

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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.

Product Name: M&G Catalyst Credit Fund

Legal Entity Identifier: 254900QD8X6UPZZHK340

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☒ Yes

☒ No

☐ It made **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 made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 73.23% 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 were the environmental and/or social characteristics promoted by this financial product met?

Environmental and/or social characteristics

The Fund will typically invest in assets that demonstrably contribute to a sustainable economy, aiming to improve environmental and social outcomes as categorised by the themes of climate action, environmental solutions, circular economy, social inclusion, better health, better work and education as core components of a sustainable economy. Each investment is assessed with use of the Impact Management Project's Framework, based on the IMP+ACT Investment Classification System to understand, manage and measure contribution to the targeted themes.

The Fund will not invest in the activities that are considered to be harmful to the society or the environment. To this end, the Fund operates an ESG exclusion list (Catalyst Exclusion List) as part of the Investment Manager's investment process, which includes norms-based, sector-based and/or values-based exclusions and applies the Portfolio Manager's Coal Policy.

As at December 31st 2023, all investments held within the Fund pass good governance test and the Fund does not hold any investments that would be assessed to fail its screening of activities harmful to society or the environment.

The basis for calculation of % sustainable investments, % aligned to environmental and social characteristics and sustainability indicators has been amended from NAV to adjusted GAV during the reference period. Since the Fund uses short-term borrowing facility from time to time, the metrics based on NAV may not provide easily understandable picture of Fund's sustainability characteristics. For example, % of sustainable investments may exceed 100% due to the impact of liabilities included within NAV figure. GAV is expected to improve clarity for investors. The 2022 sustainability indicators data has been updated to reflect this change in basis, therefore is presented in terms of adjusted GAV. All comparisons to historical sustainability indicators are made using 2022 adjusted GAV figures.

It is worth noting that in some instances data availability is currently low, which can have a significant impact on the measured performance for certain sustainability indicators. Data availability is expected to improve over time. Due to certain positions (short FX/cash) held by the fund the value for environmental or social characteristics exceeds 100% and the Other investments result negative.

Meeting environmental and/or social characteristics

During the reference period, the Fund met the environmental/social characteristics promoted by adhering to ESG related investment restrictions and not investing in activities that are considered to be harmful to people or the planet. In order to meet the environmental and social characteristics promoted, the Manager applied the below criteria to the selection of underlying assets as part of its investment decision making process:

The Fund did not invest in the activities that are considered to be harmful to the society or the environment. To this end, the Fund operates an ESG exclusion list (Catalyst Exclusion List) as part of the Investment Manager's investment process, which includes norms-based, sector-based and/or values-based exclusions and applies the Portfolio Manager's Coal Policy. The Fund, did not make an investment in any company or corporate which, at the time of purchasing an asset, is within scope of the following:

- International Standards – Any company or corporation which is listed on an EU or UN sanctions list or is in severe and/or systemic breach of United Nations conventions and declarations, including the United Nations Global Compact, on human rights including child labour and labour rights, on environmental protection and on systemic corruption.
- Illegality – Products, activities or materials deemed illegal under host country law or regulation.
- Tobacco – Any companies or corporations that directly, or through entities it controls, have revenues from producing or processing tobacco into the final product and/or earned more than 10% from its distribution.
- Cannabis – Any company or corporate that directly, or through entities it controls, produces or sells cannabis for non-medical or recreational purposes, which shall include production and sale of end products containing cannabis for the same purpose.
- Controversial Weapons – Any company or corporation involved in a controversial weapons industry meaning chemical and biological weapons such as white phosphorus, weapons and armour made from depleted uranium, nuclear weapons (including those outside the Nuclear Non-Proliferation Treaty) as well as cluster bombs and anti-personnel landmines.
- Defence and Other Weapons – Any company or corporation which earned more than 5% of its revenues from the manufacturing of weapons or tailor-made components thereof. Weapons are defined as products or basic components of products that have been 'designed to injure/kill'. Tailor-made components are components that are developed primarily in order to be integrated into a weapon system.
- Coal – Any company or corporate involved in the extraction of thermal coal.
- Unconventional Oil and Gas Extraction – Any company or corporation involved in the unconventional extraction of oil and gas such as shale oil, shale gas, oil sands and Arctic drilling.
- Conventional Oil and Gas extraction – Any company or corporation involved in the conventional extraction of oil and gas.
- Alcohol – Any company or corporation which earned more than 5% of its revenues from production of alcohol.
- Gambling – Any company or corporation that earned more than 5% of its revenues from the provision of gambling services.
- Pornography – Any company or corporation that earned revenues derived from producing, directing or publishing adult entertainment materials.
- Animal testing on Non-medical Grounds – Any company or corporation that practise animal testing on non medical grounds.
- Carbon-Intensive Power Generation – Any company or corporation that derives more than 0% power production from coal and more than 5% from oil and gas.

The Investment Manager assesses the company or corporation's commitment to transitioning to a low carbon pathway by reviewing independently assessed climate risk management, management's approach to decarbonisation commitments and relevant statements made by the company. The Investment Manager engages with company management to help facilitate this transition.

At the end of reference period, all securities held within the Fund met the criteria of Investment Manager's good governance test. In addition, the Fund uses the Impact Management Project to assess and categorize the Environmental and social benefits to stakeholders of each investment. The 'Act to Avoid Harm', 'Benefit Stakeholders' and 'Contribute to Solutions' categories, commonly referred to as the ABC categorisation, is a way to manage impact. We categorise all potential deals as per the A, B or C categories and the fund is committed to a minimum of 30% of Gross Asset Value in the 'B' and 'C' categories.

At the end of the reference period, the portfolio had 31% investments in A, 46% in B and 23% in C categories in terms of GAV, exceeding our the Fund's target of having more than 30% invested in B or C rated investments.

Sustainability indicators

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

● How did the sustainability indicators perform?

The Fund's investments contribute to a range of positive impact outcomes that can be broken down into 4 categories: providing environmental solutions 30.78%, providing circular economy solutions 13.89%, providing better health 0.0%, and providing social inclusion 16.62%. In aggregate, this totals 61.29% of the Fund.

- **Weighted average carbon intensity of investments** - The Fund measures its exposure to carbon intensive businesses using Weighted Average Carbon Intensity. At the time of this assessment, the Fund had a Weighted Average Carbon Intensity of 19.92 tCO₂e /€M sales. This is based on data coverage of 45.37% of eligible issuers.
- **%GAV with committed Science-Based Targets** - The Fund measures the quotient of companies with climate targets (and their quality). At the time of this assessment, the Fund had 10.84% exposure to companies with committed Science-Based Targets, based on 59.38% data coverage of issuers.
- **Carbon - Aggregate - Absolute CO₂eT Emissions Saved / Avoided** - The Fund measures the amount of emissions saved or avoided. The total value for this period was 393,000 CO₂eT. Data coverage for this question was 58.65% of eligible issuers.
- **Energy - Aggregate - Renewable Energy Production** - The Fund measures the amount of renewable energy produced. The total value for this period was 580,000 MWh. Data coverage for this question was 58.12% of eligible issuers.
- **Number of people reached including people treated, customers served in target services** - The Fund measures the number of people reached including people treated and customers served in target areas. The total number for the period was 1,063,737. Data coverage for this question was 48.26% of eligible issuers.
- **%GAV with know-your-customer and anti-bribery and corruption policies** - The Fund measures the percentage of portfolio that have know-your-customer and anti-bribery and corruption policies. At the time of this assessment, 25.49% of the Fund met this criteria. Data coverage for this question was 53.08% of eligible issuers.
- **%GAV with diversity policy for workforce** - The Fund measures the percentage of portfolio that has a diversity policy for their workforce. At the time of this assessment, 34.59% of the Fund met this criteria. Data coverage for this question was 53.08% of eligible issuers.
- **%GAV Split CEO and Chairperson role** - The Fund measures the percentage of portfolio that has a split CEO and Chairperson role. At the time of this assessment, 31.96% of the Fund met this criteria. Data coverage for this question was 59.15% of eligible issuers.

The Fund further focuses on the betterment of six core SDGs. Where applicable, investments in the Fund are classified as having a primary positive impact on these six SDGs. As at the end of the reference period, 0.0% of the Fund's investments had a positive impact on SDG3 (Good Health and Wellbeing), 7.83% of the Fund's investments had a positive impact on SDG7 (Affordable and Clean Energy), 21.12% of the Fund's investments had a positive primary impact on SDG9 (Industry, Innovation and Infrastructure), and a further 27.05% of the Fund's investments contributed to SDG11 (Sustainable Cities and Communities), and 20.03% of the Fund's investments contributed to SDG12 (Responsible Consumption and Production).

Please note that the sustainability indicators were not subject to an external review.

Sustainability indicator	Measured performance
As at - 31st December 2022	
%GAV in investments providing environmental solutions	23.80%
%GAV in investments providing circular economy solutions	10.10%
%GAV in investments generating renewable energy	2.18%
%GAV in investments providing better health	0.00%
%GAV in investments providing social inclusion	17.40%
Weighted average carbon intensity of investments (tCO ₂ e /€M sales)	0.00
%GAV with committed Science Based Targets	10.54%
Waste Weighted Average Absolute Volume MT Recycled/Treated	0.00
Carbon Aggregate Absolute CO ₂ eT Emissions Saved / Avoided	20,000
Energy Aggregate Renewable energy production (MWh)	53,000
Number of people reached including people treated, customers served in target services	1,030,373
Number of underserved people reached including patients, customers	403,529
%GAV signatory to UNGC	0.00%
%GAV board gender diversity +33%	29.18%
%GAV with know-your-customer and anti-bribery and corruption policies	33.99%
%GAV with a human rights, child labour or modern slavery policy	26.98%
%GAV board gender female	14.81%
%GAV with diversity policy for workforce	31.58%
%GAV with remuneration committee, audit committee and annual re-election	17.56%
ESG Scorecard Governance	Pass for all investments
%GAV Split CEO and Chairperson role	32.57%
%GAV in investments aligned to SDG3 Good Health and Wellbeing	0.00%
%GAV in investments aligned to SDG7 Affordable and Clean Energy	4.59%
%GAV in investments aligned to SDG9 Industry, Innovation and Infrastructure	15.11%
%GAV in investments aligned to SDG11 Sustainable Cities and Communities	27.04%
%GAV in investments aligned to SDG12 Responsible Consumption and Production	10.10%
%GAV in investments aligned to SDG13 Climate Action	0.00%

Sustainability indicator	Measured performance
As at - 31st December 2023	
%GAV in investments providing environmental solutions	30.78%
%GAV in investments providing circular economy solutions	13.89%
%GAV in investments providing better health	0.00%
%GAV in investments providing social inclusion	16.62%
Weighted average carbon intensity of investments (tCO ₂ e /€M sales))	19.92
%GAV with committed Science Based Targets	10.84%
Number of people reached including people treated, customers served in target services	1,063,737
%GAV with know-your-customer and anti-bribery and corruption policies	25.49%
%GAV with diversity policy for workforce	34.59%
%GAV Split CEO and Chairperson role	31.96%
%GAV in investments aligned to SDG3 Good Health and Wellbeing	0.00%
%GAV in investments aligned to SDG7 Affordable and Clean Energy	7.83%
%GAV in investments aligned to SDG9 Industry, Innovation and Infrastructure	21.12%
%GAV in investments aligned to SDG11 Sustainable Cities and Communities	27.05%
%GAV in investments aligned to SDG12 Responsible Consumption and Production	20.03%
Carbon Aggregate Absolute CO ₂ eT Emissions Saved / Avoided	393,000
Energy Aggregate Renewable energy production (MWh)	580,000
%GAV board gender female	11.29%

- **...and compared to previous periods?**

Please see the tables above for this data.

Compared to the previous period, the proportion of investments contributing to positive environmental or social characteristics has increased to (91.66% vs 87.78% of 2022 GAV). These contributions are in line with expectations for the strategy.

The portion of sustainable assets has increased in 2023 to 73.23% compared to 53.7% in 2022, which is the key data point to note which indicates the overall improvement of the portfolio. Other metrics can go up and down, as commitments are drawn, or we get repayments and invest instead into opportunities that may have new characteristics compared to old ones. Key Sustainability Indicators (KSIs) which saw material change are:

- %GAV in investments providing environmental solutions has increased to 30.78% in 2023 from 23.8 in 2022
- %GAV in investments providing circular economy solutions has increased to 13.89% in 2023 from 10.10 in 2022
- %GAV in investments aligned to SDG12 - Responsible Consumption and Production has increased to 20.03% in 2023 from 10.10% in 2022

Absolute CO2eT Emissions Saved / Avoided reported for this period was 393,000 CO2eT, with data coverage for this question was 58.65% of eligible issuers compared to 20,000 CO2eT, with data coverage of 1.2% of eligible issuers. in 2022.

Renewable Energy Production reported also saw improved numbers due to improved data coverage The total value for this period was 580,000 MWh with data coverage for this question was 58.12% of eligible issuers. compared to 53,000 MWh, with data coverage of 1.2% of eligible issuers in 2022.

As part of the ongoing work on collecting data and evaluation of Sustainability Indicators for the funds' investments, it has been identified that there are a number of Sustainability Indicators that are not directly relevant to the ESG strategy or are repetitive. Therefore, compared to the previous reporting period, the following KSIs have been removed:

- Waste - Weighted Average - Absolute Volume MT - Recycled/Treated
- %NAV with remuneration committee, audit committee and annual re-election
- ESG Scorecard - Governance
- %NAV in investments aligned to SDG13 - Climate Action
- Number of underserved people reached including patients, customers
- %NAV signatory to UNGC
- %NAV board gender diversity +33%
- %NAV with a human rights, child labour or modern slavery policy
- %NAV in investments generating renewable energy

And the following KSI has been added

- Weighted Average of Female Board Members

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The objective of sustainable investments that the Fund partially makes is to invest in economic activities that demonstrably contribute to a sustainable economy, including provision of solutions in the areas of environment, circular economy, better health or social inclusion and/or demonstrating strong ESG characteristics. The Investment Manager uses proprietary tests to determine whether an investment makes positive contribution towards environmental or social objectives.

Sustainable investments that the Fund made during reference period contributed to the environmental and/or social objectives through:

- generating at least 20% of revenue related to environmental solutions, circular economy, better health or social inclusion; or
- demonstrating strong ESG characteristics on selected indicators, such as committed Science-Based targets.

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 that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Before investment and at least annually during the holding period, a check is performed to validate that sustainable investments exclude economic activities that are deemed to cause harm to people and/or the environment. Further, fourteen mandatory and four optional Principal Adverse Impact (PAI) indicators from the Annex I of EU Commission Delegated Regulation 2022/1288 are considered to establish materiality of the PAI indicator to the potential investment to ascertain that investment does not cause significant harm. Do No Significant Harm test is embedded in initial due diligence and within periodic monitoring process.

The Fund uses the IMP Framework to assess the impact quality of assets, a key part of which is doing no harm. However, this does not map perfectly to the PAIs as defined by SFDR. Therefore, impact assessment has been supplemented by a manual analysis of PAIs for all sustainable investments held by the Fund.

Based on the analysis, it has been concluded that sustainable investments held by the Fund do not cause significant harm to any sustainable investment objective.

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

A manual analysis of fourteen mandatory and four optional PAIs was conducted on all sustainable investments held by the Fund in order to ascertain that investments do not cause significant harm. Currently, data availability for PAIs is limited. Where quantitative data was not available, a qualitative assessment was done using available information and discussion with investee companies.

Our manual analysis sought to locate information through analysing due diligence materials, company quarterly and annual reports, ESG policies and disclosures, as well as engaging with the company and encouraging them to provide relevant information, where possible. The following PAIs have been analysed as part of the Do No Significant Harm test:

- Fossil fuel exposure, controversial weapons - analysis of economic activities of the company was performed to determine whether there is any exposure to fossil fuels or controversial weapons. No such exposures were noted within the Fund's sustainable investments.
- Carbon emissions, carbon intensity and carbon reduction initiatives - where available, data on carbon emissions was considered. Where data indicated high level of emissions or qualitative analysis of company activities suggested high emissions are likely, evaluation focused on assessment of carbon reduction initiatives and whether they are an appropriate response to mitigate any impacts. In the event of low/moderate emissions, we still indicated if companies are implementing carbon reduction initiatives. Pleasingly, this was the case for most investments in the Fund. No indications of significant harm noted based on this criteria.
- Non-renewable energy production and consumption - for companies operating in high impact climate sectors, assessment of mitigates in place to prevent the harm arising from non-renewable energy consumption was performed. Information gathered during due diligence has also been assessed for any indications of significant harm arising from non-renewable energy production or consumption. No indications of significant harm were observed.
- Biodiversity, emissions to water, hazardous waste - materiality of these issues to the investments has been assessed based on the Sustainability Accounting Standards Board (SASB) Materiality Map. Where these issues have been deemed material for the sector that the investee company operates in, analysis of exposure and mitigates has been performed. No indications of significant harm noted.
- Compliance with United Nations Global Compact (UNGC) Principles and OECD Guidelines for Multinational Enterprises - see section below for coverage of this area.
- Policies on human rights, corruption and anti-bribery, workplace accident prevention - where data was available, existence of such policies has been checked, and the content of these policies has been reviewed. Lack of policy alone, in the absence of other concerns in that area, was not assessed to cause significant harm. This has been combined with analysis of whether there have been any significant issues in these areas that would indicate significant harm. No indications of significant harm noted.

Analysis of PAIs did not indicate any instances of significant harm within sustainable investments. Additionally, investments failing the sustainable investment test did so on the basis of lack of positive contribution, there

were no instance of harm within non-sustainable investments.

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

All sustainable investments held in the Fund have been analysed to identify assets that are in breach of the UN Guiding Principles on Business and Human Rights or OECD Guidelines for Multinational Enterprises. No breaches have been noted as part of this analysis.

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.



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

For every investment held by the Fund, the fourteen mandatory and four optional PAIs were reviewed during the course of the year. Outcomes of that analysis and details on how it was performed are outlined in the section above that describes the Do No Significant Harm test.



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: to 31st December 2023

Largest investments	Sector	% Assets	Country
Investment 1	Industrials	14.14%	Norway
Investment 2	Consumer discretionary	12.84%	Generic EU
Investment 3	Communication services	8.09%	United Kingdom
Investment 4	Communication services	7.14%	United States of America
Investment 5	Industrials	6.12%	New Zealand
Investment 6	Industrials	5.85%	United Kingdom
Investment 7	Communication services	5.18%	Ireland
Investment 8	Utilities	5.14%	Chile
Investment 9	Real Estate	3.92%	United Kingdom
Investment 10	Information technology	3.87%	Norway
Investment 11	Communication services	2.80%	United Kingdom
Investment 12	Information technology	2.71%	United States
Investment 13	Information technology	2.63%	Chile
Investment 14	Financials	2.40%	World
Investment 15	Information technology	2.26%	Norway



What was the proportion of sustainability-related investments?

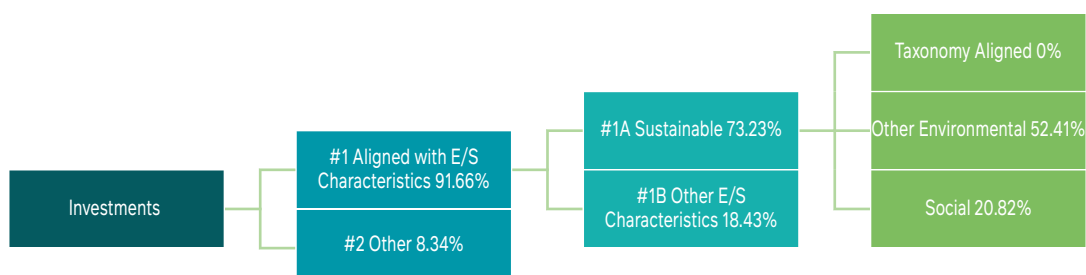
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As at 31st December 2023, 91.66% of the Gross Asset Value of the Fund was aligned to promote environmental and/or social characteristics, which is above minimum commitment of 70%. 73.23% of the Gross Asset Value of the Fund was in sustainable investments, which is above minimum commitment to sustainable investments of 51%. These investments fall into two broad categories of environmental 52.41% and social 20.82% objectives. These allocations meet the commitments of a minimum of 10% of Gross Asset Value to be aligned to the environmental objective and a minimum of 10% of Gross Asset Value to be aligned to the social objective.

The Fund did not commit to invest in investments aligned to the EU Taxonomy and based on our current information, 0% were aligned to the EU Taxonomy.

8.34% of the Fund is comprised of 'Other' investments, which are cash and cash equivalents, investments held for hedging or liquidity purposes, investments for diversification purposes or investments for which there is insufficient data.



#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.

#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.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

During the reporting period, the Fund had no exposure to 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 as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

Cash and cash equivalents have been excluded from this sector breakdown below.

Economic sector	% Assets
Industrials	26.11%
Communication Services	23.19%
Consumer Discretionary	13.86%
Information Technology	11.47%
Other	8.34%
Utilities	7.20%
Financials	5.90%
Real Estate	3.92%



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

The Fund did not target investment in taxonomy-aligned assets as part of its investment policy and therefore recorded that 0% of the Fund's investments were aligned with the environmental objectives under the Taxonomy Regulation during the reference period.

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.

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.

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

☐ Yes:

☐ In fossil gas

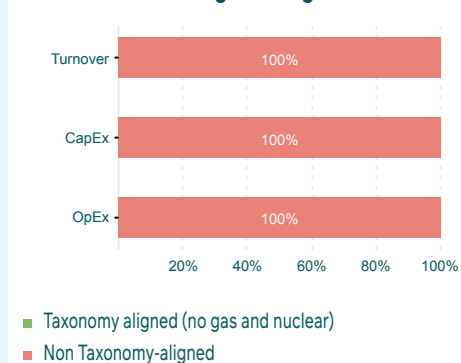
☐ In nuclear energy

☒ No

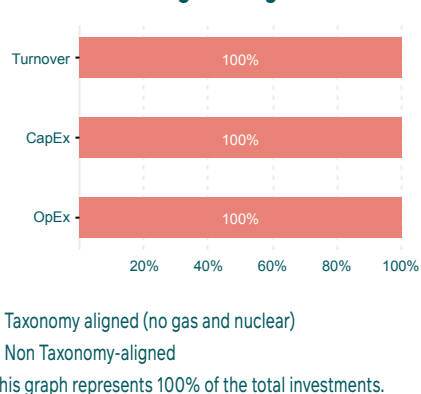
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show 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.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



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

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

The Fund did not set a minimum share of investments in transitional and enabling activities and has not recorded any such activities in the reference period. Therefore, 0% of the Fund's investments were in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

The Fund did not target investment in taxonomy-aligned assets as part of its investment policy and therefore recorded that 0% of the Fund's investments were aligned with the environmental objectives under the Taxonomy Regulation during the reference period, which is the same as in the previous year.



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



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

52.41% of Gross Asset Value as at 31st December 2023. This is above the minimum commitment of 10% of sustainable investments with an environmental objective not aligned with the EU Taxonomy. None of these investments were expected to be aligned to EU Taxonomy because the Fund does not currently assess the EU criteria for environmentally sustainable economic activities as defined in the Taxonomy regulation.



What was the share of socially sustainable investments?

20.82% of Gross Asset Value as at 31st December 2023. This is above the minimum commitment of 10% of sustainable investments with a social objective.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Investments included in “#2 Other” consist of cash and cash equivalents, investments held for hedging or liquidity purposes, investments for diversification purposes or investments for which there is insufficient data.

For investments for which there is insufficient data and investments for diversification purposes, minimum safeguards comprise of exclusion of the companies that are assessed to be in breach of the UN Guiding Principles on Business and Human Rights or OECD Guidelines for Multinational Enterprises. For other ancillary assets (i.e. cash, cash equivalents and hedging instruments) no minimum environmental or social safeguards have been put in place.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the Fund continues engaging investee companies on a number of areas related to their ESG and Impact performance. Examples of engagement include:

- Engaging investees to engage their suppliers and other stakeholders on ESG and Impact and to engage independent auditors to improve supply chain visibility where applicable and feasible.
- Engaging investee companies to create recruitment processes that takes diversity into account, particularly for senior roles.



How did this financial product perform compared to the reference benchmark?

Not applicable. No reference benchmark has been designated to determine whether this Fund is aligned with the environmental and social characteristics that it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

- **How did this financial product perform compared with the broad market index?**
Not applicable.