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

Product name: Alquity Global Impact Fund **Legal entity identifier:** 549300E191K0P3W31N02

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

✖ **Yes**

X It will make a minimum of **sustainable investments with an environmental objective:** _35__%

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

X It will make a minimum of **sustainable investments with a social objective:** __35_%

No

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum 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 promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

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, Alquity launched the Global Impact Fund in 2021, focusing on both ESG investing and sustainability for global developed and emerging markets.

The Global Impact Fund delivers sustainability in three ways:

1. A quantitative approach targeting explicitly the portfolio's environmental and social footprint with high ESG quality companies to be significantly better than peers and the relevant benchmark.

2. The Investment Manager invests 10% of the revenue generated from management fees into positive environmental and social projects that deliver direct impact in the regions where the sub-fund's investee companies operate through the UK foundation, Transforming Lives.

The sub-fund's approach gives 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

The sub-fund's approach follows three principles: 1) Robust Sustainability Screening, Assessment of high risk industries, Use of third-party verified data and assessment of controversies for both Developed Market and Emerging Market stocks; 2) Assessment of Environmental and social impact; 3) Alignment of revenues to UN SDGs.

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

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The sub-fund uses a number of measures/indicators to assess whether companies have a sustainable investment objective. Our framework consists of the following steps:

1. We capture 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 are then mapped to one or more UN SDGs.
3. A company may derive its revenues across multiple sustainability themes and categories of involvement, and the percentage of revenues is aggregated across these multiple themes and categories.
4. The sub-fund is committed to make 100% sustainable investments as defined in accordance with Alquity Investment Policy and Process

The sustainability themes and categories used to identify a company's percentage of sustainable revenues are described below. Please note that different methodologies are applied for Developed Market and Emerging Market companies:

1. Sustainability Theme: Affordable Housing
    - Categories of Involvement: Affordable Housing Development, Affordable Housing Management
    - Relevant Sectors: Real Estate, Construction & Engineering
    - Relevant UN SDGs: 10, 11

2. Sustainability Theme: Education
    - Categories of Involvement: Education Services, Educational Technology and Materials, Educational Facilities
    - Relevant Sectors: Consumer Services, Information Technology, Construction & Engineering, Consumer Discretionary, Commercial Services, Media, Retailing, Software & Services, Healthcare, Real Estate, Industrials
    - Relevant UN SDG: 4

3. Sustainability Theme: Energy Efficiency
    - Categories of Involvement: Energy Efficiency Distribution and Management, Energy Efficiency Materials, Energy Efficiency Industrial Systems and Processes, Energy Efficiency Products
    - Relevant Sectors: Utilities, Industries, Information Technology, Materials, Energy
    - Relevant UN SDGs: 7, 11, 12, 13, 15

4. Sustainability Theme: Financial Inclusion
    - Categories of Involvement: Loans and Finance Products for Small and Medium Sized Enterprises, Microcredit, Other Microfinance Products
    - Relevant Sectors: Banks, Diversified Financials, Insurance, Telecommunications
    - Relevant UN SDGs: 8, 10

5. Sustainability Theme: Green Buildings
    - Categories of Involvement: Green Building Development, Green Building Management, Green Building Technologies and Materials
    - Relevant Sectors: Real Estate, Construction & Engineering, Industrials, Information Technology, Materials
    - Relevant UN SDGs: 7, 11, 12, 13, 15

6. Sustainability Theme: Green Transportation
    - Categories of Involvement: Green Transportation Vehicles, Green Transportation Technologies/Equipment, Management, Green Transportation Services, Green Transportation Infrastructure
    - Relevant Sectors: Construction & Engineering, Consumer Discretionary, Electrical Equipment, Industrials, Information Technology, Machinery, Metals and Mining, Semiconductors, Transportation, Transportation Infrastructure
    - Relevant UN SDGs: 7, 11, 12, 13, 15

7. Sustainability Theme: Health and Wellbeing
    - Categories of Involvement: Medicines and Drugs Production, Specialised Technology for Medicines and Drugs, Sanitation Products
    - Relevant Sectors: Personal Products, Healthcare, Machinery, Technology Hardware
    - Relevant UN SDGs: 3, 6, 10

8. Sustainability Theme: Pollution Prevention & Reduction
    - Categories of Involvement: Materials, Technologies & Services, Treatment & Remediation Services
    - Relevant Sectors: Utilities, Industrials, Information Technology, Materials, Energy
    - Relevant UN SDGs: 7, 11, 12, 13, 15

9. Sustainability Theme: Renewable Energy
    - Categories of Involvement: Renewable Energy Generation, Supporting Products/Services
    - Relevant Sectors: Utilities, Industries, Financials, Materials, Consumer Discretionary, Consumer Staples, Energy, Information Technology, Real Estate, Telecommunication Services
    - Relevant UN SDGs: 7, 11, 12, 13, 15

10. Sustainability Theme: Resource Efficiency
    - Categories of Involvement: Technologies & Services for Resource Efficiency in Industrial Processes, Technologies & Services for Recycling and/or Resource Recovery
    - Relevant Sectors: Auto Components, Materials, Industrials
    - Relevant UN SDGs: 7, 11, 12, 13, 15

11. Sustainability Theme: Sustainable Agriculture, Food and Forestry
    - Categories of Involvement: Sustainable Agriculture, Products & Services for Sustainable Agriculture, Sustainable Food Manufacturing, Sustainable Food Retail, Sustainable Forest Management
    - Relevant Sectors: Food Products, Food Retailers, Consumer Goods, Agricultural and Farm Machinery, Chemicals, Forestry & Paper
    - Relevant UN SDGs: 2, 12

12. Sustainability Theme: Nutrition, Food Access and Affordability
    - Categories of Involvement: Affordable Food, Food Access, Nutritious Products
    - Relevant Sectors: Food Products, Food Retailers, Consumer Goods, Agricultural and Farm Machinery
    - Relevant UN SDGs: 2, 12

13. Sustainability Theme: Water
    - Categories of Involvement: Water Infrastructure, Water Utilities, Water Technologies and Equipment, Water Adaptation and Watershed Management
    - Relevant Sectors Utilities, Industrials, Information Technology, Materials, Energy
    - Relevant UN SDGs: 6, 11, 12, 13

How do sustainable investments not cause significant harm to any environmental or social 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 sustainable investment objectives defined in article 2 (17) of SFDR. Different methods are applied to assess DNSH in Developed and Emerging Markets.

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 145 DNSH data fields are used: 35 DNSH Level 1 data fields and 110 DNSH Level 2 data fields.

- Level 1 data set is governance-related, entity-level information or policies that a company would be expected to publicly disclose in alignment with the context of DNSH to each environmental objective. DNSH level 1 data fields may apply to all our positions, not just the EU Taxonomy eligible portion of it.

- Level 2 data set evaluates more detailed sector-specific application of DNSH requirements and criteria to each of the six environmental objectives, as relevant to the economic activity. DNSH Level 2 tests are activity specific and thus only apply to companies which operate in eligible activities covered by the relevant delegated acts, with tests mapped to match the activity level technical screening criterion of the EU Taxonomy Regulation to the extent feasible.

There is no aggregation of data between DNSH Level 1 and Level 2 estimated data fields, therefore the pass rate is calculated separately for each Level.

Level 1 disclosure tolerance is 20% for each of the six environmental objectives.
Level 2 disclosure tolerance is 20% for each of the six environmental objectives.

A company must pass both levels 1 and 2 to be considered to be doing no significant harm.

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 have the indicators for adverse impacts on sustainability factors been taken into account?

The data used by the Global Impact Fund to establish DNSH tolerances utilise PAI data to determine the company scores. See above for further detail.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

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.

Does this financial product consider principal adverse impacts on sustainability factors?

X Yes.

The Global Impact Fund utilises PAI data from Bloomberg Sustainable Finance Solution (SFS) and then assesses the principle adverse impacts of company's activity. Our analysis assesses the incidences and impact that each PAI factor has relative to its peers, as well as relative to our minimum tolerance. A quantitative analytical method to assessing the principle adverse impacts (PAI), using our proprietary weighting and selection approach. This is applied across 42 factors: GHG Reduction Programme, Scope of GHG Reporting, Carbon Intensity Trend, Carbon Intensity, Water Intensity Trend, Water Intensity, Water Policy, Waste Reduction Policy, Net Zero Target, Climate Change Policy, Biodiversity Policy, Corporate Governance, Board/Management Quality & Integrity, Board Structure Ownership & Shareholder Rights, Remuneration, Audit & Financial Reporting, Stakeholder Governance, Bribery & Corruption Policy, Bribery & Corruption Programmes, Whistleblower Programmes, Business Ethics Programme, Independent Directors, Lobbying and Political Expenses, Political Involvement Policy, Animal Testing Policy, Animal Testing Programme, Discrimination Policy Diversity Programmes, Equal Opportunity Policy, Fair Remuneration Policy, Gender Pay Equality Programme, Gender Pay Disclosure, Gender Pay Gap Breakout, Human Capital Development, Employee Training, Employee Turnover Rate, Training Policy, Human Rights Policy, Human Rights Policy B, Employee Fatalities, Health and Safety Management System, Health and Safety Policy, Policy Against Child Labor, Data Privacy Programme, Cybersecurity Programme, Access to Medicine Programme, Neglected Diseases R&D, Equitable Pricing and Availability, Intellectual Property Access.

We assess each company based on the metrics relating to each of these factors. A strength score ranging from 100 (strongest) to 0 (weakest) is applied to each company. Each company is then ranked within each sub industry to assess PAI severity.

No

What investment strategy does this financial product follow?

The sub-fund investment strategy is to own liquid equity securities in global public markets that combine very high ESG and sustainability quality, alongside a robust risk framework that reduces volatility compared to peers. The sub-fund delivers its sustainability objective in three ways:

1. Our quantitative approach explicitly targets the portfolio's environmental and social footprint with high ESG quality companies to be significantly better than peers and the relevant benchmark.
2. The sub-fund has an objective to invest 20% of the portfolio into companies that derive at least 50% of their revenues from sustainable products. In order to make a sustainability assessment, a company must derive at least 5% of their revenues with sustainable products or activities that offer environmental and social benefits and/or reduce the impact of business activity or consumption.
3. The Investment Manager invests 10% of the revenue generated from management fees into positive environmental and social projects that deliver direct impact in the regions where the sub-fund's investee companies operate through our UK foundation, Transforming Lives.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

I General Principles

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

1. Exclusions: 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 are excluded. Sub-industries that are significantly high GHG emitters and use significant amounts of fossil-fuels, such as cement and non-renewable energy utilities are also excluded. This allows the sub-fund to allocate capital to more sustainable products and services, such as building products with lower GHG emissions and renewable energy utilities.

2. High risk industries: Companies that are involved in sectors with high GHG emissions (such as livestock farming, aviation and shipping) are treated as "high risk" industries and are only included if their ESG standards are considered best-in-class.

3. Third-party data verification: We do 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, and its revenues aligned towards the target SDGs. If we do not have company data to measure key metrics, it is either excluded or the lowest value is assigned (for example, we assume zero percentage of women on board if a company does not report this or exclude a company without GHG emissions information).

4. Controversies: Using our own assessment as well as those from a third-party (such as Sustainalytics), a company involved in significant controversial events is considered uninvestible.

5. The sub-fund is committed to make 100% sustainable investments as defined in accordance with Alquity Investment Policy and Process

II Environmental and Social Footprint

We track 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 consists of 9 key metrics:

Key Metric	Definition	Target
Carbon Intensity	Sum of Scope 1 and 2 GHG emissions per unit of revenue (metric tons CO_2 emissions/million USD)	Portfolio weighted average is less than 50% of the index
Water Stress	Volume of water withdrawal per unit of revenue (m^3/million USD)	Portfolio weighted average is less than 50% of the index
Waste generation	Waste generated, both hazardous and non-hazardous, per unit of revenue (metric tons/million USD)	Portfolio weighted average is less than 50% of the index
Women on Board	Percentage of women on boards. If there are no data available, we assume zero.	Portfolio simple average and weighted average is at least 30%
Women in Senior Management	Percentage of women in the top management positions. If there are no data available, we assume zero.	Portfolio weighted average is higher than the index
Board Independence	Percentage of independent directors. If there are no data available, we assume zero.	Portfolio weighted average is higher than the index
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.	Portfolio percentage is higher than the index
Environmental Solutions	Whether a company has revenues from products or services that contribute towards environmental solutions. This includes	Portfolio percentage is higher than the index

III Alignment of Revenues to the UN SDG's

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

1 Third-party verified methodologies that align a company's revenues to a sustainability theme and category of involvement (such as Sustainalytics) are captured. 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 are 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 is aggregated across these multiple themes and categories.

4 At least 20% of the sub-fund is allocated to companies with at least 50% of their revenues derived from sustainable products or activities.

5 A company can be considered a sustainable investment if the aggregate percentage of revenues derived from sustainable products or activities is at least 5%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

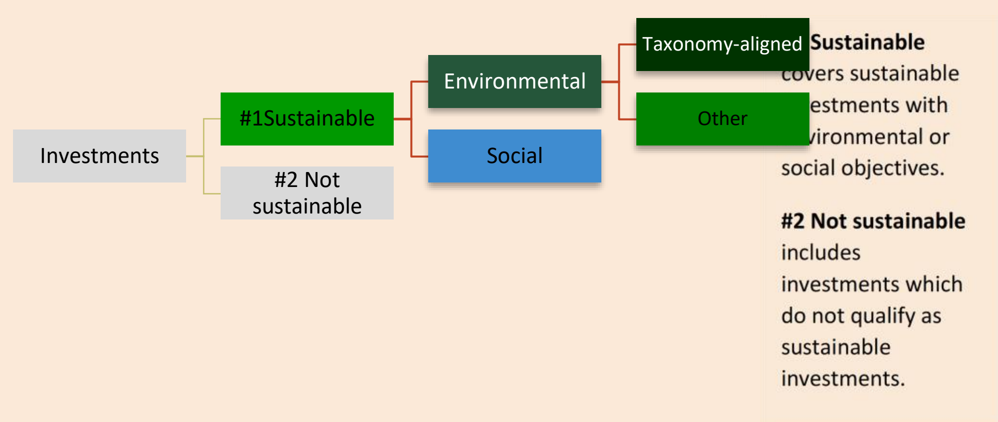
- ***What is the policy to assess good governance practices of the investee companies?***

Alquity's ESG analysis includes a detailed assessment of governance practices in investee companies including, but not limited to board independence and diversity, auditor independence, historical controversies, and policies including equal opportunities and remuneration. Further progress on good governance is supported through the tracking of Key Progress Indicators and voting using the Alquity Principles of Governance.

What is the asset allocation and the minimum share of sustainable investments?

The sub-fund primarily allocates to listed global equity instruments. The sub-fund invests 100% of its assets in companies that are sustainable investments as defined by Alquity's investment process.

Asset allocation describes the share of investments in specific assets.



- ***How does the use of derivatives attain the sustainable investment objective?***

The sub-fund does not use derivative financial instruments to attain sustainable investment objectives.

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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.

The sustainable investments made in the sub-fund do not at present make any commitments to align to the EU taxonomy (0%). This is because the EU taxonomy definitions are too narrow for a strategy that invests in liquid global stocks. Rather, the environmental and social objectives of the strategy are achieved by using Alquity's investment process, which uses our proprietary methodology. However, over time we believe that one or more of the EU taxonomy objectives may be met as public companies increasingly commit to environmental objectives.

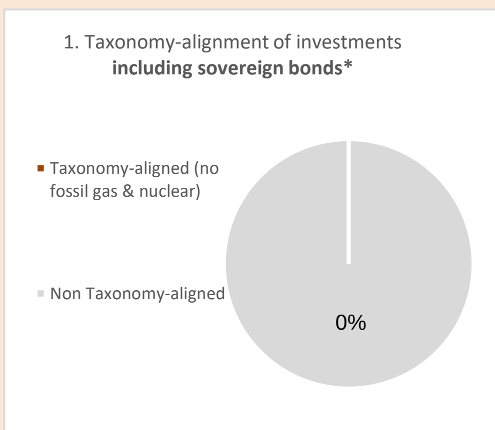
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[2]?

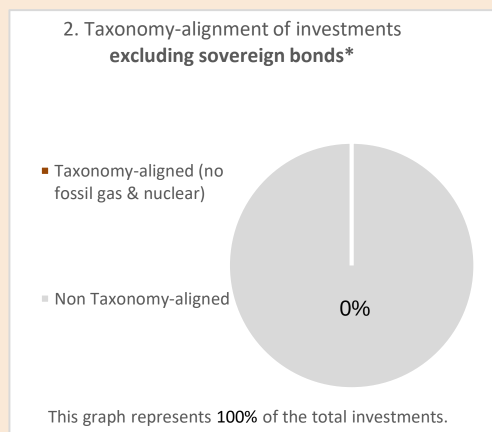
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

The sub-fund does not have within its investment objective a minimum threshold of transitional and enabling activities. Rather, the sub-fund focuses on the assessing the sustainability criteria of each company we consider. In many cases, investments we consider to be sustainable may also have enbaling and transitional activities.

[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – 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.

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Global Impact Fund does not apply a minimum of sustainable investments which do not align with the EU taxonomy.

What is the minimum share of sustainable investments with a social objective?

The sub-fund will invest a minimum of 35% of its sustainable investments in those companies with a social objective. However, the portfolio will likely hold social investments in excess of this number.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The sub-fund will only consider investments that qualify as sustainable within its investment process.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

The sub-fund does not use a reference benchmark to meet its sustainable investment objectives.

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

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index*?**

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

More product-specific information can be found on the website:

www.Alquity.com