



Statement on principal adverse impacts of investment decisions on sustainability factors

*Financial market participant: IBS Capital Management B.V.
Legal Entity Identifier: 7245004NV64B9NOOKZ60*

Summary

IBS Capital Management B.V. takes into account the principal adverse impacts (PAIs) of its investment decisions on sustainability factors. This statement is the consolidated statement regarding the principal adverse impacts on sustainability factors of IBS Capital Management B.V. and its subsidiaries, namely IBS Asset Management BV, IBS Corporate Finance BV, IBS Direct Investments BV, and IBS Fund Management BV, hereinafter referred to as "IBS".

This statement on principal adverse impacts for sustainability factors covers the period from January 1st to December 31 2023. This statement applies to all products offered by IBS, including investments in public and private markets.

This statement describes how we consider the principal adverse impacts of our investment decisions in line with Article 4 of the SFDR. In addition, we also describe the effects of the following 18 indicators, 16 of which are mandatory and 2 of which are voluntary.

This statement will be reviewed and updated on June 30, 2025.

Description of principal adverse impacts on sustainability factors

Principal adverse impacts are considered impacts of investment decisions and advice that result in negative effects on sustainability factors.

IBS is committed to identifying and considering the PAIs of our investment decisions. This includes all products offered by IBS on public and private markets. We are committed to managing sustainability risks in accordance with our Sustainability Risk Policy and will therefore also monitor and evaluate a range of PAI indicators.

IBS will collect, monitor and evaluate data from the eighteen mandatory principal adverse impact indicators, including eight additional indicators as listed in the table below:

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period	
CLIMATE AND OTHER ENVIRONMENTAL INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG-emissions	43834.03 tonnes CO2e	26638.59 tonnes CO2e	Coverage 90.6%	In line with the recommendations of COP 28, IBS promotes the phasing down of fossil fuels and the goal to significantly reduce greenhouse gas emissions, but also recognizes the importance of higher-emitting industrial sectors. For these sectors, such as those described in Annex I of Regulation (EC) No 1893/2006 of the European Parliament, IBS encourages energy transition pathways
		Scope 2 GHG-emissions	11926.31 tons CO2e	15360.25 tonnes CO2e	Coverage 90.6%	
		Scope 3 GHG-emissions	599538.90 tonnes CO2e	169134.17 tonnes CO2e	Coverage 89.54%	
		Total GHG-emissions	673458.56 tonnes CO2e	207416.56 tonnes CO2e	Coverage 89.35%	
	2. Carbon Footprint	Carbon footprint	198.01 tonnes CO2e / EUR M investments	138.54 tonnes CO2e / M EUR investments	Coverage 89.35%	

	3. GHG intensity of investee companies	GHG intensity of investee companies	509.51 ton CO ₂ e / EUR M revenue	366.47 ton CO ₂ e / M EUR revenue	Coverage 89.64%	including technological improvements and increasing the proportion of renewable energy sources.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	6.96 %	4.65 %	Coverage 90.7%	IBS excludes companies that are directly involved in the extraction and production of unconventional oil and gas. This involvement is periodically monitored. The 6,96% exposure also includes companies that are indirectly involved. For example IBS is invested in a railroad company, that amongst other goods, also transports fossil fuels. This is marked with 100% fossil fuel exposure according to our third party data provider.
	5. Share of consumption and generation of non-renewable energy	Share of non-renewable energy consumption and non-renewable energy generation of investee companies from non-renewable energy sources compared to renewable energy	Consumption: 48.58 % Production: 0.43 %	Consumption: 52.62 % Production: 0.57 %	Coverage 70.17% Coverage 91.61%	In line with the recommendations of COP 28, IBS promotes the phasing down of fossil fuels and the goal to significantly reduce greenhouse gas emissions,

		sources, expressed as a percentage of total energy sources				but also recognizes the importance of higher-emitting industrial sectors. For these sectors, such as those described in Annex I of Regulation (EC) No 1893/2006 of the European Parliament, IBS encourages energy transition pathways including technological improvements and increasing the proportion of renewable energy sources.
	6. Energy consumption intensity per sector with high climate impacts	Energy consumption in GWh per million EUR of invested companies' revenues, by sector with high climate impacts	<p>In total: 0.11372395 GWh / EUR M revenue</p> <p>Sector A: 0.0003594 GWh / EUR M revenue</p> <p>Sector B: 0.012650503 GWh / EUR M revenue</p> <p>Sector C: 0.038065575 GWh / EUR M revenue</p> <p>Sector D: 0.018980078 GWh / EUR M revenue</p> <p>Sector E: 0.00916872 GWh / EUR M revenue</p> <p>Sector F: 0.000289097 GWh / EUR M revenue</p> <p>Sector G: 0.00321221 GWh / EUR M revenue</p> <p>Sector H: 0.025499996 GWh /</p>	<p>Total: 0.60351353 GWh / M EUR revenue</p> <p>Sector A: 1.5123935 GWh / M EUR revenue</p> <p>Sector B: 1.6190877 GWh / M EUR revenue</p> <p>Sector C: 0.41110897 GWh / M EUR revenue</p> <p>Sector D: 2.3528254 GWh / M EUR revenue</p> <p>Sector E: 1.6462177 GWh / M EUR revenue</p> <p>Sector F: 0.16851386 GWh / M EUR revenue</p> <p>Sector G: 0.08828989 GWh / M EUR revenue</p> <p>Sector H: 1.833443 GWh / M EUR revenue</p>	<p>Coverage 95.42%</p> <p>Coverage 91.59%</p> <p>Coverage 97.05%</p> <p>Coverage 94.37%</p> <p>Coverage 96.73%</p> <p>Coverage 98.64%</p> <p>Coverage 73.7%</p>	

			<p>EUR M revenue</p> <p>Sector L: 0.00459502 GWh / EUR M revenue</p>	<p>Sector L: 0.4650184 GWh / M EUR revenue</p>	<p>Coverage 99.5%</p> <p>Coverage 97.02%</p> <p>Coverage 96.86%</p>	
Biodiversity	7. Activities with a negative impact on biodiversity-sensitive areas	Share of investments in companies with establishments/activities in or near biodiversity-sensitive areas where the activities of those companies have a negative impact on those areas	0.55 %	0.28 %	Coverage 89.51%	<p>IBS expects its investee companies to monitor and limit their negative impact(s) on biodiversity. The final recommendations for the Taskforce on Nature-related Financial Disclosures (TNFD) were published in the third quarter of the reference period. IBS is developing methods to further evaluate the materiality of biodiversity for its portfolios, including the TNFD recommendations. Based on the findings further actions may be set.</p>

Water	8. Emissions in water	Water emissions (in tonnes) of investee companies per million EUR of investments, expressed as a weighted average	0.0007055577 tonne / EUR M investments	0.007955699 tonnes / M EUR investments	Coverage 24.78%	Data on emissions in water is too limited to implement active policy on this. IBS continued to engage with its data providers to improve the availability of this data.
Waste	9. Proportion of hazardous and radioactive waste	Amount of hazardous and radioactive waste (in tonnes) produced by investee companies per million EUR invested, expressed as a weighted average	5.052777 tonne / EUR M investments	3.408214 tonnes / M EUR investments	Coverage 89.6%	Some companies produce hazardous and/or radioactive waste. For example, companies in the biomedical sector. It is important that they process this waste correctly.

INDICATORS ON SOCIAL ISSUES AND WORKING CONDITIONS, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT
 AGAINST CORRUPTION AND BRIBERY

Social issues and working conditions	10. Violations of the principles of the UN Global Compact or the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in companies that have been involved in violations of the principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises	7.47 %	4.37 %	Coverage 89.51%	IBS continuously monitors whether our investee companies violate the UN Global Compact and make our own assessments about prior violations. All companies that are currently in violation, are excluded. Some investee companies have had prior violations. We performed due diligence on these companies and concluded that these violations have been resolved. They are, however, still flagged as violators by our third party data provider.
	11. Lack of procedures and compliance mechanisms for monitoring compliance with the principles of the	Share of investments in companies without a policy to monitor compliance with the principles of the UN Global Compact and the OECD Guidelines for	1.27 %	3.89 %	Coverage 91.08%	IBS requires that the companies its investee companies comply with the UN Global Compact and OECD guidelines. During the year, we have continuously monitored



	UN Global Compact and the OECD Guidelines for Multinational Enterprises	Multinational Enterprises or without complaint-handling mechanisms to address violations of those UN Principles or OECD Guidelines				whether our investee companies were in violations of the UN Global Compact.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap in investee companies	11.17 %	12.68 %	Coverage 44.1%	The data on the gender pay gap is insufficient to implement effective policy on this. IBS continues to engage with companies and data providers to expand data coverage.
	13. Gender diversity of the Board of Directors	Average ratio of female to male members on the board of directors of investee companies, expressed as a percentage of all members on the board of directors	28.53 %	34.72 %	Coverage 92.56%	IBS promotes diversity in the board of directors and monitors this using external data providers. IBS has no single policy on this for its entire product offering. However, the Silvercross Global Small Cap fund uses a proprietary ESG Analysis Template that penalizes companies when diversity in its board was lower than its peers or 30%. Additionally, Silvercross

						also actively engages with investee companies on this topic.
	14. Exposure to controversial weapons (anti-personnel landmines, cluster munitions, chemical weapons and biological weapons)	Share of investments in companies involved in the production or sale of controversial weapons	0.00 %	0.00 %	Coverage 91.73%	Companies involved in the production or sale of controversial weapons are excluded. As exposure was 0%, no further action was taken.

Indicators applicable to investments in sovereigns and supranationals						
Indicator adverse effects on sustainability		Parameter	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG-intensity	GHG intensity of investee countries	41.79 tons Co2A/m UR BNP	188.46 tons Co2A/m UR BNP	Coverage 98.44%	IBS only invests in government securities of countries that have signed the Paris Agreement and are therefore committed to limit the average global temperature increase to < 2 degrees.
Social	16. Countries in which investments have been made with violations of social rights	Number of countries in which investments have been made with violations of social rights (absolute number and relative number divided by all countries in which investments have been made), as referred to in international treaties and agreements, United	Absolute: 2 Relative: 1.93%	Absolute: 3 Relative: 2.53 %	Coverage 100.00%	IBS does not wish to invest in countries that violate social rights, and does not do so directly. However, through externally managed funds, it is invested in two such countries. Even though this marks a 33%

		<p>Nations principles and, where applicable, national law</p>				<p>reduction compared to the previous reference period, this number is still not 0. IBS will engage with its external managers to eliminate the exposure to these countries. When this is not successful, IBS will examine the possibilities for alternative investments.</p>
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Table 2
Additional climate and other environmental indicators

Adverse effects on sustainability	Adverse impacts on sustainability factors (qualitative or quantitative)	Parameter	Effects 2023	Effects 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENTAL INDICATORS						
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in companies without carbon emission reduction initiatives aiming to align with the Paris Agreement	53.01%	64.45 %	Coverage 100%	IBS promotes the phasing down of fossil fuels. Carbon reduction initiatives are part of this. This is also part of our policy when investing in externally managed funds.

Table 3

Additional indicators on social issues and working conditions, respect for human rights, and anti-corruption and anti-bribery matters

INDICATORS ON SOCIAL ISSUES AND WORKING CONDITIONS, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND BRIBERY						
Adverse sustainability indicator	Adverse impacts on sustainability factors (qualitative or quantitative)	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
	14. Number of cases of serious human rights problems and violations identified	Number of serious human rights problems and violations related to the investee companies, based on a weighted average	0.00	0.00	Coverage 89.51%	Companies that violate the UN Global Compact principles are be excluded. Because there were no cases of serious human rights problems, no further actions were taken.



Description of the policy for identifying and prioritising the principal adverse impacts of investment decisions on sustainability factors

In accordance with our Sustainability Risk Policy of 16 October 2023, the sustainability risk assessment is carried out through the methods described in our Sustainability Risk Policy, including exclusions, due diligence and monitoring to ensure that the portfolio companies or funds are aligned with IBS's sustainability policy.

IBS takes into account the principal adverse impacts on sustainability factors in all investment decisions.

Greenhouse gas emissions, social issues and working conditions are included in the exclusion policy. The other mandatory indicators are included if relevant to the sector in which the investment is made. This involves looking at the likelihood of the occurrence and the severity of the potential adverse effects. In addition, we do not invest in companies or funds with serious controversies in these areas.

IBS selects the indicators in Tables 2 and 3 based on alignment with our own sustainability beliefs, relevance to the sectors in which we invest, and availability of data. For many of the indicators in Tables 2 and 3, there is currently insufficient data available to make an informed decision. At present, eight indicators listed in Tables 2 and 3 meet these criteria.

We use MSCI ESG Research, Clarity AI, Bloomberg and the investee company public disclosures as our data sources.

The implementation of the Sustainability Risk Policy falls under the various teams at IBS that are responsible for implementing the integration of sustainability risks into the respective investment portfolios. At IBS Asset Management BV, the Investment Team takes care of this. In principle, the execution of these processes is done by a certified ESG analyst. At IBS Asset Management, the oversight of this policy is the responsibility of the Head of Investment and the Chief Investment Officer. Our SilverCross Global Small-Cap fund has a similar set-up. Here, the ESG analyst ensures the implementation of this policy and the SilverCross Investment Team is responsible for monitoring it. For our private markets investments, the Private Markets team's ESG analyst handles the implementation, and the team as a whole is responsible for policy monitoring. In addition, IBS will request the integration of the sustainability factors into the PAI indicators from its respective external fund managers.

The integration of the PAI indicators will be evaluated on a best effort basis, as this takes into account the (non) availability of data for relevant products in the public and private market portfolios.

Engagement policy

IBS does not have an overarching engagement policy. However, only funds whose managers are signatories to the United Nations Principles for Responsible Investment are used in the selection of external investment funds. This also means that for all external investment funds, the engagements are carried out by the relevant manager.



The SilverCross Global Small-Cap Fund, part of IBS Fund Management, has an Engagement Policy which can be found on its [website](#), among other ESG-related documents. The SilverCross investment team engages with the companies in which it is invested. The team focuses on building long-term relationships with the management teams of these companies, focusing on the most material topics in terms of risk and impact.

IBS Asset Management B.V. does not engage in any investment in individual shares. Because it uses individually managed accounts, engagement is a very complicated process. In addition, it usually takes a very small share in the companies in which it invests, so the effect of engagement is often small. IBS Asset Management B.V. has therefore decided to focus its risk management activities for individual shares on research and monitoring of the companies in which it invests.

References to international standards

IBS's approach to integrating sustainability into its investment process and decisions, including the identification of principal adverse impacts on these decisions, takes into account and is based on relevant international standards, including, but not limited to:

- Sustainable Development Goals (SDGs)
- UN Principles of Responsible Investment (UNPRI)
- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Guide to responsible financial management of the Charity Foundation.

Historical comparison

In accordance with the SFDR, IBS is required to collect data for the PAI indicators in preparation of the annual PAI Statement. In June 2024, we published the principal adverse impacts measured over the reference year 2023. From that moment on, we compare these impacts with previous years to determine the development of these adverse impacts over time. Any other actions planned or undertaken related to the PAIs and any other relevant indicators will also be included.

The effective date of this version of the PAI Statement is June 30, 2024. This statement shall be updated annually or, if necessary, sooner. The next annual update will be completed no later than June 30, 2025.

CRO, June 30, 2024