

Value Partners Climate Disclosure

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1. Governance

1.1. Board-level Roles and Responsibilities on Climate

Value Partners' Board members currently assume ultimate governance responsibility for overseeing the management of ESG topics, including climate-related issues. The Board collaborates with multiple functional areas within Value Partners to integrate and implement climate strategies at both the Group and investment levels to ensure the effective incorporation of climate considerations into the overall ESG framework and smooth operation of these strategies, aligning with the Group's climate response objectives.

The Board incorporates the management of climate-related risks and issues by reviewing and approving Value Partners' ESG framework that forms part of Value Partners' investment and risk management processes. Along with the Leadership Committee, the Board appoints the ESG Committee as the governing committee to implement Value Partners' climate-related initiatives.

Furthermore, Value Partners Board members hold regular Board meetings and meet annually with the Leadership Committee to provide climate-informed strategic directions, and stay informed on the current developments of climate actions. The Leadership Committee will also confer the ESG Committee findings and report progress on climate risk management to the Board.

1.2. Management-level Responsibilities Pertaining Climate Risk

Leadership Committee

Value Partners' Leadership Committee, comprising senior management of Value Partners Group, oversees the ESG Committee and reports to Value Partners Board of Directors on climate-related developments annually.

ESG Committee

Value Partners formed an ESG Committee ("Committee"). The Committee is chaired by Investment Director, and comprises senior members of various functional areas, including Investment Management, Compliance, Risk Management, Operations, and Sales and Marketing.

The Committee conducts a quarterly meeting to monitor the progressive implementation of the firm's planned ESG strategies, where climate-related factors are included as an agenda item. Under the Committee, management and implementation of climate-related developments are mainly carried out by the Investment Management and Compliance teams.

Investment Management Team

As part of the Investment Management team, the ESG Investment team guides the implementation of the Group's ESG integration approach and mapping of the ESG pipelines with climate-related developments considered, and monitors the implementation of the Group's Responsible Investing policy. Furthermore, the Investment Management team performs relevant engagement and voting activities.

Compliance Team

The Chief Compliance Officer spearheads climate-related compliance efforts. This includes periodic reviews of recent regulatory developments to conform with the latest climate regulations and frameworks. Furthermore, the Compliance team monitors climate risk disclosures across Value Partners' portfolios and provides updates to the ESG Committee.

In addition, meetings among members of the Committee will be called upon as necessary with regards to portfolio companies' alignment to climate-related frameworks and goals.

2. Investment Management

2.1. Relevance and Materiality of Climate Risk

Cognizant of the far-reaching impact of climate risk, we believe it is generally relevant to our actively managed equity and fixed income strategies, while materiality may differ across sectors and regions. Climate considerations are currently not pertinent to our ETF strategies, given our fund managers will be constrained from deviating from the underlying index. Similarly, climate-related risks are considered irrelevant for money market funds, which invest solely in cash-equivalent instruments.

Value Partners integrates climate considerations throughout its investment process, which mainly comprises four different stages:



2.2. Risk-based Exclusion

In the preliminary stage of the investment process, Value Partners conducts risk-based exclusion and negative screening. Currently, our investment universe is screened based on controversial business involvements.

The exclusion list is validated by the ESG and Investment Management teams based on the materiality and relevance of respective business involvements. The exclusion of securities derived from this review process is incorporated directly into Charles Rivers Order Management System (CRD) to ensure no breach of investment guidelines.

2.3. Proprietary Climate Risk Assessment

Value Partners performs proprietary climate risk assessments as part of the preliminary assessment for all investees. This is carried out by utilizing Value Partners' proprietary ESG risk assessment framework, which evaluates investees' ESG performance through various quantitative and qualitative parameters through scorecard and third-party ESG data, including climate risk metrics, to derive a weighted score for each investee.

Subsequently, Value Partners' investees deemed to have low performance on the environmental pillar of the Group's proprietary ESG assessment would be required to provide an additional explanation on their mitigation or transition efforts for improvement.

2.4. Climate-related Engagement

Value Partners engages the relevant parties from its portfolio companies on a broad spectrum of issues that are deemed material to our investments and stakeholders. Climate-related issues are embedded across our engagement process and are informed primarily by the ESG assessment and supplemented by climate-specific questions.

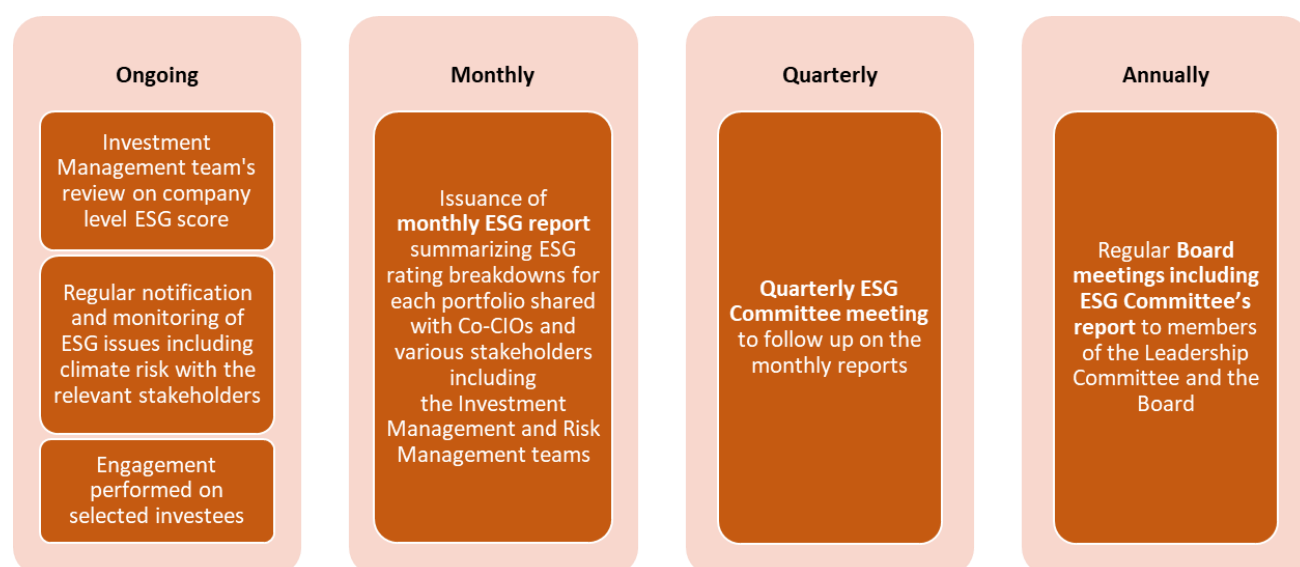
The engagement initiatives are primarily conducted based on two objectives:

1. **ESG rating validation:** We perform engagement with our investees to validate the results from the proprietary assessment against an array of ESG and climate-related factors and discuss the areas of disclosure that require clarification with the ESG-responsible parties from the portfolio companies.
2. **Obtaining insights on portfolio companies' climate goals:** Our engagement efforts aim to attain insights into our investees' climate-related goals and management approach, explore our investees' roadmap to achieve the relevant goals to garner supplementary information about their climate response management and capacity, and exchange market best practices on climate-related initiatives.

2.5. Post-investment Climate Monitoring

Value Partners' ESG Investment and Compliance teams conduct regular monitoring to ensure the integration of climate issues by its portfolio companies.

Our Investment Management team conducts ongoing reviews of company level ESG scores and determines if any relevant escalation effort is required. Furthermore, the ESG Investment team supports the entire Investment Management team to embed climate-related performance and provides monthly ESG assessment reports in our investment monitoring processes.



3. Risk Management

3.1. Risk Identification and Measurement

To identify and assess climate-related risks, Value Partners primarily utilizes its proprietary ESG risk assessment framework for all its equities and fixed income strategies. The assessment contains climate-specific questions that align with international frameworks such as the TCFD and SBTi (see Glossary), to derive an overall ESG score for each investee.

Furthermore, we constantly monitor recent updates on climate-related market trends and regulatory requirements to ensure sufficient incorporation of climate risk factors into our investment decision-making processes.

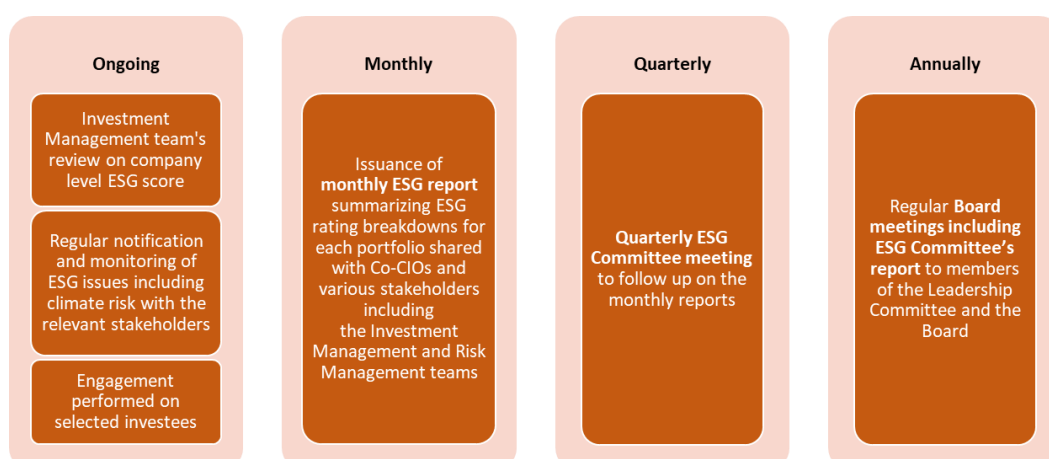
3.2. Risk Management and Monitoring

Value Partners’ ESG Investment team collaborates closely with the Investment Management, Compliance and Risk Management teams to adequately manage and monitor climate-related risks through the process described below:

As a first step, the ESG Investment team ensures the incorporation of ESG risk factors, including climate-related risks, into the proprietary ESG assessment. After being kept apprised of the current risk profile of the investees by the ESG Investment team, the Investment Management team develops its views on how such risk factors may impact investment decisions.

Value Partners utilizes internal risk reporting tools (such as carbon footprint data and proprietary ESG rating) to track ESG and climate-related risks across its portfolios and trends over time. We have also engaged a third-party data provider to enable GHG emissions monitoring on our investees.

In the event that an investee is assessed with a low environmental rating (i.e., below 3) in the proprietary ESG evaluation, additional rationale is required to justify the investment decision. The findings and resulting investment decision will be submitted quarterly to ESG Committee, ensuring oversight of climate risk in the investment process.



4. *Engagement Policy for Climate Risk*

4.1. *Engagement Approach to Climate*

Value Partners aims to exercise its fiduciary duty through active engagement with investees. This provides us with the opportunity to further understand the company's fundamentals and ESG approach.

For climate-related engagements, Value Partners' Investment Management team utilizes our proprietary ESG assessment as the basis of ongoing dialogues with the investees. The team regularly meets with the portfolio companies' management to review their performance, during which climate-related issues are also discussed to foster climate awareness and improvements.

Specifically, our engagement efforts are conducted in three stages:

1. **Objective-setting:** The team begins by defining the objectives of an engagement to ensure meaningful engagement efforts that align with the relevant ESG and climate-related regulations, frameworks and goals.
2. **Meeting the relevant stakeholders:** During an engagement, we meet with the investees to validate the results from our proprietary ESG rating and obtain insights on their short- to medium-term sustainability goals, including their climate-related initiatives.
3. **Regular evaluation:** Value Partners' Investment Management team incorporates insights, corrective measures and action plans (if any) on an array of ESG and climate matters from the engagement meetings into the investment monitoring process.

4.2. *Engagement Priority*

In determining the priorities for our engagement efforts, Value Partners primarily refers to the size of holdings, client request, results from our proprietary ESG assessment, and any significant change of ESG status. The priority of engagement depends on various factors, including but not limited to the engagement themes, sectors, investees' ESG performance, and particular ESG issues. For instance, large CO₂ emitters might be shortlisted for climate-related engagement.

4.3. Escalation Mechanism

Value Partners views the integration of ESG, including climate-related issues, as an integral part of our investment philosophy in creating and preserving shareholder value. We devised an escalation pathway to step up our engagement effort with our investee companies to best fulfil these stewardship obligations as a value investor.

Our Investment Management team will communicate closely with the portfolio companies which we consider having significant climate-related concerns to determine the relevant corrective actions. Alternatives can be collaborating with other investors to strengthen the engagement and executing shareholder rights to file or vote against resolutions. However, should we feel that the engagement outcome with the responsible parties of the companies is unsuccessful, or if we deem the likelihood of effectively mitigating the associated climate risks through such engagement is low, we will consider reducing or divesting our respective holdings to protect our investment objectives for our clients.

4.4. Proxy Voting

Value Partners regards proxy voting as part of our engagement effort for passively managed portfolios. We subscribe to the proxy voting services of Institutional Shareholder Services Inc. (“ISS”), a third-party corporate governance research provider, to advise and implement voting decisions, including climate-related matters, on our behalf.

Additionally, for cases where we have identified discrepancies in a particular voting decision, our Investment Management team would thoroughly review the vote recommendations from ISS and come up with final voting decisions based on the independent judgement of our Investment Managers.

We also keep track of voting instructions and maintain records of our proxy voting activities and policies. Value Partners Group’s Proxy Voting Policy is available on our website: <https://www.valuepartners-group.com/en/responsible-investing/policies-and-reports/>.

5. Portfolio Carbon Footprint

5.1. Fund-level Disclosure

A summary of portfolio carbon footprints of funds deemed relevant and material to climate-related risks, and of which Value Partners is responsible for the overall operations of the fund, as of 31 December 2025 (unless otherwise specified and in accordance with the fiscal year end of respective funds).

(i) Unit trusts and mutual funds authorized by the Securities and Futures Commission¹

Fund Name	Data Coverage ² (% Portfolio Value)	Carbon Footprint ³ (tCO ₂ e/ HKD million)
Value Partners China Greenchip Fund Limited	93%	4.5
Value Partners Classic Fund	92%	4.8
Value Partners Fund Series - Value Partners All China Bond Fund	75%	24.7
Value Partners Fund Series - Value Partners Asian Income Fund	90%	25.4
Value Partners Fund Series - Value Partners Asian Innovation Opportunities Fund	94%	6.7
Value Partners Fund Series - Value Partners Asian Total Return Bond Fund	84%	29.5
Value Partners Fund Series - Value Partners China A-Share Select Fund	94%	51.7
Value Partners Fund Series - Value Partners Japan REIT Fund	99%	0.4
Value Partners Fund Series – Value Partners USD Money Market Fund ⁴	N/A – The fund is a money market fund.	
Value Partners Greater China High Yield Income Fund	64%	71.4
Value Partners High-Dividend Stock Fund	91%	14.4
Value Partners Intelligent Funds - China Convergence Fund	97%	17.8
Value Partners Intelligent Funds - Chinese Mainland Focus Fund	95%	3.7
Value Partners Ireland Fund ICAV - Value Partners Health Care Fund	89%	4.6
Value Partners Multi-Asset Fund	92%	78.0
Value Partners Taiwan Fund (data as of fiscal year-end 30 June 2025)	93%	4.1
Value Partners Fund Series II - Value Partners Global Short Duration Investment Grade Bond Fund	N/A – The fund was launched on 19 December 2025 and has insufficient data to produce a meaningful carbon footprint disclosure as of year-end.	

(ii) Exchanged traded funds listed on the Stock Exchange of Hong Kong Limited

Fund Name	Data Coverage ² (% Portfolio Value)	Carbon Footprint ³ (tCO ₂ e/ HKD million)
Value Gold ETF ⁵	N/A – The fund only invests in bullion.	
Value Partners Fund Series OFC - Value Partners HKD Money Market ETF ⁴	N/A – The funds are money market funds.	
Value Partners Fund Series OFC - Value Partners RMB Money Market ETF ⁴		
Value Partners Fund Series OFC - Value Partners USD Money Market ETF ⁴		

(iii) Other mutual funds and unit trusts

Fund Name	Data Coverage ² (% Portfolio Value)	Carbon Footprint ³ (tCO ₂ e/ HKD million)
Value Partners Asia Fund, LLC	93%	3.1
Value Partners Asia Pacific Real Estate Limited Partnership ⁶	0%	0
Value Partners Asia Principal Credit Fund ⁷	0%	0
Value Partners Fixed Income SPC - Value Partners Enhanced Total Return Bond Fund SP	89%	7.4
Value Partners Funds SPC - Value Partners China A-Share Innovation Fund SP (data as of fiscal year-end 31 March 2025)	95%	6.6
Value Partners Funds SPC - Value Partners China Energy Shifting Fund SP (data as of fiscal year-end 31 March 2025)	90%	47.4
Value Partners Intelligent Funds - JA-VP China New Century Fund	97%	8.1
Value Partners Ireland Fund ICAV - Value Partners Asia ex-Japan Equity Fund	86%	12.2
Value Partners Ireland Fund ICAV - Value Partners Asian Dynamic Bond Fund	95%	20.3
Value Partners Ireland Fund ICAV - Value Partners China A Shares High Dividend Fund	95%	67.5

Notes:

Source: Value Partners, MSCI.

1. SFC authorization is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.
2. Data coverage represents the percentage value of investments with which Scope 1 & 2 Greenhouse Gas (GHG) emissions data is available.

Carbon emissions data of funds' underlying portfolio companies includes Scope 1 & 2 GHG emissions and are collected based on corporate disclosures such as sustainability or annual reports, or carbon disclosure project disclosures.

Current GHG calculation scope does not include sovereign debt, mutual funds, and cash/equivalent asset classes. Enterprise value of the company may fluctuate with change in the stock's market capitalization.

While a majority of our investees report on their GHG emissions, there remain cases where such disclosures are unavailable. We rely on industry estimates, where possible, to fill these data gaps to maintain sufficient data coverage. In addition, the analysis does not cover Scope 3 GHG emissions due to the limited availability of data.

3. Portfolio carbon footprint is derived by dividing financed emissions by portfolio value, where financed emissions is a calculation of Scope 1 & 2 GHG emissions adjusted by the value of investment divided by enterprise value of underlying investments. The metric is expressed in carbon emissions per million dollars invested.
4. The climate-related risks are deemed not relevant to the portfolio, as it only has investment objective to invest in short-term deposits and high-quality money market instruments.
5. Climate considerations are currently not pertinent to the investment strategies of passive exchange-traded funds, given the investment management is constrained from deviating from the underlying index/benchmark.
6. The portfolio carbon footprint data is not yet available for Value Partners Asia Pacific Real Estate Limited Partnership due to the nature of real estate investment and level of access to underlying investees.
7. The portfolio carbon footprint data is not yet available for Value Partners Asia Principal Credit Fund due to the nature of private investments and level of access to underlying investees.

Glossary

SBTi: Globally recognized partnership between CDP, UN Global Compact, WRI and WWF, with the aim to standardise target-setting across the globe. SBTi encourages climate target setting while validating short- to medium-term targets set using this approach to ensure credibility and provides a detailed standard that companies can use to set valid Science Based targets (SBT).

TCFD: An advisory body set up by the G20 to address concerns around insufficient disclosure of climate-related risks and opportunities for businesses. The Taskforce is made up of 32 members drawn from a range of industries and countries and reports to the Financial Stability Board (FSB).