SFDR APPENDIX

ANNEX

Template pre-contractual disclosure 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

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

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

Product name: M.D. Sass Concentrated Value Fund
Legal entity identifier: 213800VPA6JFKVG2U481

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The M. D Sass Concentrated Value Fund (the "Fund") promotes a reduction in environmentally damaging activities and promotes business with low ESG risks. More specifically, the Fund promotes the following environmental and social characteristics:

Environmental: affordable and clean energy, reduced carbon footprint, reducing deforestation and habitat loss, management of climate change, reducing soil degradation and erosion, and managing water cycle disruption.

Social: reducing exploitation of workers in developing countries, improving the Impact on indigenous communities, reducing corruption and crime, reducing violence and human rights abuses, promoting human equality, sustainable production and consumption, promotion of healthy lifestyles, innovation and strong corporate governance and culture.

These characteristics are promoted by implementing the following responsible investment techniques:

1) **Negative Sector-Based Screening**

The Fund will exclude investments in certain environmentally damaging activities, by disallowing investments in companies that generate more than 10% of their revenue from the following business activities:

a) Coal mining;
b) Uranium mining;
c) Gold and diamond mining, and
d) Unregulated or illegal logging (i.e. the extraction of trees from forests without proper permits or legal authorisation).

2) **ESG integration and consideration**

The Fund seeks to invest in securities that are assessed as low ESG risk. ESG risk is assessed using a third-party ESG data and ratings provider. The following binding commitments are applied:

- investing at least 50% of the Fund's NAV, excluding cash and cash equivalents, in securities that are rated as 60% or above based on Bloomberg's ESG Percentile Score (with 100% being the lowest ESG risk and 0% being the highest), **OR** maintaining a portfolio-weighted average ESG Percentile Score above 60%.

The Fund has not designated a reference benchmark for the purposes of attaining the environmental and/or social characteristics.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

This Fund uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the Fund:

1) **Negative Sector-Based Screening**

The Fund will align 100% of the portfolio with the exclusion policy. The sustainability indicator used to measure the attainment of this characteristic is the percentage of portfolio positions aligned with the Fund's exclusion policy.

2) **ESG integration and consideration**

The Fund aims to invest at least 50% of the Fund's NAV, excluding cash and cash equivalents, in securities that achieve a percentage rating of 60% or above on Bloomberg's ESG Percentile Score **OR** maintaining a portfolio-weighted average ESG Percentile Score above 60%.. The sustainability indicator used to measure attainment of this characteristic is the percentage of NAV that is rated 60% or higher on the Bloomberg ESG rating scale or the portfolio weighted average ESG Percentile Score above 60%.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable. The Fund does not commit to investing a minimum percentage in sustainable investments.

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.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

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 EU criteria.

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

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

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

Not applicable.

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

Not applicable.

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

☐ Yes

X No

What investment strategy does this financial product follow?

The Fund aims to achieve long term capital appreciation by taking an actively managed approach.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To reach the Fund's objective, the Investment Manager looks for companies with strong long-term potential, good financial health, and reliable business models. This may include, but is not limited to, companies with favorable long-term secular trends (i.e. long term secular trends may reflect long-term shifts in economic, social, technological, or environmental factors that are expected to persist over many years, influencing industries and markets. Examples may include demographic changes (aging populations, urbanization), technological advancements (AI, digitization), regulatory shifts (healthcare reforms, environmental policies), and/or consumer behavior changes (e-commerce, sustainability). Companies that align with these trends tend to have sustainable growth potential beyond short-term market fluctuations, making them attractive for long-term investors), efficient capital structures, and whose earnings are not overly dependent on macro environmental factors.

The Investment Manager focuses on stocks that it considers may be undervalued or overlooked, where the market's perception does not align with the company's actual potential, based on analysis/assessments conducted by the Investment Manager.

When considering an investment in a company, the Investment Manager's research involves reviewing company filings, industry reports, third-party analyses, and engaging with industry contacts (such as suppliers, competitors, and customers), as well as engaging with management and former employees in order to assess the investment opportunity of a company. The Investment Manager also develops proprietary financial models to forecast earnings in order to compare its forecasts with market views and identify where its views differ from market expectations.

The Investment Manager seeks companies where it believes the market is missing key positive developments and/or the companies in question have something to offer in that respect or address a particular area, for example, new leadership, favorable regulations (i.e., existing or anticipated regulations may favour a particular company), industry shifts, innovative products, or corporate actions (to include, but not limited to, merger and acquisition spin-offs, share repurchase programs, etc.). The Investment Manager aims to select stocks which have an estimated potential gain of at least twice the estimated potential loss based on the Investment Manager's analysis of the issuing company's future earnings potential and risks This analysis includes, but is not limited to, the Investment Manager's consideration of financial statements, comparing a company with similar entities in the relevant industry/sector to determine relative valuation, analysing market and industry trends that could impact a company's performance, evaluating a company's strategic initiatives such as expansion plans, product development, and mergers or acquisitions, as well as seeking to identify potential risks, such as market risks, financial risks and operational risks.

Since this is an actively managed Fund with a focused portfolio, it won't necessarily mirror any index, and its choices may differ greatly. The Fund primarily invests in medium- and large-cap U.S. stocks.

To implement ESG integration, the investment universe is assessed for ESG risks using inputs from third-party data provider Bloomberg. The Fund's universe is actively reduced to align with the environmental and social characteristics promoted by the Fund.

Universe reduction process:

1) Negative Sector-Based Screening

Negative screening and exclusion of investments in companies that generate more than 10% of their revenue from the following environmentally damaging activities: (a) Coal mining, (b) Uranium mining, (c) Gold and diamond mining, and (d) Unregulated or illegal logging (i.e. the extraction of trees from forests without proper permits or legal authorisation).

2) ESG Integration and Consideration

The Fund aims to invest at least 50% of the Fund's NAV, excluding cash and cash equivalents, in securities that achieve a percentage rating of 60% or above on Bloomberg's ESG Percentile Score on a weighted average basis **OR** maintaining a portfolio-weighted average ESG Percentile Score above 60%. The sustainability indicator used to measure attainment of this characteristic is the percentage of NAV that is rated 60% or higher on Bloomberg's ESG Percentile Score system or the portfolio weighted average ESG Percentile Score above 60%.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product are:

- The negative screening exclusion policy is applied to 100% of the fund. The Fund seeks to avoid investments in certain environmentally damaging activities, by avoiding investments in companies that generate more than 10% of their revenue from the following business activities: coal mining, uranium mining, gold and diamond mining, and unregulated or illegal logging (i.e. the extraction of trees from forests without proper permits or legal authorisation).
- At least 50% of the Fund's NAV, excluding cash and cash equivalents, is invested in securities that are rated as 60% or higher based on Bloomberg's ESG Percentile Score system **OR** maintaining a portfolio-weighted average ESG Percentile Score above 60%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Fund does not commit a minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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

The Investment Manager performs extensive fundamental research as part of its investment process. Utilizing rigorous fundamental research the Investment Manager looks at a wide range of factors, including ESG factors, that it determines are meaningful to the investment opportunity. All members of the research and investment team are involved in the effort of integrating ESG issues into the investment process.

As part of the Investment Manager's ongoing analysis of companies, it monitors a company's performance on ESG factors. The starting point for such monitoring will be statutory financial or other statements. The Investment Manager will also engage directly with management where they feel it is necessary to do so.

Key areas which the Investment Manager monitors in the context of assessing good governance practices of investee companies include:

Company Information

The Investment Manager expects financial statements, reports and other publications to meet legal and accounting standards and to be timely, transparent, and objective. Such information should enable the Investment Manager to evaluate the performance of management as well as of the company in relation to stated objectives and to understand future strategy. It will also support a consideration of the impact of company performance in the areas of social and environmental responsibility on future sales, margins and valuations.

Board and Management

The Investment Manager believe in effective boards, comprising individuals sufficiently experienced in the business and other relevant matters, with a balance between executive and independent non-executive members. Boards must take responsibility for corporate performance and be accountable to shareholders. A successful and open working relationship between the board and executive management is vital.

Compensation

The board's responsibilities should include evaluation and control of service contracts and compensation. The structure of these arrangements should balance the business need to attract and incentivize the required quality of individual and the need to avoid excess, which is judged in the context of the company's performance and market standards. The Investment Manager is generally in favor of share and share option elements in compensation packages for executives provided these do not significantly dilute shareholders and are properly linked to performance against meaningful individual and corporate targets. Share and option awards should be phased over at least three years to encourage loyalty and on-going performance.

Employee Relations

The Investment Manager generally seeks to speak to former employees of a company and/or review employee revie online sites in order to gain feedback/insight on a company.

Auditors

The Investment Manager ensures that companies in which it invests have reputable auditors and no unusual change of auditors has taken place.

The Investment Manager seeks to engage with investee companies when it feels it is necessary and where it believes it can be effective. The Investment Manager's primary concern will always be the potential impact of any issues on a company's long-term valuation. The Investment Manager believes that a company's management should be best placed to manage the company's affairs effectively, but it may seek to discuss certain issues where it has concerns or where it requires greater clarity. Examples of such issues might be:

- Operational performance
- Company strategy
- Strategy regarding acquisitions or disposals
- Inappropriate remuneration, incentive or severance packages
- Shareholder structure
- Environmental issues
- Social issues

If the Investment Manager subsequently believes it has received an unsatisfactory response from a company and it believes that the issue is likely to have a detrimental impact on shareholder return and thus on its clients' interests, then there are several courses of action available. These might include:

- Entering a more active dialogue with company management
- Writing to the company management to explain the Investment Manager's concerns and action proposed
- Voting against company management
- Selling the holding
- Collaborative action

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

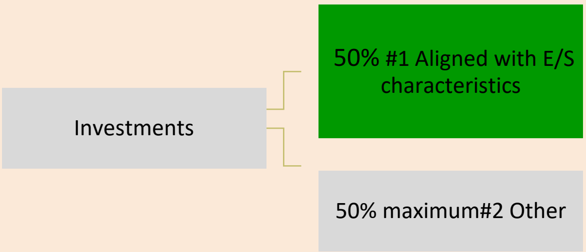
[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 50% of the Fund's NAV will be invested in securities that are aligned with the environmental and/or social characteristics promoted by the Fund. The Fund aims to invest at least 50% of the Fund's NAV, excluding cash and cash equivalents, in securities that are rated as 60% or higher based on Bloomberg's ESG Percentile Score system **OR** maintaining a portfolio-weighted average ESG Percentile Score above 60%.

The negative screening exclusion policy is applied to 100% of the portfolio.

The #2 Other securities may include: cash and cash equivalents as well as any equity securities that do not align with the environmental or social characteristics promoted by the Fund.

The Fund makes no commitment to making sustainable investments, therefore it does not set a minimum proportion of investments in sustainable investments.



#1 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.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable.

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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 minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% of the portfolio. The Fund does not pursue sustainable investments with an environmental objective aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

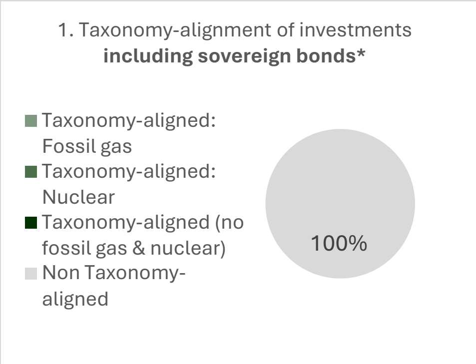
☐ Yes:

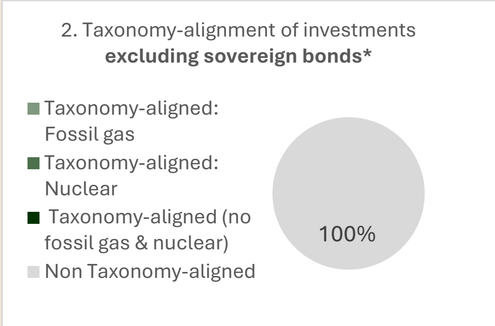
☐ In fossil gas ☐ In nuclear energy

✖ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - 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.

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.





This graph represents x% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentaly sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

Not applicable. As the Fund does not commit to invest any sustainable investment within the meaning of the EU Taxonomy, the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy is therefore also set at 0%.

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

Not applicable

What is the minimum share of socially sustainable investments?

Not applicable

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Under "#2 Other", securities may include: cash and equivalents as well as certain equity securities that do not align with the environmental or social characteristics promoted by the Fund.

[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]

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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No index is designated as a reference benchmark for this Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website:

www.sig-global.com