

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: [Alquity Global Impact Fund](#)

Legal entity identifier: [549300E191K0P3W31N02](#)

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainable investment objective

Did this financial product have a sustainable investment objective?



Yes



It made **sustainable investments with an environmental objective: 60%**



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: 39%**



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?

[Alquity](#) is a socially responsible investments manager, combining ESG investing with a social impact business model. The [Alquity Global Impact Fund](#) focuses on both ESG investing and sustainability for global developed and emerging markets.

The Global Impact Fund delivered sustainability in three ways:

1. Our quantitative approach explicitly targeted the portfolio's environmental and social footprint with high ESG quality companies.
We invested in companies that met our minimum threshold of MSCI ratings and Sustainalytics' subindustry rankings for developed market companies, as well as our proprietary ESG assessment for emerging market companies. We were able to quantify each companies' environmental and social footprint using our 9 impact metrics.
2. The Fund invested in companies that derived at least 5% of their revenues with sustainable products that offered environmental and social benefits and/or reduced the impact of business activity or consumption. At least 50% of the portfolio was invested in companies that derived at least 20% of their revenues from these sustainable products.
3. 10% of the revenue generated from management fees were donated to positive environmental and social projects that delivered direct impact in the regions where the fund's investee companies operate.

The fund's approach gave it scope to target these United Nations Sustainable Development Goals (UN SDG's):

SDG 2	Zero Hunger
SDG 3	Good health and well being
SDG 4	Quality Education
SDG 6	Clean Water and Sanitation
SDG 7	Affordable and Clean Energy
SDG 8	Decent work and economic growth
SDG 10	Reduced Inequalities
SDG 11	Sustainable Cities and Communities
SDG 12	Responsible Consumption and Production
SDG 13	Climate Action
SDG 15	Life on land

Global Impact Fund's approach followed three principles: 1) Robust Sustainability Screening, assessment of high risk industries, use of third-party verified data and assessment of controversies; 2) Assessment of environmental and social impact; 3) Alignment of revenues to UN SDGs

There was no reference benchmark.

As of June 2024, the sub-fund investment allocations to companies with at least 5% revenues contributing to the six environmental objectives were:

- i. climate change adaptation – 47%
- ii. climate change mitigation – 1%
- iii. water and marine resources – 6%

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

- iv. circular economy – 0%
- v. pollution prevention and control – 3%
- vi. protection of biodiversity – 3%

As of June 2024, the sub-fund investment allocations to companies with at least 5% revenues contributing to social objectives, of which the following UN SDGs were addressed (some revenues may be mapped to multiple UN SDGs):

- UN SDGs 10 (Reduced Inequalities) – 32%
- UN SDG 4 (Quality Education) – 0.5%
- UN SDG 8 (Decent work and economic growth) – 19%
- UN SDG 3 (Good health and well being) – 13%
- UN SDGs 2 (Zero Hunger) - 7%

● **How did the sustainability indicators perform?**

As of June 2024, the Fund’s sustainable investments comprised of 60% sustainable investments with an environmental objective and 39% sustainable investments with a social objective.

We then differentiated companies by the percentage of revenues aligned to sustainability themes.

The Fund’s allocations to the sustainability themes were:

- Affordable Housing: 0.7%
- Digital Inclusion: 6.2%
- Education: 0.5%
- Energy Efficiency: 28.9%
- Financial Inclusion: 12.3%
- Green Buildings: 10.9%
- Green Transportation: 4.1%
- Health and Wellbeing: 13.1%
- Nutrition, Food Access and Affordability: 6.5%
- Pollution Prevention and Reduction: 2.7%
- Renewable Energy: 2.9%
- Resource Efficiency: 1.2%
- Sustainable Agriculture, Food and Forestry: 2.8%

- Water: 6.3%

We also had the following impact metrics for the portfolio:

Key Metric	Definition	Quantity
Carbon Intensity	Sum of Scope 1 and 2 GHG emissions per unit of revenue (metric tons CO ₂ emissions/million USD)	60
Water Stress	Volume of water withdrawal per unit of revenue (m ³ /million USD)	6,189
Waste generation	Waste generated, both hazardous and non-hazardous, per unit of revenue (metric tons/million USD)	20
Women on Board	Percentage of women on boards. If there are no data available, we assume zero.	32%
Women in Senior Management	Percentage of women in the top management positions. If there are no data available, we assume zero.	21%
Board Independence	Percentage of independent directors. If there are no data available, we assume zero.	72%
Waste Policy	Whether the company has implemented any initiatives to reduce the waste generated during the course of its operations. If there are no data available, we assume the company has not implemented any initiatives.	98%
Environmental Solutions	Whether a company has revenues from products or services that contribute towards environmental solutions. This includes green buildings, green transportation, pollution solutions, water technologies and equipment, waste recycling amongst others.	39% (Companies with at least 20% in revenues)

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

In 2023, the Fund's sustainable investments comprised of 61% sustainable investments with an environmental objective and 38% sustainable investments with a social objective.

In 2023, the Fund's allocations to sustainability themes were:

- Affordable and Clean Energy: 0.9%
- Energy Efficiency: 22.6%
- Financial Inclusion: 5.9%
- Green Buildings: 5.8%
- Green Transportation: 0.5%
- Health and Wellbeing: 12.4%
- Nutrition, Food Access and Affordability: 1.7%
- Renewable Energy: 4.6%
- Resource Efficiency: 1.0%
- Sustainable Agriculture, Food and Forestry: 1.4%
- Water: 1.1%

In 2023, the Fund's impact metrics were:

Key Metric	Definition	Quantity
Key Metric	Definition	Quantity
Carbon Intensity	Sum of Scope 1 and 2 GHG emissions per unit of revenue (metric tons CO ₂ emissions/million USD)	86
Water Stress	Volume of water withdrawal per unit of revenue (m ³ /million USD)	215,859 (>90% of which is Meridian Energy, a hydropower renewable utility in New Zealand considered a low water stress country by the World Resources Institute)
Waste generation	Waste generated, both hazardous and non-hazardous, per unit of revenue (metric tons/million USD)	13
Women on Board	Percentage of women on boards. If there are no data available, we assume zero.	29%
Women in Senior Management	Percentage of women in the top management positions. If	21%

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.

	there are no data available, we assume zero.	
Board Independence	Percentage of independent directors. If there are no data available, we assume zero.	73%
Waste Policy	Whether the company has implemented any initiatives to reduce the waste generated during the course of its operations. If there are no data available, we assume the company has not implemented any initiatives.	94%
Environmental Solutions	Whether a company has revenues from products or services that contribute towards environmental solutions. This includes green buildings, green transportation, pollution solutions, water technologies and equipment, waste recycling amongst others.	32% (Companies with at least 20% in revenues)

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

Alquity’s DNSH assessment is based on Bloomberg Sustainable Finance Solution (SFS) Methodology for Do No Significant harm (DNSH) criteria. DNSH covers qualitative, quantitative and process-based criteria. The DNSH requirement asks companies to comprehensively assess the direct environmental impact of their activities under the criteria defined by the EU Taxonomy. While we, as active investors, gain a better understanding of how and to what extent investments substantially contribute to an environmental objective, we must ensure that these investments avoid significantly harming any of the six EU Taxonomy environmental objectives: i) climate change adaptation, ii) climate change mitigation, iii) water and marine resources, iv) circular economy, iv) pollution prevention and control, and vi) protection of biodiversity.

The technical screening criteria for DNSH to each objective are represented by Bloomberg ‘data fields’. Each data field is aligned with the DNSH screening criteria for the relevant environmental objective and comprises a qualitative or quantitative threshold value and measurement unit or metric. Approximately 35 DNSH Level 1 data fields are used.

All our holdings have passed the Level 1 disclosure tolerance of 20% across the six environmental objectives.

Asset allocation
describes the share
of investments in
specific assets.

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

The DNSH Assessment excluded companies that did not pass the Level 1 disclosure tolerance of 20% across the six environmental objectives. We monitor the following from Sustainalytics' PAI assessment and the fund considers the following PAIs on its investment strategy, excluding companies that have highly negative PAIs: GHG emissions scope 1 & 2, carbon footprint scope 1 & 2, GHG intensity of investee companies scope 1 & 2, share of energy consumption from non-renewable sources, energy consumption intensity for high impact sectors, activities negatively affecting biodiversity-sensitive areas, emission to water, hazardous waste ratio, companies involved in the violation of the UN Global Compact Principles, gender at a board diversity level and controversial weapons exclusion.

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

We do not directly monitor the alignment of our investments with the the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. However, Alquity's ESG analysis includes a detailed assessment of corporate practices in investee companies related to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These include, but are not limited to, practices and policies related to bribery and corruption, political involvement, discrimination and equality, human rights, health and safety, data privacy, intellectual property and equitable pricing. Further scrutiny on controversies related to these corporate practices as part of our investment principles ensure the alignment of our sustainable investments to these guidelines and principles.



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

We monitor the following from Sustainalytics' PAI assessment and the fund considers the following PAIs on its investment strategy, excluding companies that have highly negative PAIs: GHG emissions scope 1 & 2, carbon footprint scope 1 & 2, GHG intensity of investee companies scope 1 & 2, share of energy consumption from non-renewable sources, energy consumption intensity for high impact sectors, activities negatively affecting biodiversity-sensitive areas, emission to water, hazardous waste ratio, companies involved in the violation of the UN Global Compact Principles, gender at a board diversity level and controversial weapons exclusion.

What were the top investments of this financial product?

The top 15 investments as of June 2024 by market value were:

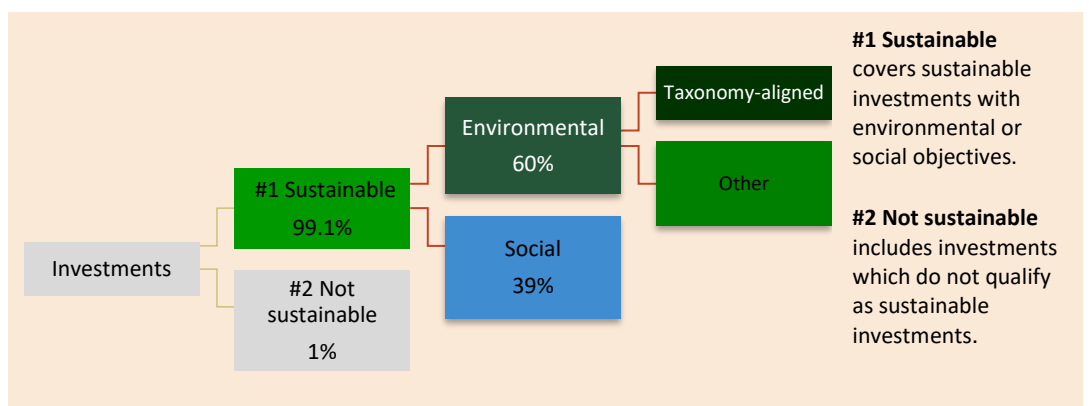
Largest investments	Sector	% Assets	Country
<i>Microsoft</i>	<i>Information Technology</i>	<i>8.9%</i>	<i>United States</i>
<i>Nvidia</i>	<i>Information Technology</i>	<i>5.1%</i>	<i>United States</i>
<i>Eli Lilly</i>	<i>Health Care</i>	<i>1.7%</i>	<i>United States</i>
<i>Cisco Systems</i>	<i>Financials</i>	<i>1.5%</i>	<i>Canada</i>
<i>Bank of Montreal</i>	<i>Information Technology</i>	<i>1.4%</i>	<i>United States</i>
<i>DBS Group</i>	<i>Financials</i>	<i>1.3%</i>	<i>Singapore</i>
<i>Salesforce</i>	<i>Information Technology</i>	<i>1.3%</i>	<i>United States</i>
<i>Qualcomm</i>	<i>Information Technology</i>	<i>1.3%</i>	<i>United States</i>
<i>Klabin</i>	<i>Materials</i>	<i>1.2%</i>	<i>Brazil</i>
<i>E. Sun Financial Holding</i>	<i>Financials</i>	<i>1.1%</i>	<i>Taiwan</i>
<i>ServiceNow</i>	<i>Information Technology</i>	<i>1.1%</i>	<i>United States</i>
<i>Analog Devices</i>	<i>Information Technology</i>	<i>1.1%</i>	<i>United States</i>
<i>Nordea Bank</i>	<i>Financials</i>	<i>1.1%</i>	<i>Finland</i>
<i>Credicorp</i>	<i>Financials</i>	<i>1.1%</i>	<i>Peru</i>
<i>Public Bank</i>	<i>Financials</i>	<i>1.0%</i>	<i>Malaysia</i>



What was the proportion of sustainability-related investments?

As of June 2024, the Fund had 99% in sustainability-related investments, defined as companies with at least 5% sustainable revenues.

What was the asset allocation?



As of June 2024, the Fund had 60% in sustainability-related investments with an environmental objective and 39% with a social objective, defined as companies with at least 5% sustainable revenues. The Fund had a 0.9% allocation to cash.

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.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

For the Alquity Global Impact Fund, the investments were made in the following economic sectors:

- Information technology: 31.4%
- Industrials: 12.9%
- Health Care: 12.7%
- Financials: 12.7%
- Consumer staples: 9.5%
- Materials: 5.5%
- Real Estate: 4.6%
- Consumer discretionary: 4.4%
- Communication Services: 2.9%
- Utilities: 2.5%

No investments were made in 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.



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

We do not currently commit to a minimum proportion of investments of the Fund that are Taxonomy aligned. Accordingly, the percentage of investments aligned with the EU Taxonomy is 0% of the net assets of the Fund.

● **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

☒

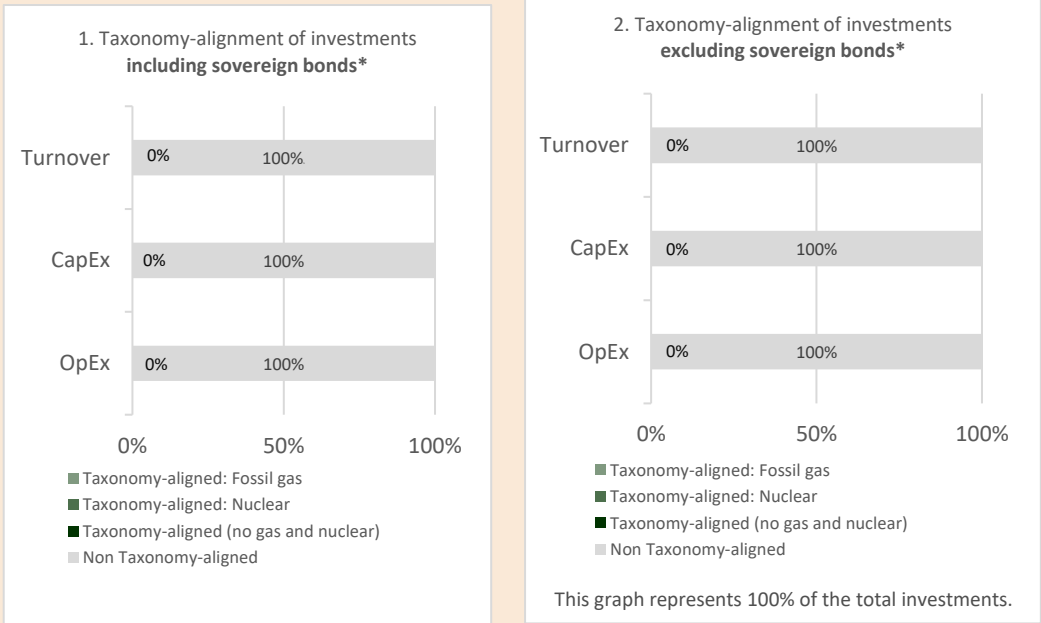
No

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 no significant harm to 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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.


The 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.*




* 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?

We do not commit to a minimum proportion of investments in transitional and enabling activities.

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

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

Not applicable.

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

60%. The Fund does not commit to a minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy.



What was the share of socially sustainable investments

39%. The Fund commits to a minimum of 35% in socially sustainable investments.



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

As of end of June 2024, 0.9% of the Fund was held in cash. This cash is used as a function of liquidity for client withdrawals and redemptions. There are no minimum environmental or social safeguards for cash. However, excess cash is eventually invested according to the Fund investment strategy.



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

The following actions were taken as part of binding principles in meeting the environmental and social characteristics this year:

I General Principles

The following principles were applied in screening the investible sustainable universe and in constructing a sustainable portfolio.

- a. Exclusions: We excluded companies with products that belong to industries with significant negative impact, such as alcohol, tobacco, gambling, adult entertainment, fast fashion, soft drinks, fossil fuels, and armaments. We also excluded sub-industries that are significantly high GHG emitters and use significant amounts of fossil-fuels, such as cement and non-renewable energy utilities.
- b. For Developed Markets, a company must have a minimum rating of ‘A’ by MSCI and ranked in the top 43rd percentile by Sustainalytics within its subindustry.
- c. High risk industries: Companies that are involved in sectors with high GHG emissions (such as livestock farming, aviation and shipping) were treated as “high risk” industries. A company must have a minimum rating of ‘AA’ by MSCI and ranked in the top 28th percentile by Sustainalytics within its subindustry.
- d. Highly sustainable companies with revenues of at least 20% aligned to the UN SDGs: A company must have a minimum rating of ‘BBB’ by MSCI and ranked in the top 57th percentile by Sustainalytics within its subindustry. For high-risk sectors, a company must have a minimum rating of ‘A’ by MSCI and ranked in the top 43rd percentile by Sustainalytics within its subindustry.
- e. Third-party data verification: For Developed Markets, we did not estimate our own data and instead utilise third-party verified data (such as Sustainalytics/Bloomberg proprietary data and MSCI public data) to assess a company’s environmental and social footprint. If we did not have company data to measure key metrics, it was either excluded or the lowest value was assigned (for example, we assumed zero percentage of women on board if a company does not report this or exclude a company without GHG emissions information).

- f. Controversies: Using our own assessment as well as those from a third-party (such as Sustainalytics), a company involved in significant controversial events was considered uninvestible. Aside from our own assessment, a Developed Markets Company must at least have a Controversy Level 3, Neutral Outlook from Sustainalytics to be considered investible.

II Environmental and Social Footprint

We tracked how our strategy performs on relevant key impact metrics across environmental, social and governance factors that contribute towards the UN SDGs. Our impact measurement process consisted of 9 key metrics.

III Alignment of Revenues to the UN SDG's

We employed a robust approach to determining the alignment of a company's revenues to the UN SDG's. Our framework consisted of the following steps:

1. We captured third-party verified methodologies that align a company's revenues to a sustainability theme and category of involvement (such as Sustainalytics). If a company is not included in the third-party universe of sustainable companies, we may independently analyse and assess the percentage of revenue by sources (available from a data provider such as Bloomberg) for sustainability themes and categories of involvement.
2. Each of these themes and categories were then mapped to one or more UN SDG's.
3. A company may derive its revenues across multiple sustainability themes and categories of involvement, and the percentage of revenues was aggregated across these multiple themes and categories.
4. The Fund invested in companies that derived at least 5% of their revenues with sustainable products that offered environmental and social benefits and/or reduced the impact of business activity or consumption.
5. At least 50% of the portfolio was invested in companies that derived at least 20% of their revenues from these sustainable products.

Engagement:

We wrote letters to the companies on policies related to environment and social objectives and we participated in several investor initiatives, like the ones led by the FAIRR Initiative and the Plastic Solutions Investor Alliance, taking part in the dialogue with different companies.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.



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

N/A

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

N/A

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?*

N/A

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

N/A

- *How did this financial product perform compared with the broad market index?*

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.