

Sustainable investment objective

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.

Does this financial product have a sustainable investment objective?



Yes



It made **sustainable investments with an environmental objective**: 25.2%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective**: 74.1%



No



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent was the sustainable investment objective of this financial product met?

The Fund contributed towards a more sustainable and inclusive world by investing primarily in the equities of companies whose products and/or services made a positive social and/or environmental impact in the Fund's four impact themes, each of which represent key global challenges: (i) social inclusion and education, (ii) environment and resource needs, (iii) healthcare and quality of life and (iv) base of the pyramid (i.e. addressing the needs of the poorest four billion people in the world). The impact analysis was carried out using a framework that is based upon assessing three factors: (i) intent, (ii) product impact and (iii) business practices.

Through the product impact analysis, all companies in the Fund's portfolio met the sustainable investment objective of the financial product, because their products and/or services address a global environmental and/or social challenge. As part of the assessment of product impact, the contribution that the companies' products and/or services made to the United Nations Sustainable Development Goals (SDGs) was mapped using the 169 targets that underpin the SDGs. The SDGs are made up of 17 goals, some of which can be mapped on a high-level basis against the six environmental objectives outlined in the EU Taxonomy. The Fund did not invest in line with a predetermined environmental theme, and there was no commitment as to which specific environmental objectives in the EU Taxonomy the Fund would contribute to. However, these specific environmental objectives are disclosed below. No specific index has been designated as a reference benchmark for the purpose of attaining the sustainable investment objective.

Sustainability

indicators measure how the sustainable objectives of the financial product are attained.

● *How did the sustainability indicators perform and compare to previous periods?*

All holdings were in compliance with the sustainability indicators during the period. None of the sustainability indicators have been subject to an assurance provided by an auditor or a review by a third party. However, third party assurance is provided over impact reporting produced in relation to the Positive Change investment strategy.

| Indicator | To Sep 2022 | To Sep 2023 | To Sep 2024 |
|--|-------------|-------------|-------------|
| Compliance with UNGC Policy* | 98.9 | 99.1 | 99.3 |
| Compliance with sector-based exclusions* | 98.9 | 99.1 | 99.3 |
| Holdings voted in line with Voting and Engagement Guidelines* | 98.9 | 99.1 | 99.3 |
| Holdings qualitatively assessed to meet the impact criteria* | 98.9 | 99.1 | 99.3 |
| Holdings qualitatively assessed to have a linkage with the SDGs* | 98.9 | 99.1 | 99.3 |

*All holdings are in compliance with this indicator. The percentage above is an expression of the total portfolio less the portion of assets (such as cash or derivatives) which cannot count towards a positive assessment against the indicator.

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 did the sustainable investments not cause significant harm to any sustainable investment objective?***

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

At the time of investment and during the reference period, mandatory indicators for adverse impacts in Table 1 of Annex I of the SFDR Regulatory Technical Standards ('SFDR RTS') and opt-in indicators for adverse impacts selected by the Investment Manager in Tables 2 and 3 of Annex I of SFDR RTS deemed to indicate the presence of a principal adverse impact were assessed and excluded or monitored depending on the principal adverse impact indicator.

The Fund considered principal adverse impacts on a qualitative basis primarily through the following exclusions: (a) compliance with the Investment Manager's policy on assessing breaches of the United Nations Global Compact Principles for Business as outlined in the Investment Manager's Stewardship Principles and Guidelines document, (b) holdings that derive: (i) more than 10% of annual revenues from the production and/or distribution of military weapon systems and components, and provision of support systems and services for production of military weapon systems and components; (ii) more than 30% of annual revenues from the mining and/or sale of thermal coal; or (iii) more than 5% of annual revenues from the production of tobacco.

When not explicitly excluded from inclusion in the Fund's portfolio, principal adverse impacts were monitored through stewardship activities which includes the following non-exhaustive actions to mitigate or reduce principal adverse impacts: (a) voting (b) dialogue and engagement and (c) collaborative activities.

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

The Investment Manager assessed holdings using a norms-based evaluation. As such, in the Investment Manager's opinion, all holdings operated in accordance with the principles set out in the United Nations Global Compact for Business and related standards, including the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights during the reference period.



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

The Fund considered principal adverse impacts in line with the Principal Adverse Sustainability Impacts Statement and complied with the Investment Manager's controversial weapons exclusion policy as outlined in the Investment Manager's Stewardship Principles and Guidelines document. Principal adverse impacts that are not mitigated through exclusions, are identified and if needed addressed through our controversies monitoring and stewardship activities which include research, engagement, and proxy voting.

The Fund considered principal adverse impacts primarily through the following exclusions: (a) compliance with the Investment Manager's policy on assessing breaches of the United Nations Global Compact Principles for Business as outlined in the Investment Manager's Stewardship Principles and Guidelines document, (b) holdings that derive (i) more than 10% of annual revenues from the production and/or distribution of armaments; (ii) more than 30% of annual revenues from the production or distribution of thermal coal; and (c) more than 5% of annual revenues from the production of tobacco.

The above considerations mitigated principal adverse impacts, some of which are associated with principal adverse impact indicators in Table 1 of Annex I of SFDR Regulatory Technical Standards, and were supplemented by controversies monitoring, voting and engagement policies.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01 Oct 2023 to 30 Sep 2024

| Largest Investments | Sector | Country | % Assets |
|-------------------------|--|---------------|----------|
| MercadoLibre | Wholesale and Retail Trade | Brazil | 7.8 |
| TSMC | Manufacturing | Taiwan | 7.6 |
| ASML | Manufacturing | Netherlands | 7.4 |
| Shopify 'A' | Information and Communication | Canada | 5.1 |
| Bank Rakyat Indonesia | Financial and Insurance | Indonesia | 4.6 |
| Moderna Inc | Professional, Scientific and Technical | United States | 4.5 |
| Dexcom Inc | Manufacturing | United States | 4.4 |
| HDFC Bank | Financial and Insurance | India | 4.3 |
| Alnylam Pharmaceuticals | Professional, Scientific and Technical | United States | 4.3 |
| Deere & Co | Manufacturing | United States | 4.3 |
| Nu Holdings Ltd. | Financial and Insurance | Brazil | 4.2 |
| Xylem | Manufacturing | United States | 4.2 |
| Duolingo Inc | Information and Communication | United States | 4.1 |
| Autodesk | Information and Communication | United States | 4.0 |
| Ecolab | Manufacturing | United States | 3.4 |

If cash and/or derivatives are within the top investments during the reference period, they are not presented in the table above and have been replaced by a holding that is used to attain the sustainable investment objective. We believe that excluding investments that are not used to attain the sustainable investment objective leads to greater transparency.

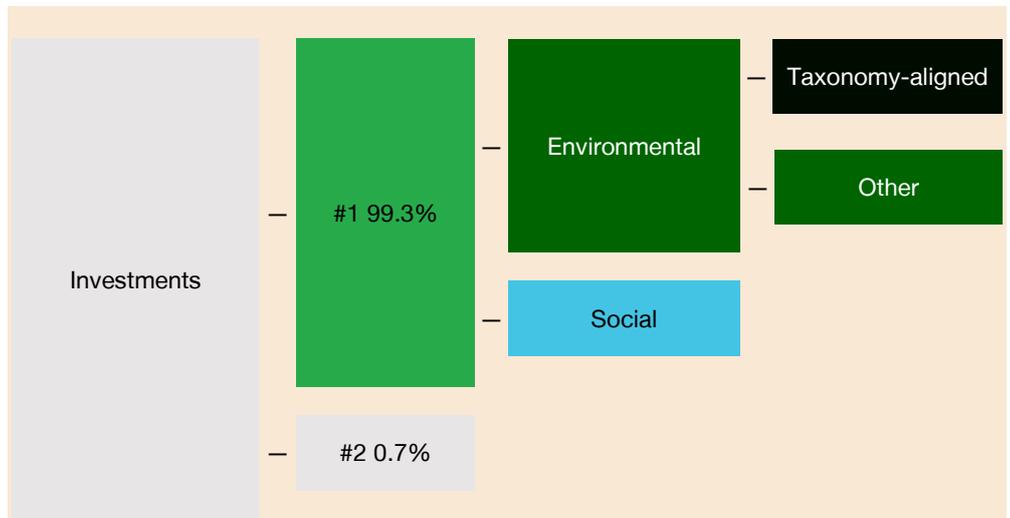


Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

● *What was the asset allocation?*

In order to meet the sustainable investment objective promoted by the Fund, it invested at least 99.3% of its total assets in equity securities of companies directly (although it may have also invested indirectly through eligible collective investment schemes) whose products and/or services made a positive social and/or environmental impact in the Fund's four impact themes, each of which represent key global challenges. This included 6.9% invested in sustainable investments with an environmental objective aligned with the EU Taxonomy. The remaining proportion of the investments was used for liquidity and/or efficient portfolio management purposes and did not incorporate any of the environmental and/or social characteristics promoted by the Fund. Any minimum environmental or social safeguards regarding the remaining proportion of the investments is covered in a specific section below.

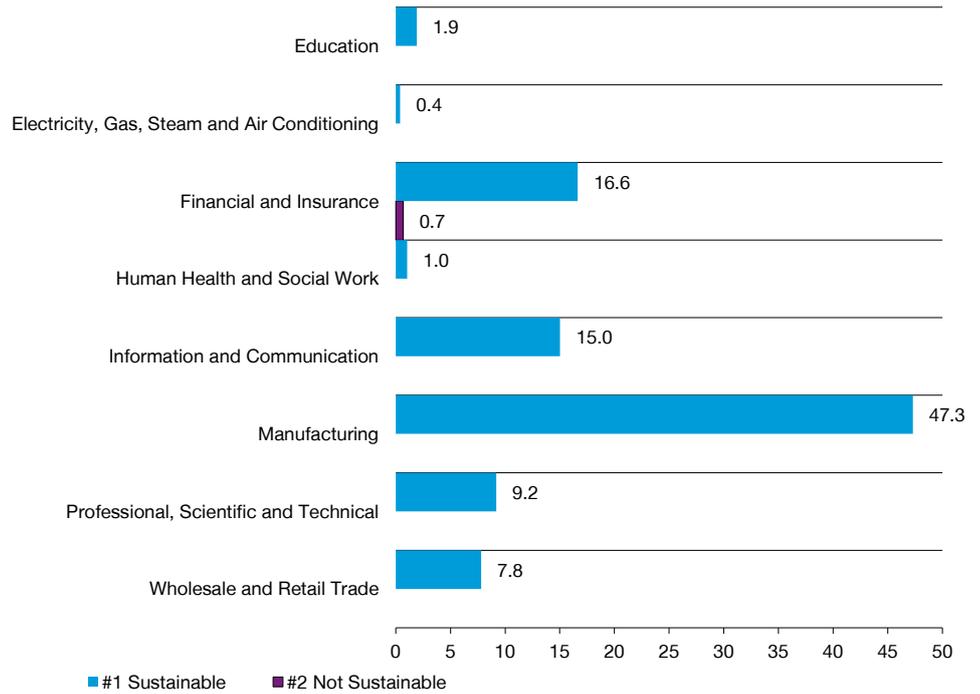


#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments

| EU Taxonomy Objective | % |
|---------------------------|------|
| Climate change mitigation | 20.6 |
| Climate change adaptation | 4.5 |

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



A breakdown of the sub-sectors the Fund is exposed to, including any sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade of fossil fuels, is provided below

| NACE Sector | Nace Sub-Sector |
|--|---|
| Education | Education |
| Electricity, Gas, Steam and Air Conditioning | Electricity, gas, steam and air conditioning supply |
| Financial and Insurance | Activities auxiliary to financial services and insurance activities Financial service activities, except insurance and pension funding Insurance, reinsurance and pension funding, except compulsory social security |
| Human Health and Social Work | Human health activities |
| Information and Communication | Information service activities Publishing activities Telecommunications |
| Manufacturing | Manufacture of basic pharmaceutical products and pharmaceutical preparations Manufacture of chemicals and chemical products Manufacture of computer, electronic and optical products Manufacture of electrical equipment Manufacture of machinery and equipment n.e.c. Manufacture of motor vehicles, trailers and semitrailers Manufacture of other transport equipment Other manufacturing |
| Professional, Scientific and Technical | Scientific research and development |
| Wholesale and Retail Trade | Retail trade, except of motor vehicles and motorcycles |

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



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

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

- Yes
 In fossil gas
 In nuclear energy
 No

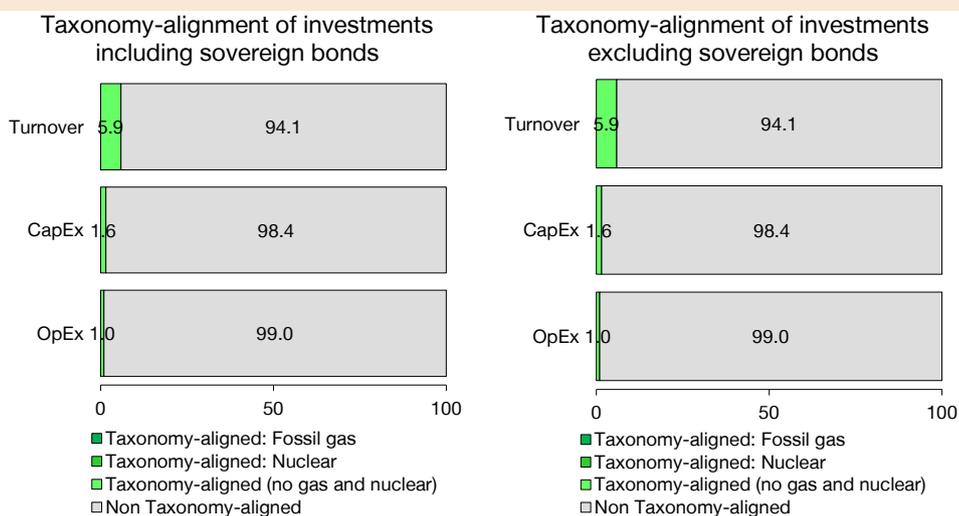
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.

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

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

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



This graph represents 100% of the total investments.

* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

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

| Reporting Period | % Transitional | % Enabling |
|---------------------------------|----------------|------------|
| From 01 Oct 2023 to 30 Sep 2024 | 0.0 | 1.8 |

How did the percentage of investments that were aligned with the EU

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.

greenhouse gas emission levels corresponding to the best performance.

Taxonomy compare with previous reference periods?

| Reporting Period | Including Sovereign Bonds | | | Excluding Sovereign Bonds | | |
|-----------------------------|---------------------------|-------|------|---------------------------|-------|------|
| | Turnover | CapEx | Opex | Turnover | CapEx | Opex |
| 01 Oct 2022 to Sep 30, 2023 | 9.7 | 0.0 | 0.0 | 9.7 | 0.0 | 0.0 |
| 01 Oct 2021 to Sep 30, 2022 | 13.3 | 0.0 | 0.0 | 13.3 | 0.0 | |

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under (EU) 2020/852.



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

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 19.3% during the reference period. As such, the Fund has exceeded the minimum commitment in investments with an environmental objective not aligned with the EU Taxonomy as outlined in the pre-contractual document. Economic activities that are not aligned with the EU Taxonomy are not necessarily environmentally harmful or unsustainable. In addition, not all economic activities are covered by the EU Taxonomy as it is not possible to develop criteria for all sectors where activities could conceivably make a substantial contribution to the environment.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 74.1% during the reference period. As such, the Fund has exceeded the minimum commitment in investments with a social objective as outlined in the precontractual document.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The investments included under #2 Not sustainable were primarily cash and cash equivalents used for liquidity purposes. This has been classified as Financial and Insurance Sector. As such, these investments did not affect the promoted environmental and/or social characteristics of the Fund. The assessment of counterparties and issuers for cash management (including cash and cash equivalents) focused on creditworthiness of these parties, which can be impacted by sustainability risks.



What actions have been taken to attain the sustainable investment objective during the reference period?

The Fund was actively managed and focuses on investing in equities of companies whose products and/or services make a positive social and/or environmental impact. The Fund employed an impact strategy as it contributed towards a more sustainable and inclusive world alongside capital growth over the long term.

The Fund included norms-based evaluation, business activity-based exclusions and active ownership to attain the sustainable investment objective. These are implemented on a continuous basis through ongoing compliance with and monitoring of the binding commitments outlined in the pre-contractual document.

SFDR requires that products promoting environmental and/or social characteristics do not invest in companies which do not follow good governance practices. As such, the Investment Manager has a policy to apply good governance tests on areas covering sound management structures, employee relations, remuneration of staff and tax compliance. All companies held in the Fund passed these tests.

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