



## **NCG US Small Cap Growth Fund**

Next Century Growth Investors aims to promote environmental, social, and governance characteristics through its investment selection process as described in this document. The NCG US Small Cap Growth Fund is classified as an Article 8 Fund for the purposes of SFDR.

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## **A) Summary**

The Fund's Investment Manager, Next Century Growth Investors, LLC ("Next Century Growth" or "NCG"), is an independent money management firm located in Minneapolis, MN. NCG has managed institutional accounts since January 1999. They construct and manage portfolios with the fastest growing and highest quality companies with the belief that this will lead to market outperformance over the long-term.

NCG's philosophy, strategy, and process have remained consistently focused on investing in high growth companies. Next Century Growth seeks to invest in companies with sustainable competitive advantages and business models. Therefore, they have incorporated ESG analysis into their investment strategies. They believe that greater analysis of ESG-related influences is important in understanding the future sustainability of companies, their profitability, and return on investment.

## **B) No sustainable investment objective**

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

## **C) Environmental or Social ("E/S") characteristics of the financial product**

### *Environmental & Social characteristics promoted by the Fund*

The Fund aims to promote environmental and social characteristics in accordance with Article 8 of SFDR through its investment selection process. The Investment Manager defines environmental and social characteristics as those environmental, social or governance criteria that have a positive environmental and/or social impact. The Investment Manager promotes the following environmental and social factors when assessing sustainability risks and investment selection to promote environmental and/or social characteristics, including but not limited to:

#### **Environmental:**

1. Promotes climate change – The Investment Manager evaluates companies for whether their business model will be impacted by varying climate change factors such as: environmental risk exposure (including GHG emissions), product carbon footprint, raw material sourcing, energy management, and climate change risk/vulnerability.

#### **Social:**

1. Employee engagement, diversity & inclusion - Including employee recruitment, development & retention and demographics (gender and race/ethnicity);
2. Customer privacy and cybersecurity - Including data breaches, litigious actions due to cyber breaches; and
3. Human rights - including human rights violations, child labor, health and safety standards, working conditions.

The Investment Manager integrates ESG criteria as part of its Investment Manager's stock selection process (as detailed in the Supplement under the heading Section 2. "Investment Policies") through its proprietary research and analysis (in addition to the exclusionary principles as detailed under the sub-heading "*Approach to Sustainability Risk Integration*")





– "Environmental & Social characteristics promoted by the Fund").

#### **D) Investment strategy**

The Investment Manager considers that a portfolio of high growth companies, combined with a strong sell discipline, will lead to a compounding of portfolio value over time. The Fund will invest in companies in multiple sectors in the economy, as long as the Investment Manager's growth criteria are met, additional details on the Investment Managers growth criteria can be found in the "Investment Philosophy" heading within the Supplement. The Investment Manager considers that this team based, generalist approach enables in-depth growth stock analysis, healthy stock specific and portfolio discussions, and a streamlined decision-making process. A disciplined approach is followed to construct the Fund's portfolio. The Fund's portfolio will typically hold 40 to 60 stocks and emphasize the fastest-growing sectors of the economy. Individual sectors are generally limited to 2 times that of the Index or 10%, whichever is higher.

The Investment Manager's proprietary ESG research and analysis includes a pre-investment questionnaire which is sent to management and covers the following topics: ESG/Sustainability/CSR (Corporate Social Responsibility) report, management of GHG emissions, cybersecurity incidents, marketing practices, health & safety performance, previous litigation, waste management, product quality and safety, labor practices, climate change/environmental risk exposure, employee engagement, diversity and inclusiveness, human rights violations and anti-bribery or corruption incidents. Where material ESG issues are identified, the impact of these ESG issues are incorporated into the Investment Manager's broader company evaluation. This may lead to a decision not to invest. The Investment Manager implements the Fund's investment strategy on a continuous basis through the above investment policy process and the assessment of sustainability indicators as further detailed above.

The Investment Manager does not invest in companies with known practices that are significantly harmful to society, such as corruption, lack of transparency, ethical violations, or other potential human rights violations. While many factors may be considered in the assessment of any investment, the Fund will seek to avoid investing in companies which themselves or through entities such companies control, which produce or are involved in the following industries:

- Fossil fuels (extraction and production of fossil energy sources, including thermal coal, natural gas, shale gas, and tar sand);
- Fossil energy production (energy companies where more than 50% of installed production capacity is intended for fossil fuel energy sources);
- Controversial Weapons (cluster bombs, landmines, chemical and biological weapons, nuclear weapons);
- Tobacco;
- Adult Entertainment;
- Alcohol; and
- Gambling.

The Investment Manager, with respect to the Fund, follows the Norges Bank Investment Management ESG exclusion list of companies and from time to time, may add companies not on that list if where the Investment Manager deems them to be substantially similar to companies falling upon that list. Securities will not be included in the Fund's portfolio if they are on the Norges Bank exclusion list of companies. For the monitoring process, the Compliance Department of the Investment Manager

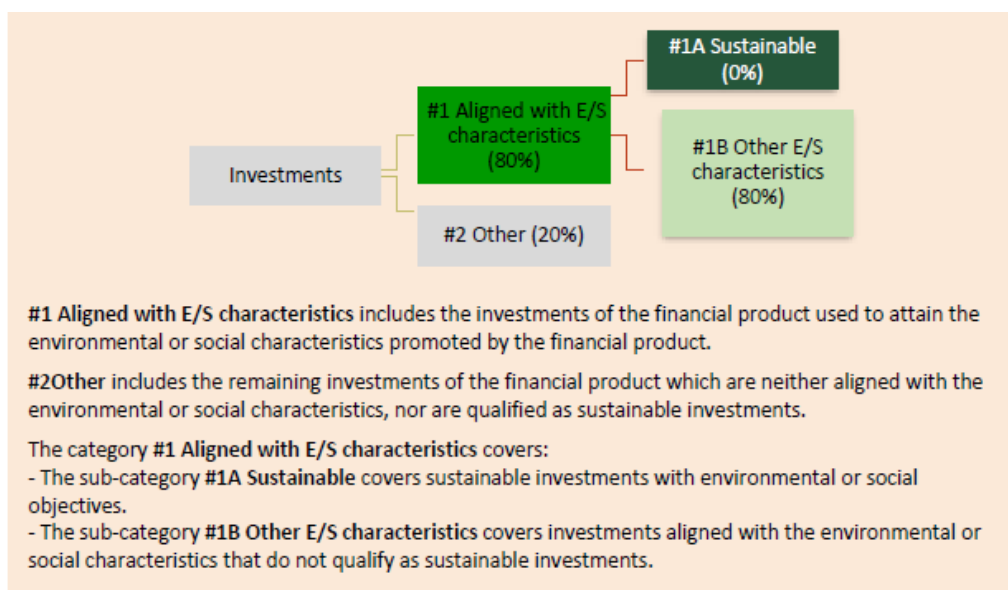


monitors the Norges Bank exclusion list for changes and identifies any newly added companies. This exclusion list can be accessed at the following link: <https://www.nbim.no/en/the-fund/responsible-investment/exclusion-of-companies/>.

Any securities which are moved to these exclusion lists are typically divested within an appropriate time frame as determined by the Investment Manager and in the best interests of Shareholders. The Investment Manager is supported by the Advisory and Marketing Support Agent and an independent ESG research provider.

#### E) Proportion of investments used to meet E/S characteristics

Please find below a Table explaining the asset allocation to the Fund:



#### - **Min.80% aligned with E/S characteristics**

Fund invests at least 80% of its assets in companies promoting E/S characteristics as per above.

#### - **Max 20% not aligned with E/S characteristics**

Up to 20% of the Funds assets can be invest in the “others” bucket that is used for financial or risk purposes such as to improve diversification, reduce tracking error, or pursue specific financial opportunities. Under #2Other, the Fund may keep up to 10% of its Net Asset Value in cash or money market instruments including short-term US treasury bonds. From time to time, the Fund may invest to a greater extent in cash or cash equivalents (i.e. US treasury bonds) for defensive purposes. The Investment Manager uses its discretion as to when to invest in these asset classes, based on conditions in equity markets and will do so with the aim of reducing the effects of the volatility of equity markets on the Fund’s portfolio and preserving the capital of the Fund. Furthermore, up to 10% of the Net Asset Value of the Fund may be invested in non-US equity securities denominated in US Dollars including ADRs.

Given the nature of such investments, there is no minimum environmental or social safeguards. Although the basic precondition used in the selection of the Fund’s assets is the alignment to the E/S characteristics, there may be occasions when this is not the case.





The investments underlying this Financial Product do not consider the EU criteria for environmentally sustainable economic activities aligned with EU Taxonomy. The minimum proportion of the Fund's investments that contribute to environmentally sustainable economic activities for the purposes of the EU Taxonomy will be 0%.

#### **F) Monitoring of E/S characteristics**

The Fund promotes environmental, social, and good governance characteristics through its investment selection process as described below and the companies in which the Fund invests follow good governance practices.

ESG considerations are identified and implemented by the Fund's Investment Manager. The Investment Manager utilises direct research to identify and invest in companies with strong organic revenue growth that can be sustained for long periods of time and drive a compounding of company value over time. Direct research involves a detailed analysis by the portfolio managers of publicly available information on the investee companies which the Investment Manager uses to build proprietary financial models on each holding. In addition, the Investment Manager conducts hundreds of interviews each year with company management teams and participates in industry and financial conferences to research products and meet with companies in industries of interest. The portfolio management team has regular conversations with numerous industry analysts who cover companies of interest and also review third party research reports from the brokerage community. Additionally, the Compliance Department of the Investment Manager monitors the Norges Bank exclusion list for changes and identifies any newly added companies. Any securities which are moved to these exclusion lists are typically divested within an appropriate time frame as determined by the Investment Manager and in the best interests of Shareholders.

ESG characteristics are defined as environmental, social or governance criteria that have a positive environmental and/or social impact. The strategy integrates ESG criteria as part of the Investment Manager's stock picking process through its proprietary research and analysis.

#### **G) Methodologies**

The Investment Manager has committed to reviewing and monitoring, through the use of a third party data provider, Ethos, the following ESG characteristics of securities held in the portfolio on a quarterly basis and more frequently as needed:

##### **Environmental:**

To act against climate change, the Investment Manager will monitor metrics such as environmental risk exposure including GHG emissions, energy management, percent renewable energy and/or climate change risk/vulnerability.

##### **Social:**

To promote employee engagement, diversity & inclusion, the Investment Manager will monitor metrics such as employee recruitment, development & retention and/or demographics (gender and race/ethnicity).

To promote customer privacy and cybersecurity, the Investment Manager will monitor metrics such as data breaches and/or litigious actions due to cyber breaches.





To promote human rights, the Investment Manager will monitor instances of human rights violations. Where material ESG issues are identified the impact of these ESG issues is incorporated into our broader company evaluation.

## **H) Data sources and processing**

### ***How is data quality ensured?***

We utilize Ethos as our ESG data provider. Ethos ensures data quality throughout the process described below (under “How is data processed”). We ensure quality through:

#### **Data managers focused only on quality control**

- Ethos has dedicated data managers for metrics/indicators, GHG data, screens, and other data areas. These managers lead teams of analysts and are responsible for initial data quality control.

#### **Leader responsible for ultimate data quality**

- Ethos has a leader responsible for ultimate data quality. This person sits above each of the data managers and reviews data quality at least weekly with every team.

#### **Regular database testing and maintenance**

- The Ethos team performs regular audits of our database, including updating companies and funds with M&A activity, looking for out-of-date sources or information, and assessing potential deletion of less valuable metrics.

#### **Separation of Staging/Testing environment from Production environment**

- Ethos updates data in our Staging/Testing environment before migrating to our Production (client-facing) environment. The Ethos team performs tests on the data in staging before moving to production.

#### **Other periodic internal testing**

Ethos also performs broader, periodic tests to help ensure quality of ratings, analyses and metrics. These broader tests include:

- **Comparison to other ESG data sources:** Ethos calculates correlations of its Overall Impact scores to overall ESG ratings made public by other established ESG data providers, for a sample of 500 companies.
- **Feedback from customers and partners:** our customers and partner organizations have a wealth of experience in ESG practice and research. We take regular feedback on the selection and prioritization of metrics, as well as potential new metrics and analyses that we should consider.
- **Data source survey and additions:** Ethos periodically surveys available public data sources and potential licensed sources that may enhance our model.

### ***How is data processed?***

Ethos collects, integrates, and maintains data for approximately 320 ESG metrics. The process for collecting and processing data follows a monthly and weekly cadence:

#### **Monthly process**

New data is collected on a rolling basis, following a varying schedule for each metric. For example, company self-reported information is often collected on a rolling annual basis (when a company releases its sustainability report), government fines data quarterly, controversies information weekly, and financial-related information daily.

Ethos collects data through a variety of formats, including:

- **Manual:** some data requires manual collection. This is often the case with company





information self-reported through annual reports or sustainability reports.

- **API:** Ethos collects some data through third-party APIs, such as company financial data.
- **Licensed:** some of Ethos' sources are from licensed third parties, such as government fines data.
- **Scraping:** Ethos writes code to monitor and collect information from public sources, such as media reports containing controversies information.

Raw collected data is stored securely in the cloud. Ethos stores both the original format (e.g., a PDF) and data converted into standard files, such as spreadsheets.

While collection happens continuously, integration into Ethos' database follows a weekly and monthly schedule. Most data is integrated on a monthly schedule.

On the 1<sup>st</sup> business day of a month, Ethos integrates new data collected over the previous month. This involves:

- **Local data validation and quality control:** Ethos team members look through all collected information to ensure accuracy and completeness.
- **Tagging with Ethos taxonomy:** every metric on Ethos has a unique key. Ethos team members tag data for each new metric with the correct unique metric key.
- **Mapping to company database:** Ethos team members ensure correct mapping of company-level data points to the master company record in Ethos' database. Ethos uses a variety of keys to connect a raw datapoint with the master company record, including symbols/tickers, a database of unique strings, and other commonly-used identifiers.
- **Uploading formatted files to the cloud:** Ethos team members create separate formatted files for each metric that has updated data. Files have a standard format, including columns for metric key, date, data, and company-level identifiers. Once a file has been approved by the Ethos' ESG data lead, it is uploaded to Ethos' secure data storage on Amazon Web Services (AWS).
- **Updating data in staging environment:** Ethos developers then execute code to pull data from AWS and update metrics in Ethos' staging environment (non-live version of Ethos).
- **Randomized tests on data quality:** Ethos team members perform manual, randomized checks of at least 30 datapoints and check accuracy against raw data. Ethos requires 100% accuracy of these checks. In the event an error is found, Ethos team members revisit the entire dataset uploaded to AWS.
- **Updating data in production environment:** Ethos updates data in the production environment (live version of Ethos). Updated data replaces previous data.

New data is made live on the 1<sup>st</sup> business day of each month.

Corrections: in certain circumstances, such as errors in the calculation of metrics or in the input data used for the calculation, Ethos reserves the right to correct metrics disclosed on Ethos' website. In such cases Ethos releases a relevant announcement on its website.

### Weekly process

In some cases, Ethos updates data on a weekly basis. This is typically the case when there are major controversies or other news stories that warrant a more rapid update.

The Ethos team monitors for controversies and other media stories on an ongoing basis, through both automated code (scraping for controversy and company-related keywords) and manual monitoring. When a controversy occurs and the Ethos team deems it severe enough to warrant an expedited data update, the team follows a defined process to update the controversy data:

- **Determine controversy score:** the team determines the controversy score on a scale from 1





(most severe) to 10 (least severe), using criteria including severity of impact (e.g., were there deaths or injuries involved), extent of impact, and level of involvement of the company.

- **Update files in the cloud:** Ethos adds the controversy to a master file of controversies, including mapping to Ethos' database of companies, and uploads to its secure storage in the cloud.
- **Update record in staging environment:** Ethos developers execute code to update the controversy record in Ethos staging (test) environment.
- **Update record in production environment:** after testing the data on staging, Ethos developers execute code to make the new controversy data live in production.

While controversy data may update within a week, ratings for a company with new controversies will still follow the above monthly schedule.

#### ***What proportion of data is estimated?***

The proportion of estimated data varies significantly based on public vs. private status, size of the company, geography, and other factors. The overall proportion of data on Ethos that is estimated is approximately 20%. For small cap, emerging market companies or private companies, the proportion can be as high as 40%.

#### **I) Limitations to methodologies and data**

In order to establish ESG ratings for securities within the Fund's investment universe, the Investment Manager is reliant on the capabilities of Ethos to collect and analyse ESG-related data. While the Fund cannot ensure the accuracy of the data it receives or produces, it is the Investment Manager's belief that the potential for inaccuracies does not affect the overall attainment of environmental and social characteristics promoted by the Fund, because the data will still provide a reasonable estimation of the relevant indicator.

Data used by Ethos relies on disclosures made by corporations. While Ethos makes efforts to check the accuracy of disclosed information (including, for example, by using multiple sources where possible and looking for outlier data points relative to peers), we rely on the accuracy of self-reported information. Wherever possible, we preference independently-verified or audited information, or information that has been reported to and reviewed by independent third-parties.

Many companies do not disclose information that Ethos tracks, such as typical environment- or social-related metrics. To address this, Ethos has built a peer-based, revenue intensity-based modeling approach to estimate data for companies that do not disclose. We indicate where we use this modeling approach.

A large portion of data collected by Ethos is reported annually, meaning it may not reflect the most recent data in some cases. For example, a company may take significant steps to switch to renewable energy within a year, but this will often not be reflected in its reported information until the following year.

Ethos provides both "raw" data and normalized scores. The normalized scores compare companies to both peers and all companies to arrive at a score from 0-100, using a mean of 50 and "standard scores" or z-scores. This methodology provides a relative comparison across companies and is not intended to indicate the "absolute" score of a company. For example, if most companies have low commitment to







paying a living wage, they will all receive a normalized score close to the mean of 50, indicating an “average” score. To address this, Ethos seeks to always provide both the “raw” data and the normalized score.

#### **J) Due diligence**

The Investment Manager integrates sustainability risks into its investment decision making and risk monitoring of the Fund to the extent that they represent potential or actual material risks and/or opportunities to maximising the long-term risk-adjusted returns. The Investment Manager's assessment is that integration of sustainability risks should help mitigate the potential material negative impact of such risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated.

The Investment Manager's proprietary research and analysis includes a pre-investment questionnaire which is sent to management and covers the following topics: ESG/Sustainability/CSR (Corporate Social Responsibility) report, management of GHG emissions, cybersecurity incidents, marketing practices, health & safety performance, previous litigation, waste management, product quality and safety, labor practices, climate change/environmental risk exposure, employee engagement, diversity and inclusiveness, human rights violations and anti-bribery or corruption incidents. Where material ESG issues are identified, the impact of these ESG issues are incorporated into the Investment Manager's broader company evaluation. This may lead to a decision not to invest.

#### **K) Engagement policies**

The portfolio management team is multi-disciplined meaning that all the portfolio managers have expertise with and operate collaboratively on all aspects of the investment process for the portfolio. In this regard, the portfolio managers as a group, perform due diligence calls, analyse investments, conduct company meetings, and make portfolio decisions.

##### *Proxy Voting Policy*

In the case that a vote pertains to an ESG-related topic, NCG will consider voting in alignment with the ESG topic instead of in alignment with management.

##### *Engagement Policy*

NCG prides itself in their ability to evaluate and build relationships with management teams of the companies they invest in. As such, they leverage these strong relationships to engage and promote management teams to consider changes related to environmental, social, and governance issues or practices where applicable.

#### **L) Designated reference benchmark**

The Fund does not utilise a designated reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.





## M) Sustainability Risk

Pursuant to the SFDR, the Manager in respect of the Fund is required to disclose the manner in which sustainability risks are integrated into the investment decision of the Funds and the results of the assessment of the likely impacts of sustainability risks on the returns of the Funds.

**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.

Such risks are principally linked to climate-related events resulting from climate change (the so-called physical risks) or to the society's response to climate change (the so-called transition risks), which may result in unanticipated losses that could affect the Funds' investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into sustainability risks.

The Investment Manager integrates sustainability risks into its investment decision making and risk monitoring of the Fund to the extent that they represent potential or actual material risks and/or opportunities to maximising the long-term risk-adjusted returns. The Investment Manager's assessment is that integration of sustainability risks should help mitigate the potential material negative impact of such risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated.

## N) No consideration of adverse impacts on sustainability factors

Next Century Growth Investors does not currently consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR. Principal Adverse Impacts (PAI) data is often not readily available and is difficult to collect, especially across U.S. based companies. Next Century Growth Investors' position on this matter will be reviewed at least annually, and Next Century Growth Investors will continue to research and develop procedures which will enable us, over time, to gather more granular data on the impacts of investment decisions on sustainability factors.

## O) Remuneration policy

The remuneration policies and practices of Next Century Growth Investors are aligned with the ESMA guidelines and SFDR (where appropriate). The remuneration of identified staff is aligned with the management of short and long-term risks, including sustainability risks in accordance with SFDR.

## P) Annex IV – Periodic Disclosure

### Sustainable Finance Disclosure Regulations ("SFDR") and Taxonomy Regulations

#### ANNEX IV

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: NCG US Small Cap Growth Fund

Legal entity identifier: 6354001ANBW4TC1L1O92

## Environmental and/or social characteristics



NCG US Small Cap Growth Fund

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.	
<p><b>social characteristics promoted by the financial product are attained.</b></p> <p><b>sustainable economic activities.</b> That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.</p>	<p><b>Did this financial product have a sustainable investment objective?</b> <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i></p> <div> <input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>Yes</b> </div> <div> <input type="checkbox"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b> </div> <div> <input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____%           <div> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy             <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy           </div> </div> <div> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%           <div> <input type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments             <div> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy               <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy               <input type="checkbox"/> with a social objective             </div> </div> </div> <div> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b> </div>



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

#### Environmental:

1. Promoted climate change – The Investment Manager evaluated companies for whether their business model was impacted by varying climate change factors such as: environmental risk exposure (including GHG emissions), product carbon footprint, raw material sourcing, energy management, and climate change risk/vulnerability.

#### Social:

- Employee engagement, diversity & inclusion - Included employee recruitment, development & retention and demographics (gender and race/ethnicity);
- Customer privacy and cybersecurity - Included data breaches, litigious actions due to cyber breaches; and
- Human rights - included human rights violations, child labor, health and safety standards, working conditions.

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

Sustainability indicators, using Ethos methodology, at portfolio-level as of 31 December 2022;



- Weighted average of scope 1,2 & 3 GHG emissions: 231,802 metric tonnes across the whole portfolio, 80% better than US Small Cap Growth Index
- Exposure to fossil fuel sectors: 0% exposure to fossil fuels
- Energy management: 0% share of energy exposure to coal, natural gas, oil and other non-renewable energy sources.
- % of renewable energy: 60.2% energy from renewable sources
- Industry exposure to physical impacts of climate change rating: 5.22/10 (10 being the highest) (US Small Cap Growth Index is 5.32/10)
- Average ratio of female to male board members in investee companies. "Board" means the administrative, management or supervisory body of a company: 24% , (Russel 2000 Growth Index is 26.75%)
- Employee ratings on diversity: 71.23/100 (US Small Cap Growth Index is 69.7)
- Public controversies and customer privacy: 1.95 public controversies total. 9.94/10 rating on public controversies in customer privacy. (US Small Cap Growth Index, 1.59 controversies, 9.97/10 controversies in customer privacy)
- Quality of disclosures on customer privacy: 3.91/10 rating, (US Small Cap Growth Index- 4.63/10 rating)
- Number of human rights violations: 0% of investee companies have violations of UN Global Compact principles & 0% of overall portfolio exposure to identified cases of severe human rights incidents.

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

2022 was the first reporting period for NCG.

● **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

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

This product does not consider PAIs on sustainability factors.





The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **[complete]**



#### What were the top investments of this financial product?

NCG Top Investments as of December 31, 2022

Symbol	Name	Security	Weight
TMDX	TransMedics Group	Transmedics Group Inc	5.1%
CELH	Celsius	Celsius	4.88%
TMCI	Treace Medical Concepts	Treace Medical Concepts	4.42%
ROLL	RBC Bearings	RBC Bearings	4.41%
KNSL	Kinsale Capital	Kinsale Capital Group	4.33%
SILK	Silk Road Medical	Silk Road Medical	4.24%
PWR	Quanta Services	Quanta Services	3.98%
LSCC	Lattice Semiconductor	Lattice Semiconductor Corp	3.93%
FLYW	Flywire	Flywire Corporation	3.44%
PLNT	Planet Fitness	Planet Fitness	3.25%
VRRM	Verra Mobility	Verra Mobility Corporation	2.98%
LGIH	LGI Homes	LGI Homes Inc	2.93%
ATEC	Alphatec	Alphatec Holdings Inc	2.7%
ATRO	Astronics	Astronics Corp	2.64%
MTSI	MACOM Technology Solutions	MACOM Technology Solutions Holdings Inc.	2.48%

As of December 31, 2022





## What was the proportion of sustainability-related investments?

### What was the asset allocation?

#### Asset allocation

describes the share of investments in specific assets.

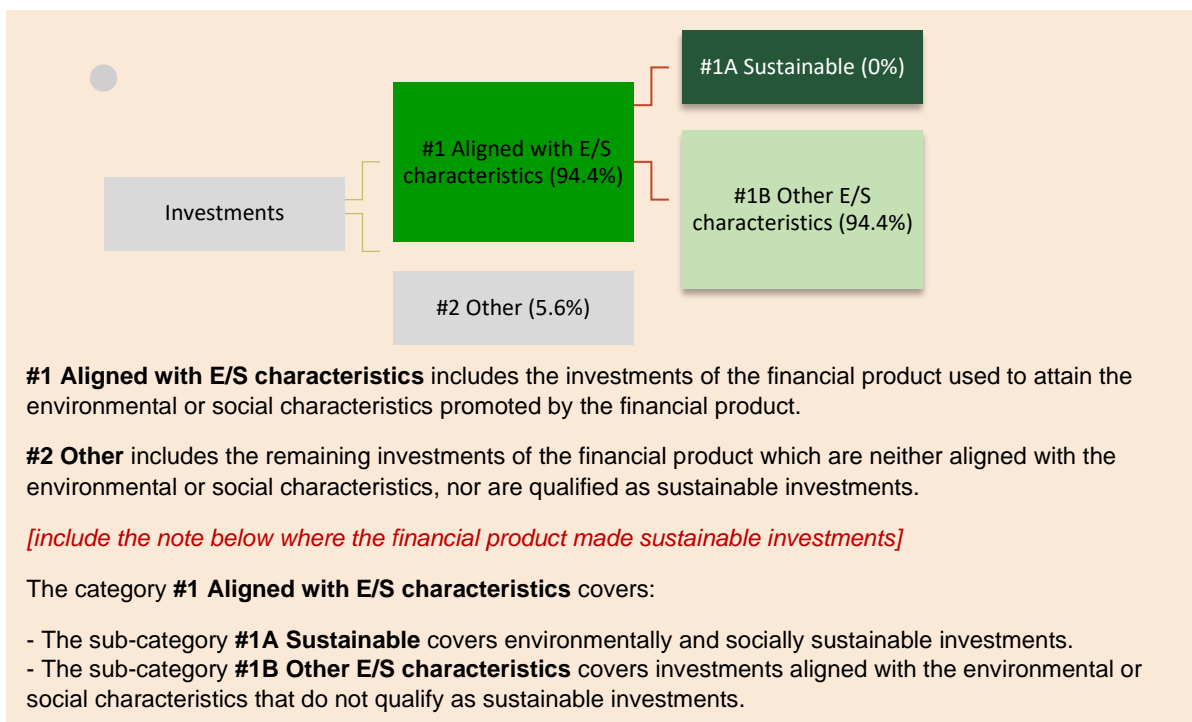
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

#### 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.



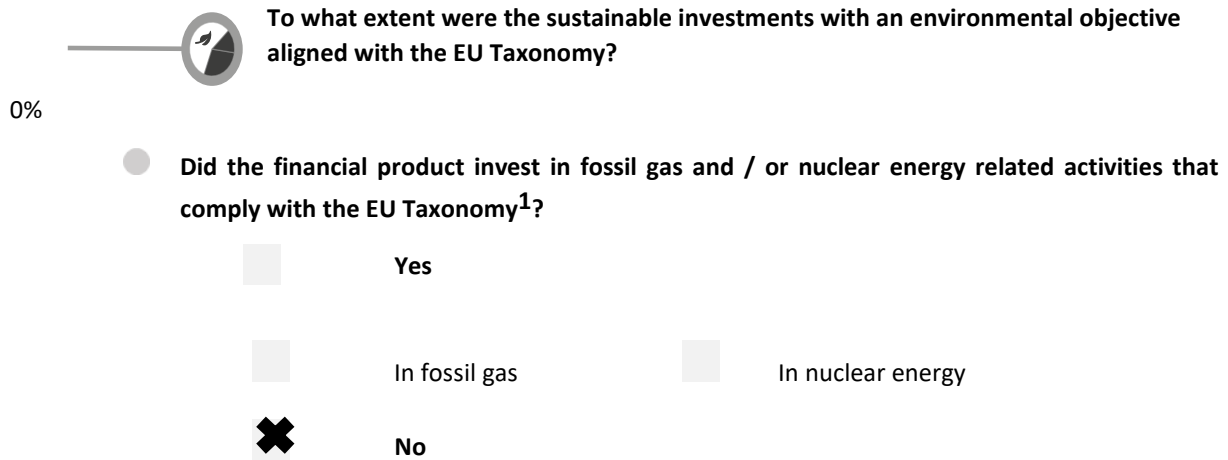
#### In which economic sectors were the investments made?

Sector	Percentage
Basic Materials	<0.1%
Consumer goods	0.6%
Energy	<0.1%
Financial	11.1%
Food & Beverage	6.5%
Healthcare	29.8%
Industrials	14.2%
Real Estate	3.1%
Services	9.3%
Technology & Communications	19.4%
Transportation	6.0%
Utilities	<0.1%

As of December 31, 2022





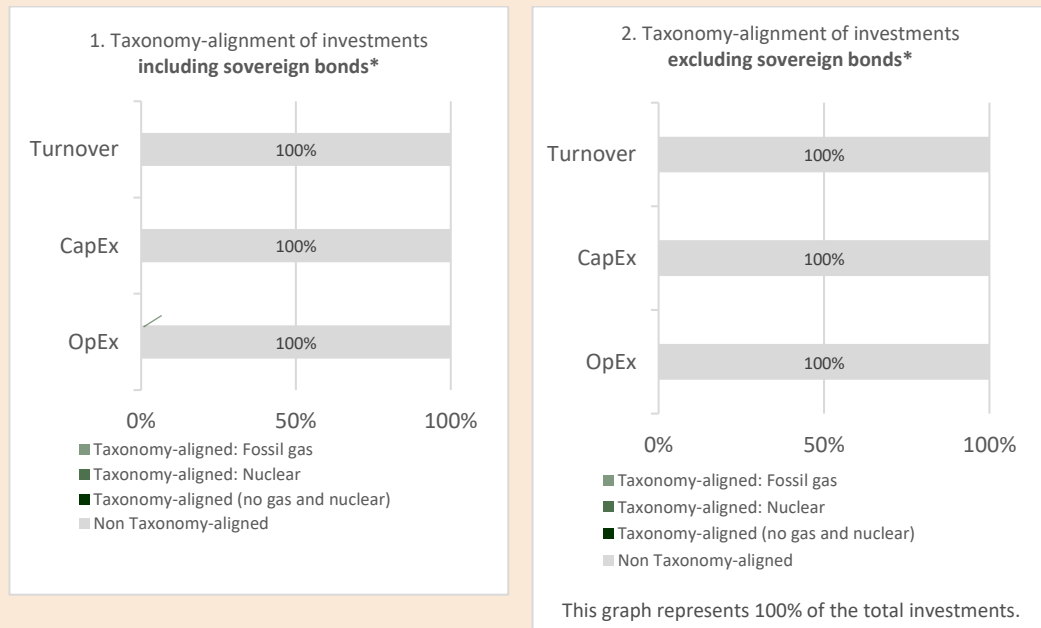


<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for 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 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*



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

The proportion of investments in environmentally sustainable economic activities is currently 0% of NAV, which comprises of 0% of NAV in transitional and 0% of NAV in enabling activities.

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

0%



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

N/A – this Fund does not make any sustainable investments.



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

N/A



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

Under #2Other, the Fund kept 5.6% of its Net Asset Value in cash or money market instruments. There were no minimum environmental or social safeguards. All remaining securities went through the Funds ESG process.



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

The Investment Manager utilises both internal and external data as part of its ESG screening and analysis process.

The Fund has adhered to its binding elements of the investment strategy, set out in the Annex II, used to select the investments to attain the environmental and social characteristics have been met. Part of the pre-investment process is ESG Screening and Analysis which is currently conducted in-house by reviewing publicly available ESG information, third party data through our research provider, Ethos, and direct engagement with management teams. The Investment Manager leverages its strong relationships with the management teams within investee companies to understand material ESG factors applicable to each company, and the commitment to them by such management teams. Where material ESG issues are identified and reliable data is available, the impact of these ESG issues are incorporated into our broader company evaluation. This may lead to a decision not to invest or divest from an investment.





The Fund had 0% exposure to fossil fuel companies, defined as companies active in the fossil fuel sector" means companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

The fund had 0% exposure to controversial weapons, defined as the share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

The fund had 0% exposure to companies which involve themselves or through entities such companies control, which produce or are involved in the following industries; tobacco, adult entertainment, alcohol and gambling.



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

N/A

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

N/A

● ***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?***

N/A

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

N/A

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

N/A

