

# MULTIPARTNER SICAV

*Société d'investissement à capital variable*

Registered office: 25, Grand-Rue

L - 1661 Luxembourg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B75532

(the "SICAV")

## CEAMS QUALITY EUROPE EQUITY FUND

(the "Subfund")

### **Sustainable related disclosures required for Article 8 funds under SFDR - Website Product Disclosure**

#### **(a) Summary;**

The Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR") and the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and amending EU Regulation 2019/2088 (the "Taxonomy Regulation") (together the "Disclosure Regulations") aim at providing more transparency to investors on sustainability risk integration, on the consideration of adverse sustainability impacts in the investment processes on the promotion of environmental, social and/or governance ("ESG") factors, and on having a sustainable investment objective. In particular, it requires fund managers and advisers to disclose specific ESG-related information to investors on their websites.

The Disclosure Regulations have been complemented by the EU implementing measures (so-called regulatory and technical standards or "RTS"), as from 1 January 2023. All sustainability-related disclosures herein are therefore based on the final RTS published by the European Supervisory Authorities on 6 April 2022.

The financial product that is the subject of this disclosure qualifies as a subfund (the "Subfund") of Multipartner SICAV (the "SICAV"), an undertaking for collective investment in transferable securities (UCITS) subject to the law of 17 December 2010 regarding undertakings for collective investment in transferable securities, as amended.

The Subfund is an equity fund that aims to achieve a significant increase in the capital invested in a portfolio of carefully selected equities and other equity securities of companies which are in accordance with social and environmental principles. The Subfund is managed by the management company, GAM (Luxembourg) S.A. of the SICAV (the "Management Company"), which has appointed Hérens Quality Asset Management AG, as investment manager of the Subfund (the "Investment Manager"). The below

information is based on the consultation, information and recommendations received from the Investment Manager. The Investment Manager is committed to investing in a responsible way by actively integrating ESG considerations in its investment selection and ongoing monitoring process.

The Subfund promotes environmental or social characteristics, but does not have as its objective a sustainable investment. The Subfund considers principal adverse sustainability impacts as defined in SFDR by assessing the companies invested in from the bottom up to identify any climate, social or governance risks to the business model or society. Before making an investment decision, the Investment Manager conducts a thorough qualitative and quantitative assessment of the principal negative impacts of potential holdings, using its internal ESG analysis framework and drawing on third party data. If an issuer is found to have serious negative impacts on any of the sustainability factors, it will not be considered further as potential investment, but only if the negative impacts are mitigated in the future.

Following a positive investment decision, indicators of principle negative impact will be monitored on an ongoing basis by the Investment Manager's research team, using third party data and internal research. If new data emerges during the investment period indicating significant adverse impact in the holdings of the financial product, these issuers will be further analysed by the Investment Manager's research team and the Investment Committee and divestment will be considered.

Please find a translation of this Summary section in German annexed to this document as Annex I.

**(b) No sustainable investment objective;**

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

The investments underlying this Subfund do not take into account the EU criteria for environmentally sustainable economic activities. As a result, the Taxonomy Regulation "do not significant harm" principles do not apply.

The Subfund takes into account the principal adverse sustainability impacts as defined in SFDR by analyzing the companies invested in from the bottom up to identify any climate, social or governance risks to the business model or society. Prior to making an investment decision, the Investment Manager conducts a thorough qualitative and quantitative assessment of the principal negative impacts of potential holdings, using its internal ESG analysis framework and relying also on third party data. If an issuer is found to have serious negative impacts on any of the sustainability factors, it will not be considered further as potential investment, but only if the negative impacts are mitigated in the future.

**(c) Environmental or social characteristics of the financial product;**

The environmental or social characteristics that this financial product promotes, constitutes of companies that have solid ESG quality as measured by various internal or external ESG ratings or scores. If a company meets the criteria of having a solid ESG quality, it means that it is not involved in any controversies, does not violate any global norms, is not involved in controversial weapons or has no substantial exposure to the weapons industry, and has average or above average overall ESG records.

The environmental and/or social characteristics promoted by the Subfund can be defined as follows:

- **Environmental Characteristics:** The environmental characteristics considered in the investment process relate to climate change, biodiversity protection, water stress, air and water pollution, waste pollution, energy efficiency and circular economy. When selecting investments, and before making an investment decision, the Investment Manager considers how companies are managing the risk of climate change and what initiatives they are taking to address this risk. By systematically incorporating climate risk assessment into the investment process, the Investment Manager aims to reduce the carbon footprint of the Subfunds' investments.
- **Social Characteristics:** The social attributes considered in the investment process relate to human rights, labour rights, treatment of employees, supply chain management, diversity and equality issues.

As part of its investment strategy, the Investment Manager excludes companies that seriously violate the principles of the United Nations Global Compact (UN Global Compact). These include violations of human rights, labour conditions, the environment and serious cases of corruption. In addition, certain industries will be excluded where the Investment Manager believes there are humanitarian, social, ethical or environmental concerns.

Companies associated with the manufacture or sale of arms and armaments, tobacco, alcohol and heating coal, and gambling and adult entertainment, which are considered to cause negative environmental and social impacts, will be excluded from the Subfunds' investment universe if the relevant company derives more than 5% of its revenue from these business activities.

The Investment Manager also assesses **the governance practices** of the companies by incorporating the indicators such as employee turnover, employee diversity, employee health and safety, pay disparity, board independence, audit committee independence, gender diversity on the board, etc.

#### **(d) Investment strategy;**

ESG considerations are fully integrated into the analysis and investment decisions and play an important role in determining the investment universe and portfolio construction of the Subfund, as described above.

The investment objective sought by the Investment Manager is to increase the invested capital in accordance with social and environmental principles. In order to achieve the environmental or social characteristics that this financial product, among others, promotes, the Investment Manager will invest the assets of the Subfund in financial instruments of issuers which, in the opinion of the Investment Manager, have an excellent profile in terms of environmental, social and governance responsibility at the time of investment.

The Subfund promotes environmental and social characteristics by investing a substantial portion of the portfolio in companies with sound ESG quality and good governance based on the Investment Manager's ESG methodology described below under section "Methodologies".

Furthermore, the Investment Manager assesses the governance practices of potential and actual investee companies, including whether they have sound management structures. In particular, it actively screens the entire investment universe, using various information sources to assist its research analysts and portfolio managers to identify financial material ESG risks in the investment process.

Good governance by investee companies is managed through reducing risk by eliminating companies with poor governance, such as companies that display unethical behaviour, bribery or corruption.

The Subfund does not invest in fossil gas/and or nuclear energy related activities that comply with the Taxonomy Regulation. Hence, the proportion of such investments under the Taxonomy Regulation is 0%.

**(e) Proportion of investments;**

#1	Investments aligned with E/S characteristics includes the Investments of the financial product used to attain the environmental or social characteristics promoted by the financial product	100%
#2	Other Investments that include the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as Sustainable Investments	0%

The Subfund may acquire and hold financial instruments that do not align with the environmental characteristics promoted by the Subfund.

**(f) Monitoring of environmental or social characteristics;**

The integration of ESG factors in the investment process as part of the selection and portfolio construction process is monitored by the Investment Manager on a continuous basis. For specific cases the Investment Manager can assess if an investee company fulfils a certain minimum ESG quality in case there are discrepancies or contradicting views from the various ESG information sources. During the portfolio construction process the binding elements are used to exclude investments that do not fulfil the ESG quality. Additional indicators are used to measure the ESG quality which is used to complement the financial analysis.

The Investment Manager's Risk constantly monitors the sustainability risk' portfolio on a monthly basis during the Investment Committee meeting.

**(g) Methodologies;**

In selecting the investments of the Subfund and, in particular, in identifying investments that enable the Subfund to promote the environmental and social characteristics mentioned above, the Investment Manager follows its corporate ESG policy, which incorporates environmental, social and governance risks (so-called ESG risks) into the fundamental analysis of the Subfunds.

The fundamental analysis aims, among other things, to evaluate the companies in a bottom-up process and to identify all risks, including ESG risks, that could jeopardise the quality status of the respective company. Once these risks are identified, the analysts (including certified ESG analysts) of the Investment Manager's research team examine how the companies are performing in a given risk area and how well they are positioned to anticipate, mitigate and prevent any risks with the aim of protecting themselves, their employees and their shareholders as well as the momentum of their development. All

companies are monitored on a daily basis to ensure that their quality, including in terms of their sustainable practices, is not compromised.

The Investment Manager will use mandatory exclusion criteria (**negative screening**) to exclude companies that do not comply with the Subfund's relevant ESG approach and therefore do not contribute to the Subfund's advertised environmental and social objectives.

In particular, the Investment Manager will, upon unanimous decision of the Investment Committee, **exclude** a company in which it invests from the financial product in the following cases:

1. if the company invested in is in serious breach of the ILO Convention and principles of the UNGC during the period in which it is included in the financial product;
2. if the company in which the investment is made becomes involved in serious controversy and/or litigation during the period in which it is included in the financial product;
3. if, during the period in which it is included in the financial product, the business model of the company in which investment is to be made changes in such a way that its exposure to industries such as tobacco, alcohol, weapons, heating coal, gambling and adult entertainment exceeds 5% of its revenue;
4. if, during the period of inclusion in the financial product, the performance of the company invested in significantly deteriorates in relation to relevant ESG-related KPIs according to the internal materiality matrix and the company invested in does not take action to improve its performance;

If the MSCI ESG rating of the company to be invested in is downgraded during the period it is included in the financial product and the company is rated Laggard (with a rating of B or CCC), unless the analysts of the research team assess the ESG performance of the company to be invested in differently and can provide evidence for their view, e.g. in cases where the company is rated Laggard, the analysts of the research team assess the ESG performance of the company to be invested in differently and can provide evidence for their view. For example, in cases where the MSCI rating is based on outdated data, or in cases where the company being invested in demonstrates a strong commitment to improving its ESG performance and is expected to raise its rating in the future.

The Investment Manager regularly monitors compliance with the social and/or environmental characteristics described above through the periodic reassessment of the permitted investment universes for the Subfund (the "**Investable Universes**"): When updating the Investable Universes, the analysis process, which is mainly based on exclusion indicators is completely revised. The data on each issuer is therefore updated in light of the improvements or deteriorations recorded by the companies or governments analyzed, which thus determine whether or not the issuers in question remain in the appropriate universe.

The investment activity of the Subfund is permitted exclusively in relation to the issuers that belong to the eligible universes: Any other investment is not permitted.

#### **(h) Data sources and processing;**

The measurement and evaluation of the environmental and social characteristics of the companies in which investments are made is carried out through both quantitative and qualitative analysis.

In a first step, unprocessed ESG data is collected from various external data providers, as well as internal thematic research on investment themes related to sustainable objectives. A sector approach is used as the Investment Manager believes that different sectors face different environmental, social and governance ("ESG") challenges and opportunities and therefore the ESG assessment should focus primarily on aspects that are most relevant to a particular sector. The assessment will evaluate ESG-related performance indicators relative to the sector (including, but not limited to, carbon intensity, energy use, water use, waste intensity, employee turnover, employee diversity, health and safety metrics, pay differentials, board independence, audit committee independence, board gender diversity, board tenure, etc.) as well as relative to the historical performance of the company being invested in.

Companies invested in are screened for compliance with ILO conventions and UNGC principles, as well as their exposure to industries such as tobacco, alcohol, arms, coal, gambling and adult entertainment. Companies with significant exposure (more than 5% of turnover) to these industries are not considered for this financial product.

The Financial Product will not normally invest in companies that are considered laggards (rated B or CCC) unless the analysts of the research team assess the ESG performance of the invested company differently and can substantiate their assessment, e.g. in cases where the ESG rating of the data provider is based on outdated data or in cases where the invested company shows a strong commitment to improving its ESG performance and is expected to raise its rating in the future.

#### **(i) Limitations to methodologies and data;**

The Investment Manager relies on information provided by companies which is not always verified by independent third parties. Similarly, third party providers whose services the Investment Manager uses base their research on information provided by the Companies. Therefore, there can be no assurance that erroneous information will not go undetected. In addition, the data provided by companies on social and environmental characteristics may not always be complete and therefore may not fully reflect the social and environmental characteristics promoted by the Subfund.

#### **(j) Due diligence;**

The results of impact and ESG assessments performed during due diligence will be considered by the Investment Manager as one of the key factors in deciding whether or not to invest.

The Investment Manager's ESG methodology verifies and controls any outliers and material changes as new information becomes available. The Investment Manager also performs extensive due diligence of any funds or other collective investments schemes that he uses as investments in the products.

The due diligence will be conducted as described below:

- The company being invested in will be screened for compliance with ILO conventions and UNGC principles, as well as its exposure to industries such as tobacco, alcohol, arms, coal, gambling and adult entertainment. Companies with significant exposure (more than 5% of revenues) to these industries are not considered for this financial product;
- Similarly, the Investment Manager's research team will conduct additional screening to determine if the company to be invested in has been involved in any recent controversy and/or litigation and will assess the severity of the case;
- The relevant analyst assesses the adequacy of the ESG-related disclosures of the company being invested in. Companies that do not disclose or disclose only limited information on their sustainability management will not be considered for this financial product;
- The Investment Manager's research team will also conduct an analysis of the ESG disclosures of the companies invested in in order to measure and assess the environmental and social characteristics of the companies invested in using a sector-by-sector approach as described above;
- The next step of the analysis involves assessing the adequacy of the policies adopted, the actions taken to improve ESG performance, and the goals, objectives and commitments of the company invested in and the history of controversy and litigation;
- If the Investment Manager's analysts conclude that the performance of the company being invested in is unsatisfactory with respect to any of the material ESG factors, the Investment Manager's analysts will evaluate what actions the company being invested in is taking to improve its performance. If the analysts consider that the company's underperformance could materially impair its business model and/or have a significant negative impact on the environment or society and the company is not taking action to improve the situation, the company will not be considered for the financial product;
- In addition to conducting internal ESG research, the responsible analyst will also consult research from external rating providers; and
- In the final step, the Investment Manager's Investment Committee will review the results of the ESG performance assessment of the company to be invested in and unanimously decide whether the company to be invested in is suitable for the financial product.

In addition to the initial due diligence, the Investment Manager also conducts ongoing monitoring of the performance of the companies invested in based on the ESG related performance indicators mentioned above. The holdings of the financial product are evaluated based on a scoring system that uses a set of ESG criteria tailored to each industry group. The score assigned to each material factor is based on a comprehensive analysis of the investee's ESG-related numerical KPIs as well as qualitative disclosures from the respective company. The final ESG score is calculated as an equally weighted average score for each factor. Scores are updated annually as companies release new information and on an ongoing basis by monitoring the daily news cycle to identify ESG-related issues.

The conclusions drawn from the above due diligence process are assessed by the Investment Manager as part of its broader analysis as to proceed with an investment that meets the current threshold requirements of the Investment Manager pursuant to which it considers (at the assessment date) that the investment is aligned with the environmental characteristics promoted by the Subfund.

The goal of ESG due diligence is to protect value for investors through sustainability risk assessment and management. The ESG due diligence process aims to identify risks from ESG factors and areas for ESG engagement post-investment.

Please refer to section "Investment strategy" and section "Methodologies" above for further details.

### **(k) Engagement policies**

When it comes to investing in individual companies, the Investment Manager's investment approach is primarily based on fundamental research. Dialogue with investee companies before and during the period of investment in these companies is an integral part of the investment process. The various investment specialists arrange to meet the management of companies that the Investment Manager invests in regularly, where possible. The areas of discussion typically include: company strategy, operational, financial and non-financial performance, risks, capital structure, environmental, social and governance commitments, amongst other things. These discussions form part of the fundamental research undertaken by the Investment Manager's portfolio management team. To enhance the fundamental research carried out, his team also undertakes monitoring of company news-flows, review periodic company reports, holds meetings with industry analysts, uses external databases and conducts quantitative assessments.

Engagement consists in dialogue with management and the exercise of the voting rights associated with the financial instruments in which the Subfund invests.

The aim is to stimulate sustainable and responsible practices in the medium-long term.

This approach is consistent with Investment Manager's Engagement Policy and aims to do the following:

- promote the integration of social and environmental sustainability into issuer strategies;
- generate financial benefits in terms of lower volatility and higher growth potential of the securities in the portfolio.

The Engagement Policy includes with the following engagement tools:

- monitoring: Investment Manager constantly monitors issuers' behaviour in relation to the social and environmental responsibility profile, specific corporate governance issues, and to a lesser extent, in relation to capital structure and operations, business strategies and financial performance;
- dialogue with issuers on ESG issues: this can be implemented in different ways, for example, by participating in initiatives or campaigns promoted by sustainable and responsible investor networks, sending letters to clarify the votes cast during shareholders' meetings and organizing direct meetings with management;
- voting: actively exercising the right to vote, related to investments in the shares of investee companies.

#### **(l) where an index is designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product, 'Designated reference benchmark**

The Subfund does not have designated reference benchmarks for the purpose of attaining any environmental or social characteristics. The Subfund pursues an active investment management strategy and therefore does not invest by reference to any index and does not intend to do so.

## Annex I

Es folgt die deutsche Übersetzung des Absatzes (a) „Summary“:

Die Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 27. November 2019 über nachhaltigkeitsbezogene Angaben im Finanzdienstleistungssektor (die "**SFDR**") und die Verordnung (EU) 2020/852 über die Schaffung eines Rahmens zur Erleichterung nachhaltiger Investitionen und zur Änderung der Verordnung (EU) 2019/2088 (die "**Taxonomieverordnung**") (zusammen die "**Offenlegungsverordnungen**") zielen darauf ab, den Anlegern mehr Transparenz über die Integration von Nachhaltigkeitsrisiken zu bieten, über die Berücksichtigung negativer Nachhaltigkeitsauswirkungen in den Anlageprozessen, über die Förderung von Umwelt-, Sozial- und/oder Governance-Faktoren ("**ESG**") und über nachhaltige Anlageziele. Insbesondere werden die Verwaltungsgesellschaft und der Anlegerverwalter verpflichtet, den Anlegern auf ihren Websites spezifische ESG-bezogene Informationen offenzulegen.

Die Offenlegungsvorschriften wurden durch die EU-Durchführungsverordnungen (sogenannte regulatorische und technische Standards oder "**RTS**") ab dem 1. Januar 2023 ergänzt. Alle hierin enthaltenen nachhaltigkeitsbezogenen Angaben beruhen daher auf den endgültigen RTS, die von den europäischen Aufsichtsbehörden am 6. April 2022 veröffentlicht wurden.

Das Finanzprodukt, das Gegenstand dieser Offenlegung ist, ist ein Subfonds (der "**Subfonds**") der Multipartner SICAV (die "**SICAV**"), einem Organismus für gemeinsame Anlagen in Wertpapieren (OGAW), der dem Gesetz vom 17. Dezember 2010 über Organismen für gemeinsame Anlagen in Wertpapieren in der jeweils geltenden Fassung unterliegt.

Der Subfonds ist ein Aktienfonds, der eine erhebliche Steigerung des Kapitals anstrebt, das in ein Portfolio sorgfältig ausgewählter Aktien und anderer Beteiligungspapiere von Unternehmen investiert wird, die sozialen und ökologischen Grundsätzen entsprechen. Der Subfonds wird von der Verwaltungsgesellschaft GAM (Luxembourg) S.A. der SICAV (die "**Verwaltungsgesellschaft**") verwaltet, die Hérens Quality Asset Management AG zum Anlageberater des Teilfonds (der "**Anlageberater**") bestellt hat. Die nachstehenden Informationen beruhen auf der Beratung, den Informationen und Empfehlungen des Anlageberaters. Der Anlageberater hat sich verpflichtet, verantwortungsbewusst zu investieren, indem er ESG-Aspekte aktiv in seine Anlageauswahl und sein laufendes Überwachungsverfahren integriert.

Der Subfonds fördert ökologische oder soziale Merkmale, verfolgt jedoch nicht das Ziel einer nachhaltigen Anlage. Der Subfonds berücksichtigt die wichtigsten negativen Auswirkungen auf die Nachhaltigkeit, wie sie in der SFDR definiert sind, indem er die Unternehmen, in die er investiert, von Grund auf prüft, um etwaige Klima-, Sozial- oder Governance-Risiken für das Geschäftsmodell oder die Gesellschaft zu ermitteln. Bevor eine Anlageentscheidung getroffen wird, führt der Anlageberater eine gründliche qualitative und quantitative Bewertung der wichtigsten negativen Auswirkungen potenzieller Beteiligungen durch, wobei er seinen internen ESG-Analyse Rahmen nutzt und sich auf Daten Dritter stützt. Wird festgestellt, dass ein Emittent schwerwiegende negative Auswirkungen auf einen der Nachhaltigkeitsfaktoren hat, wird er nicht weiter als potenzielles Investment in Betracht gezogen, sondern nur, wenn die negativen Auswirkungen in Zukunft gemildert werden.

Nach einer positiven Anlageentscheidung werden die Indikatoren für erheblich negative Auswirkungen vom Research-Team des Anlageberaters laufend überwacht, wobei Daten von Dritten und interne Untersuchungen herangezogen werden. Wenn während des Anlagezeitraums neue Daten auftauchen,

die auf erhebliche negative Auswirkungen in den Beständen des Finanzprodukts hinweisen, werden diese Emittenten vom Research-Team des Anlageberaters und dem Anlageausschuss weiter analysiert und eine Veräußerung in Betracht gezogen.