



CREUTZ & PARTNERS

THE ART OF ASSET MANAGEMENT

STATEMENT ON THE NON-CONSIDERATION OF ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS AT THE LEVEL OF THE ENTITY

As a matter of principle, investments in economic activities can influence sustainability factors both positively and negatively. Sustainability factors in this context include environmental, social and labour matters, respect for human rights and the fight against corruption and bribery.

Against this background, principal adverse impacts on sustainability factors can be defined as the consequences of investment decisions that may lead to negative impacts on environmental, social and labour matters, respect for human rights and the fight against corruption and bribery.

Creutz & Partners is generally committed to help avoid adverse impacts of investment decisions and, in this context, strives to fulfil its responsibility as a financial market participant. The best possible result in the interest of the clients of the discretionary asset management, as well as the sub-funds of the C&P Funds SICAV (the »C&P Funds«) and its investors, is always a priority for Creutz & Partners.

At present, however, Creutz & Partners does not see itself in a position to consider adverse impacts of its investment decisions on sustainability factors at entity level for all products and services.

On the one hand, this is due to the fact that the data required to consider adverse impacts on sustainability factors are not yet available in the necessary quality and quantity, as the Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector (»SFDR«) and the accompanying Regulatory Technical Standards (Delegated Regulation (EU) 2022/1288) are recent legal acts. Furthermore, the »Corporate Sustainability Reporting Directive (CSRD)«, which extends non-financial reporting for all large companies listed on an EU-regulated market to include the company's impact on sustainability factors, has only been applicable since 2024 and this initially only for specific companies. Sustainability reporting in accordance with »CSRD«, which is expected to increase data availability and quality, will therefore only take place from 2025 (for the 2024 financial year and subsequent years). Accordingly, Creutz & Partners believes that the necessary quality and quantity of data required for the identification, appropriate assessment and weighting of adverse impacts on sustainability factors is only at the beginning of its development and will only improve over the coming years.

On the other hand, against this background, Creutz & Partners believes that a systematic consideration of principal adverse impacts of investment decisions on sustainability factors at entity level, as well as with regard to all services and products, would not be proportionate given the size of Creutz & Partners, the scope of its activities and ultimately the effort required for implementation. Creutz & Partners does in fact not have the necessary human resources to manually analyse the primary data of each portfolio company in order to systematically consider the main adverse impacts of investment decisions. In this respect, Creutz & Partners is required to make use of ESG data from third-party providers which - as explained above - Creutz & Partners believes are not yet available in a quality and quantity that would make it possible to establish and publish a meaningful statement on the consideration of adverse impacts of investment decisions on sustainability factors with the greatest possible data coverage.

In addition, Creutz & Partners observes that, due to the investment strategies pursued and the target market, the products and services offered are in part not suitable for a systematic consideration of principal adverse impacts on sustainability factors. This applies in particular to two of the managed sub-funds of the C&P Funds, for which the primary focus is on generating the highest possible growth in the value of the sub-funds' investments and which furthermore qualify as a so-called »Article 6 Product« within the meaning of the SFDR, so that they are therefore aimed in particular at investors who do not expressly pursue sustainability goals with their investment.

However, Creutz & Partners will monitor regulatory and legal developments, as well as market practice, and will review its approach regarding the (non-)consideration of principal adverse impacts of investment decisions on sustainability factors at entity level on a regular and ongoing basis (i.e. at least annually), with the aim of being able to consider them by 2026.