact but also has cost-reducing effects.</p>
Social	<p>Conducts annual training programs worldwide to promote occupational health and safety.</p>
Governance	<p>Diversity target share of women in Supervisory Board of 25%, Management Board 25% and senior management 40% by 2025. Per year end 2023 this was: 25%, 0% and 44%, respectively.</p> <p>The compliance management system includes enhanced whistleblower protection, more advanced digital tools to track compliance metrics, and expanded training program for compliance and audits.</p>

SDG

7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



Explanation

A goal of SFC is to obtain the energy for all production sites and offices worldwide 100% from renewable sources to achieve a CO₂ neutral production. Installing solar panels on the roof of buildings of production sites in Germany. SFC is providing fuel cells and hydrogen-based systems that generate electricity and heat with minimal emissions.

SFC is dedicated to developing innovative fuel cell technologies that contribute to a low-carbon economy. By focusing on clean energy solutions, the company not only contributes to economic growth but also addresses environmental challenges, thus fostering sustainable economic development.

By advancing fuel cell technology and providing innovative clean energy solutions, SFC supports the development of resilient infrastructure and fosters innovation in the energy sector. Their research and development efforts in fuel cell technology contribute to building sustainable industrial processes.

SFC's fuel cell solutions are utilized in mobile and off-grid applications, particularly for public safety and surveillance. mobile surveillance technology for construction sites and infrastructure projects, offering a clean and environmentally friendly alternative to conventional diesel generators. This contributes to reducing emissions and improving the sustainability of urban infrastructure.

Reports

ESG Reporting	Yes
ESG on website	Yes
Code of Conduct	Yes
SDG goals	Yes: 4,5,7,8,10,12,13,14

ESG score

ESG score 2023: 5,17 Leading
ESG score 2022: 5,00
PAI disclosure 2023: 63%
PAI disclosure 2022: 63%

ESG initiatives to monitor

Environmental	Carbon neutral as from 2022. Carbon Reduction Plan aimed at electrification lease vehicle fleet, green energy powering offices, energy efficiency investments and changed travel behavior. Size of Brunel Foundation Forest (reforestation efforts) has grown by 2,000 to 19,000 trees. Employees are encouraged to integrate environmental concerns into their activities. In 2023 employees participated in clean-up activities, collecting 676kg of litter.
Social	Aiming for at least 40% of senior management to be female by 2025; in 2023 it stood at 25%. Helping 50-75 candidates who are facing difficulties in finding work (underrepresented group). Employee well-being and engagement rate (8 out of 10) and NPS rose to 54. Through Brunel Academy offering training and development programs.
Governance	Regular training and updates for key personnel regarding changes in laws and obligations, business ethics and compliance. This applies also to tax governance and strategy. Risk management framework integrating compliance with laws, regulations and local standards.

SDG



Explanation

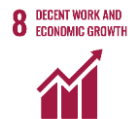
Brunel focuses on continuous training and upskilling of professionals to prepare them for future challenges, contributing to improved education and learning opportunities.



Brunel has established a Diversity, Inclusion and Belonging (DIB) strategy that aims to build a diverse and inclusive workplace, actively engaging in training and awareness initiatives to promote equality within the organization



Brunel acquired Taylor Hopkinson; a recruitment partner focused on the renewable energy sector. Together, they work to create a diverse, global workforce that supports the transition to sustainable energy, which is vital for achieving net-zero ambitions.



Brunel aims to provide fair employment terms and career development support for its 12,000 specialists, fostering economic growth through job creation.

SDG



Explanation

The company actively engages in initiatives that aim to connect specialists from diverse backgrounds with job opportunities, particularly for those who may face challenges in the labor market. It has a goal to provide employment to 50-75 candidates annually from this group who are facing difficulties in finding work.

Brunel has achieved carbon neutrality and is committed to reducing its carbon footprint, aligning with responsible production and consumption practices.

Brunel supports clients in their energy transition efforts and engages in sustainability initiatives such as the Brunel Foundation Forest and Trash 'n Trace event

Reports

ESG Reporting	Yes
ESG on website	Yes
Code of Conduct	Yes
SDG goals*	Yes:
*via portfolio companies	3,4,5,7,8,9,11,12,13

ESG Score

ESG score 2023: 1,69 Lagging
ESG score 2022: 1,71

PAI disclosure 2023: 50%
PAI disclosure 2022: 50%

ESG initiatives to monitor

Environmental	Improving energy efficiency of its subsidiaries. Implemented measures at F.Vorwerk to increase efficiency of fleet and technical equipment (fuel consumption, downtime). Majority of subsidiaries (70% of group revenue) are certified under ISO 50001 (energy management) and ISO 14001 (environmental management). In 2023, MBB's energy intensity in MWh/€m revenue was 176 (2022: 167), waste intensity in m3/€ m revenue was 320 (2022: 348) and waste intensity in t/€m in revenue was 3,8 (2022: 4,5)
Social	Aiming for 20% share of women in management positions. In 2023 16,4% (2022:12,7%). Employee development and apprenticeship programs: 232 apprentices (2022:216) on 3,782 fte's. Has set standards for workplace safety. In 2023 reported 73 work accidents (2022: 91).
Governance	Aiming for 20% share of women on the Management and Supervisory Board in the mid-term. This ratio of women on the supervisory boards of the listed portfolio companies F.Vorwerk, Aumann and Delignit has been achieved. Supervisory Board member at MBB responsible for achieving diversity target.

SDG

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



7 AFFORDABLE AND CLEAN ENERGY



Explanation

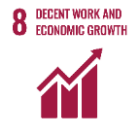
MBB keeps an overview of employee matters across all portfolio companies ranging from employees in training programs and health and safety issues. In addition, some subsidiaries are providing their employees with free fruit and offering health-promoting workshops in cooperation with various health insurers.

In order to remain an attractive employer, all subsidiaries invest in their employees, whether through direct support for employee training, through the modern training centre at Aumann or the possibility of mobile working.

Gender equality is a particular focus, women, men and intersexuals have equal opportunities in all companies. Gender balance is strived at all hierarchical levels. When selecting managers, the managing directors always pay attention to diversity and take into account male and female applicants as well as applicants of different genders.

The largest company in MBB's portfolio, Friedrich Vorwerk, actively contributes to the transition towards renewable energy via electricity, hydrogen and LNG infrastructure. Aumann products are essential for electric vehicles and renewable energy applications.

SDG



Explanation

MBB portfolio companies have expanded their workforce considerably. Emphasis is put on training and developing employees as well as high safety standards in a manufacturing environment, to promote economic and sustainable growth.

Aumann consistently promote knowledge management and inventiveness among our employees to solve the technical challenges of the electro-mobile present and future to drive innovations. Friedrich Vorwerk develops new technologies, contributing to advancements in the energy infrastructure sector.

By making the energy infrastructure more durable and sustainable, through Friedrich Vorwerk. Aumann

The companies in the portfolio of MBB continuously improve their recycling rates and strive to produce minimal amounts of waste.

MBB contributes to the reduction of carbon emissions. This is in agreement with the Paris Agreement. Friedrich Vorwerk is involved in projects that promote climate-neutral energy solutions. For the mobility sector Aumann develops innovative, resource-conserving solutions that reduce carbon footprint.



MEGATREND 4

HEALTHCARE & WELLBEING

Reports

ESG Reporting	Yes
ESG on website	No
Code of Conduct	Yes
SDG goals	Yes: 3,5,8,9,12,13

ESG score

ESG score 2023: 4,11 Leading
ESG score 2022: 4,26
PAI disclosure 2023: 88%
PAI disclosure 2022: 88%

ESG initiatives to monitor

Environmental	Gradual switch to 100% green electricity, in 2023 at 41,1% (2022:39,9%). Developing strategy to reduce CO ₂ emissions, concrete reductions targets planned for 2026/2027. Ongoing implementation of various energy efficiency measures (LED conversion at all locations). Total electricity consumption declined by 15% in 2023. Self generated electricity still at 0%. Total energy consumption declined by 9,2% in 2023. Waste management: using washable protective suits and packaging of 50% recycled material. Total waste has declined to 213 tons (2022: 620).
Social	Aims to maintain a high proportion of women in the workforce (55-60%) and management positions (>50%). In 2023 this was 58% (2022: 53%) and 46% (2022: 50%), respectively. Rate of work-related accidents (per 100 fte) was 4,8 (2022: 6,4).
Governance	Proportion of employees who received training on compliance topics in 2023 57% (2022: 97%). Implemented a whistleblower system for employees and plans to extend this system to suppliers. Introduced Code of Conduct for suppliers; goal is that at least 50% of suppliers recognize this code. Female share in Management and Supervisory Board, both 25%.

SDG

3 GOOD HEALTH
AND WELL-BEING



5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



Explanation

Medios provides pharmaceutical supply for specialized pharmacies, compounding patient-specific therapies, and expanding access to health services. For instance, their focus on oncology and other critical areas supports the reduction of premature mortality from non-communicable diseases and promotes patient well-being.

Over half total job positions were held by women, and Medios actively engages in succession planning and management seminars to promote gender equality.

Medios emphasizes employee satisfaction, diversity, and equal opportunities, and aims to maintain a high proportion of women in management positions. They also focus on vocational and advanced training.

SDG

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Explanation

Medios emphasizes the importance of infrastructure in the healthcare system by expanding its compounding capabilities and establishing GMP (Good Manufacturing Practice) laboratories, which enhance the quality of patient-specific therapies.

Employees receive training in the handling of hazardous substances. Cytotoxic waste is disposed separately by specialist companies. Personal protection of manufacturers through state-of-the-art clean room with safety workbenches. Checking all materials for reusability.

Has initiatives aimed at setting ambitious climate and environmental targets, aligning with the 1.5-degree target of the Paris Climate Agreement. Expanding green electricity procurement and compensates emissions.

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