

ANNEX

Product name: Global Investment Grade Credit ESG Fund

Legal entity identifier: 5493005HZUTWLN5JSJ59

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **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 will make a minimum of **sustainable investments with a social objective:** ___%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% 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 promotes E/S characteristics, but **will not make any sustainable investments**

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.



What environmental and/or social characteristics are promoted by this financial product?

The Fund's approach to sustainable investing is through the promotion of environmental and social characteristics (while the Fund does not have sustainable investment as its objective, it seeks to invest a portion of its assets in sustainable investments).

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Fund's sustainability-related impact shall be measured through the Investment Advisor's implementation of its exclusion strategy, issuer engagement policy and investment in certain ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**").

For example, the Fund's exclusion strategy results in the exclusion of certain sectors including issuers involved in Fossil Fuel related sectors (including issuers engaged principally in the oil industry, including extraction, production, refining, transportation, or the mining and sale of coal and coal-fired generation).

In addition, as part of the Fund's screening process, the Investment Advisor refers to globally accepted norms, such as, the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights, where appropriate.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The environmental objectives of the Fund's underlying sustainable investments include climate change mitigation and climate change adaptation. As such, a sustainable investment seeks to make a positive contribution to the Fund's climate change mitigation and/or climate change adaptation objectives, and this may be achieved in a variety of ways, including by way of example, investment in ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**").

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund's sustainable investments are assessed to seek to ensure that they do not cause significant harm to any environmental or social sustainable investment objective. This assessment is carried out by the Investment Advisor's application of various adverse sustainability indicators, including but not limited to, exposure to Fossil Fuel related sectors (as described above) and greenhouse gas emissions.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Securities will be selected according to the Investment Advisor's internal sustainability screening process. This screening process includes consideration of adverse impacts on sustainability factors including, exposure to Fossil Fuel related sectors (as described above) and military weapons. The Investment Advisor seeks to mitigate principal adverse impacts including, for example, through its exclusion strategy and issuer engagement.

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.

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Sustainable investments align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the use of UNGC (UN Global Compact) controversies screening along with other tools including ESG scores and research as part of the investment due diligence process.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes
 No

Principal adverse impacts are described as those impacts of investment decisions that “result in negative effects on sustainability factors” while sustainability factors are defined as “environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters”. The Investment Advisor seeks to consider principal adverse impacts as part of the investment process and uses a combination of methods to help mitigate principal adverse impacts including exclusions and issuer engagement.

The Fund considers the principal adverse impacts of investment decisions on sustainability factors (including but not limited to, exposure to Fossil Fuel related sectors (as described above), the military weapons sector and greenhouse gas emissions).

The Fund’s financial statements disclose how principal adverse impacts on sustainability factors have been considered during the relevant reporting period.



What investment strategy does this financial product follow?

As part of the Fund's investment strategy, the Fund seeks to invest in a diverse, actively managed portfolio of global fixed-income securities. The investment objective of the Fund is to seek to maximise total return, consistent with the preservation of capital, prudent investment management and sustainable investing (by explicitly integrating environmental, social and governance factors into the investment process as further outlined herein). The Fund invests at least two-thirds of its assets in a diversified portfolio of investment grade corporate fixed-income instruments and the investment strategy seeks to deploy the Investment Advisor's total return investment process and philosophy.

This process includes both top-down and bottom-up decision-making inputs to identify multiple sources of value. Top-down strategies focus on macroeconomic considerations and are utilised as part of regional and sector selection. Bottom-up strategies examine the profiles of individual instruments and securities and are key to the Investment Advisor's ability to select undervalued instruments and securities spanning all sectors of the global fixed-income market.

The Investment Advisor will seek to invest in issuers that it believes have strong ESG practices; the exclusion strategy (applied to 100% of the Fund's assets with the exception of index derivatives) may exclude issuers on the basis of the industry in which they participate, including those engaged principally in Fossil Fuel related sectors (as described above), the military weapons sector, and the tobacco industry among others. However, ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**") from issuers involved in Fossil Fuel related sectors may be permitted.

Moreover, under normal market conditions, the Fund will make meaningful allocations to ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**"). In addition, the Fund will seek to reduce the carbon footprint, including intensity and emissions of the portfolio's corporate holdings. The Investment Advisor will actively engage with certain issuers as applicable (examples of such engagement may include material climate and biodiversity related matters), including for example, by encouraging issuers to align to the Paris Agreement, adopt science-based targets for carbon emissions reduction and/or broadly advance their sustainability commitments.

For further details see the Fund Supplement.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the Fund's investment strategy are the partial investments in sustainable investments and the exclusion strategy.

Firstly, as outlined in the Fund's Supplement, the Fund will promote environmental characteristics through the use of an exclusion strategy on 100% of its assets, with the exception of index derivatives. The Investment Advisor will seek to invest in issuers that it believes have strong ESG practices and the exclusion strategy applied by the Investment Advisor may exclude issuers on the basis of the industry in which they participate. For example, the Fund will not invest in the securities of any issuer

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

determined by the Investment Advisor to be engaged principally in Fossil Fuel related sectors (as described above). However, ESG Fixed Income Securities (as further described in the section of the Prospectus entitled “**ESG Fixed Income Securities**”) from issuers involved in Fossil Fuel related sectors may be permitted. In addition, the Investment Advisor may invest in securities of issuers determined by the Investment Advisor to be primarily focused on biofuel production as well as natural gas generation, transportation, distribution and sales and trading activities. Moreover, the Fund may invest in index derivatives, such as credit default swap indices, which may provide indirect exposure to excluded issuers as outlined herein.

Secondly, as further outlined in the Fund’s Supplement, the Fund will make meaningful allocations to ESG Fixed Income Securities (as further described in the section of the Prospectus entitled “**ESG Fixed Income Securities**”). All securities will be selected according to the Investment Advisor’s internal sustainability screening process designed to incorporate environmental, social and governance (ESG) factors.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

The companies in which investments are made follow good governance practices as determined by the Investment Advisor. The Investment Advisor assesses the governance practices of the Fund’s investee companies by means of a proprietary and/ or third party scoring system which considers how an investee company’s governance compares to its peers in the industry. Factors considered by the Investment Advisor, include but are not limited to:

1. Board diversity;
2. Legal or regulatory matters relating to the investee company (such as tax compliance); and
3. Conduct and culture of the investee company

As set out above, the Fund’s screening process results in the exclusion of certain sectors, noting that the Investment Advisor refers to globally accepted norms such as the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights in relation to sound management practices, employee relations, and remuneration of staff.

When the Investment Advisor is applying its policy to assess good governance practices, the Fund has the ability to retain securities from investee companies that the Investment Advisor deems to be in the best interests of the Fund and its Shareholders.



What is the asset allocation planned for this financial product?

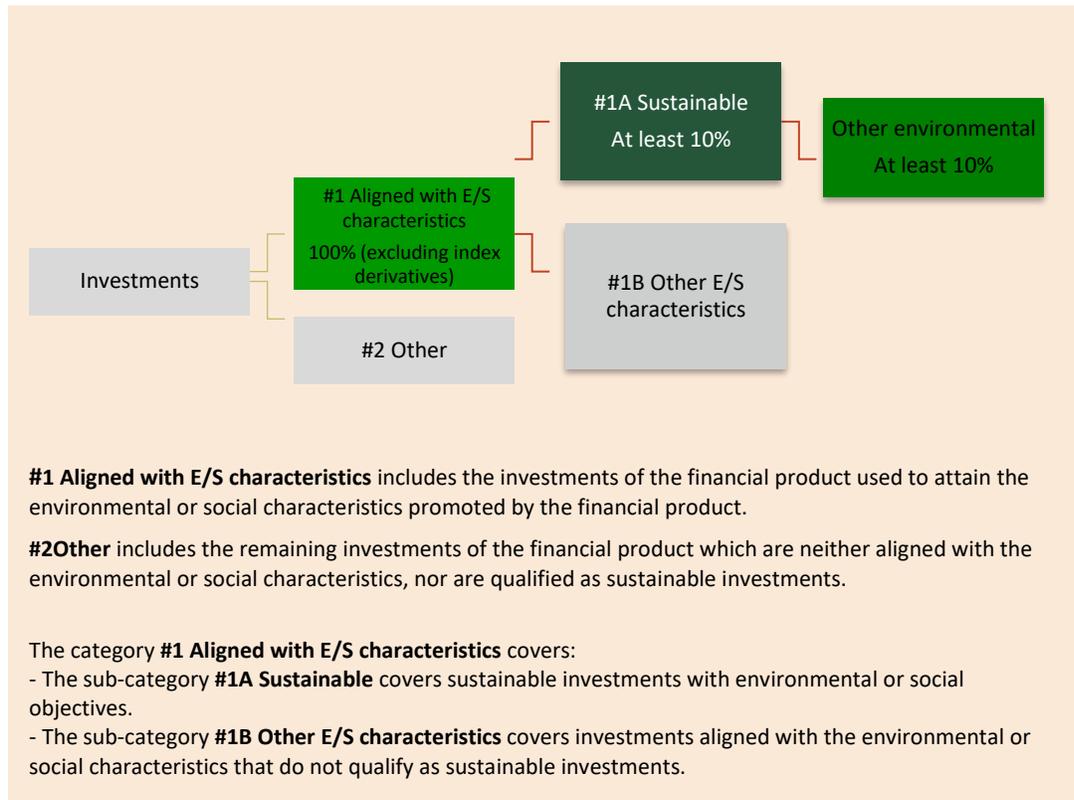
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



The Fund's exclusion strategy applies to 100% of its assets, with the exception of index derivatives.

The Fund seeks to invest a minimum of 10% of its net assets in sustainable investments with an environmental objective.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The derivatives (save for index derivatives) held by the Fund shall be subject to the Fund's exclusion strategy and used to promote the environmental and social characteristics promoted by the Fund.



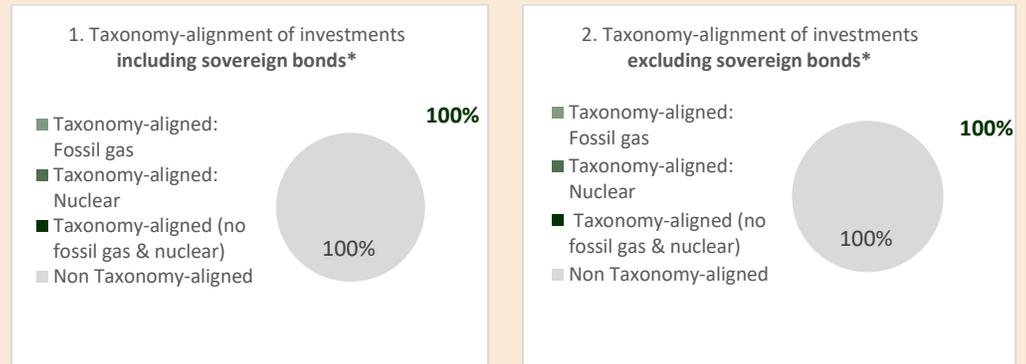
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

As shown in the graph below, the minimum share of investments in environmentally sustainable economic activities aligned with the EU Taxonomy is 0% of the Fund’s net assets.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?

- Yes:
- In fossil gas In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

The minimum share of investments in transitional and enabling activities is 0%.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

¹ 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.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund does not commit to invest in investments aligned with the EU Taxonomy. However, as noted in the asset allocation graph above, the Fund does commit to invest in sustainable investments which contribute to an environmental objective. As such, the minimum share of sustainable investments with an environmental objective which are not aligned with the EU Taxonomy is 10% of net assets.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

As set out above, the Fund’s exclusion strategy applies to 100% of its assets, with the exception of index derivatives (noting that minimum environmental or social safeguards do not apply to such index derivatives, as outlined above).



Where can I find more product specific information online?

More product-specific information can be found on the website:

[SFDR Article 10 Disclosure – Global Investment Grade Credit ESG Fund](#)

