

ANNEX III

ANNEX IV

Template 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

Product name: [Alquity Africa Fund](#)

Legal entity identifier: [5493007MOUB6W5G8T620](#)

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



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**: ____%



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**

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.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund thoroughly assesses the Environmental, Social and Governance risk profile of companies using its own proprietary methodology and excludes any companies that fail to meet the minimum standards set out in this methodology or are involved in any E or S controversy. Our companies continue to evolve on its E, S and G credentials, and we haven't exited any company as a consequence of an ESG failure.

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

Our voting policy is aligned with our Key Progress Indicators, aiming to improve the E/S credentials of our companies.

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

Donations for the fund totalled \$799,386. Total lives transformed directly were 17,490, with lives transformed indirectly 27,397.

All this information is made available to investors in our monthly factsheets.

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

Donations for the Africa fund were up by \$6,853 compared to the previous period. The number of direct and indirect lives transformed remains unchanged, as we have not yet held our TL Awards and distributed these increased donations.

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

Not applicable.

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

Not applicable.

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

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

The EU Taxonomy sets out a “do not 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.

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 this financial product consider principal adverse impacts on sustainability factors?

The Alquity Africa Fund does not consider the PAIs on its investment strategy.



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Commercial International Bank	Banks	8.8%	Egypt
Edita Food Industries	Food retail	7.0%	Egypt
Attijariwafa Bank	Banks	6.9%	Morocco
FirstRand	Financials	6.7%	South Africa
Label Vie	Retail	6.5%	Morocco
Karoooo	IT	5.1%	Singapore
Marsa Maroc	Banks	5.0%	Morocco
HighTech Payment Systems	Financials	4.9%	Morocco
Clicks Group	Health Care	4.8%	South Africa
Bid Corporation	Food retail	4.8%	South Africa
Sanlam	Insurance	4.6%	South Africa
Capitec Bank Holdings	Banks	4.6%	South Africa
Oriental Weavers	Consumer Durables	4.5%	Egypt
Kumba Iron Ore	Materials	4.3%	South Africa
Mr Price	Retailing	4.3%	South Africa

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

30/06/2023

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

We do not currently commit to a minimum proportion of sustainable investments. Accordingly, the percentage of investments of the Alquity Africa Fund is 0% of the net assets of the Fund.

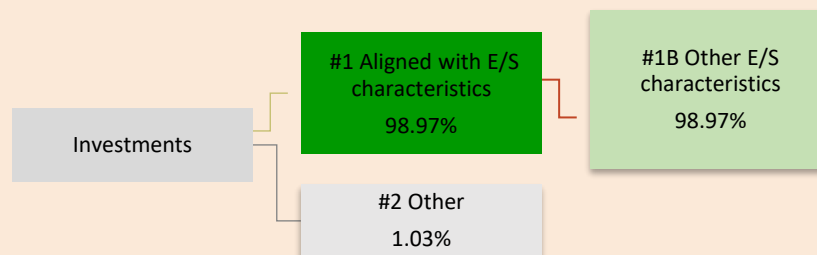


● What was the asset allocation?

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



#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 environmentally and socially sustainable investments.
- 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?

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

- Financials: 42.7%
- Consumer Staples: 20.6%
- Consumer Discretionary: 10.1%
- Materials: 8.2%
- Health Care: 7.4%

- Information Technology: 5.1%
- Real Estate: 5.0%

The investment made on the mining sub-sector totalled 8.2% (Kumba Iron Ore and Angloamerican Platinum). No investments were made in sub-sectors of the economy that derive revenues from exploration, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels.



To what extent were the 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 of the Alquity Africa Fund 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

☒

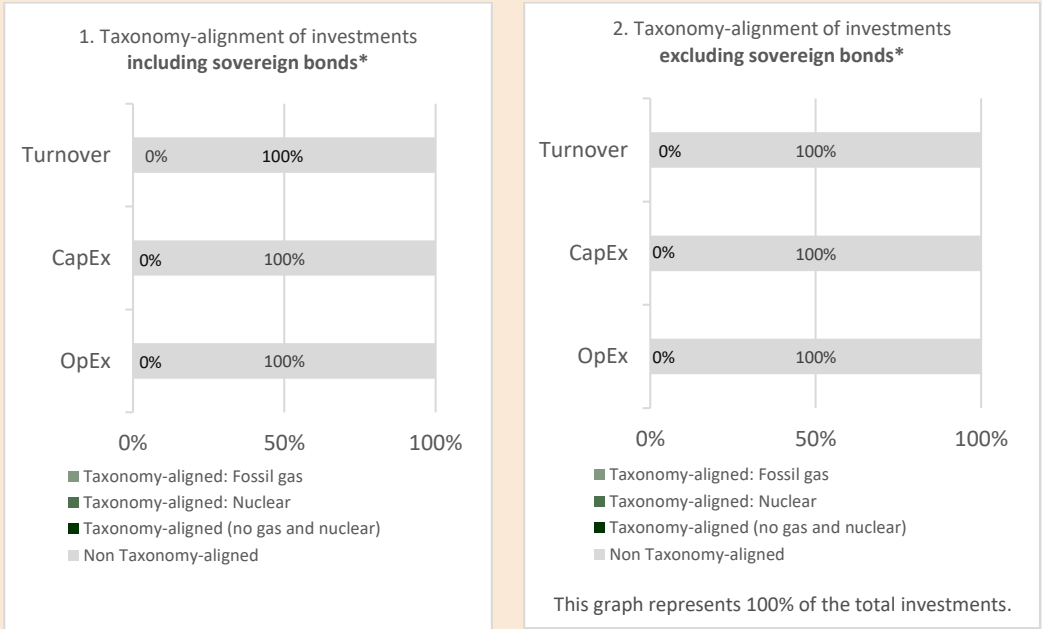
No

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 not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

Not applicable.



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

0%. The Alquity Africa Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

0%. The Alquity Africa Fund does not commit to a minimum share of socially sustainable investments.



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

Cash is included in this category. Although the fund aims to be fully invested, some cash is held for liquidity and opportunistic reasons.



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

The E/S characteristics are implemented on a continuous basis as part of the investment process and include:

1. Exclusionary criteria and “Green Flags” (positive screening). ESG analysis is a critical component of Alquity’s investment process. As mentioned above, there are certain practices we believe are inconsistent with long-term financial returns and an overall positive societal impact. Furthermore, we will invest in those firms that are making significant contributions to sustainable practices, social progress, and ethical governance.

2. Proprietary ESG ratings methodology. Our ESG analysis is holistic and exhaustive with equal importance placed on each aspect. In other words, we will not over-ride poor social or governance standards, just because a company places a heavy focus on environmental issues alone. Ultimately, we are concerned with material ESG issues and the analysis must provide us with sufficient comfort on all of these before an A-C rating is achieved.

We review behaviours and practices across the firm in the context of global or regional best practice. As a discipline, and for comparability, we then assign a rating to each institution, which captures risk and the quality of management judgement and decision making. Only those companies rated C or better can be included in the portfolio. To be clear, this means that we will only invest in firms where there is satisfactory quality and alignment of management. Moreover, we are interested not only in the absolute standard of “ESG quality”, but also the ability of a firm to improve its judgement, communication and efficiency over time. Investors should not, therefore, expect our portfolios to have any bias between A, B and C rated companies.

We take the economic, social, political and regulatory environment of Africa into account in our ratings by focusing our ratings on relative ESG performance to peers. For high-risk industries, we believe that to get an A rating, the company must

display global best practice whereas for low-risk industries we seek regional best practice. This ensures we manage the ESG risks appropriately whilst remaining pragmatic about the circumstances for each company. ESG analysis is undertaken through a combination of desk- based research, meetings with management, site visits, and industry research. The definitions for each of our ratings are as follows:

A Rating

- High risk industry demonstrating global best practice performance in ESG.
- Lower risk industry demonstrating regional best practice in ESG.

B Rating

- High risk industry demonstrating regional best practice in ESG.
- Lower risk industry with satisfactory ESG performance better than regional peers; or in-line with regional peers but with a demonstrable intention to improve on material KPIs.

C Rating

- High risk industry with satisfactory ESG performance, in line with regional peers, but demonstrating a meaningful commitment to improve on material KPIs.
- Lower risk industry with satisfactory ESG performance in-line with or better than regional peers, but with no demonstrable intention to improve on material KPIs.

3. Voting policy based upon Alquity Principles of Governance which are aligned with our Key Progress Indicators.

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



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

The reference index is a general market index, representing the investment universe, and is not consistent with the E/S characteristics promoted by the fund.

- **How does 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.

ANNEX IV

‘ANNEX V

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.

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 objective

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 61%	<input type="checkbox"/> 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
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> It made sustainable investments with a social objective: 38%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments
	<input type="checkbox"/> with a social objective

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



Alquity Investments is a socially responsible investments manager, combining ESG investing with a social impact business model. With UCITS funds spanning global emerging and frontier markets, 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 2023, 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 – 5%

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

- iii. water and marine resources – 3%
- iv. circular economy – 0%
- v. pollution prevention and control – 4%
- vi. protection of biodiversity – 2%

As of June 2023, 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) – 33%
- UN SDG 4 (Quality Education) – 0.4%
- UN SDG 8 (Decent work and economic growth) – 16%
- UN SDG 3 (Good health and well being) – 14%
- UN SDGs 2 (Zero Hunger) - 6%

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

As of June 2023, the Fund’s sustainable investments comprised of 61% sustainable investments with an environmental objective and 38% 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:

Sustainability Theme	Portfolio Allocation (%)
Affordable & Clean Energy	1.5%
Affordable Housing	2.7%
Education	0.4%
Energy Efficiency	31.9%
Financial Inclusion	16.1%
Green Buildings	6.9%
Green Transportation	2.8%
Health and Wellbeing	13.8%
Nutrition, Food Access and Affordability	5.5%
Pollution Prevention & Reduction	4.1%
Renewable Energy	4.1%
Resource Efficiency	2.7%
Sustainable Agriculture, Food & Forestry	3.2%
Sustainable cities & communities	0.5%
Water	2.9%

We also had the following impact metrics for the portfolio:

Key Metric	Definition	Quantity
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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 there are no data available, we assume zero.	21%
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)

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

In 2022, the Fund's sustainable investments comprised of 38% sustainable investments with an environmental objective and 20% sustainable investments with a social objective.

In 2022, the Fund's allocations to sustainability themes were:

Sustainability Theme	Portfolio Allocation (%)
Affordable & Clean Energy	0.9%
Affordable Housing	0.0%
Education	0.0%
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%
Pollution Prevention & Reduction	0.0%
Renewable Energy	4.6%
Resource Efficiency	1.0%
Sustainable Agriculture, Food & Forestry	1.4%
Sustainable cities & communities	0.0%
Water	1.1%

Among companies differentiated by the percentage of revenues, the Fund's allocations were as follows in 2022:

In 2022, the Fund's impact metrics were:

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)	81
Water Stress	Volume of water withdrawal per unit of revenue (m ³ /million USD)	3,929
Waste generation	Waste generated, both hazardous and non-hazardous, per unit of revenue (metric tons/million USD)	34
Women on Board	Percentage of women on boards. If there are no data available, we assume zero.	30%
Women in Senior Management	Percentage of women in the top management positions. If there are no data available, we assume zero.	20%

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.

Board Independence	Percentage of independent directors. If there are no data available, we assume zero.	75%
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.	93%
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.	15% (Companies with at least 45% 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.

Please see the spreadsheet attached with our investible universe and the DNSH Level 1 disclosure scoring across the six environmental objective.

- — — *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.

Please see the spreadsheet attached with our investible universe and the DNSH Level 1 disclosure scoring across the six environmental objective.

DNSH Level 2 data were monitored. We do not have a disclosure tolerance because of the lack of consistent reporting across all companies.

We also 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.

The performance of the PAIs can be seen on the spreadsheet attached.

- — — *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. Please see the detailed analysis provided in our ESG Dashboard.



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

The DNSH Assessment excluded companies that did not pass the Level 1 disclosure tolerance of 20% across the six environmental objectives.



Please see the spreadsheet attached with our investible universe and the DNSH Level 1 disclosure scoring across the six environmental objective.

DNSH Level 2 data were monitored. We do not have a disclosure tolerance because of the lack of consistent reporting across all companies.

We also 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.

The performance of the PAIs can be seen on the spreadsheet attached.

What were the top investments of this financial product?

The top 15 investments as of June 2023 by market value were:

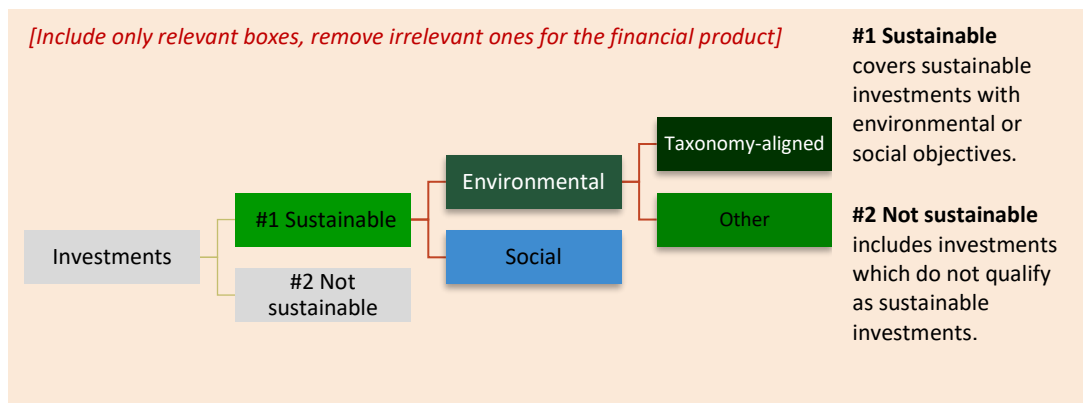
Largest investments	Sector	% Assets	Country
<i>Microsoft</i>	<i>InformationTechnology</i>	<i>6.4%</i>	<i>United States</i>
<i>Nvidia Corp</i>	<i>InformationTechnology</i>	<i>1.7%</i>	<i>United States</i>
<i>Adobe Inc</i>	<i>InformationTechnology</i>	<i>1.4%</i>	<i>United States</i>
<i>Costco Wholesale Corp</i>	<i>Consumer Staples</i>	<i>1.4%</i>	<i>United States</i>
<i>Bank of Montreal</i>	<i>Financials</i>	<i>1.4%</i>	<i>Canada</i>
<i>Cisco Systems Inc</i>	<i>InformationTechnology</i>	<i>1.3%</i>	<i>United States</i>
<i>Merck & Co. Inc.</i>	<i>Health Care</i>	<i>1.3%</i>	<i>United States</i>
<i>Oracle Corp</i>	<i>InformationTechnology</i>	<i>1.1%</i>	<i>United States</i>
<i>Public Bank</i>	<i>Financials</i>	<i>1.1%</i>	<i>Malaysia</i>
<i>KBC Group NV</i>	<i>Financials</i>	<i>1.1%</i>	<i>Belgium</i>
<i>Infineon Technologies</i>	<i>InformationTechnology</i>	<i>1.0%</i>	<i>Germany</i>
<i>Salesforce</i>	<i>InformationTechnology</i>	<i>1.0%</i>	<i>United States</i>
<i>Caixabank</i>	<i>Financials</i>	<i>1.0%</i>	<i>Spain</i>
<i>BDO Bank</i>	<i>Financials</i>	<i>1.0%</i>	<i>Philippines</i>
<i>Bank Mandiri</i>	<i>Financials</i>	<i>1.0%</i>	<i>Indonesia</i>



What was the proportion of sustainability-related investments?

As of June 2023, 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 2023, the Fund had 61% in sustainability-related investments with an environmental objective and 38% with a social objective, defined as companies with at least 5% sustainable revenues. The Fund had a 1% allocation to cash.

In which economic sectors were the investments made?

As of June 2023:

Sectors	Portfolio Allocation (%)
Consumer Discretionary	6%
Consumer Staples	8%
Financials	15%
Healthcare	12%
Industrials	10%
Information Technology	32%
Materials	7%
Real Estate	5%
Telecommunication Services	1%
Utilities	3%

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

☒

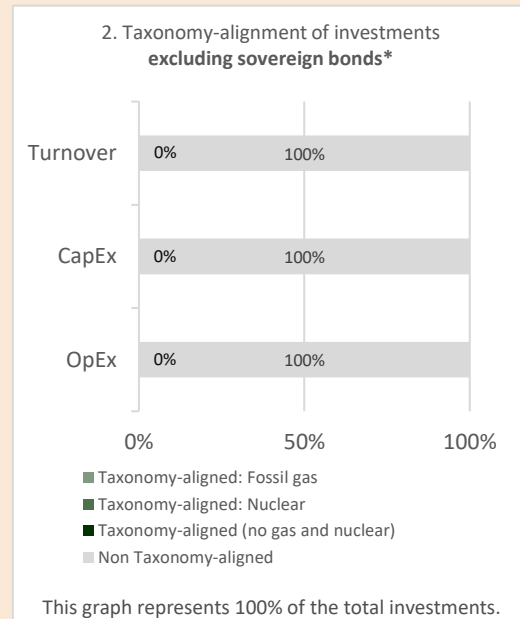
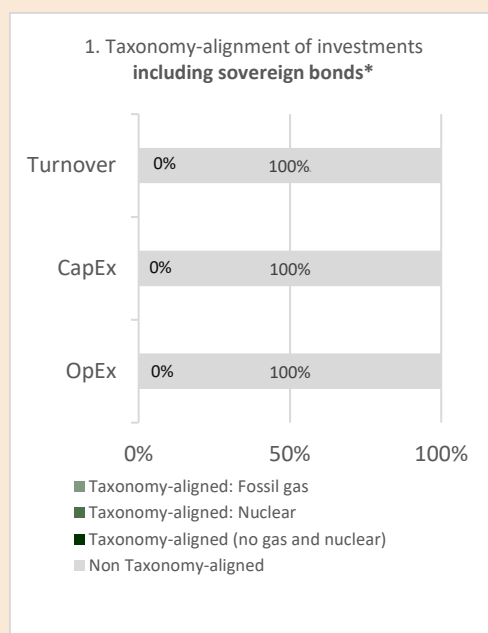
No

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.*

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.



* 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.

● **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?

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

61%. 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

38%. 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?

The sub-fund may hold Cash. The 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 sub-funds' 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 following companies on policies related to environment and social objectives with the following results -

- MICROSOFT: SATISFACTORY ANSWER ON ANTI-HARASSMENT POLICIES (THIRD-PARTY REVIEWING THEM) AND CONCERNS FOLLOWING ATVI ACQUISITION TACKLED.

- GOLDMAN SACHS: HARASSMENT CULTURE: AN ISSUE (NOT TACKLED, AND UNLIKELY TO CHANGE – THERE WAS ALREADY A JOINT ENGAGEMENT ASKING FOR THIS LAST YEAR). 1MDB ANSWER WAS SATISFACTORY.
- NVIDIA: ENGAGEMENT ON WATER USAGE DISCLOSURE – NOT PROVIDED.
- VERIZON: ASKING FOR FURTHER DISCLOSURE ON WATER USAGE – TO BE CONSIDERED ON ESG REPORT.

We also coordinated with various organizations outlined below on the following engagement initiatives

- SUPPORTED INITIATIVE FROM AUSTRALIAN ETHICAL INVESTMENTS LTD. ON AUSTRALIAN BANKS – CLIMATE RESOLUTIONS
- SIGNED THE STATEMENT FROM THE PRIVATE FINANCIAL SECTOR TO THE UN BIODIVERSITY COP15



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

J

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

Template 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

Product name: Alquity Asia Fund

Legal entity identifier: 5493007MOUB6W5G8T620

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



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:** ____%



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 were the environmental and/or social characteristics promoted by this financial product met?

The fund thoroughly assesses the Environmental, Social and Governance risk profile of companies using its own proprietary methodology and excludes any companies that fail to meet the minimum standards set out in this methodology or are involved in any E or S controversy. Our companies continue to evolve on its E, S and G credentials, and we haven't exited any company as a consequence of an ESG failure. Portfolio construction is explicitly targeted to produce a lower GHG and water

intensity than the broad emerging market index, and for GHG emissions to reduce in line with IPCC 1.5 degree scenario. We engaged with our holdings in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics. Our voting policy is aligned with our Key Progress Indicators, aiming to improve the E/S credentials of our companies.

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

The GHG intensity of the portfolio was 206.8 (tonnes per million dollars), while the water intensity was 794.2 (tonnes per million dollars).

Our 15 KPIs (represented as a percentage of the Alquity Asia fund portfolio that meet each KPI) performed as follows:

- GHG emissions: 75%
- Water usage: 67%
- Waste data: 65%
- Plans for reduction of environmental impact: 53%
- Biodiversity plan in place: 11%
- Staff turnover: 80%
- Health and Safety policy: 95%
- Training programs: 98%
- Gender diversity at a senior level: 11%
- Lost Time Injury Rates: 58%
- Equal Opportunities: 95%
- Board independence: 42%
- Management remuneration: 98%
- TCFD reporting: 31%
- Whistleblower policy: 95%

Total donations for the fund increased to \$528,802. The number of direct and indirect lives transformed are 1,954 and 6,162 respectively.

All this information is made available to investors in our monthly factsheets and quarterly presentations.

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

In the previous period, the GHG intensity of the portfolio was 189.4 (tonnes per million dollars). Meanwhile, the water intensity was 1086.4 (tonnes per million dollars), being reduced by approximately a 20% in the current period.

Most of our 15 KPIs showed an steady improvement in the current reporting period when compared to the previous one. Figures for the previous period can be seen below:

- GHG emissions: 62%
- Water usage: 71%
- Waste data: 59%
- Plans for reduction of environmental impact: 32%
- Biodiversity plan in place: 9%
- Staff turnover: 79%
- Health and Safety policy: 100%
- Training programs: 97%
- Gender diversity at a senior level: 12%
- Lost Time Injury Rates: 53%
- Equal Opportunities: 91%
- Board independence: 42%
- Management remuneration: 93%
- TCFD reporting: 17%
- Whistleblower policy: 100%

Total donations for the fund increased by \$42,680 from the previous year. The number of direct and indirect lives transformed remains unchanged, as we have not yet held our TL Awards and distributed these increased donations.

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

Not applicable.

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

Not applicable.

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

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

The EU Taxonomy sets out a “do not 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.

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 this financial product consider principal adverse impacts on sustainability factors?

The Alquity Asia Fund consider the following PAIs on its investment strategy: 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 list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

30/06/2023

Largest investments	Sector	% Assets	Country
TSMC	Semiconductors	9.95%	Taiwan
Tencent	IT	8.23%	China
AIA Group	Insurance	4.49%	Hong Kong
SK Hynix	Semiconductors	4.34%	South Korea
Meituan Dianping	E-commerce	2.99%	Cayman
Minor International	Hotels	2.33%	Thailand
ICICI Bank	Banks	2.29%	India
China Resources Land	Real Estate	2.27%	China
Cash	Cash	2.19%	United States
Lemon Tree Hotels	Hotels	2.18%	India
SM Investments Corporation	Hardware	2.08%	Philippines
Leeno Industrials	Semiconductors	2.01%	South Korea
Indusind Bank	Banks	1.96%	India
Delta Electronics	Tech Hardware	1.88%	Taiwan
LG Energy Solution	Industrials	1.87%	South Korea

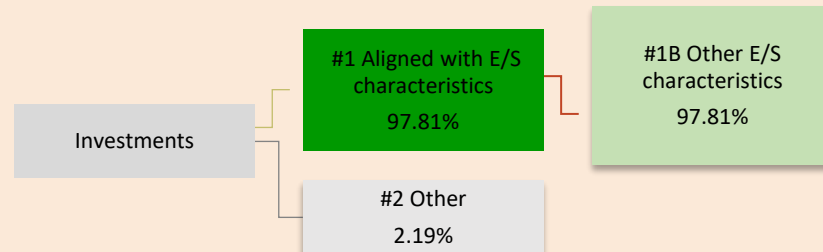
What was the proportion of sustainability-related investments?

We do not currently commit to a minimum proportion of sustainable investments. Accordingly, the percentage of investments of the Alquity Asia Fund is 0% of the net assets of the Fund.



● What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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

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

● In which economic sectors were the investments made?

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

- Information technology: 38.8%
- Consumer discretionary: 24.1%
- Financials: 14.0%
- Industrials: 8.7%
- Consumer staples: 5.9%
- Materials: 3.3%
- Real estate: 1.1%
- Communication services: 1.0%
- Health care: 0.6%

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 the 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 of the Alquity Asia Fund aligned with the EU Taxonomy is 0% of the net assets of the Fund.

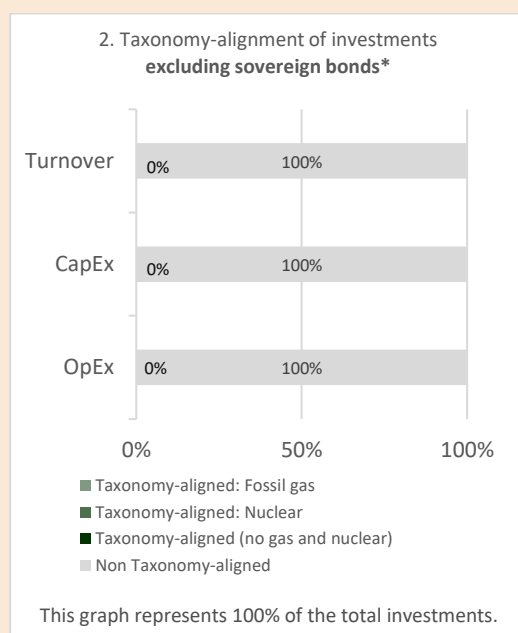
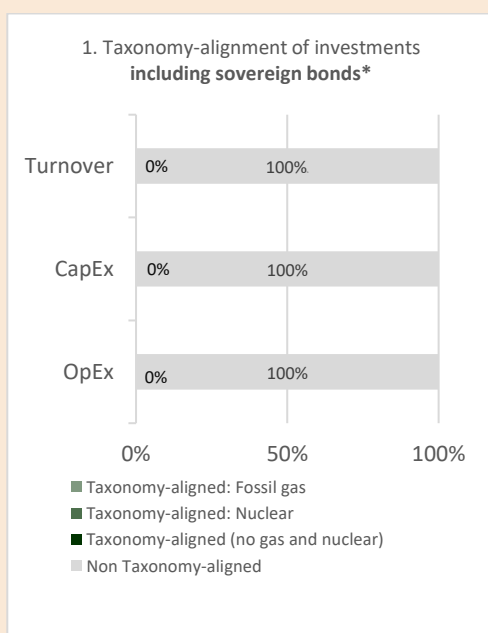
● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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.

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

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.

 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 investments made in transitional and enabling activities?**

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

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

0%. Not applicable.



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

0%. The Alquity Asia Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

0%. The Alquity Asia Fund does not commit to a minimum share of socially sustainable investments.



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

Cash is included in this category. Although the fund aims to be fully invested, some cash is held for liquidity and opportunistic reasons. If deployed, the cash will always be invested in companies aligned with other E/S characteristics that pass our ESG proprietary methodology.



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

The E/S characteristics are implemented on a continuous basis as part of the investment process and include:

1. Exclusionary criteria and “Green Flags” (positive screening). ESG analysis is a critical component of Alquity’s investment process. As mentioned above, there are certain practices we believe are inconsistent with long-term financial returns and an overall positive societal impact. Furthermore, we will invest in those firms that are making significant contributions to sustainable practices, social progress, and ethical governance.

2. Proprietary ESG ratings methodology. Our ESG analysis is holistic and exhaustive with equal importance placed on each aspect. In other words, we will not over-ride poor social or governance standards, just because a company places a heavy focus on environmental issues alone. Ultimately, we are concerned with material ESG issues and the analysis must provide us with sufficient comfort on all of these before an A-C rating is achieved.

We review behaviours and practices across the firm in the context of global or regional best practice. As a discipline, and for comparability, we then assign a rating to each institution, which captures risk and the quality of management judgement and decision making. Only those companies rated C or better can be included in the portfolio. To be clear, this means that we will only invest in firms where there is satisfactory quality and alignment of management. Moreover, we are interested not only in the absolute standard of “ESG quality”, but also the ability of a firm to improve its judgement, communication and efficiency over time. Investors should not, therefore, expect our portfolios to have any bias between A, B and C rated companies.

We take the economic, social, political and regulatory environment of Asia into account in our ratings by focusing our ratings on relative ESG performance to peers. For high-risk industries, we believe that to get an A rating, the company must display global best practice whereas for low-risk industries we seek regional best practice. This ensures we manage the ESG risks appropriately whilst remaining pragmatic about the circumstances for each company. ESG analysis is undertaken through a combination of desk- based research, meetings with management, site visits, and industry research. The definitions for each of our ratings are as follows:

A Rating

- High risk industry demonstrating global best practice performance in ESG.
- Lower risk industry demonstrating regional best practice in ESG.

B Rating

- High risk industry demonstrating regional best practice in ESG.
- Lower risk industry with satisfactory ESG performance better than regional peers; or in-line with regional peers but with a demonstrable intention to improve on material KPIs.

C Rating

- High risk industry with satisfactory ESG performance, in line with regional peers, but demonstrating a meaningful commitment to improve on material KPIs.
- Lower risk industry with satisfactory ESG performance in-line with or better than regional peers, but with no demonstrable intention to improve on material KPIs.

3. Portfolio construction is targeted to produce a lower GHG and water intensity than the index and for GHG emissions to reduce in line with IPCC 1.5 degree scenario.

4. Active engagement with investee companies in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics, such as the ones mentioned above.

5. Voting policy based upon Alquity Principles of Governance which are aligned with our Key Progress Indicators.



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

The reference index is a general market index, representing the investment universe, and is not consistent with the E/S characteristics promoted by the fund.

- ***How does 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.

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

Template 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

Product name: Alquity Indian Subcontinent Fund **Legal entity identifier:** 5493007MOUB6W5G8T620

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



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:** ____%



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**

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.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund thoroughly assesses the Environmental, Social and Governance risk profile of companies using its own proprietary methodology and excludes any companies that fail to meet the minimum standards set out in this methodology or are involved in any E or S controversy. Our companies continue to evolve on its E, S and G credentials, and we haven't exited any company as a consequence of an ESG failure. Portfolio construction is explicitly targeted to produce a lower GHG and water

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

intensity than the broad emerging market index, and for GHG emissions to reduce in line with IPCC 1.5 degree scenario. We engaged with our holdings in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics. Our voting policy is aligned with our Key Progress Indicators, aiming to improve the E/S credentials of our companies.

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

The GHG intensity of the portfolio was 406.2 (tonnes per million dollars), while the water intensity was 776.4 (tonnes per million dollars).

Our 15 KPIs (represented as a percentage of the Alquity Indian Subcontinent fund portfolio that meet each KPI) performed as follows:

- GHG emissions: 59%
- Water usage: 47%
- Waste data: 44%
- Plans for reduction of environmental impact: 44%
- Biodiversity plan in place: 12%
- Staff turnover: 74%
- Health and Safety policy: 100%
- Training programs: 100%
- Gender diversity at a senior level: 6%
- Lost Time Injury Rates: 41%
- Equal Opportunities: 100%
- Board independence: 65%
- Management remuneration: 100%
- TCFD reporting: 18%
- Whistleblower policy: 100%

Total donations for the fund increased to \$380,164. The number of direct and indirect lives transformed are 1,801 and 9,200 respectively. All this information is made available to investors in our monthly factsheets and quarterly presentations.

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

In the previous period, the GHG intensity of the portfolio was 208.7 (tonnes per million dollars). Meanwhile, the water intensity was 779.8 (tonnes per million dollars).

Most of our 15 KPIs showed an steady improvement in the current reporting period when compared to the previous one. Figures for the previous period can be seen below:

- GHG emissions: 45%
- Water usage: 41%
- Waste data: 38%
- Plans for reduction of environmental impact: 34%
- Biodiversity plan in place: 7%
- Staff turnover: 76%
- Health and Safety policy: 100%
- Training programs: 100%
- Gender diversity at a senior level: 7%
- Lost Time Injury Rates: 38%
- Equal Opportunities: 93%
- Board independence: 53%
- Management remuneration: 100%
- TCFD reporting: 7%
- Whistleblower policy: 100%

Total donations for the fund increased by \$60,248 from the previous year. The number of direct and indirect lives transformed remains unchanged, as we have not yet held our TL Awards and distributed these increased donations.

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

Not applicable.

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

Not applicable.

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

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

The EU Taxonomy sets out a “do not 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.

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 this financial product consider principal adverse impacts on sustainability factors?

The Alquity Indian Subcontinent Fund consider the following PAIs on its investment strategy: 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?

Largest investments	Sector	% Assets	Country
ICICI Bank	Bank	8.98%	India
Hindustan Unilever	FMCG	6.27%	India
Housing Dev Finance Corp	Bank	6.03%	India
Infosys	IT	5.67%	India
Lemon Tree Hotels	Hotels	4.52%	India
Ultratech Cement	Construction Materials	3.80%	India
TCS	IT	3.76%	India
Maruti Suzuki	Automobiles	3.50%	India
Axis Bank	Bank	3.36%	India
Oberoi Realty	Real Estate	3.09%	India
Prince Pipes	Industrials	3.06%	India
Unominda	Automobiles	2.99%	India
Dixon Technologies	Electronics	2.94%	India
Polycab	Materials	2.73%	India
APL Apollo Tubes	Industrials	2.58%	India

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

30/06/2023

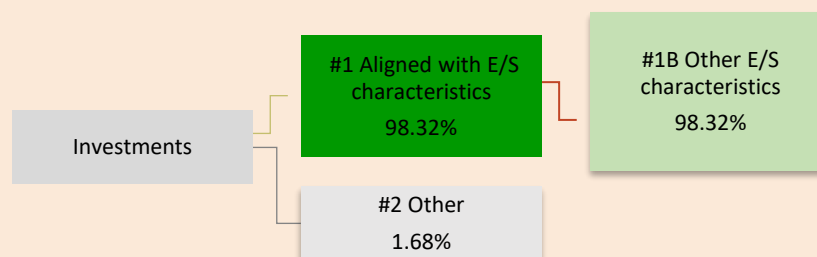
What was the proportion of sustainability-related investments?

We do not currently commit to a minimum proportion of sustainable investments. Accordingly, the percentage of investments of the Alquity Indian Subcontinent Fund is 0% of the net assets of the Fund.



What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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

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

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

For the Alquity Indian Subcontinent Fund, the investments were made in the following economic sectors:

- Financials: 26.5%
- Consumer discretionary: 23.6%
- Industrials: 16.9%
- Information technology: 9.7%
- Materials: 8.9%
- Consumer staples: 6.3%
- Real estate: 4.6%
- Health care: 1.8%

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 the 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 of the Alquity Indian Subcontinent Fund aligned with the EU Taxonomy is 0% of the net assets of the Fund.

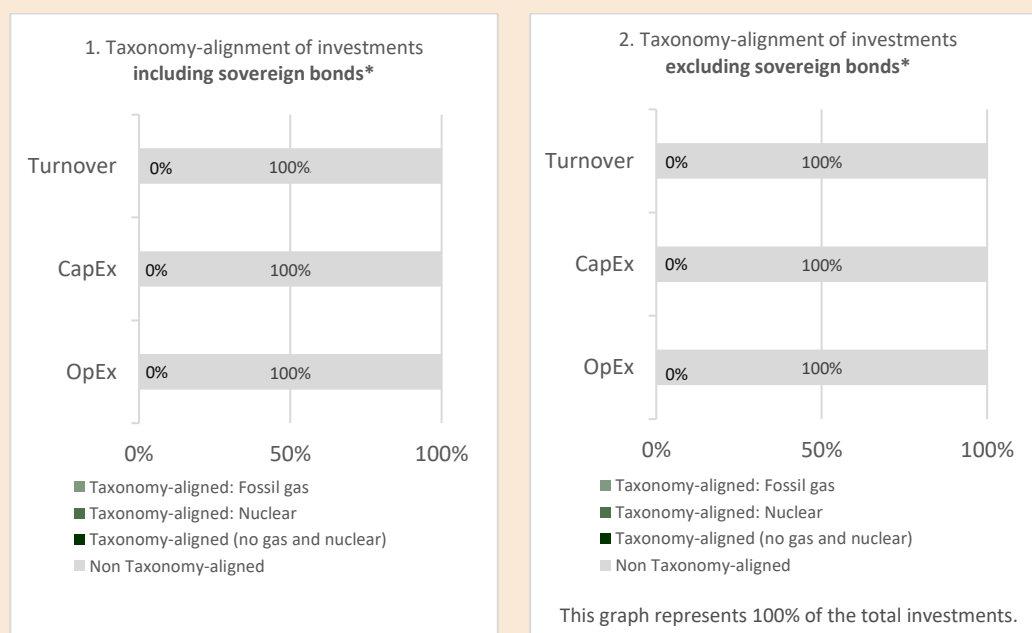
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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.

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

● **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.

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

0%. Not applicable.



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

0%. The Alquity Indian Subcontinent Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

0%. The Alquity Indian Subcontinent Fund does not commit to a minimum share of socially sustainable investments.



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

Cash is included in this category. Although the fund aims to be fully invested, some cash is held for liquidity and opportunistic reasons. If deployed, the cash will always be invested in companies aligned with other E/S characteristics that pass our ESG proprietary methodology.



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

The E/S characteristics are implemented on a continuous basis as part of the investment process and include:

1. Exclusionary criteria and “Green Flags” (positive screening). ESG analysis is a critical component of Alquity’s investment process. As mentioned above, there are certain practices we believe are inconsistent with long-term financial returns and an overall positive societal impact. Furthermore, we will invest in those firms that are making significant contributions to sustainable practices, social progress, and ethical governance.

2. Proprietary ESG ratings methodology. Our ESG analysis is holistic and exhaustive with equal importance placed on each aspect. In other words, we will not over-ride poor social or governance standards, just because a company places a heavy focus on environmental issues alone. Ultimately, we are concerned with material ESG issues and the analysis must provide us with sufficient comfort on all of these before an A-C rating is achieved.

We review behaviours and practices across the firm in the context of global or regional best practice. As a discipline, and for comparability, we then assign a rating to each institution, which captures risk and the quality of management judgement and decision making. Only those companies rated C or better can be included in the portfolio. To be clear, this means that we will only invest in firms where there is satisfactory quality and alignment of management. Moreover, we are interested not only in the absolute standard of “ESG quality”, but also the ability of a firm to improve its judgement, communication and efficiency over time. Investors should not, therefore, expect our portfolios to have any bias between A, B and C rated companies.

We take the economic, social, political and regulatory environment of India into account in our ratings by focusing our ratings on relative ESG performance to peers. For high-risk industries, we believe that to get an A rating, the company must display global best practice whereas for low-risk industries we seek regional best practice. This ensures we manage the ESG risks appropriately whilst remaining pragmatic about the circumstances for each company. ESG analysis is undertaken through a combination of desk- based research, meetings with management, site visits, and industry research. The definitions for each of our ratings are as follows:

A Rating

- High risk industry demonstrating global best practice performance in ESG.
- Lower risk industry demonstrating regional best practice in ESG.

B Rating

- High risk industry demonstrating regional best practice in ESG.
- Lower risk industry with satisfactory ESG performance better than regional peers; or in-line with regional peers but with a demonstrable intention to improve on material KPIs.

C Rating

- High risk industry with satisfactory ESG performance, in line with regional peers, but demonstrating a meaningful commitment to improve on material KPIs.
- Lower risk industry with satisfactory ESG performance in-line with or better than regional peers, but with no demonstrable intention to improve on material KPIs.

3. Portfolio construction is targeted to produce a lower GHG and water intensity than the index and for GHG emissions to reduce in line with IPCC 1.5 degree scenario.

4. Active engagement with investee companies in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics, such as the ones mentioned above.

5. Voting policy based upon Alquity Principles of Governance which are aligned with our Key Progress Indicators.



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

The reference index is a general market index, representing the investment universe, and is not consistent with the E/S characteristics promoted by the fund.

- **How does 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.

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

Template 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

Product name: Alquity Future World Fund **Legal entity identifier:** 5493007MOUB6W5G8T620

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



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:** ____%



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**

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.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund thoroughly assesses the Environmental, Social and Governance risk profile of companies using its own proprietary methodology and excludes any companies that fail to meet the minimum standards set out in this methodology or are involved in any E or S controversy. Our companies continue to evolve on its E, S and G credentials, and we haven't exited any company as a consequence of an ESG failure. Portfolio construction is explicitly targeted to produce a lower GHG and water

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

intensity than the broad emerging market index, and for GHG emissions to reduce in line with IPCC 1.5 degree scenario. We engaged with our holdings in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics. Our voting policy is aligned with our Key Progress Indicators, aiming to improve the E/S credentials of our companies.

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

The GHG intensity of the portfolio was 195.7 (tonnes per million dollars), while the water intensity was 829.2 (tonnes per million dollars), with water intensity being reduced from the previous reporting period.

Our 15 KPIs (represented as a percentage of the Future World fund portfolio that meet each KPI) performed as follows:

- GHG emissions: 76%
- Water usage: 72%
- Waste data: 69%
- Plans for reduction of environmental impact: 57%
- Biodiversity plan in place: 18%
- Staff turnover: 78%
- Health and Safety policy: 94%
- Training programs: 97%
- Gender diversity at a senior level: 18%
- Lost Time Injury Rates: 62%
- Equal Opportunities: 93%
- Board independence: 45%
- Management remuneration: 94%
- TCFD reporting: 31%
- Whistleblower policy: 96%

Total donations for the fund increased to \$345,472, with direct and indirect lives transformed being 312 and 150 respectively.

All this information is made available to investors in our monthly factsheets and quarterly presentations.

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

In the previous period, the GHG intensity of the portfolio was 183.4 (tonnes per million dollars), which was lower than the current reporting period. Meanwhile, the water intensity was 1103.9 (tonnes per million dollars), reduced by approximately 25% in 2022.

Most of our 15 KPIs showed an steady improvement in the current reporting period when compared to the previous one. Figures for the previous period can be seen below:

- GHG emissions: 63%
- Water usage: 71%
- Waste data: 60%
- Plans for reduction of environmental impact: 40%
- Biodiversity plan in place: 11%
- Staff turnover: 77%
- Health and Safety policy: 94%
- Training programs: 97%
- Gender diversity at a senior level: 12%
- Lost Time Injury Rates: 59%
- Equal Opportunities: 97%
- Board independence: 45%
- Management remuneration: 89%
- TCFD reporting: 17%
- Whistleblower policy: 96%

Total donations for the fund increased by \$38,807 from the previous year. The number of direct and indirect lives transformed remains unchanged, as we have not yet held our TL Awards and distributed these increased donations.

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

Not applicable.

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

Not applicable.

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

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

The EU Taxonomy sets out a “do not 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.

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 this financial product consider principal adverse impacts on sustainability factors?

The Alquity Future World Fund consider the following PAIs on its investment strategy: 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 list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

30/06/2023

Largest investments	Sector	% Assets	Country
TSMC	Semiconductors	8.53%	Taiwan
Tencent	IT	6.79%	China
SK Hynix	Semiconductors	2.96%	South Korea
Minor International	Hotels	2.50%	Thailand
Lemon Tree Hotels	Hotels	2.33%	India
Meituan Dianping	E-commerce	2.28%	Cayman
Mercado Libre	E-commerce	1.94%	Uruguay
Itau Unibanco	Banks	1.89%	Brazil
Saudi British Bank	Banks	1.88%	Saudi Arabia
Delta Electronics	Hardware	1.84%	Taiwan
Indusind Bank	Banks	1.81%	India
SM Investments Corp	Consumer Goods	1.78%	Philippines
Leeno Industrials	Semiconductors	1.76%	South Korea
China Resources Land	Real Estate	1.73%	China
Tongcheng Travel	Consumer Services	1.71%	China

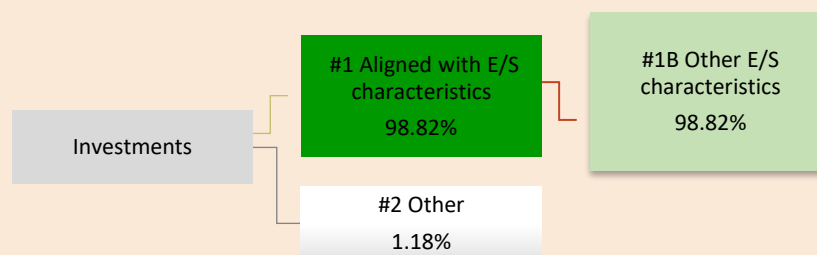
What was the proportion of sustainability-related investments?

We do not currently commit to a minimum proportion of sustainable investments. Accordingly, the percentage of investments of the Future World Fund is 0% of the net assets of the Fund.



What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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

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

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

For the Future World Fund, the investments were made in the following economic sectors:

- Information technology: 38.0%
- Consumer discretionary: 21.9%
- Financials: 14.9%
- Industrials: 7.5%
- Consumer staples: 6.6%
- Materials: 5.3%
- Real estate: 4.0%
- Health care: 0.5%

1.8% of the portfolio was invested in mining companies (Antofagasta and Kumba Iron Ore). No investments were made in sub-sectors of the economy that derive revenues from exploration, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels.



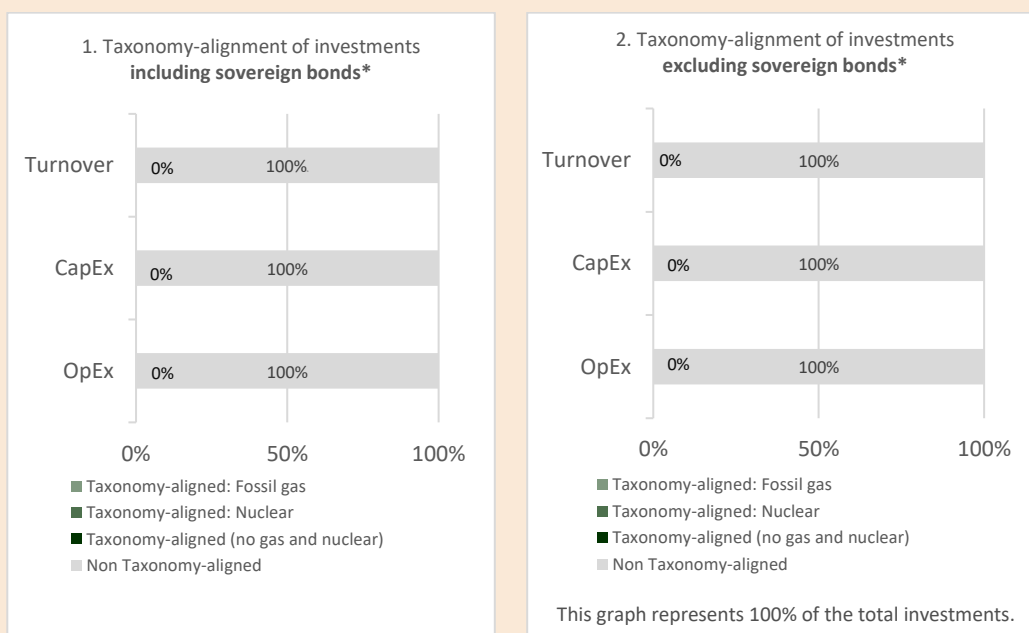
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

We do not currently commit to a minimum proportion of investments of the Fund that are Taxonomy aligned. Accordingly, the percentage of investments of the Future World Fund 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

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.

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

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.

 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 investments made in transitional and enabling activities?**

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

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

0%. Not applicable.



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

0%. The Alquity Future World Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

0%. The Alquity Future World Fund does not commit to a minimum share of socially sustainable investments.



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

Cash is included in this category. Although the fund aims to be fully invested, some cash is held for liquidity and opportunistic reasons. If deployed, the cash will always be invested in companies aligned with other E/S characteristics that pass our ESG proprietary methodology.



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

The E/S characteristics are implemented on a continuous basis as part of the investment process and include:

1. Exclusionary criteria and “Green Flags” (positive screening). ESG analysis is a critical component of Alquity’s investment process. As mentioned above, there are certain practices we believe are inconsistent with long-term financial returns and an overall positive societal impact. Furthermore, we will invest in those firms that

are making significant contributions to sustainable practices, social progress, and ethical governance.

2. Proprietary ESG ratings methodology. Our ESG analysis is holistic and exhaustive with equal importance placed on each aspect. In other words, we will not over-ride poor social or governance standards, just because a company places a heavy focus on environmental issues alone. Ultimately, we are concerned with material ESG issues and the analysis must provide us with sufficient comfort on all of these before an A-C rating is achieved.

We review behaviours and practices across the firm in the context of global or regional best practice. As a discipline, and for comparability, we then assign a rating to each institution, which captures risk and the quality of management judgement and decision making. Only those companies rated C or better can be included in the portfolio. To be clear, this means that we will only invest in firms where there is satisfactory quality and alignment of management. Moreover, we are interested not only in the absolute standard of “ESG quality”, but also the ability of a firm to improve its judgement, communication and efficiency over time. Investors should not, therefore, expect our portfolios to have any bias between A, B and C rated companies.

Investing across Emerging and Frontier markets presents multiple challenges as the economic, social, political and regulatory environments can differ significantly between countries. We take this into account in our ratings by focusing our ratings on relative ESG performance to peers. For high-risk industries, we believe that to get an A rating, the company must display global best practice whereas for low-risk industries we seek regional best practice. This ensures we manage the ESG risks appropriately whilst remaining pragmatic about the circumstances for each company. ESG analysis is undertaken through a combination of desk- based research, meetings with management, site visits, and industry research. The definitions for each of our ratings are as follows:

A Rating

- High risk industry demonstrating global best practice performance in ESG.
- Lower risk industry demonstrating regional best practice in ESG.

B Rating

- High risk industry demonstrating regional best practice in ESG.
- Lower risk industry with satisfactory ESG performance better than regional peers; or in-line with regional peers but with a demonstrable intention to improve on material KPIs.

C Rating

- High risk industry with satisfactory ESG performance, in line with regional peers, but demonstrating a meaningful commitment to improve on material KPIs.

- Lower risk industry with satisfactory ESG performance in-line with or better than regional peers, but with no demonstrable intention to improve on material KPIs.

3. Portfolio construction is targeted to produce a lower GHG and water intensity than the index and for GHG emissions to reduce in line with IPCC 1.5 degree scenario.

4. Active engagement with investee companies in accordance with our Key Progress Indicators which are based upon specific environmental and social characteristics, as well as on a variety of topics, such as the ones mentioned above.

5. Voting policy based upon Alquity Principles of Governance which are aligned with our Key Progress Indicators.



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

The reference index is a general market index, representing the investment universe, and is not consistent with the E/S characteristics promoted by the sub-fund.

- **How does 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.

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