

Asset Management / Sustainability-Related Disclosure / Last Updated January 28th, 2026

Vontobel Fund II - Active Beta Opportunities

Summary

No sustainable investment objective

This Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment. For the portion of sustainable investments, the Investment Manager applies do no significant harm test (DSNH) by considering all the relevant mandatory adverse impact indicators and any other relevant additional indicators. The sustainable investments of corporate issuers are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Environmental or social characteristics of the Sub-Fund

The Sub-Fund promotes environmental and social characteristics and invests in issuers that the Investment Manager considers well-prepared to handle financially material environmental and social challenges. Issuers will be selected based on the Investment Manager's ESG framework.

The ESG approach will be applied to the Sub-Fund's securities portfolio and UCITS/UCIs.

The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Investment Strategy

While considering the Sub-Fund's investment objective and policy in the Special Part of the Sales Prospectus in order to attain the environmental and social characteristics, the Sub-Fund applies the following ESG framework: exclusion approach, monitoring of critical controversies, screening, partial investments in green, social or sustainability bonds.

Proportion of investments

The Sub-Fund invests at least 70% of its NAV directly in issuers that qualify as aligned with E/S characteristics, under normal market conditions. This includes the minimum of 15% of the investments of the Sub-Fund that are sustainable investments.

The Sub-Fund may invest directly and indirectly up to 30% of its net assets in other investments that include the remaining investments of the Sub-Fund which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Monitoring of environmental or social characteristics

The securities will be analyzed based on the binding elements prior to investment and monitored on a continuous basis. The securities in the portfolio have their sustainability performance periodically revaluated using the above-described sustainability framework. If a security does not comply with the binding criteria described below, the Investment Manager divests from such an issuer within a time period to be determined by the Investment Manager without exceeding in principle three months after such breach was detected, considering prevailing market conditions, and taking due account of the best interests of the shareholders.

Methodologies

In order to attain the environmental and social characteristics, the Sub-Fund applies the following ESG framework:

Exclusion approach:

The Sub-Fund excludes issuers that do not comply with the exclusion "Level 2" of Vontobel's Exclusion framework. Details about this framework can be found under <https://www.vontobel.com/esg-library/>.

Monitoring of critical controversies:

- The Investment Manager has established a monitoring process to track incidents or ongoing situations in which an issuer's activities may have adverse effects on environmental, social, and governance aspects. This process intends to ensure the alignment with global norms such as the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. This process is initially based on the utilization of third-party data and subsequently entails a comprehensive structured review conducted by the Investment Manager. Securities of issuers are excluded where the Investment Manager has concluded that they (i) violate the norms and standards promoted by the Sub-Fund or (ii) are involved in critical controversies, including those related to governance matters. However, the Investment Manager recognizes that excluding such issuers from the Investment Manager's investments may not always be the best approach to mitigate the adverse effects of their

activities. In these cases, the Investment Manager will monitor these issuers, where the Investment Manager believes that reasonable progress can be attained, for example, through active ownership activities, provided the issuer demonstrates good governance.

Screening:

- The Sub-Fund invests in securities of issuers that pass the minimum ESG rating (minimum is set at E, on a scale from A to G, with A being the best, and G being the worst rating), which is based on a proprietary methodology. If an issuer cannot be assigned a proprietary ESG rating, a minimum MSCI ESG rating of BB shall be used. The ESG model scores companies relative to the other companies in the related industry.
- The Sub-Fund invests in securities issuers that pass the minimum climate score (set at 10, on a scale from 0 to 100, with 0 being the worst and 100 being the best), which is based on the Investment Manager's proprietary methodology. The model is based on a combination of backward-looking metrics such as carbon intensity, and forward-looking metrics such as warming potential.
- The Sub-Fund invests in selected UCITS/UCIs that pass the Investment Manager's ESG assessment. UCITS/UCIs are evaluated based on qualitative and quantitative criteria, which include sector-based exclusions, consideration of UN Global Compact, and the management of controversial ESG events.

Partial investments in green, social or sustainability bonds:

The Sub-Fund will invest at least 15% in green, social or sustainability bonds, either through direct investments in such bonds or indirectly through investments in funds that invest mainly in such bonds. These investments will be qualified as sustainable investments. Green, social or sustainability bonds are instruments where the proceeds will be applied to finance or refinance new and/or existing projects, with positive environmental and/or social outcomes. The direct investments are bonds categorized as green, social or sustainability bonds based on international standards such as the International Capital Market Association (ICMA).

Additionally, the Sub-Fund follows an active ownership approach, which takes into account relevant environmental, social and governance matters. The Investment Manager sees these activities as a way to support the attainment of the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund is covered by the engagement pool of the Investment Manager's stewardship program, which is mainly based on a collaboration with a stewardship partner. The Investment Manager has limited influence on the stewardship partner's engagement program.

Finally, in an effort to measure the attainment of each of the E/S characteristics promoted, the Sub-Fund will report on the defined sustainability indicators as part of its annual periodic reporting. The sustainability indicators are derived from the binding elements of the investment strategy used to select the investments to achieve the promoted E/S characteristics.

Data sources and processing

The investment process uses data from external ESG providers (e.g., Sustainalytics, MSCI), issuers, media, NGOs, and international organizations. The mentioned data sources are used to implement the ESG framework as described in detail in the Investment Strategy section. The Investment Manager ensures data quality through regular reviews, multiple sources, and issuer engagement for gaps. Estimates are used when necessary, with a low to medium reliance on estimated data.

Limitations to methodologies and data

The implementation of the ESG strategy of the Sub-Fund relies on third-party data and/or internal analyses, which may be incomplete or inaccurate. There is no guarantee of accuracy, completeness, or proper application of ESG criteria.

Due diligence

The internal Investment Control unit conducts pre-trade checks, allowing portfolio managers to simulate and verify trades against restrictions. Automated checks highlight potential breaches before order execution to ensure compliance.

Engagement policies

The Investment Manager prioritizes direct engagement with investee companies and sovereigns, addressing business strategy, governance, and ESG issues. It also collaborates with Columbia Threadneedle Investments (reo®) for broader engagement and voting influence. This partnership enables greater impact, resource access, and collaboration, focusing on poor ESG practices, thematic issues, and controversies.

Designated reference benchmark

No index has been designated as a reference benchmark to attain the environmental and social characteristics promoted by this Sub-Fund.

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment.

While the Sub-Fund does not have as its objective a sustainable investment, it will invest at least 15% in green, social or sustainability bonds either through direct investments in such bonds or indirectly through investments in funds that invest mainly in such bonds. These investments will be qualified as sustainable investments. The direct investments are bonds categorized as green, social or sustainability bonds based on international standards such as the International Capital Market Association (ICMA).

The Investment Manager takes into account all the mandatory adverse impact indicators and any relevant additional adverse impact indicators by applying the following process: The Investment Manager identifies issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research; data sources include ESG data providers, news alerts, and the issuers themselves. When no reliable third-party data is available, the Investment Manager may make reasonable estimates or assumptions. Where the Investment Manager identifies an investment as having a critical and poorly managed impact in one of the considered principal adverse impacts areas, and where no signs of remedial action or improvement have been observed, an action by the Investment Manager must be taken. Action mechanisms may include: exclusion, active ownership, tilting.

The Investment Manager has established a monitoring process to track incidents or ongoing situations in which an issuer's activities may have adverse effects on environmental, social, and governance aspects. This process intends to ensure the alignment with global norms such as the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. This process is initially based on the utilization of third-party data and subsequently entails a comprehensive structured review conducted by the Investment Manager. Securities of issuers are excluded where the Investment Manager has concluded that they (i) violate the norms and standards promoted by the Sub-Fund or (ii) are involved in critical controversies, including those related to governance matters. However, the Investment Manager recognizes that excluding such issuers from the Investment Manager's investments may not always be the best approach to mitigate the adverse effects of their activities. In these cases, the Investment Manager will monitor these issuers, where the Investment Manager believes that reasonable progress can be attained, for example, through active ownership activities, provided the issuer demonstrates good governance.

Environmental or social characteristics of the financial product

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

The Sub-Fund promotes environmental and social characteristics and invests in issuers that the Investment Manager considers well-prepared to handle financially material environmental and social challenges. Issuers will be selected based on the Investment Manager's ESG framework. The ESG approach will be applied to the Sub-Fund's securities portfolio and UCITS/UCIs. For the avoidance of doubt, where the exposure to an asset class is built up via derivatives, a part or all of the securities portfolio may serve as collateral for such derivative transactions.

The Sub-Fund will invest at least 15% in green, social or sustainability bonds, either through direct investments in such bonds or indirectly through investments in funds that invest mainly in such bonds. These investments will be qualified as sustainable investments. Green, social or sustainability bonds are instruments where the proceeds will be applied to finance or refinance new and/or existing projects, with positive environmental and/or social outcomes. The direct investments are bonds categorized as green, social or sustainability bonds based on international standards such as the International Capital Market Association (ICMA). The green bonds' objective is to enable capital-raising and investment for new and existing sound and sustainable projects with environmental benefits, that foster a net-zero emissions economy and protect the environment (example: renewable energy, pollution prevention and control, environmentally sustainable management of living natural resources and land use). Social bonds are use of proceeds bonds that raise funds for new and existing projects with positive social outcomes (example: direct emergency relief such as food, shelter and healthcare and specific projects designed to alleviate unemployment of affected populations). Sustainability bonds are bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects.

Investment strategy

What investment strategy does this financial product follow to select the investments to attain the environmental and social characteristics, and what are the binding elements of this investment strategy?

In order to attain the environmental and social characteristics, the Sub-Fund applies the following ESG framework:

Exclusion approach:

The Sub-Fund excludes issuers that do not comply with the exclusion "Level 2" of Vontobel's Exclusion framework. Details about this framework can be found under <https://www.vontobel.com/esg-library/>.

Screening:

- The Sub-Fund invests in securities of issuers that pass the minimum ESG rating (minimum is set at E, on a scale from A to G, with A being the best, and G being the worst rating), which is based on a proprietary methodology. If an issuer cannot be assigned a proprietary ESG rating, a minimum MSCI ESG rating of BB shall be used. The ESG model scores companies relative to the other companies in the related industry.
- The Sub-Fund invests in securities issuers that pass the minimum climate score (set at 10, on a scale from 0 to 100, with 0 being the worst and 100 being the best), which is based on the Investment Manager's proprietary methodology. The model is based on a combination of backward-looking metrics such as carbon intensity, and forward-looking metrics such as warming potential.
- The Sub-Fund invests in selected UCITS/UCIs that pass the Investment Manager's ESG assessment. UCITS/UCIs are evaluated based on qualitative and quantitative criteria, which include sector-based exclusions, consideration of UN Global Compact, and the management of controversial ESG events.

Monitoring of severe controversies:

The Investment Manager has established a monitoring process to track incidents or ongoing situations in which an issuer's activities may have adverse effects on environmental, social, and governance aspects. This process intends to ensure the alignment with global norms such as the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. This process is initially based on the utilization of third-party data and subsequently entails a comprehensive structured review conducted by the Investment Manager. Securities of issuers are excluded where the Investment Manager has concluded that they (i) violate the norms and standards promoted by the Sub-Fund or (ii) are involved in critical controversies, including those related to governance matters. However, the Investment Manager recognizes that excluding such issuers from the Investment Manager's investments may not always be the best approach to mitigate the adverse effects of their activities. In these cases, the Investment Manager will monitor these issuers, where the Investment Manager believes that reasonable progress can be attained, for example, through active ownership activities, provided the issuer demonstrates good governance.

Partial investments in green, social or sustainability bonds:

The Sub-Fund will invest at least 15% in green, social or sustainability bonds, either through direct investments in such bonds or indirectly through investments in funds that invest mainly in such bonds. These investments will be qualified as sustainable investments. Green, social or sustainability bonds are instruments where the proceeds will be applied to finance or refinance new and/or existing projects, with positive environmental and/or social outcomes. The direct investments are bonds categorized as green, social or sustainability bonds based on international standards such as the International Capital Market Association (ICMA).

The binding elements of the investment strategy used to select the investments to achieve the E/S characteristics promoted are as follows:

- The Sub-Fund excludes securities of corporate issuers that derive a non-negligible part of their revenues from excluded products and/or activities listed above.
- The Sub-Fund excludes securities of issuers that are in violation of certain global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies (unless the Investment Manager believes reasonable progress can be attained, for example, through active ownership activities). Such controversies may be related to environmental, social or governance issues.
- The Sub-Fund invests in securities of issuers that pass the minimum proprietary ESG rating that has been set for this Sub-Fund (set at E).
- The Sub-Fund invests in securities of issuers that pass the minimum climate score that has been set for this Sub-Fund (set at 10).
- The Sub-Fund invests in selected UCITS/UCIs that pass the Investment Manager's ESG assessment.
- The Sub-Fund will invest at least 15% in green, social or sustainability bonds, either through direct investments in such bonds or indirectly through investments in funds that invest mainly in such bonds

Policy to assess good governance practices of the investee companies¹:

The Investment Manager will assess investee companies' good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance, by applying a critical controversies monitoring process. The Investment Manager has established a monitoring process to track incidents or ongoing situations in which an issuer's activities may have adverse effects on environmental, social, and governance aspects. This process intends to ensure the alignment with global norms such as the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. This process is initially based on the utilization of third-party data and subsequently entails a comprehensive structured review conducted by the Investment Manager. Securities of issuers are

¹ including with respect to sound management structures, employee relations, remuneration of staff and tax compliance

excluded where the Investment Manager has concluded that they (i) violate the norms and standards promoted by the Sub-Fund or (ii) are involved in critical controversies, including those related to governance matters. However, the Investment Manager recognizes that excluding such issuers from the Investment Manager's investments may not always be the best approach to mitigate the adverse effects of their activities. In these cases, the Investment Manager will monitor these issuers, where the Investment Manager believes that reasonable progress can be attained, for example, through active ownership activities, provided the issuer demonstrates good governance

Does the financial product consider Principal Adverse Sustainability Impacts? If yes, which areas/indicators are considered and how?

☒ Yes ☐ No

The Investment Manager considers the list of principal adverse impacts on sustainability factors mentioned in the table below.

Information on how principal adverse impacts on sustainability factors were considered will be made available in the periodic reporting of the Sub-Fund.

The following Principal Adverse Sustainability Impacts Indicators² are considered in the investment strategy:

PAI	Process applied
Table 1, #4: Exposure to companies active in the fossil fuel sector	Exclusion in the fossil fuel area (cf. "exclusion approach", https://www.vontobel.com/esg-library/)
Table 1, #5: Share of non-renewable energy production	
Table 1, #14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Exclusion of controversial weapons (cf. "exclusion approach", https://www.vontobel.com/esg-library/)
Table 1, #10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Cf. "Monitoring of critical controversies"
Table 3, #14: Number of identified cases of severe human rights issues and incidents	
Table 1, #16: Investee countries subject to social violations	Exclusion of countries with international sanctions (cf. "exclusion approach", https://www.vontobel.com/esg-library/)

Proportion of investments

What is the asset allocation planned for this financial product?

INVESTMENTS	PERCENTAGE (OF NET ASSETS)	TYPE OF EXPOSURES
#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.	At least 70%	Mainly through direct exposures and potentially through UCITS/UCIs
Sustainable covers environmentally and socially sustainable investments	At least 15%	Mainly through direct exposures and potentially through UCITS/UCIs
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.	Up to 30%	Mainly through direct exposures and potentially through UCITS/UCIs

The remaining assets of the Sub-Fund will be invested in accordance with the investment objective of the Sub-Fund, including in cash and cash equivalents for liquidity purposes and use of derivatives for the purposes set out in the Special Part. While these instruments are not expected to detrimentally affect the attainment of the Sub-Fund's environmental and social characteristics, no minimum environmental or social safeguards are applied.

² As set out in Table 1, 2 and 3 of Annex 1 of Regulation (EU) 2022/1288

When investing in UCITS and UCIs managed by another management company, the Investment Manager relies on ESG methodology and exclusion policies, if any, used by the management company of such UCITS and UCIs and the Exclusion Framework may not apply.

Monitoring of environmental or social characteristics

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

The attainment of the environmental and social characteristics is measured through the following list of sustainability indicators:

- Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund (excluded products and/or activities are indicated under the investment strategy section)
- Percentage of investments in securities of issuers that pass the minimum ESG Rating that has been set for this Sub-Fund (based on a proprietary methodology, minimum is set at E from A-G, G being the lowest). If the issuer cannot be rated by proprietary methodology a minimum MSCI ESG rating of BB is taken.
- Percentage of investments in securities of issuers that pass the minimum Climate score that has been set for this Sub-Fund (based on a proprietary methodology, minimum is set at 10 from 0-100, 0 being the lowest).
- Percentage of investments in securities of issuers that are in violation with global norms and standards promoted by the Sub-Fund or that are exposed to critical controversies (unless the Investment Manager believes reasonable progress can be attained, for example, through active ownership activities) Such controversies may be related to environmental, social or governance issues.
- Percentage of investments in selected UCITS/UCIs that pass the Investment Manager's ESG assessment.
- Percentage of investments in green, social or sustainability bonds portfolio or in investment funds that invest mainly in such bonds.

The information used for the implementation of the ESG framework, and consequently the attainment of the environmental and social characteristics, are reviewed on a regular basis.

If a security does not comply with the binding criteria described above, the Investment Manager divests from such an issuer within a time period to be determined by the Investment Manager without exceeding in principle three months after such breach was detected, considering prevailing market conditions, and taking due account of the best interests of the shareholders. The Board of Directors or the Management Company of Vontobel Fund may decide to further postpone the rectification of such a breach or decide to carry out the divestment in several instalments over a longer period of time in exceptional cases, provided this is considered to be in the best interests of the shareholders.

Compliance with the binding elements applied by this Sub-Fund is monitored by the investment teams. For the elements that are in scope of the Sub-Fund's investment guidelines and subject to investment controls, the internal Investment Control unit has post-trade checks mechanisms in place. The independent Investment Control team conducts a daily post-trade review of portfolios using our portfolio management system. Should Investment Control and the respective portfolio manager fail to agree whether a breach has actually occurred (e.g. in case of a different interpretation of regulatory investment restrictions), Compliance analyses the case and then informs Investment Control of its assessment, which then follows up accordingly. The pre- and post-trade checks are parametrized either based on data retained directly from third-party ESG data provider or from the Investment Manager directly, especially where the followed approaches are based on proprietary methodologies of the Investment Manager. For documented ESG processes and controls, first line of defence controls are confirmed and self-assessed annually by the business owners via the Operation Risk and Control Self-Assessment (RCSA) process. The RCSA process is a systematic and regular business process aimed at reviewing specific inherent operational risks that Asset Management investments are exposed to, as well as an assessment of the control environment that is in place to mitigate those risks. Second line functions like Compliance carry out spot checks on some first line of defence controls.

Methodologies

What are the methodologies used for the implementation of the ESG framework?

Exclusion approach:

The Exclusion Framework is described under <https://www.vontobel.com/esg-library/>. The document describes the data sources used and the related processes in place.

Screening:

The Sub-Fund invests in securities of issuers that pass the minimum ESG rating of E, which is based on a proprietary methodology. The ESG model scores companies relative to the other companies in the related industry. By applying this minimum rating,

the Sub-Fund will exclude worst ESG laggards (i.e. worst ESG performers). If an issuer cannot be assigned a proprietary ESG rating, a minimum MSCI ESG rating of BB shall be used. More information on MSCI ESG ratings can be found [here](#).

The Sub-Fund evaluates a proprietary climate score for every security based on backward-looking metrics such as carbon intensity and forward-looking metrics such as climate value at risk. At least one data point per metric category is required to perform the score calculation. A minimum score of 10 is required for investment. The assessment is based on MSCI Sustainability data.

UCITS/UCIs are evaluated based on a proprietary methodology entailing both qualitative and quantitative criteria, which include sector-based exclusions, consideration of UN Global Compact, and the management of controversial ESG events. The assessment is based on MSCI data and direct target fund manager disclosures.

Monitoring of critical controversies:

The Investment Manager has established a monitoring process to track incidents or ongoing situations in which an issuer's activities may have adverse effects on environmental, social, and governance aspects. This process intends to ensure the alignment with global norms such as the UN Global Compact principles, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. This process is initially based on the utilization of third-party data and subsequently entails a comprehensive structured review conducted by the Investment Manager. Securities of issuers are excluded where the Investment Manager has concluded that they (i) violate the norms and standards promoted by the Sub-Fund or (ii) are involved in critical controversies, including those related to governance matters. However, the Investment Manager recognizes that excluding such issuers from the Investment Manager's investments may not always be the best approach to mitigate the adverse effects of their activities. In these cases, the Investment Manager will monitor these issuers, where the Investment Manager believes that reasonable progress can be attained, for example, through active ownership activities, provided the issuer demonstrates good governance.

Partial investments in green, social or sustainability bonds:

Green, social or sustainability bonds in the securities portfolio issued according to recognized process guidelines. As part of this process and in order to qualify for investment, the bond must fulfil three level of criteria. First, the bond must be linked to Use of Proceeds (green, social or sustainability). Second, it must be aligned with recognized standards such as the Green Bond Principles of the International Capital Market Association (ICMA). Finally, the bond must have received assurance from an external provider (such as Sustainalytics or Climate Bonds) to certify compliance with the standards. In order to perform this analysis, the Investment Manager will use data retained from Bloomberg.

Data sources and processing

What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

The following data sources are used for the implementation of the investment process:

- MSCI ESG Research
- Sustainalytics
- Bloomberg
- Factset
- reo

In order to ensure data quality, the Investment Manager:

- Regularly reviews data on issuers
- Uses multiple data sources
- Conducts proprietary research on issuers' critical ESG events

The data sources mentioned above are used in order to implement the ESG framework described in detail the "Investment strategy" section.

The Investment Manager may make reasonable estimates, when data is lacking. Additionally, third party ESG data provider may use estimates themselves. The proportion of data that is estimated by the Investment Manager is indicated to be low to medium, depending on the data type.

Limitations to methodologies and data

What are the limitations to the methodologies and data sources?

In assessing the eligibility of an issuer based on ESG research, there is a dependence upon information and data from third party ESG research data providers and internal analyses which may be based on certain assumptions or hypothesis that render it incomplete or inaccurate. As a result, there is a risk of inaccurately assessing a security or issuer. There is also a risk that the Investment Manager may not apply the relevant criteria of the ESG research correctly or that the Sub-Fund could have indirect exposure to issuers who do not meet the relevant criteria. This poses a significant methodological limit to the ESG strategy of the Sub-Fund. Neither the Sub-Fund, nor the management company nor the investment manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness, or completeness of an assessment of ESG research and the correct execution of the ESG strategy.

In order to maintain confidence that social and environmental characteristics are met, the investment manager may also engage with investees in order to fill data gaps or may use complimentary data from additional providers or directly from investee disclosures.

Due diligence

What is the due diligence carried out on the underlying assets at initial investment and what are the internal and external controls in place?

In order to qualify for initial investment, the investments aligned with the environmental and social characteristics must comply with the binding elements applied by the Sub-Fund. This compliance has to be ensured by the Investment Manager. For the elements that are in scope of the Sub-Fund's investment guidelines and subject to investment controls, the internal Investment Control unit has pre-trade checks mechanisms in place. The pre-trade checks allow portfolio managers to simulate trades and check each trade against restrictions, prior to placing orders, in order to prevent the occurrence of breaches. When submitting orders an automated check of the investment guidelines restrictions is performed, generating a warning to the portfolio managers, highlighting potential breaches that would materialize in case the orders would be executed.

Engagement policies

Is engagement part of the environmental or social investment strategy?

☒ Yes ☐ No

If so, what are the engagement procedures?

The Sub-Fund applies a comprehensive stewardship strategy supported by its partner, reo. The stewardship partner conducts engagement activities based around three approaches:

- Bottom-up approach – the stewardship partner engages with companies that have exceptionally poor ESG practices or severe ESG controversies ("priority companies");
- Top-down approach – the stewardship partner selects companies for which practices should be improved based on thematic focus areas (e.g. climate risk management);
- Continuous risk management – the stewardship partner engages in response to controversies and breaches in global norms.

Additionally, the Sub-Fund follows an active ownership approach, which takes into account relevant environmental, social and governance matters. The Investment Manager sees these activities as a way to support the attainment of the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund is covered by the engagement pool of the Investment Manager's stewardship program, which is mainly based on a collaboration with a stewardship partner. The Investment Manager has limited influence on the stewardship partner's engagement program.

Designated reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

☐ Yes ☒ No

Important information

Subscriptions of shares of the fund should in any event be made solely on the basis of the fund's current sales prospectus (the "Sales Prospectus"), the Key (Investor) Information Document ("K(I)ID"), its articles of incorporation and the most recent annual and semi-annual report of the fund and after seeking the advice of an independent finance, legal, accounting and tax specialist. If you are in any doubt about the contents of this document or have any question, you should consult your professional and/or investment advisers.

The information in this document might have been revised either after the 1st of January 2023 (when the SFDR RTS came into effect) or following the launch of the financial product. The updates could have been made to offer more clarity on specific subjects or to align with any alterations in the financial product's ESG approach. You can locate the applicable date for this document at the top of the page and in the file name of this document.