

## 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: Bestinver Latin America Sub-Fund

Legal entity identifier: 959800Y5M48BB9WCS176

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

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?

The fund has invested primarily in consumer-related activities, across 3 main themes that the fund believes have great potential for long-term structural and sustainable growth:

(1) Decarbonization of the economy (renewable energies, electric vehicles, improvements in transportation, activities that achieve a cleaner environment and water).

(2) Improved quality of life, including:

**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 lay down 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.

- a. Improvement of the general quality of life (activities related to healthcare, pharmaceutical companies, healthy eating industries, the biopharmaceutical sector, leisure, sports, mobility).
- b. Financial inclusion and transition of the workforce towards the formal economy (community-focused banks, fintechs, asset managers, payment methods).
- c. Growth of the middle class (education, e-commerce, affordable housing).

(3) Innovation and technology, which includes: Digitalization and automation of the economy: interconnectivity, innovation and high technology (such as those companies involved in software development or e-commerce, digital platforms, fintech, etc.).

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

Please see below what sustainability indicators we used and the performance.

In order to measure the achievement of the environmental and social characteristics promoted by the fund, it makes use of the following indicators

- (1) For the companies that are invested through the digitalization and automation theme, companies that provide solutions that enable consumers or companies (public and private) to digitalize their offering and access of products and services, the Sub-Fund requires that at least 30% of the revenues are related to solutions for digitalization or automation. In order to measure this involvement, the fund uses the official quarterly info provided of their activities carried out by the invested companies

**Percentage of the fund invested in the digitalization and automation theme: 5.39%.**

- (2) For the whole portfolio, the fund also encourages portfolio companies to provide transparent and reliable information about their climate footprint and progress towards the climate goals they have set. To assess and measure companies' alignment with the Paris Agreement and the degree of transparency regarding information related to their climate impact, the fund will analyze the following indicators:

- a. If the company's climate goals have been established in accordance with the Science Based Targets (SBT) initiative: <https://sciencebasedtargets.org/>

**17.61% of the fund is made up of companies that have committed to or have set climate goals in accordance with the SBT Initiative.**

- b. If the company provides information to the CDP (Carbon Disclosure Project) association, as well as the rating granted by CDP based on its policies related to climate change: [www.cdp.net](http://www.cdp.net)

**34.61% of the fund is made up of companies that have provided information to CDP**

- c. If the company follows the recommendations of the Task Force for Climate Related Financial Disclosures (TCFD): [www.fsb-tcfd.org](http://www.fsb-tcfd.org)

**49.17% of the fund is made up of companies that follow the TCFD recommendations.**

- (2) For the companies in which the fund has invested through its themes of improving the quality of life and innovation and technology, the investment team uses as the main indicator the income derived from economic activities associated with each of theme. To this end, and based on the analysis of the global development and quality of life indices mentioned

previously in this document, an exhaustive list of activities and sub-industries has been prepared and these activities have been associated with each of the themes, thus allowing periodic monitoring of the involvement of companies with each topic based on their activity. The investment team has determined that these activities contribute to the development and promotion of the themes to which they have been linked. Below are the most relevant activities associated with each of the themes through which the fund promotes environmental and social characteristics in the companies in which it invests:

a. Activities associated with the theme of improving quality of life:

i. Improved overall quality of life

1. Activities related to healthcare, pharmaceutical companies, healthy eating industries, the biopharma sector, leisure, sports, mobility.

ii. Financial inclusion and workforce transition to the formal economy

1. Banking and credit activities focused on local communities, fintechs, asset managers, payment methods that facilitate the participation of the local population in the economy

**Percentage of the fund invested in the theme of improving quality of life: 42.28%**

b. Activities associated with the theme of innovation and technology:

i. Digitalization and automation of the economy:

1. Companies involved in software development and e-commerce.  
2. Digital and fintech platforms.

**Percentage of the fund invested in the theme of innovation and life technology: 34.95%**

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

*The fund became Article 8 on March 2023*

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

N/A

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

N/A

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

N/A

**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.

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

N/A



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

The fund did not consider principal adverse impacts on sustainability factors.



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

Investments as of 31/12/2023

Asset	Country	Sector	Industry	Weight
LOCAWEB SERVICOS DE INTERNET	BRAZIL	Technology	Software and Consulting	5,09 %
MERCADOLIBRE INC US	URUGUAY	Consumer Non-Cyclicals	Food and Staples Retail	5,02 %
VTEX -CLASS A	CAYMAN ISLANDS	Technology	Software and Consulting	4,79 %
XP INC - CLASS A	BRAZIL	Finance	Investment Services	4,22 %
HAPVIDA PARTICIPACOES E INVERSIONES	BRAZIL	Healthcare	Healthcare Services	4,03 %
TOTVS ON	BRAZIL	Technology	Software and Consulting	3,95 %
LOCALIZA RENT A CAR	BRAZIL	Consumer Cyclical	Miscellaneous Retail	3,72 %
EMBRAER SA-SPON ADR	BRAZIL	Industrials	Industrial Manufacturing	3,67 %
SMARTFIT - ORDINARY	BRAZIL	Consumer Services	Hospitality Services	3,55 %
SENDAS DISTRIBUIDORA SA-W I (2)	BRAZIL	Consumer Non-Cyclicals	Food and Staples Retail	3,46 %
FOMENTO ECONOMICO MEXICA-UBD	MEXICO	Consumer Non-Cyclicals	Food and Staples Retail	3,49 %
IGUATEMI EMP DE SHOPPING NUEVO	BRAZIL	Finance	Real Estate	3,31 %
PAGSEGURO DIGITAL LTD-CL A	BRAZIL	Finance	Specialty Finance and Services	3,33 %
GLOBANT SA	LUXEMBOURG	Technology	Software and Consulting	3,20 %
MRV ENGENHARIA E PARTICIPACOES	BRAZIL	Finance	Real Estate	2,66 %
BECLÉ SAB DE CV	MEXICO	Consumer Non-Cyclicals	Food and Tobacco Production	2,56 %

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 2022

**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.



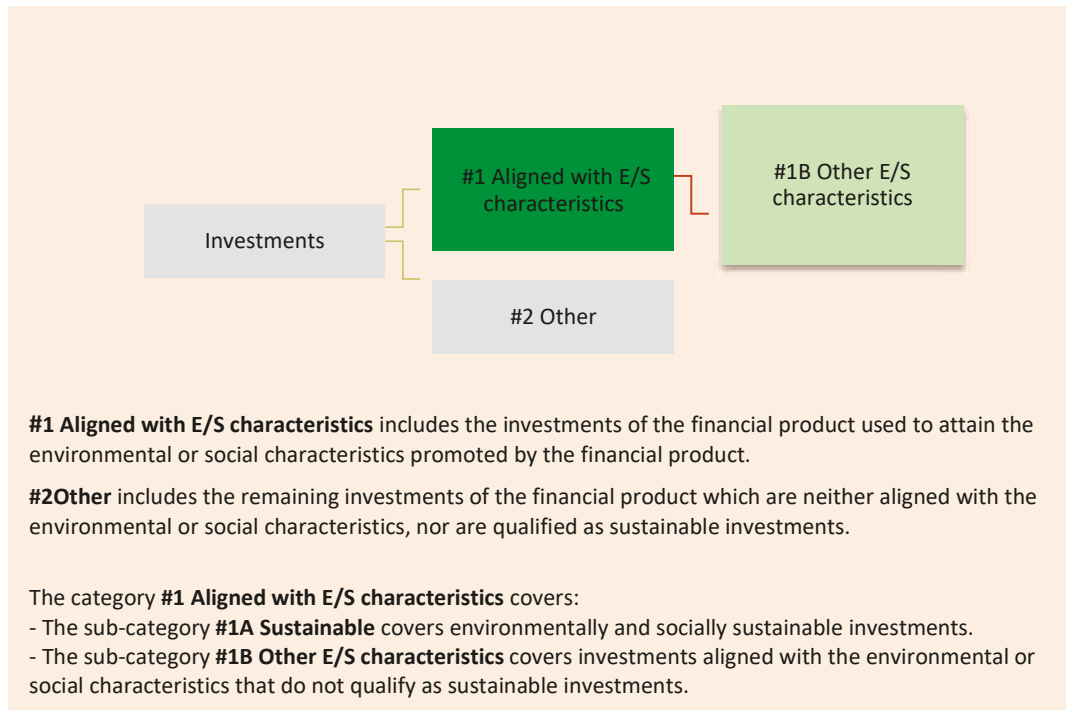
## What was the proportion of sustainability-related investments?

Answered below

### ● *What was the asset allocation?*

Investments as of 31/12/2023

<b>Aligned with E&amp;S characteristics and in compliance with binding elements</b>	<b>68%</b>
Sustainable	0%
Assets with Binding characteristics	68%
<b>OtherOther</b>	<b>32%</b>
Cash and Cash equivalents	3%
Assets with other characteristics	29%



**Asset allocation** describes the share of investments in specific assets.

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

Sector	Weight
Technology	21%
Finance	21%
Consumer Non-Cyclicals	12%
Consumer Cyclicals	9%
Healthcare	4
Industrials	2%
<b>Total</b>	<b>68%</b>

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



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

N/A

- **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

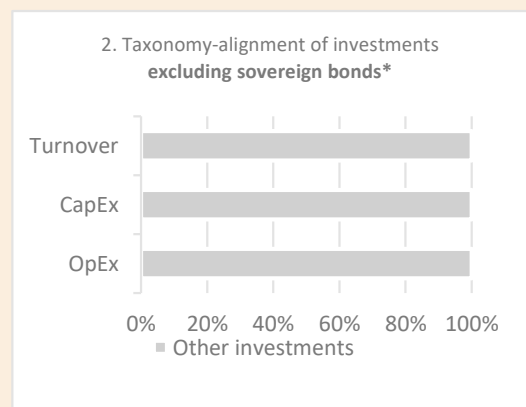
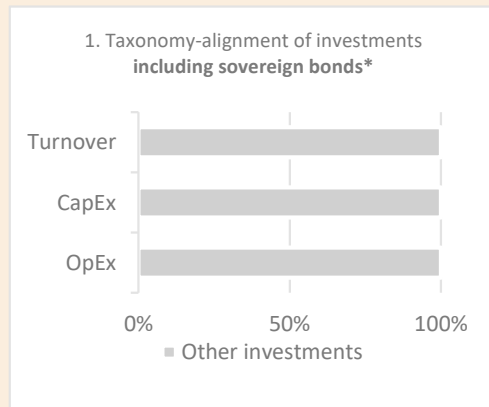
Yes:

In fossil gas

In nuclear energy

No

*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

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

N/A

<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.

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

N/A



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

N/A



- **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?**

Other	32%
Cash and Cash equivalents	3%
Assets with other characteristics	29%

Our ESG Investment policies require that, prior to being added to the portfolio, an analysis of the company is performed to determine the alignment with ESG standards for the fund. This step is done after certifying that the company is not present in Bestinver’s exclusion list.

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



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

During 2023 at Bestinver continues to improve our ESG assesment, a more dynamic channel it has been stablished between Risk and Investment teams in order to strength ESG monitoring for all companies in our investment universe. In additon to this, we are working in an update of our Responsible Investment Principles and Policies, released early 2024. . Additionally, it closely aligns the investment selection process with the characteristics the fund seeks to promote. As of December 31, 2023, 66.21% of the fund was invested in companies with an internal ESG rating of Gold or Green (the maximum possible established in Bestinver’s responsible investment policies).



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.



**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