



SilverCross Global Small-Cap Fund

ESG Due Diligence Policy

The ESG Due Diligence Policy (the “Policy”) supplements the Investment Strategy of the SilverCross Global Small-Cap Fund as defined in its Prospectus. We are committed to the implementation of an effective due diligence process for the integration of sustainability risks into our investment decisions. This Policy is designed to identify, analyse and address potentially significant sustainability risks that may impact the SilverCross Global Small-Cap Fund.

Definitions:

The terms defined below shall have the following meaning:

ESG: environmental, social and governance

Fund: the SilverCross Global Small-Cap Fund

Sustainability risks: an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment

Our Commitment to Sustainability

As responsible stewards of our clients’ capital, we explicitly consider ESG issues in our investment decisions. Considering ESG factors helps us to mitigate risk and achieve our goal of above average long-term returns.

We believe that:

- Companies’ business models can be part of the solution to environmental and social challenges
- Companies that act responsibly can increase their long-term growth potential
- We have a fiduciary duty to discuss ESG concerns with our investee companies

We aim to invest in companies with sustainable competitive advantages that act as responsible corporate citizens. Strong awareness of ESG factors demonstrates a company’s desire to mitigate risks and minimise its impact on the environment and wider society.

Our Approach to Sustainability

Sustainability risks are considered under our ESG due diligence process. ESG due diligence is an integral part of our business operations and is fully integrated into the global small-cap stock selection process. Investee companies that are included in the Fund are reassessed on a continuous basis as new information becomes available. The evaluation and assessment include the following aspects:

Screening: We conduct both negative and norms-based screening to select appropriate investments. Investee companies that generate 10% or more of their revenue from controversial activities are excluded from the Fund’s investable universe. Similarly, we seek to avoid companies that do not comply with minimum social safeguards, including labour rights, human rights, environmental protection, and anti-corruption, as set out by the UN Global Compact. Companies that violate any of these norms are excluded from the Fund’s investable universe. Investee companies are only considered for further analysis if they meet these screening requirements.

ESG Analysis: If a company passes the first screening stage, we then conduct bottom-up, proprietary ESG-analysis on all prospective SilverCross portfolio companies. Investee companies are assessed against weighted environmental, social, and governance indicators. Each ESG indicator is provided a proprietary score based on an investee company’s performance relative to its industry peers. The score weights are determined by a double



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materiality assessment. The analysis is updated on each portfolio company at least once per year. It is used as a monitoring and engagement tool, as well as one for continual improvement.

Engagement and Proxy Voting: As long-term investors, we believe in active ownership. Our focus is on building long-term relationships with our investee companies by engaging with the management teams on material ESG issues. Areas of engagement are determined by our bottom-up analysis and are prioritised in terms of impact and risk. Engagement is conducted through one-on-one meetings with management and supplemented with conference calls, emails and where possible, site visits. We believe that proxy voting is a key component of being an active owner. We are committed to consistently exercising our voting rights in investments where proxy voting has been delegated to us. We publicly disclose a summary of our proxy voting activity on a quarterly basis.

More information on our engagement policy and voting history can be found on our website.

Review:

The results of the due diligence process are reviewed on a continual basis by the ESG Analyst, while the process itself is reviewed by the SilverCross team biannually.

This Policy will be reviewed annually.