

Sustainable Finance Disclosure Regulation (SFDR)

Periodic disclosures for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852

Product name: **Varenne Valeur** (the « Sub-Fund”) Legal entity identifier: 254900J6YMNBOZH9XH45

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective: ___%**

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 made **sustainable investments with a social objective: ___%**

No

It **promoted Environmental/Social (E/S) characteristics** and while it did 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 promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Management Company systematically integrates its Environmental, Social and Governance (ESG) policy within its Core Long Equity Framework by generating proprietary ESG scores through a review of over 40 factors, an analysis of environmental, social and governance factors, alongside conventional financial analysis. As such, this dedicated ESG analysis module is an integral part of the pre-investment analysis process: for a given company, an ESG score is given on a scale (1 worst– 5 best); if the ESG score is less than 3, then the company is not eligible for investment, no matter how strong the other analysis modules may be. The Core Long Equity Framework represents more than 50% of the assets of the Sub Fund.

In addition, the Sub Fund will apply on the strategy an exclusion policy that provides for the exclusion of companies operating in areas such as controversial and nuclear weapons, pornography, tobacco or those which are found to be in breach of the UN Global Compact

principles as covered and assessed by the Sub-Fund’s data provider. The applicable thresholds are available on the website of the Management Company www.varennecapital.com.

Finally, the Management Company will engage with companies held in the Sub-Fund that have a bottom quintile ESG score to promote positive change in their ESG disclosures and/or ESG practices.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Sub-Fund, but for the purposes of comparison, the Management Company considers the investment universe.

● **How did the sustainability indicators perform?**

The Sub-Fund has the following sustainability indicators to measure the attainment of the environmental and social characteristics:

- The weighted average ESG score of the Sub-Fund and of the investment universe:

Metric	Long Equity Framework	Investment Universe*
ESG Score as of 31/12/2025 (1 worst- 5 best)	3.71	3.66

*World developed markets ex Japan

The Weighted average ESG score of the Long Equity strategy of the Sub-Fund is 3,71/5 as of end of December 2025 in comparison to a score of 3.66/5 for the Investment universe.

- The number of holdings in the Sub-Fund with which the Management Company has a formal engagement plan:
At the dates of scoring, out of the 36 issuers in the strategy, 9 were formally engaged with the Management Company. The engagements will be detailed in the Active ownership and stewardship report available on the company website¹.
- The number of holdings in the Sub-Fund found to be in breach of the UN Global Compact principles (as covered and addressed by the Sub-Fund’s data provider):

Metric	Description	% of the asset of the Sub-Fund as of 31/12/2025
Exclusions UNGC	Companies in breach of one of the Ten Principles of the UN Global Compact exclusions (based on the Ten Principles of Global Compact defined by the United Nations as covered and addressed by the Sub-Fund’s data provider)	0%
Exclusions Controversial weapons	Companies involved in controversial weapon business	0%

● **...and compared to previous periods?**

ESG Score for the portfolio between 2024 and 2025

¹ www.varennecapital.com

Metric	As of 31/12/2025	As of 31/12/2024
ESG Score (1 worst- 5 best)	3.71	3.75

Holdings in the Sub-Fund with which the Management Company has a formal engagement plan:

Metric	As of 31/12/2025	As of 31/12/2024
Number of holdings in the Sub-Fund with which the Management Company has a formal engagement plan	9	5

Number of holdings in the Sub-Fund found to be in breach of the UN Global Compact principles (as covered and addressed by the Sub-Fund's data provider):

Metric	% of the asset of the Sub-Fund as of 31/12/2025	% of the asset of the Sub-Fund as of 31/12/2024
Exclusions UNGC	0%	0%
Exclusions Controversial weapons	0%	0%

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable because the Sub-Fund promotes E/S characteristics, but will not make any investments with a sustainable objective.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable because the Sub-Fund promotes E/S characteristics, but will not make any investments with a sustainable objective.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

Not applicable because the Sub-Fund promotes E/S characteristics, but will not make any investments with a sustainable objective.

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

Not applicable because the Sub-Fund promotes E/S characteristics, but will not make any investments with a sustainable objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The principal adverse impacts (“PAIs” hereafter) are considered at several levels in the investment process.

First, the exclusion policy of the Sub-Fund applied on the following PAIs:

- Companies in breach of one of the Ten Principles of the UN Global Compact exclusions (based on the Ten Principles of Global Compact defined by the United Nations as covered and addressed by the Sub-Fund’s data provider),
- Companies involved in controversial weapon business.

Then, the proprietary ESG scoring methodology for Long Equity Framework considers mandatory and additional PAIs (such as but not limited to board gender diversity, GHG emissions, and biodiversity) in its proprietary ESG Scoring.



What were the top investments of this financial product?

Among the top investments held by the Sub-Fund as of December 31st, 2025, are:

Name	Sector	Country	% of Asset as of 31/12/2025*
MICRON TECHNOLOGY INC	Information Technology	United States	2.64%
FRESENIUS SE & CO KGAA	Health Care	Germany	2.42%
PRYSMIAN SPA	Industrials	Italy	2.39%
ABB LTD-REG	Industrials	Switzerland	2.39%
RYANAIR HOLDINGS PLC	Industrials	Ireland	2.39%
SAFRAN SA	Industrials	France	2.38%
ITALGAS SPA	Utilities	Italy	2.38%
ROLLS-ROYCE HOLDINGS PLC	Industrials	United Kingdom	2.38%
UCB SA	Health Care	Belgium	2.37%
UBER TECHNOLOGIES INC	Industrials	United States	2.37%
TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	United States	2.37%
ELI LILLY & CO	Health Care	United States	2.35%
MICROSOFT CORP	Information Technology	United States	2.34%
BOOKING HOLDINGS	Consumer Discretionary	United States	2.33%
XYLEM INC	Industrials	United States	2.33%

* Data shown for Long Equity Framework in delta adjusted exposure

2

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: The Long Equity Framework as of December 31st, 2025

² Delta Adjusted: For any optional instrument, the “Delta Adjusted” exposure is equal to the exposure corresponding to the equivalent quantity of securities. For any non-optional instrument, this exposure is equal to the notional value.



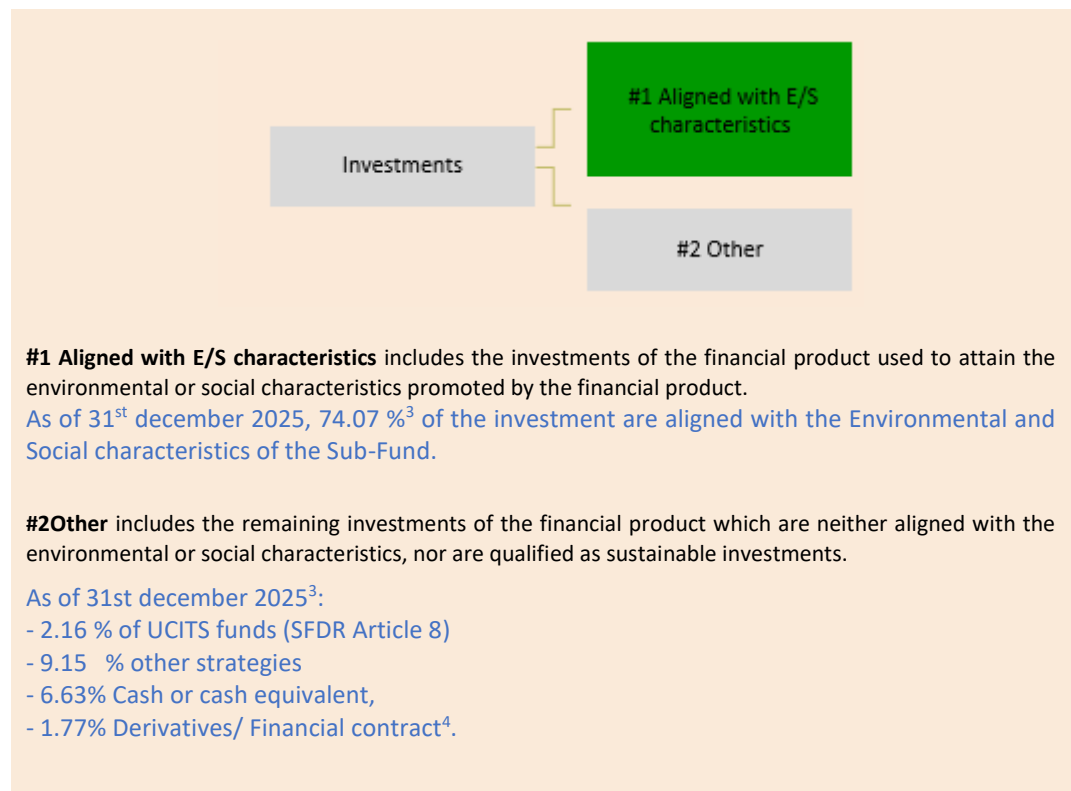
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The Sub-Fund has taken the engagement to invest a minimum of 50% of its assets in securities aligned with the Environmental and Social characteristics (#1) promoted by the Sub-Fund.

The remaining will be constituted by the other strategies of the Sub-Fund such as Merger Arbitrage, Financial contracts, cash or cash equivalents.

● *What was the asset allocation?*



● *In which economic sectors were the investments made?*

³ Data presented in Delta Adjusted exposure

⁴ FX hedging not included

Sector	Sub Sector	% of Asset as of 31/12/2025*
Communication Services	Movies & Entertainment	2.32%
Consumer Discretionary	Apparel, Accessories & Luxury Goods	2.16%
Consumer Discretionary	Hotels, Resorts & Cruise Lines	2.33%
Consumer Staples	Personal Products	0.86%
Financials	Transaction & Payment Processing Services	1.79%
Health Care	Health Care Services	2.42%
Health Care	Health Care Equipment	2.15%
Health Care	Health Care Facilities	2.25%
Health Care	Pharmaceuticals	4.73%
Industrials	Aerospace & Defense	4.76%
Industrials	Air Freight & Logistics	1.45%
Industrials	Airlines	2.39%
Industrials	Construction Machinery & Heavy Trucks	2.33%
Industrials	Electrical Components & Equipment	5.11%
Industrials	Heavy Electrical Equipment	2.32%
Industrials	Industrial Machinery	2.33%
Industrials	Passenger Ground Transportation	2.37%
Information Technology	Application Software	2.32%
Information Technology	Communications Equipment	2.31%
Information Technology	Electronic Components	4.63%
Information Technology	Electronic Equipment & Instruments	2.28%
Information Technology	Electronic Manufacturing Services	2.31%
Information Technology	Semiconductors	9.64%
Information Technology	Systems Software	2.34%
Information Technology	Technology Distributors	1.78%
Utilities	Gas Utilities	2.38%

* Data shown for Long Equity Framework in delta adjusted exposure

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



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

Not applicable, the Sub-Fund does not commit to make sustainable investments with an environmental objective aligned with EU Taxonomy.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy⁵?**

Not applicable, the Sub-Fund does not commit to make sustainable investments with an environmental objective aligned with EU Taxonomy.

Yes:

In fossil gas In nuclear energy

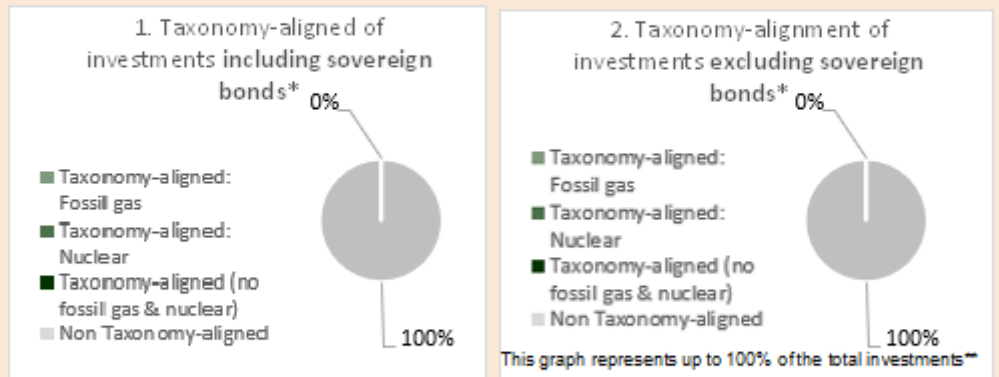
No

⁵ 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 – see explanatory note in the left-hand margin. 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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

** As the Sub-Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Sub-Fund's portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.

- **What was the share of investments made in transitional and enabling activities?**

Not applicable, the Sub-Fund does not commit to make sustainable investments with an environmental objective aligned with EU Taxonomy.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable, the Sub-Fund does not commit to make sustainable investments with an environmental objective aligned with EU Taxonomy.

- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable, the Sub-Fund does not commit to make sustainable investments with an environmental objective aligned with EU Taxonomy.

- **What was the share of socially sustainable investments?**

Not applicable, the Sub-Fund does not commit to make socially sustainable investments.

- **What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

For investments included under "Other", the Exclusion policy is applied for all long investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.





What actions have been taken to meet the environmental and/or social characteristics during the reference period?

As a long-term investor, the Management Company considers essential to be an active investor on behalf of the funds it manages and to participate in the consideration of environmental, social and governance issues through an appropriate voting policy. Varenne Capital Partners uses the services of International Shareholder Services Inc. (ISS) to exercise its voting rights. Voting is in line with recommendations that incorporate best practices in governance, actions to be taken and processes on subjects related to the Environmental and Social pillars. Our voting also follows the principles of promoting accountability, transparency, honesty, and integrity within companies.

Varenne Capital considers dialogue with the management teams of the selected companies a necessary analytical step before any investment in the Fundamental Long Equity basket can be completed. As a matter of course, Varenne Capital excludes the possibility of becoming a shareholder in a company that does not meet the basic criteria of transparency and willingness to engage in dialogue with its investors. This crucial activity occurs at the end of the analysis process and enables our analysts to assess the quality of the management team, the soundness of the strategy implemented and the resources available to deploy it successfully. Once a position has been initiated, we aim to engage in regular, open dialogue with the company throughout the life of the investment. Any prolonged deterioration in the quality of interactions could lead to a complete divestment.

Following the internal ESG scoring process, Varenne Capital will identify companies in the bottom quintile in the Long Equity Framework and engage with them in direct dialogue to improve ESG disclosure and/or improve ESG practices. As of 2025, 9 companies were engaged directly by the Management company.

Reflecting its commitment to transparency, Varenne Capital Partners publishes a report on the exercise of voting rights and engagement on its website every year⁶.



How did this financial product perform compared to the reference benchmark?

Not applicable. There is no specific index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable. There is no specific index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable. There is no specific index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

⁶ www.varennecapital.com

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable. There is no specific index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How did this financial product perform compared with the broad market index?***

Not applicable. There is no specific index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.
