



# Sustainable Investment Annual Report

# 2025



03.

Message from the President

04.

2025 Highlights

06.

Corporate Responsibility

14.

Our Responsible Investment Approach

23.

Active Ownership

28.

Looking Ahead

# A MESSAGE FROM THE PRESIDENT

It is with great pleasure that we present our third annual report on responsible investment, reflecting on Van Berkom's continued progress throughout 2025. As global conversations around sustainability grow increasingly polarized, we believe it is important to reaffirm who we are and what we stand for. At Van Berkom, our approach remains grounded in investment fundamentals: we remain firmly committed to our long held investment philosophy and to the responsible integration of environmental, social, and governance (ESG) risks and opportunities within it.

Our foremost objective has always been, and will remain, delivering strong long term financial performance to our clients. We pursue this by investing in high quality, best in class companies and by maintaining deep, fundamental conviction in every name we hold. Evaluating sustainability factors is a natural extension of the rigorous due diligence that defines our work. It is now broadly recognized that material ESG issues, particularly those related to climate change, represent systemic risks that can shape a company's competitive position and long term value. Ignoring these factors would undermine, rather than support, our responsibility as stewards of capital.



Over the past year, we strengthened this conviction with increasingly robust internal data derived from our own fundamental research. Our investment teams have gathered more detailed, proprietary research than ever before, enabling us to evaluate our portfolios with greater precision and to track our progress consistently, year after year. This deeper insight enhances both our investment decisions and our ability to engage constructively with companies where we see meaningful opportunities for improvement.

Despite a shifting global narrative, we remain confident and optimistic about the road ahead. Our responsible investment initiatives continue to align with our core mission, our clients' expectations, and the realities of a changing economic and environmental landscape. As we look forward, our focus is steady: maintain discipline, deepen our understanding, and invest with clarity and purpose.

We hope this report provides valuable insight into our approach and continued progress.

Thank you for your continued trust and confidence.



**Mathieu Sirois, M.Sc., CFA**  
President and Lead Portfolio Manager  
U.S. Small Cap Equities

# 2025 Highlights

2025 marked a year of meaningful progress in advancing Van Berkom's ESG leadership, from earning SFDR Article 8 certification for our U.S. Small-Cap strategy to unveiling an ambitious new ESG Action Plan for 2026–2027. We strengthened our proprietary ESG tools, deepened team expertise through targeted training, and expanded our convictions to community engagement with new initiatives supporting women in finance. Together, these achievements reinforce our dedication to driving transparency, positive change, and long-term sustainable value creation.

## U.S. Small-Cap Fund Achieves SFDR Article 8 Certification

We are thrilled to announce that our U.S. Small-Cap strategy, as part of a European UCITS fund, has received the Sustainable Finance Disclosure Regulation (SFDR) Article 8 Certification from the Central Bank of Ireland in January 2025.

The decision follows a thorough due diligence process, including an in-depth analysis of our investment processes and sustainable investment efforts, which began in the summer of 2024.

This certification is a statement to our commitment in considering environmental and social characteristics in our investment processes. It highlights our dedication and expertise in integrating ESG factors into our investment decisions. Achieving such accreditation helps to consolidate our position as a leader among our industry peers.

## Van Berkom Becomes New Associate Member of the RIA



As part of our ongoing commitment to responsible investment leadership, we joined the Responsible Investment Association (RIA) as an associate member in 2025. The RIA is Canada's industry association for responsible investment, bringing together asset managers, asset owners, advisors, and service providers dedicated to advancing ESG integrated investment practices across the country's retail and institutional markets. Joining the association was a logical next step in establishing Van Berkom's leadership and collaboration in the field.

## Strengthening Our Expertise Through Training

As part of our broader effort to ensure our investment professionals remain well-informed and agile in a rapidly evolving ESG landscape, all investment professionals attended two mandatory training sessions throughout the past year. We conducted an ESG Assessment calibration workshop, where our Responsible Investment Analyst, joined by a Senior Analyst from the Global strategy, worked their way through a company's research discovery and invited the investment team to assign a risk rating and a materiality score to each issue. The goal was to bring everyone up to speed by encouraging debate, ensuring that our proprietary ESG evaluations are well-calibrated.

The second training session pertained to the global regulatory framework for responsible investing. Led by a member of our ESG Advisory Committee, the workshop provided a comprehensive overview of recent developments in Canadian, American, and European regulations. Key topics included the implementation of Canada's Bill C-59, the ISSB standards, the European Omnibus initiative to streamline regulations, and highlights from New York Climate Week 2025. By deepening their understanding of regulatory trends and expectations, our team is better equipped to assess ESG risks and opportunities, integrate sustainability considerations into investment decisions, and engage meaningfully with portfolio companies.

## Revamping our Sustainability Action Plan

As our 2024-2025 ESG Action Plan came to completion, our ESG Committee — supported by our ESG Advisory Board — developed a refreshed Action Plan for 2026-2027. This new plan builds on the progress made over the past three years and focuses on strengthening and refining our existing practices to further reinforce Van Berkom's leadership in green finance within the small-cap universe.

The **2026-2027 ESG Action Plan** is structured around four key pillars:

### 1. Maintenance & Consolidation

Ensure consistency, transparency, and credibility across all existing ESG integration practices by continuing to calibrate internal ratings among analysts and introducing a comprehensive audit of all ESG Assessments led by our Responsible Investment Analyst.

### 2. Enhancement & Improvement

Refine our integration tools and deepen our analysis of material risks, including by adding metrics to monitor the decarbonization progress of portfolio companies into our internal analysis framework.

### 3. Engagement & Influence

Strengthen our active ownership approach and demonstrate leadership in ESG stewardship by implementing a semi-annual audit of all proxy votes, conducted by the Responsible Investment Analyst.

### 4. Innovation & Leadership

Position Van Berkom as a credible and forward-thinking ESG actor in the small-cap space. To support this, we are developing an in-house system to centralize ESG Assessments and engagement files – a platform that will continue to evolve over time.

## Encouraging Women in Finance

This last quarter of 2025 was an exciting one for collaboration and community engagement. We have been working closely with Québec's Women in Finance Association (AFFQ) on a pilot project designed to help shape the next generation of women in investment. Together with three partnering firms, we are building a front office focused internship program supported by a scholarship. This initiative aims to encourage young women to explore career paths in portfolio management and investment and open doors in areas where they remain underrepresented.

To promote this initiative, we hosted panel discussions at Concordia University's John Molson School of Business and McGill University's Desautels Faculty of Management. Each session welcomed roughly 40 female students and featured accomplished women from four leading organizations, sharing insights from their careers across various levels of seniority. The goal was to introduce university-level women to front office roles, highlight the breadth of opportunities in investment, and inspire more women to consider careers in this dynamic and influential field.

## Enhancement of Our Annual ESG Assessment Model

We enhanced our proprietary ESG Assessment template in 2025 by adding a dedicated metric on SBTi or Net-Zero commitments, and setting fixed materiality ratings to certain governance themes that were most material to all companies in our investable universe.

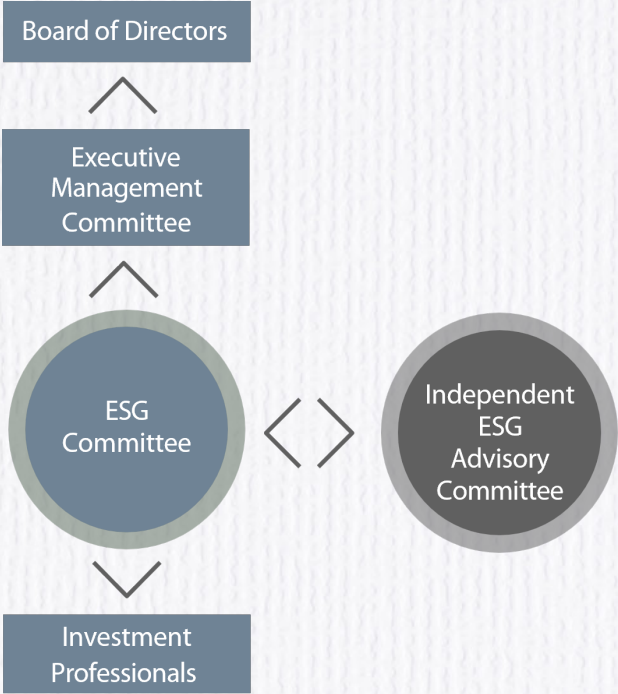
# Corporate Responsibility

At Van Beroom, we pride ourselves on upholding the highest standards in asset management, ensuring that our assessments of companies are thorough and precise. We believe that these standards should be reflected in the way we manage our own business. Our commitment to excellence is not just about financial performance; it extends to our environmental, social, and governance practices as well. In 2025, we continued to advance our sustainability journey, building on our achievements and introducing new measures to enhance our ESG efforts.

## Governance Structure

Van Beroom has always considered governance as one of the most important elements in a company. Our founder, J. Sebastian van Beroom was a Founding Director of the Institute for Governance of Private and Public Organization (“IGOPP”) in 2010 and, since the launch of our company in 1991, governance has always been at the heart of our deep investment analysis.

Oversight		
Executive Management Committee	Internal ESG Committee	External Advisory ESG Committee
Team Incentive Objectives	Implementation of RI Strategy	Expert Advice on Policies and Priorities
Primary Responsibility		
Investment Professionals		
Proxy Voting	Engagement Activities	Proprietary ESG Assessment Model
Support		
ESG Analyst	Middle-Office	
Training, Sector Insights, & New Practices	Research Projects and Exposure Analysis	Aggregating Metrics and Reporting



We make no exception when it comes to managing our own company. We have maintained the same committee structure in 2025, which includes the ESG Committee and the ESG Advisory Committee as follows:

i. The **internal ESG Committee** is responsible for formalizing and recommending responsible investment processes to the Executive Management Committee of Van Beroom. It provides frameworks, support, and guidance on ESG integration to our investment teams. It also oversees and monitors the implementation and progress of Van Beroom's responsible investment strategy. The internal ESG Committee is composed of:



**MATHIEU SIROIS**

President and Lead Portfolio  
Manager, U.S. Small Cap Equities



**PATRICK LAMONTAGNE**

Chief Operating Officer



**ANDY KONG**

Head of Global  
Business Development



**ADRIANNE CASTIELLO**

Responsible Investment Analyst

ii. The **independent ESG Advisory Committee** provides the ESG Committee with its expertise and advice. It plays a crucial role in establishing our objectives, determining actions, and revising our policies. The Advisory Board is composed of the three independent members to the right:



**BHAKTI MIRCHANDANI**

Managing Director  
Responsible Investing at  
Trinity Church NYC



**VALÉRIE CECCHINI**

Managing Partner  
BORÉALIS Global Asset Management



**AMR ADDAS**

Senior Director  
Sustainable Finance and Insights  
Farm Credit Canada

# Impactful Initiatives

## Proxy Voting Policy

Two years after updating our last Proxy Voting Policy in 2023, we undertook a comprehensive review to ensure that our stewardship practices continue to evolve in line with our growing priorities. This update reflects our strengthened processes for exercising our shareholder rights responsibly and consistently across all portfolios.

In this revised policy, we have introduced meaningful enhancements to reinforce accountability and transparency. Most notably, we have implemented a semi-annual audit of all proxy votes conducted by our Responsible Investment Analyst. This new control mechanism ensures systematic verification of voting alignment with our internal guidelines, supports continuous improvements and further embeds rigor into our active ownership activities.

For further details, you can find here a [copy of our Proxy Voting Policy](#).

## Encouraging Women in Investment

Van Berkom has been involved with the Women in Finance Association of Quebec (AFFQ) on different levels for a few years now. Since 2021, our Chief Operating Officer has actively been involved in the Association by mentoring and advising women in finance, and through strategic collaboration. In 2023, he has been appointed to the Board of Directors of AFFQ. Other team members, such as the Head of Global Business Development and our Responsible Investment Analyst contribute through the mentorship program, and the Next Generation Committee, respectively.

Created in 2002 and bringing together more than 1,000 members, the AFFQ is an association and meeting place dedicated to the professional advancement of women through networking, mentorship, and knowledge-sharing. In 2025, we launched a pilot project with three other investment firms to offer scholarships and investment internships to women in undergraduate finance programs. To promote this initiative, we organized panel discussions on portfolio management and investment, featuring accomplished women from all levels of the four exceptional organizations. The project is meant to be an ongoing commitment, gathering different partnering firms annually and offering internships in different fields of finance where women remain underrepresented. This initiative aims to introduce university-level women to front office roles and promote career opportunities in the investment field – an area where women remain significantly underrepresented.



## Doing our Part for the Environment

Although we do not operate in a high-emission industry, we believe that every environmental action, regardless of scale, contributes meaningfully to collective progress. As a firm, we remain committed to reducing and compensating for our environmental impact. In 2025, we completed our second consecutive year of offsetting our business travel footprint for 27 tons of CO<sub>2</sub> emissions through the Carbone boréal initiative.

Carbone boréal, a program managed by the Université du Québec à Chicoutimi (UQAC), focuses on greenhouse gas compensation through scientifically monitored tree-planting projects. Beyond offering organizations and individuals a credible way to offset emissions, the program also serves as a research platform that advances scientific knowledge on climate change and carbon dynamics in forest and agricultural ecosystems. Plantations are established on non-forest lands known as open woodlands - areas with less than 25% natural regeneration. Scientific evidence demonstrates that these lands cannot naturally return to closed-forest conditions, ensuring that all plantations meet the criteria of additionality and contribute to measurable, verifiable climate benefits.

For more information on the initiative, please visit [FAQ - Carbone boréal – UQAC](#).



We have offset 27 tons of CO<sub>2</sub> emissions from business travels through the Carbone boréal initiative.



The **Van Berkom Team** wrapping gifts for 49 kids of St. Mary's elementary school.

## Diversity, Equity and Inclusion (DEI)

We are conscious that DEI is a sensitive and often polarizing topic, leading some players to potentially rethink their position. However, our commitment to DEI is resolute. We believe that the financial sector, like any other, thrives when diverse perspectives, varied backgrounds and a multitude of voices come together. Equally important to us is the principle of equity, where every individual, regardless of gender or origin, is hired and promoted based on merit and talent. Our approach is designed to foster sustainable diversity over the long run by attracting and retaining a diverse talent pool in finance. Thus, we are dedicated to hiring the best talent for every position, while actively working to attract more women to the finance industry - a group that has historically been underrepresented in our candidate pool. While we have an overall diversified staff, we are dedicated to further promote gender balance in portfolio management.

33

team members

**Cultural diversity:**

33%

of employees are from a culturally diverse background

**Gender diversity:**

33%

female representation firmwide

25%

women on the Board

For further details, you can find here a copy of our **DEI Policy**.

Our work environment fostering employees to reach their full potential, along with a highly competitive compensatory structure, have led to an impressive employee retention rate. Over the last 5 years, voluntary departures (excluding retirements) have averaged less than 1% annually.

# Philanthropy and Community Engagement

Interactive mural sponsored  
by J. Sebastian van Berkom  
(Montreal Children's Hospital)

## Education Remains a Cornerstone of Our Philanthropic Efforts

The Van Berkom Investment Management Program at Concordia University, established through a foundational donation from J. Sebastian van Berkom, continues to successfully foster hands on small-cap asset management experience for emerging finance professionals. This past year, the program benefitted from additional leadership: a retired Van Berkom employee served as Interim Director until October 2025, ensuring continuity and academic excellence.

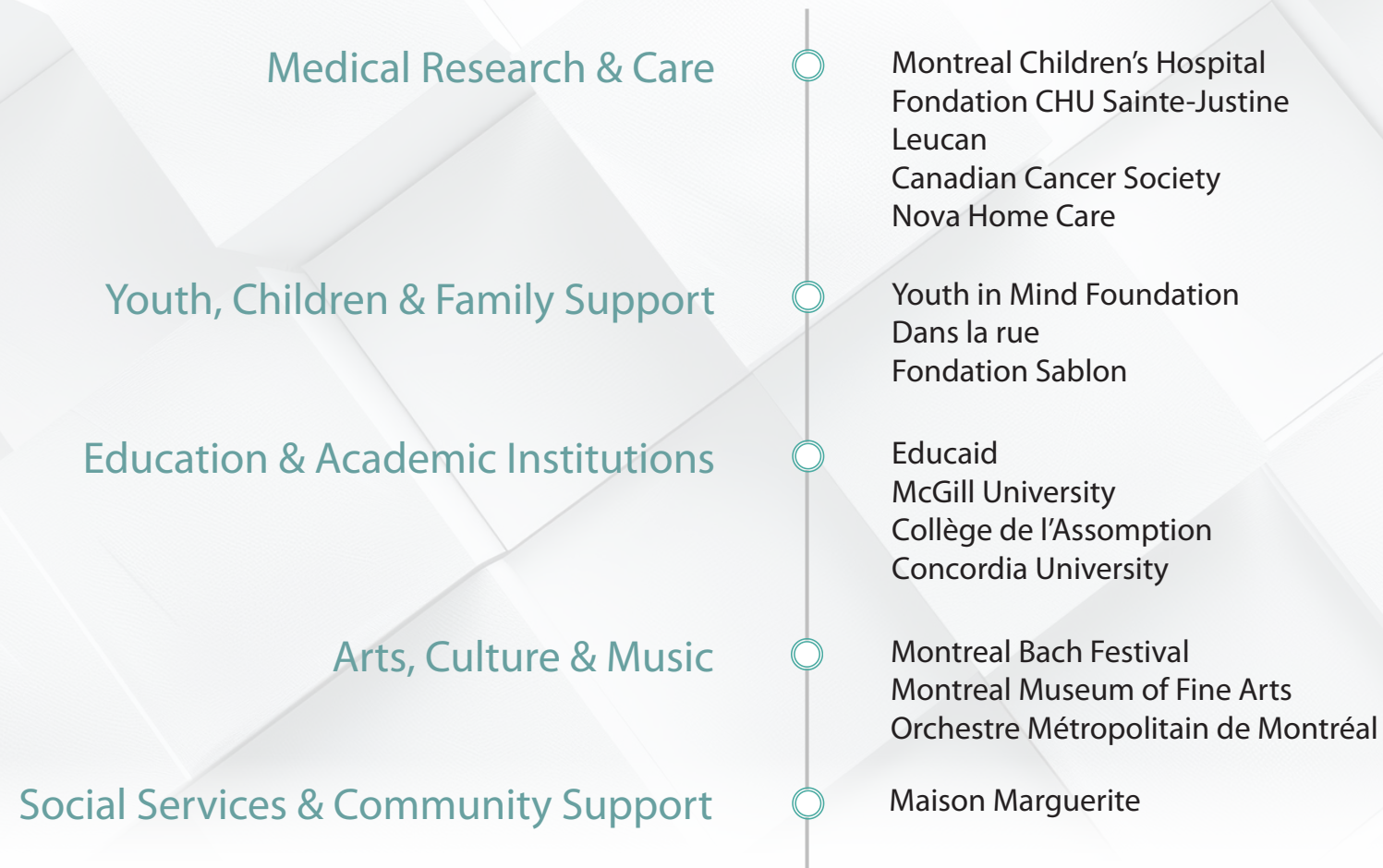
In 2025, a generous donation from our founder further enhances experiential learning opportunities for students at McGill's Desautels Faculty of Management, by adding a North American small-cap investment fund to the Desautels Capital Management's portfolio. A retired portfolio manager from Van Berkom, has taken on this initiative to cultivate the next generation of investment thinkers. These contributions reflect our firm's belief that practical experience, mentorship, and academic partnership are essential to building a strong future for the investment community. For any additional details regarding the launch of this initiative, you can refer to [this press release](#).

Our commitment extends beyond classrooms through the Van Berkom Small-Cap Case Competition, where many of our investment professionals volunteer their time to help students deepen analytical skills, develop responsible investment perspectives, and gain exposure to real-world decision-making.

Van Berkom has a long-standing commitment to strengthening the communities in which we live and work. Through direct corporate initiatives, the ongoing generosity of our founder, J. Sebastian van Berkom, a lifelong philanthropist and leading figure in Montreal's finance scene, and contributions from current and retired employees, we continue to support education, cultural institutions, and social causes that advance opportunity and well-being.

# Giving Back to Our Community

Van Berkom actively contributes to a wide range of community organizations, both financially and hands-on. We are committed to supporting the well-being of our community through long-term philanthropy, strategic partnerships, and active employee engagement. Our long standing support includes organizations such as:



# Giving Back to Our Community

In addition to financial support, our employees participate in hands-on community initiatives, such as:

## CIBC RUN FOR THE CURE

For the third consecutive year, Gabriel Bouchard-Phillips, Portfolio Manager for the Canadian Small-Cap Strategy, has organized Van Berkomp's participation in the **CIBC Run for the Cure** — Canada's largest volunteer-led event supporting the breast cancer cause. The event raises vital funds for the Canadian Cancer Society to advance research, support programs, and advocacy for Canadians impacted by breast cancer. This year's Run has raised more than \$18 million nationwide, and Van Berkomp proudly matched all employee donations, amplifying our collective impact.



One highlight this year was our **annual gift-wrapping day for St. Mary's Elementary School**, which serves children from disadvantaged backgrounds. Thanks to the generosity of our team, we wrapped and donated gifts for 49 children, helping ensure they enjoyed a joyful holiday celebration. This activity has quickly become a holiday tradition at Van Berkomp.



We are proud to recognize our President Mathieu Sirois' contributions to the **Nova Home Care Board of Directors**, where he has been an active contributor and chair of the Finance Committee since 2018. Nova Home Care provides non-medical, in-home support that help seniors, people with disabilities, and individuals recovering from illness live safely and independently. With his strategic expertise and deep sense of service, Mathieu plays a meaningful role in advancing the organization's mission and expanding access to dignified home-based care.

# Our Responsible Investment Approach

As long-term fundamental investors, we believe that sustainability is an important driver of a company's enduring success. It is our duty to fully understand ESG factors to gain a comprehensive view of the risks and opportunities our portfolio companies face. This understanding led us to launch our ESG initiative in 2022, always with the primary objective of maximizing returns for our clients. Our journey is dynamic and evolving, and in 2025, we continued to push forward with this vision, refining our existing practices and initiating new ones.

## ESG Integration in our Investment Process

At Van Berkom, analysts and portfolio managers take material ESG factors into consideration at every stage of the investment process. We look for companies that are best-in-class in all aspects of their operations, including the management of their material ESG factors.

### Idea Generation

As we source investment ideas in the pre-investment phase, we use screenings by third-party service providers, attend conferences, and meet with management teams. During this step, our investment team identifies material ESG topics in its initial assessment of potential investments that could represent risks or opportunities.

Given Van Berkom's investment philosophy and long-term focus, we have always favored companies with management teams that exhibit

leading governance practices, strong governance structures, promote a positive corporate culture, with no history of conflicts with stakeholders. We believe that well-aligned management teams, whose interests are in sync with shareholders, positively impact the management of environmental and social factors, ultimately enhancing the long-term value of the companies we invest in and partner with over time.

### Research & Analysis

Once a company meets Van Berkom's initial criteria and appears to be a viable investment opportunity, we conduct a deeper analysis. This stage includes our due diligence process, which involves thorough research to understand the company's operations and the management team's vision, feeding into the development of our financial models. The research and analysis phase entails interviews and dialogues with management teams to understand the firm's competitive advantages,

risks and opportunities, ESG strategy and macroeconomic landscape. We also conduct interviews with competitors, customers and suppliers when relevant.

Based on the material ESG risks and opportunities identified in the idea generation phase, our investment team analyzes and documents all relevant information and conducts our proprietary ESG Assessment. The weight allocated to various extra-financial elements in this assessment can vary by sector and company and is embedded in our financial analysis.

## Monitoring & Risk Management

The portfolio manager overseeing each strategy is responsible for determining how the ESG Assessment influences the inclusion of an investment in the portfolio and its potential impact on weighting decisions. In collaboration with analysts, the portfolio manager leading the strategy is responsible for overseeing the entire portfolio and continuously monitoring ESG risks and opportunities throughout the investment's lifecycle.

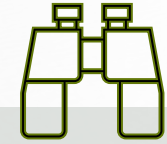
Our investment teams conduct deep research on all key and relevant business matters, including ESG considerations, placing them in a unique and advantageous position to identify and flag both ESG risks and opportunities. By spending significant time and effort understanding each industry, business model, risk factor, and growth driver of any investment candidate, our investment

professionals develop a comprehensive understanding of all key drivers and issues that could positively or negatively impact each company, including ESG risks and opportunities.

Identified risks and opportunities are then discussed with each investment candidate's management team and other industry players for validation and clarification, ensuring full integration into our investment thesis. Once identified, ESG risks and opportunities can impact the investment decision in various ways. If a risk could ultimately affect financial results, we would take action based on the potential impact. Some of the potential actions are set out in the three boxes on the right.

When our investment team is confident that ESG-related opportunities are likely to materialize for a company in the coming years,

these opportunities are incorporated into our financial model. This integration is based on our deep and superior understanding of such considerations, and it influences our future financial forecasts. Consequently, this impacts our assessment of the company's intrinsic value. This analysis is crucial in determining whether the company meets our long-term return hurdle rates, ultimately guiding our investment decision.



Investing anyway but closely monitoring the risk and engaging with the company to mitigate it.



Using a higher discount rate in our discounted cash flow (DCF) model, resulting in a lower estimated value of the company, and then engaging with the company to mitigate the risk.



Walking away from the opportunity.

## Proprietary ESG Assessment

Gathering ESG data for small-cap companies is challenging for several reasons:

- Limited human and financial resources to provide disclosures.
- Limited reporting requirements leading to a lack of transparency.
- Varying regional standards resulting in non-comparable data from providers.

Given the incomplete public ESG data in the small-cap universe and the poor-quality data from third-party providers, we rely solely on our thorough due diligence, performed as part of our investment analysis, to collect and assess extra-financial factors of the companies we analyze.

Since 2022, all new companies entering our portfolios must be evaluated from an ESG standpoint using our 23-theme ESG Assessment. As of 2023, the questionnaire is updated annually for current holdings and completed for every investment candidate. In 2025, we enhanced the questionnaire by adding a dedicated metric on net-zero commitments, setting fixed materiality ratings to certain governance themes, and conducting a calibration workshop across all investment teams, further enriching our evaluation process.

As part of this process, all investment professionals must meticulously analyze each theme, assign a notation on a scale of 1 to 5 (1 being the lowest score), and subsequently present their findings to a peer group, inviting constructive challenges and discussions, prior to the company being approved and added to any portfolio.

To complete their assessment, investment professionals rely mostly on document reviews for information that is publicly available followed by several due diligence calls with the company, leveraging our access to company management teams. Moreover, the assessment was built around the SASB and MSCI Materiality Maps for reliability and accuracy of identified material factors.

The notation directly influences investment decisions. Based on this score, and as per our Responsible Investment Policy, investment candidates scoring lower than 2 out of 5 will be excluded from our investment universe. The notation is used to quickly identify areas to focus on in our engagement strategy and measure the pace of progress for both the company and our portfolio, with lower-scoring companies being prioritized for engagement to enhance their performance.



## ESG-Aligned Compensation

Effective January 1<sup>st</sup>, 2023, we have introduced a substantial ESG bonus component in the compensation structure of each investment professional. This bonus represents 20% of their base salary. Our rationale is simple: aligning everyone's interests with our ESG objectives is key. For the year 2025, the evaluation criteria for investment professionals included conducting our engagement strategy with portfolio companies, participating in firmwide training on responsible investing, and completing, in time, comprehensive ESG company evaluations, using Van Berkom's proprietary tool and process for this purpose.

Performance targets will be reassessed on an annual basis as we advance on our ESG initiatives.

## Case Study: Mitie Group PLC

Mitie stands out within United Kingdom (UK) facilities management as an operator where ESG is both an operational imperative and a commercial advantage. The company's scale, technical capability and technology platform position it as a key delivery partner for decarbonization, compliance, and public sector resilience - areas of national strategic importance. Today, sustainability is not an adjunct to Mitie's strategy; it is fundamental to how the company creates long-term value.

## A High-Quality, Sustainability-Aligned Compounder

Mitie sits at the intersection of several expanding UK markets linked to sustainability, compliance, and national resilience. Its strong financial base—driven by an asset light model, inflation linked cash flows, and consistently high returns—positions the company to accelerate ESG-aligned growth, with free cash flow expected to exceed £150m by FY27. This financial resilience enables continued investment in digital capability, decarbonization solutions, and selective M&A, while long term structural drivers such as net zero delivery, estate compliance, data center expansion, and circular economy services further support sustained growth. While opportunities remain around workforce diversity reporting, fleet emissions, and governance disclosure, Mitie's transformation, strong financial platform, and alignment with long duration ESG themes underpin a compelling investment case.

### Environmental Leadership

Mitie plays a pivotal role in reducing emissions across the built environment—one of the UK's largest carbon emitting sectors.

#### Decarbonization & Energy Efficiency Solutions

- Market leading capabilities in HVAC optimization, renewable integration, smart building analytics, and estate decarbonization planning.
- Strong alignment to national investment programs.
- Proven ability to execute large scale energy upgrades across hospitals, defense estates, and mission critical facilities.

#### Fleet Emissions as a Material Impact Area

- Ongoing fleet electrification initiatives which remain a key area for engagement.
- Route optimization via digital platforms.
- Increased adoption of low emission vehicles.

### Social Performance

As a people intensive business, Mitie's social practices directly influence service quality, contract retention, and operational resilience.

#### Workforce Development & Safety

- Large investment in technical training, compliance certification, and digital tools that enhance workforce safety and productivity.
- Strong presence in essential sectors supports societal resilience—from healthcare and education to data centers and national security.

#### Diversity, Inclusion & Representation

- Reports gender and ethnicity metrics at management levels.
- Key opportunity to expand ethnicity data disclosure across the wider workforce to align with best practices among UK employers and strengthen transparency around representation.

### Governance Discipline

Mitie operates in regulated, sensitive environments where governance discipline is critical.

#### Contracting Discipline & Risk Management

- Clear market leadership (~13% share), enabling selective bidding and structurally resilient contract economics.
- Strong track record of integrating acquisitions and maintaining cost discipline.
- Asset light model supports consistent ROIC above 20%.

#### Compliance, Data Protection & Ethical Conduct

- Cybersecurity and data protection capabilities embedded across operations.
- Governance visibility can be strengthened through enhanced disclosure of anti-bribery training, sales practice oversight, and third party due diligence.

## ESG Portfolio Metrics

The ESG portfolio scores represent the weighted average of a company's ESG evaluation from our proprietary 1 to 5 points model to the right. As this exercise is done on an annual basis, you may find the results for the last two years below:

	Canadian SC		U.S. SC		U.S. SMID		Global SC		International SC	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Strongest score	4,28	4,27	4,41	4,56	4,41	4,56	4,73	4,31	4,82	4,81
Portfolio average	3,39	3,22	3,86	3,90	3,86	3,88	3,84	3,75	3,80	3,68
Weakest score	1,63	1,70	2,98	2,68	2,98	2,68	2,79	2,68	2,78	2,68

As at September 30, 2025, and September 30, 2024

Below are some additional metrics collected in our proprietary ESG Assessment:

Strategy	Women on Board	Board Independence	Companies Reporting Scope 1 and Scope 2 Emissions <sup>1</sup>
Canadian Small-Cap	33%	82%	47%
U.S. Small-Cap	32%	75%	58%
U.S. SMID	32%	76%	59%
Global Small-Cap	34%	60%	72%
International Small-Cap	34%	65%	80%

As at September 30, 2025

<sup>1</sup> The percentages shown are derived from our internal ESG Assessment model and rely on data reported by portfolio companies, supplemented with Bloomberg estimates, which use the most recently reported figures. This dataset differs from the coverage used to calculate our portfolios' carbon footprints. We are actively working to integrate our internal assessment data with the Bloomberg emissions data currently in use in order to provide the most accurate and consistent metrics. Please note that all Bloomberg sourced data may be subject to quality and reporting limitations.

## Ranking Legend

1.

No acknowledgment of sustainability considerations, no initiatives or programs in place.

2.

Limited initiatives, lack of adequate reporting or meaningful performance.

3.

Good level of disclosures, some specific initiatives underway. No specific targets, performance is average within its sector.

4.

Presence of meaningful initiatives and targets are established and timebound, the key risks are well managed, very good level of disclosures.

5.

Exemplary ESG leadership, targets are quantitative and timebound, progress is monitored and disclosed. Best-in-class in their sector.

# Carbon Footprint

Since 2023, we conduct an annual comprehensive analysis of the carbon footprint of our investment portfolios, specifically focusing on Scope 1 and Scope 2 emissions. We calculate them using two methods, which allow us to compare the strategy with its respective benchmark.

## 1. Total Carbon Emissions

This is the most intuitive and straightforward approach to calculate portfolio emissions. We determine the total greenhouse gas (GHG) emissions (in tons of CO<sub>2</sub>e) of our portfolio based on the issuer’s market capitalization, and then divide this by the current strategy’s value. This allows us to directly compare our portfolio’s emissions with that of the index. This therefore represents our portfolio’s normalized carbon footprint per million dollars invested.

## 2. Weighted-Average Carbon Intensity (WACI)

The carbon intensity of a company is a relative measure, obtained by dividing its GHG emissions (in tons of CO<sub>2</sub>e) by the issuer’s revenue. For our strategy, we compute the weighted average carbon intensity by considering each company’s weight within the portfolio, rather than equity ownership. This therefore measures the strategy’s exposure to carbon-intensive companies.

Strategy	WACI Relative to Benchmark	Benchmark
Canadian Small-Cap	14%	S&P / TSX Small Cap
U.S. Small-Cap	19%	Russell 2000
U.S. SMID	21%	Russell 2500
Global Small-Cap	21%	MSCI ACWI Small Cap
International Small-Cap	15%	MSCI ACWI ex-USA Small Cap

As at September 30, 2025

## Carbon Footprint Results by Strategy

### Canadian Small-Cap Strategy

Method	Unit	Van Berkom		S&P / TSX Small Cap	
		2025	2024	2025	2024
Carbon Emissions <sup>2</sup>	t. CO2e / M. CAD	24,8	31,1	107,2	109,2
Carbon Intensity	t. CO2e / M. Sales CAD	25,8	30,3	180,5	167,4

As at September 30, 2025, and September 30, 2024, with 100% coverage

### U.S. Small-Cap Strategy

Method	Unit	Van Berkom		Russell 2000	
		2025	2024	2025	2024
Carbon Emissions <sup>2</sup>	t. CO2e / M. USD	14,0	16,5	127,6	142,8
Carbon Intensity	t. CO2e / M. Sales USD	35,4	32,1	185,6	165,9

As at September 30, 2025, and September 30, 2024, with 100% coverage

<sup>2</sup> Van Berkom calculates its portfolios' carbon emissions and carbon intensity using the methodology established by the Task Force on Climate-related Financial Disclosures (TCFD). Carbon emissions correspond to portfolio companies' Scope 1 and Scope 2 emissions that are either reported to or estimated by Bloomberg. The carbon footprint based on market capitalization was used as our strategies are 100% equity, but carbon footprint based on EVIC is also available on demand.

### U.S. SMID Strategy

Method	Unit	Van Berkom		Russell 2500	
		2025	2024	2025	2024
Carbon Emissions <sup>2</sup>	t. CO2e / M. USD	12,6	13,0	98,1	110,4
Carbon Intensity	t. CO2e / M. Sales USD	30,5	31,8	140,2	130,3

As at September 30, 2025, and September 30, 2024, with 100% coverage

### Global Small-Cap Strategy

Method	Unit	Van Berkom		MSCI ACWI Small Cap	
		2025	2024	2025	2024
Carbon Emissions <sup>2</sup>	t. CO2e / M. USD	24,0	24,3	144,3	210,2
Carbon Intensity	t. CO2e / M. Sales USD	36,5	38,0	168,0	252,8

As at September 30, 2025, and September 30, 2024, with 100% coverage

### International Small-Cap Strategy

Method	Unit	Van Berkom		MSCI ACWI ex-USA Small Cap	
		2025	2024	2025	2024
Carbon Emissions <sup>2</sup>	t. CO2e / M. USD	21,6	13,0	214,8	266,8
Carbon Intensity	t. CO2e / M. Sales USD	34,5	28,3	228,8	382,4

As at September 30, 2025, and September 30, 2024, with 100% coverage

# Active Ownership

## Engagement

Following the ESG Assessment, our engagement strategy is designed to be effective and impactful. Small-cap companies typically operate with limited resources compared to their mid- and large-cap counterparts, leading them to focus on issues closely aligned with their core business. Therefore, they usually value external input and often prove to be highly receptive. Additionally, due to their smaller size, investors tend to hold a larger share of the capital and have easier access to top management. This greater ownership translates to increased influence, allowing recommendations to be implemented more swiftly.

# 2024

Marked the beginning of our official engagement initiative, with the internal ESG Committee collaborating closely with the investment teams to lay the groundwork for our engagement activities. In the year 2025, we stayed our course with priority engagements on three key focus areas:



Companies that have not yet provided adequate disclosure and information related to key ESG considerations.

Many small-cap companies have yet to publish or commit to publishing an ESG plan or report. Addressing this gap is fundamental to our stewardship approach.



Companies lacking robust governance practices and structures.

As governance excellence has always been a cornerstone of our research process at Van Berkom, we aim to set a high bar in terms of governance structures and practices across all our portfolio companies.



Companies that do not have environmental footprint reduction initiatives.

All the companies in our client portfolios should, at a minimum, have some initiatives in place to reduce their environmental impact, such as energy consumption reduction, increased use of renewable energy sources for their operations, and recycling and waste management programs.

# Engagement Case Studies

While 2025 marked the continuity of our ESG engagement plan launched in 2024, Van Berkom has a long history of successful company engagements. These past interactions, though previously informal, have been instrumental in shaping our current approach. Here are three notable examples of engagement from the past year:

## Advancing Disclosure:

**Chemed Corporation (CHE US)** operates two primary businesses: VITAS, a major U.S. hospice and palliative care provider, and Roto Rooter, a leading plumbing and water-restoration service. Between 2023 and 2025, we engaged consistently with the company to strengthen its ESG transparency and reporting practices. In 2023 and 2024, progress was limited. Discussions with the former CFO revealed reluctance to expand disclosure on material ESG metrics, particularly Scope 1 and 2 emissions—despite acknowledging that enhanced reporting would soon be required. In 2025, with the appointment of a new CFO, the company made notable progress by formally adopting the SASB framework and publishing its inaugural ESG report on June 30, 2025. Although quantitative data remains limited, these publications are major steps in the right direction. The report introduced substantially enhanced qualitative disclosure on ESG governance, programs, and

priorities, reflecting a more structured approach to managing material ESG issues. Importantly, the company has begun measuring its Scope 1, 2, and 3 emissions, with completion expected in 2026. We view these steps as meaningful progress toward greater transparency and alignment with investor expectations, and we will continue to monitor and encourage further quantitative reporting in the coming year.

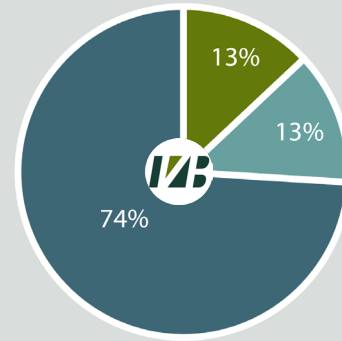
## Diversity Advocacy:

**AutoStore (AUTO NO)** is a global industrial company specializing in warehouse automation and advanced software for automated order fulfillment. In our [2024 Sustainable Investment Annual Report](#), we highlighted the company's historically limited diversity efforts and lack of proactive workforce initiatives. Over the past year, AutoStore has made notable progress on both risk identification and double materiality analysis, elevating DEI to a formal

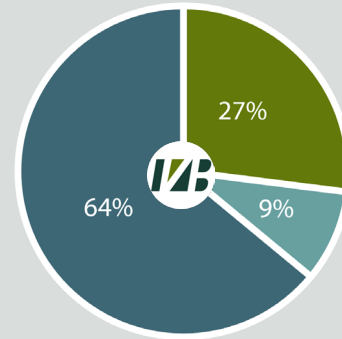
strategic priority supported by defined short and medium term initiatives. While diversity targets remain outstanding, the introduction of structured commitments marks an important step forward. We also monitored a 2023 whistleblower report highlighting concerns about workplace stress and high workloads. Management has since implemented several important measures and strengthened employee surveys to generate more actionable data. AutoStore now uses internal software to track team level stress indicators, and managers are required to hold monthly one on one meetings with employees. These efforts appear to be yielding positive results. AutoStore ranks in the top 25% of tech companies with an employee net promoter score (eNPS) of 42—15 points above the Workday benchmark. The company also offers extensive mentorship, coaching, leadership, and accelerator programs to support career and skill development across industrial, professional, graduate, and executive roles.

In 2025, we engaged with 21 companies:

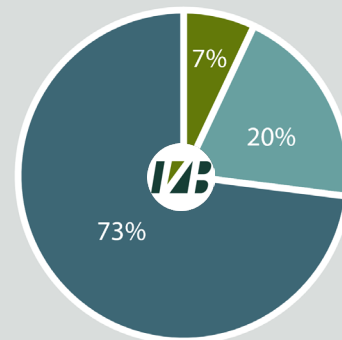
Canadian Market



U.S. Market



International Market



Environment Social Governance

### Enhancing Accountability:

**Intercos (ICOS IM)** is a global business-to-business leader in the beauty industry, specializing in the creation, development, and manufacturing of color cosmetics, skincare, and personal care products for many of the world's major beauty brands. Following our vote against management in April 2025 regarding the remuneration policy and Annual General Meeting (AGM) procedure permitting closed door meetings, we engaged directly with the company to address these governance concerns. On remuneration, we recommended revising the remuneration committee's ability to grant unlimited discretionary bonuses. While we do not oppose discretionary bonuses in principle, we believe they should be capped and represent only a small component of overall compensation. We also raised questions about equity awards for executives who are also members of the founding family. In our view, compensation should be tied to performance and structured in a way that

aligns management and shareholders. We recommended the company continues to follow best practices in setting and disclosing performance-based targets to reinforce alignment with shareholders. On governance, we expressed concerns about the continuation of closed door meetings permitted under Italian capital markets, currently extended up to September 30, 2026. In our opinion, closed-door meetings should be avoided in all but exceptional circumstances. The 2025 AGM was convened with exclusive participation through a designated shareholder representative. We believe companies should, at minimum, offer shareholders the ability to participate in AGMs through virtual alternatives. We expect an update on this issue in the first quarter of 2026; otherwise, we may need to escalate our concerns directly to the board.



## Proxy Voting

Exercising our proxy voting rights is a fundamental aspect of Van Berkom's fiduciary and stewardship responsibilities. Each portfolio manager and analyst is responsible for proxy voting decisions related to their respective securities.

Consequently, we ensure that 100% of all our proxies are voted throughout the year. While each proxy is voted on a case-by-case basis, less than 10% deviate from the default position.

Through our research process and the integration of ESG factors into every investment decision, we seek companies that demonstrate both strong financial performance and a robust corporate culture. Because we invest in businesses that already treat stakeholders well and show leadership on material ESG issues, there is typically strong alignment between our expectations and the proposals brought forward at shareholder meetings. As a result, we encounter few proxy voting disagreements, as our investment approach naturally favors companies whose governance practices and strategic priorities are already consistent with our values and long term objectives.

For additional information on our voting practices, please refer to our [Proxy Voting Policy](#).

Below is a summary of our 2025 proxy voting activities:

**Number of meetings**

**199**

**Proposals voted for**

**1 808**

**Proposals voted against shareholders**

**3**

**Proposals voted against management**

**75**

**Total proposals voted**

**1 886**

## Proxy Voting Case Studies

While we generally support management proposals, our voting decisions are guided by what we believe is in the best long term interests of our clients and shareholders. Below, we highlight three cases in the past year where we voted against management recommendations.

### **AIMIA Inc's Advisory Vote on Executive Compensation**

We opposed the advisory resolution on executive compensation due to persistent misalignment between pay and performance and an insufficient response to prior shareholder dissent. Last year's say on pay proposal received only 46.8% support. While the company engaged with shareholders and introduced certain program refinements, the revised framework remains overly reliant on time vested long term incentives that lack performance criteria, alongside recurring use of discretionary awards that weaken compensation discipline. As these practices do not meaningfully enhance alignment with shareholder interests or performance-based compensation frameworks, we were unable to support the proposal.

1

### **AutoStore Holdings LTD's vote on Election of Directors**

The company elects directors via a slate vote, limiting shareholders' ability to assess individual nominees. We opposed the proposed slate due to concerns regarding the independence of director Andreas Hansson. Mr. Hansson previously worked for SoftBank and represented this major shareholder on AutoStore's board for the past four years. His transition to an "independent" director role is therefore highly questionable. As a result, the board would include only two independent directors, an insufficient proportion to adequately represent minority shareholders. Given the importance of genuinely independent oversight—particularly for companies with a dominant shareholder—we voted against the election slate.

2

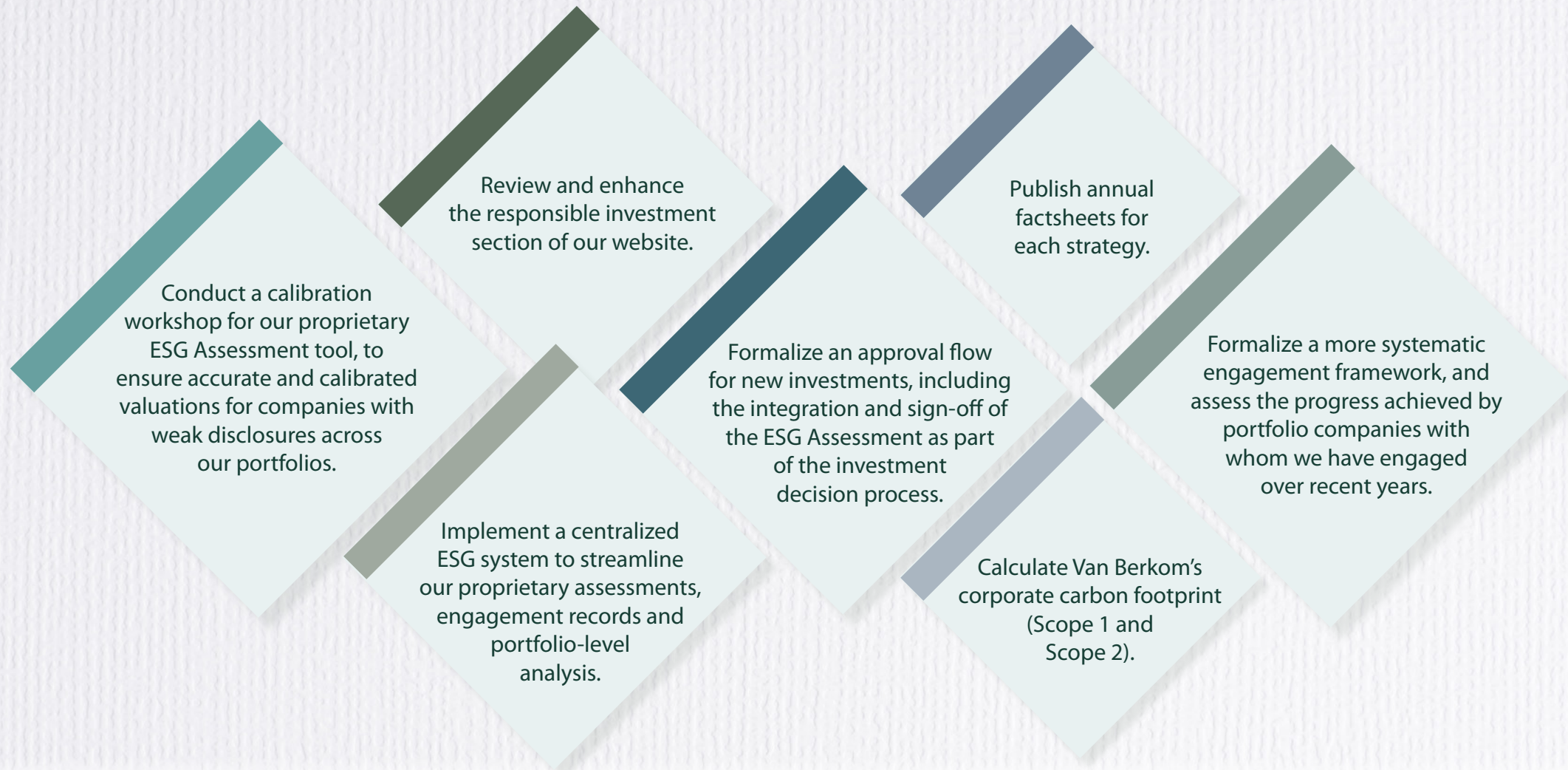
### **Brunello Cuccinelli's Advisory Vote on Remuneration Report**

Although compensation disclosure improved versus the prior year, important elements of the remuneration framework remain misaligned with best practices. The remuneration report continues to incorporate large discretionary awards not linked to measurable performance outcomes. The €1 million discretionary payment to the CEO was justified by referencing responsibilities that are inherently part of the role and should already be captured through the long term incentive plan, particularly via share price appreciation. Certain components of variable remuneration rely on loosely defined ESG metrics. While ESG objectives often include qualitative dimensions, integrating clearer, quantifiable measures—aligned with the company's publicly stated sustainability targets—would significantly enhance transparency and rigor. For these reasons, we determined that the remuneration report did not provide sufficient assurance of a robust pay for performance alignment and voted against it.

3

# Looking Ahead

The year 2026 promises to be just as busy as the last. With the launch of our 2026-2027 plan, our priority will be to build on the foundations established over the past three years — consolidating what works well, enhancing our internal processes, and continuing to refine the tools that support our long-term investment discipline. Our efforts will remain focused on improving consistency, transparency, and the quality of our ESG insights across all strategies. In the coming year, among other things, we plan to:



# About Van Berkom

## Our Culture

We find the best opportunities in high-quality, steady growth and well-managed companies. We invest when they are mispriced, and we monitor their development very closely.

Our culture is that of an extended family sharing a common dream, vision, mission and values that is driving us to build a small-cap investment management leader. The discipline of our investment philosophy, together with outstanding employees that have the passion of investing in small-cap stocks, gives all of us the opportunity to produce outstanding investment performance results, which, in turn, translate into client and employee loyalty.

This culture is based on strong values shared by everyone, namely:

- **Integrity and honesty**
- **Professionalism**
- **Respect**
- **Communication and trust**

This culture creates an environment in which we enjoy working together to build a company that we can be proud of. Profit sharing and share ownership by the employees and professionals give us the freedom to drive our careers, make decisions in the best interests of our clients and take part in the continuous improvement of our business and benefit from the satisfaction of a job well done.

Signatory of:



\* As at December 31, 2025

# Appendix

## Van Berkom's Independent ESG Advisory Board



**BHAKTI MIRCHANDANI**

Managing Director, Responsible Investing  
at Trinity Church NYC

Bhakti Mirchandani is Managing Director, Responsible Investing at Trinity Church NYC, teaches impact investing at Columbia's business and climate schools and is co-founder and board member of Allocator Collective (formerly IADEI), covers sustainable and impact investing at Forbes.com, and is on the board of Oxfam America and the investment committee of Human Rights Watch. Previously, Bhakti held leadership roles at FCLTGlobal, OWS Capital Management, Barclays, and Unitus Capital after launching her career on Wall Street and in microfinance. Bhakti has an A.B., MPA, and MBA from Harvard, where she received the Dean's Award.



**VALÉRIE CECCHINI**

Managing Partner  
BORÉALIS Global Asset Management

Valérie Cecchini is co-founder and managing partner of BOREALIS Global Asset Management. She is responsible for fundamental, sustainable research and the investment process. She also oversees shareholder engagement activities to promote good corporate governance and represents BOREALIS in the global sustainable finance ecosystem.

After 25 years of success as a portfolio manager with major asset management companies, she decided to dedicate her career to managing assets in keeping with the principles of responsible investment and to promote sustainable finance within the investment industry. Before founding BOREALIS, she managed one of Canada's oldest and largest SRI equity funds, which performed exceptionally well against both financial and sustainability criteria, while leading ESG integration efforts in her team.



**AMR ADDAS**

Senior Director, Sustainable Finance and Insights  
Farm Credit Canada

Amr Addas is the Senior Director, Sustainable Finance and Insights at Farm Credit Canada. Prior to joining FCC, Amr was the Strategic Advisor for Sustainability and a lecturer at Concordia University's John Molson School of Business, where he developed the first sustainable investing course taught at a Canadian business school and founded the Sustainable Investing Practicum and the Sustainability Ecosystem, and directed the Van Berkom Investment Management Program. In March 2025, Amr was awarded the King Charles III Coronation Medal in recognition for his contributions to sustainable finance in Canada.

As an active member of the sustainable investing community in Montreal since 2010, Amr has served on various Sustainability Advisory boards and on key working groups, including the Finance and Sustainability Initiative, Finance Montréal's Sustainable Finance Working Group, and the Finance Montréal-led Advisory Committee for developing a Sustainable Finance Roadmap for Québec. Amr holds an MBA from the University of Michigan and a B.Sc. in Mechanical Engineering from the American University in Cairo.

# Appendix

## Carbon Intensity per GICS Sector Results by Strategy

Sector	Canadian Small-Cap		U.S. Small-Cap		U.S. SMID		Global Small-Cap		International Small-Cap	
	Van Berkom	S&P/TSX SC	Van Berkom	Russell 2000	Van Berkom	Russell 2500	Van Berkom	MSCI ACWI SC	Van Berkom	MSCI ACWI ex-USA SC
Industrials	29	104	49	444	51	196	63	132	54	117
Materials	40	193	-	373	-	368	62	625	62	865
Consumer Discretionary	10	25	26	32	30	37	41	46	36	58
Health Care	35	35	36	34	33	30	35	47	41	79
Information Technology	25	34	17	40	11	34	14	64	20	103
Financials	9	24	21	21	19	14	14	14	3	9
Consumer Staples	5	52	6	51	6	60	11	82	16	99
Communication Services	82	30	2	49	-	44	7	41	7	31
Energy	27	400	-	736	-	635	-	505	22	413
Real Estate	10	74	-	74	-	49	-	66	-	71
Utilities	-	54	252	966	-	1,214	-	1,451	-	1,058
<b>Portfolio WACI<sup>3</sup></b>	<b>26</b>	<b>181</b>	<b>35</b>	<b>186</b>	<b>31</b>	<b>140</b>	<b>36</b>	<b>168</b>	<b>34</b>	<b>229</b>

As at September 30, 2025

<sup>3</sup> Van Berkom calculates portfolio carbon emissions and carbon intensity in accordance with the methodology recommended by the Task Force on Climate-related Financial Disclosures (TCFD). Carbon emissions reflect portfolio companies' Scope 1 and Scope 2 greenhouse gas emissions, as reported by companies or estimated by Bloomberg. The figures presented above represent the weighted average carbon intensity (WACI), calculated at the GICS sector level for each of Van Berkom's investment strategies.

## Legal Notes

Van Berkom and Associates Inc., also known as Van Berkom Global Asset Management (“Van Berkom”), is a Canadian firm federally incorporated and registered as portfolio manager and as exempt market dealer with the Autorité des marchés financiers (“AMF”) of Quebec and with the securities commissions of the nine other Canadian provinces, and as investment fund manager where registration is required. Van Berkom is also registered with the U.S. Securities and Exchange Commission (“SEC”) as an independent investment adviser.

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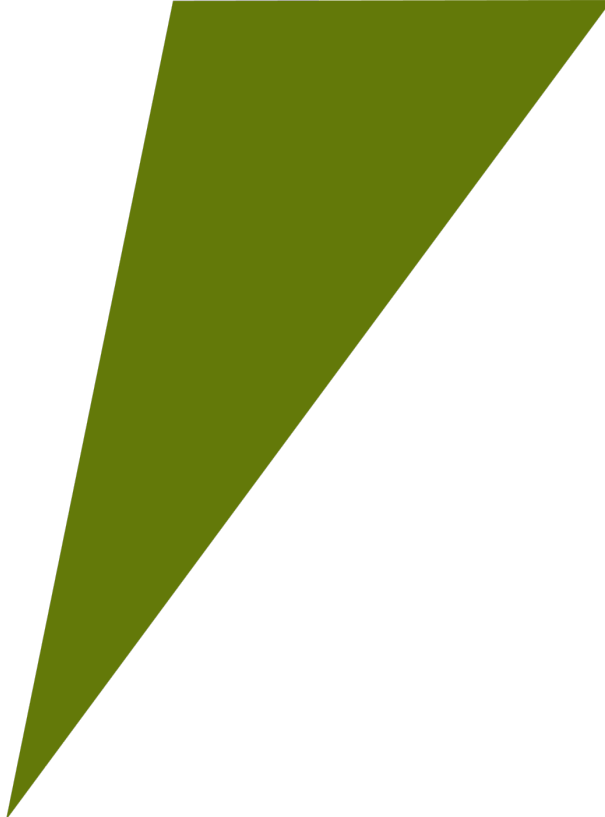
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