



Citadel Value Fund (the “Fund”) does not promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics as referred to in Article 8 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector services sector (the so-called “SFDR Regulation”). The Fund does not have sustainable investment objectives as defined by Article 9 SFDR Regulation.

***The manner in which sustainability risks are integrated into the Fund’s investment decisions***

The Fund takes Environmental, Social and Governance (“ESG”) characteristics into consideration when screening for investment opportunities that meet the Fund’s investment criteria. On the one hand, the Fund uses screening filters that are primarily based on externally validated sources such as the Sustainalytics Rank, the RobecoSAM Total Sustainability Rank and the ISS Quality Score. On the other hand, the Fund includes relevant ESG factors in its proprietary research, based on, inter alia, annual reports, sustainability reports and other publications of the screened securities.

Security selection may involve additional elements of subjectivity when applying Environmental, Social and Governance (“ESG”) filters. Due to the lack of standardized ESG criteria, data and standards within the geographical scope of the Fund (OECD countries), ESG factors incorporated in the investment processes may vary substantially. It highly depends on, amongst others, investment sectors and geographies and subjective use of different ESG criteria governing the portfolio construction. Since the assessment of ESG risks is still evolving, it is therefore difficult to measure them. The Fund’s risk management is therefore based on indirect measures of risk, such as the (relative) scores of companies on ESG factors derived from external sources.

***The results of the assessment of the likely impact of sustainability risks on the returns of the Fund***

The Fund has performed an assessment of the likely impact of sustainability risks on the returns of the Fund. The outcome of the assessment was that, given the investment philosophy of the Fund which is focused on a deep value approach, factors other than ESG factors tend to have a dominant impact on the returns of the Fund. Based on the results of the assessment of the Fund’s portfolio, taking into account the available ESG filters, the likely impact of ESG factors is inconclusive and often ambiguous. The Fund deems sustainability risks not to be materially relevant for the Fund’s portfolio.

The Fund’s underlying investments, therefore, do not actively take into account the EU criteria for environmentally sustainable economic activities, as provided by Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.