

Template periodic 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

Product name: **MONTEFIORE INVESTMENT IV S.L.P** Legal entity identifier: **969500YI8NSRMZRMXC97**

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents sustainable investments]*



Yes



No



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: ___%**



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?

In 2022, Montefiore Investment IV promoted the following social and environmental characteristics at portfolio company level:

- Characteristic 1: Job creation (net and through external growth), mainly in France and in Europe
- Characteristic 2: Implementation of profit-sharing mechanisms
- Characteristic 3: Gender parity in executive committees
- Characteristic 4: Carbon footprint assessments (Scopes 1, 2 and 3) and emissions reduction plan

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.



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

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

- Indicator 1:
 - Total net jobs created within the portfolio, over the year: **142 (10/11 respondent portfolio companies)**
- Indicator 2:
 - Total jobs created, including external growth, within the portfolio, over the year: **278 (11/11 respondent portfolio companies)**
- Indicator 3:
 - Share of portfolio companies, for which Montefiore Investment holds more than 25% of shares and board seats, which have implemented a profit-sharing mechanism extended beyond accounting and legal requirements, at year-end: **86% (6/7 respondent portfolio companies)**
- Indicator 4:
 - Share of women on average within the Executive Committees of the portfolio companies, at year-end: **21% (11/11 respondent portfolio companies)**
- Indicator 5:
 - Share of portfolio companies which have calculated their carbon footprint (Scope 1, 2 and 3): **45% (11/11 respondent portfolio companies)**
- Indicator 6:
 - Share of portfolio companies which have defined a GHG emissions plan, at year-end: **36% (11/11 respondent portfolio companies)**

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

This is not applicable as no previous periodic report was provided.

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

This is not applicable because the fund does not make sustainable investments.

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

This is not applicable because the fund does not make sustainable investments.

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

This is not applicable because the fund does not make sustainable investments.

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

This is not applicable because the fund does not make 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.

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

The financial product considered principal adverse impacts on sustainability factors as follows:

During the pre-investment phase:

- In 2022, the Fund refused to invest in activities belonging to its exclusion list: weapons, artillery and ammunitions to be used in the act of war or military conflict ("Military Products") or components of the same the purpose of which is to be included as a component of a Military Product; businesses that are involved in the illegal production and/or sale of illicit drugs; casinos or any betting or gambling business; the production and trade of tobacco; pornography or prostitution; and human cloning; non-military fire arms; non-medical cannabis; coal extraction, coal-based power production, thermal coal, oil and tar sands; the issuance of loans to private persons with an interest rate exceeding 30% p.a ; the production of alcohol, where it has generated more than 5% of the Company's revenues during the most recent reported fiscal year; and the sale of alcohol, where it has generated more than 40% of the Company's revenues during the most recent reported fiscal year, with the exception of restaurants and hotels.
- In 2022, the Fund conducted no ESG due diligences as no additional investments are made in this Fund.

During the holding phase:

- The Fund requires the portfolio companies to complete an annual ESG reporting which enables to assess the principal adverse impacts of the investment on sustainability factors.

This will notably cover the following indicators:

Metric	Value	Coverage
1. GHG emissions	25,901.36 tCO ₂ eq	100% (11/11)
2. Carbon footprint	49.10 tCO ₂ eq	100% (11/11)
3. GHG intensity of investee companies	58.80 tCO ₂ eq/M€	100% (11/11)
4. Exposure to companies active in the fossil fuel sector	0.00%	100% (11/11)
5. Share of nonrenewable energy consumption and production	0.00% & 99.44%	82% (9/11) & 73% (8/11)*
6. Energy consumption intensity per high impact climate sector	0.01 GWH/M€	100% (11/11)
7. Activities negatively affecting biodiversity-sensitive areas	0.00%	100% (11/11)
8. Emissions to water	0.00 t	100% (11/11)
9. Hazardous waste ratio	0.00 t	100% (11/11)
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%	100% (11/11)
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	31.92%	100% (11/11)
12. Unadjusted gender pay gap	19.50%	82% (9/11)*
13. Board gender diversity	85.84%	100% (11/11)
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)	0.00%	100% (11/11)
4. Investments in companies without carbon emission reduction initiatives	27.67%	100% (11/11)
5. Lack of anti-corruption and anti-bribery policies	41.11%	100% (11/11)

** Portfolio companies with unavailable data were excluded from the calculation scope*

The methodology used to calculate and consolidate the Principal Adverse Impacts (PAIs) rely on the latest Consultation Paper published by ESMA in April 2023.



What were the top investments of this financial product?

	Largest investments	Sector	% Assets	Country
The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: Year 2022	EDG (139,15 M€)	Digital transformation & digital marketing services	24.54%	France, China, Canada, Vietnam, USA, Japan
	MisterTemp Group (59,22 M€)	Digital employment	10.44%	France, Italy, Canada
	Groupe Premium (54,7 M€)	Insurance brokerage, asset & wealth management advisory	9.65%	France
	Valeur et Capital (50,93 M€)	Asset management & development of residential & student homes	8.98%	France

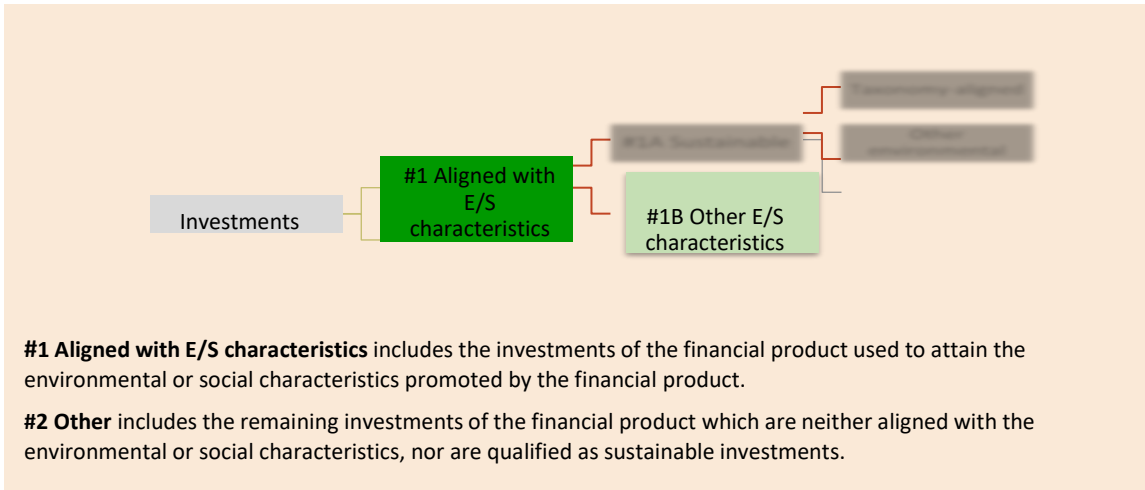


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● *What was the asset allocation?*

In 2022, 100% of investments promoted E/S characteristics, excluding ancillary positions.



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.

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

The fund invested in the following sectors:

- Digital transformation & digital marketing services
- Online cruise sales
- Gym club chain
- Digital employment agency
- Insurance brokerage, asset & wealth management advisory
- Asset management & development of residential & student homes
- Document management
- Debt collection
- Security solutions
- Self-service automates services
- Art and design gallery



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

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

Yes:

In fossil gas

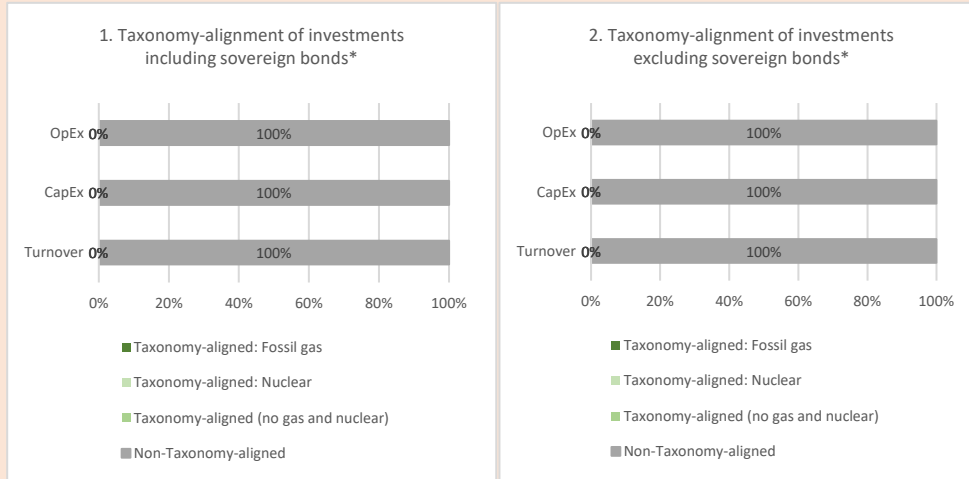
In nuclear energy

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 graphs below show in green the percentage of investments that were 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.



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

In 2022, 0% of investments were made in transitional and enabling activities.

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

This is not applicable because no previous periodic report was provided.



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

This is not applicable because the fund does not make sustainable investments.



What was the share of socially sustainable investments?

This is not applicable because the fund does not make sustainable investments.



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

This is not applicable because the fund is classified Article 8 and promotes environmental and social characteristics to 100% of investments.



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

ESG is an integral part of the investment process. In 2022, the ESG process applied to each investment was the following:

During the pre-investment phase:

No additional investments are made in this fund. Not applicable.

During the holding phase:

- Encourages all portfolio companies to define an ESG roadmap where Montefiore Investment is the lead investor;
- Discusses ESG at the board for 82% of portfolio companies in 2022;
- Nominates a person in charge of ESG within portfolio companies when relevant;
- Performs an annual ESG reporting for 100% of portfolio companies held at year-end 2022.



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

No index was designated because no relevant index could be used.

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

This is not applicable because there is no reference benchmark.

● **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?**

This is not applicable because there is no reference benchmark.

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

This is not applicable because there is no reference benchmark.

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

This is not applicable because there is no broad market index.

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