

Other Additional Disclosures (Unaudited)

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: **Algebris Financial Equity Fund (the “Fund”)**

Legal entity identifier: **54930028Y34PLSHRH524**

All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund for the year ended 31 December 2022 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party. All data and other information contained in the annex has been compiled in accordance with the proprietary sustainable finance framework implemented by the Manager and the Investment Manager for the Fund.

Environmental and/or social characteristics

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.

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ____% <div style="margin-left: 40px;"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy </div> <div style="margin-left: 40px;"> <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy </div> <input type="checkbox"/> It made sustainable investments with a social objective : ____%	<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 <div style="margin-left: 40px;"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy </div> <div style="margin-left: 40px;"> <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy </div> <div style="margin-left: 40px;"> <input type="checkbox"/> with a social objective </div> <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

Sustainability indicators

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



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

The environmental and social characteristics which were promoted by the Fund are:

1. Prevention of predatory lending practices ("**Characteristic 1**")
2. Pollution prevention and control ("**Characteristic 2**")
3. Emissions reduction ("**Characteristic 3**")
4. Human rights ("**Characteristic 4**")
5. Labour relations ("**Characteristic 5**")

(Each a "**Characteristic**" and Characteristics 1 to 5 together referred to as the "**Core ESG Concerns**")

No reference benchmark was designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

For the reference period 1 January 2022 to 31 December 2022 (the "**Reference Period**") the overall percentage of Portfolio of the Fund (i.e., the total NAV of the Fund) (the "**Portfolio**") that promoted one or more Core ESG Concerns was **75.95%**. The remaining **24.05%** of the Portfolio that did not promote the Fund's environmental and social characteristics (the "**ES Characteristics**") were in assets that are considered "other" assets for the purpose of this annex.

To measure the attainment of Characteristics 1 to 5 above the following sustainability indicators were used:

(i) **Characteristic 1:**

- **Indicator:** the share of revenues derived from predatory lending activities ("**Indicator 1**").

(ii) **Characteristic 2:**

- **Indicator:** amount of air pollutants in proportion to company revenue and/or the amount of inorganic pollutants in proportion to company revenues ("**Indicator 2**").

(iii) **Characteristic 3:**

- **Indicator:** the share of investments in companies that explicitly disclose they have either committed to setting or have set science-based targets ("**SBTs**") in relation to decarbonisation ("**Indicator 3**").

(iv) **Characteristic 4:**

- **Indicator:** the share of investments in companies involved in very serious violations of human rights under the United Nations Global Compact ("**UNGC**") ("**Indicator 4.a**").
- **Indicator:** the existence of human rights commitments, policies and procedures at the individual investee level ("**Indicator 4.b**").

(v) **Characteristics 5:**

- **Indicator:** the share of investments in companies involved in very serious violations of labour rights under the UNGC ("**Indicator 5.a**").

Other Additional Disclosures (Unaudited)

- **Indicator:** the evolution at portfolio level of an aggregate labour practice score (“**Indicator 5.b**”). The score reflects the investees’ gender balance; gender pay ratio; performance in terms of preventing discrimination and harassment; freedom of association; ethnic diversity.

In addition to indicators 1 to 5.b listed above (the “**Core Indicators**”), the following indicators are also considered by the Fund to measure the attainment of its overall ESG policy (the “**Additional Indicators**”):

(vi) **Exclusion Policies:**

- **Indicator:** any Portfolio (0%) of the Fund comprising of issuers on the exclusion list disclosed in the Fund’s supplement (“**Indicator 6**”).

(vii) **Voting policy and engagement**

- **Indicator:** the % of meetings voted (“**Indicator 7.a**”); the % of proposals voted (“**Indicator 7.b**”); the % of shareholders’ resolutions voted against (“**Indicator 7.c**”); the % of shareholders’ resolutions voted in favour (“**Indicator 7.d**”); the number of ESG-related engagements with investees (“**Indicator 7.e**”).

(viii) **ESG screening**

- **Indicator:** any share of investment (0%) in companies that are identified to be in the bottom 10% of the distribution of the relevant sector’s ESG score (“**Indicator 8.a**”).
- **Indicator:** the evolution at portfolio level of a global ESG score (“**Indicator 8.b**”), as well as of individual Environmental (“**Indicator 8.c**”), Social (“**Indicator 8.d**”), and Governance (“**Indicator 8.e**”) scores.

The Core Indicators and Additional Indicators together referred to as the “**Indicators**”.

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

The Investment Manager assessed the performance of the sustainability indicators using the following methodologies to calculate the value of Indicators for the Reference Period as applicable:

- (i) a percentage of Portfolio calculated as the average of the Fund’s quarter-end calculations invested in the applicable issuers over the Reference Period (the “**Average Portfolio Methodology**”);
- (ii) a percentage of revenues of the applicable issuer attributable to the applicable activity calculated as the average revenues of the Fund’s quarter-end calculations over the Reference Period (the “**Average Revenues Methodology**”);
- (iii) the tonnes¹ of air pollutants of the investee companies in the Portfolio for the Reference Period (the “**Air Pollutants Methodology**”) and/or the tonnes of inorganic pollutants of the investee companies in the Portfolio for the Reference Period (the “**Inorganic Pollutants Methodology**”) per million EUR invested.
- (iv) the tonnes of CO₂ emissions of the investee companies in the Portfolio for the Reference Period (the “**CO₂e Calculation**”), the tonnes of CO₂ emissions of the Portfolio per €1,000,000.00 of AuM for the Reference Period (the “**Carbon Footprint Calculation**”), and the tonnes of CO₂ emissions of the Portfolio per €1,000,000.00 of revenue generated by the investee companies in the Portfolio for the Reference Period (the “**GHG Intensity Methodology**”);

¹ All references to “tonnes” in this report are to metric tonnes unless expressed otherwise.

Other Additional Disclosures (Unaudited)

- (v) the tonnes of hazardous waste and radioactive waste generated by the Portfolio per €1,000,000.00 of revenue generated by the investee companies in the Portfolio for the Reference Period (the “**Hazardous Waste Calculation**”);
 - (vi) the GWh consumed by the Portfolio per €1,000,000.00 of revenue generated by the investee companies in the Portfolio for the Reference Period (the “**Energy Consumption Calculation**”);
 - (vii) the share of the investee companies in the Portfolio’ consumption of non-renewable energy and energy production from non-renewable sources compared to renewable energy sources for the Reference Period (the “**Non-Renewable Energy Consumption**” and “**Non-Renewable Energy Production**”)
 - (viii) the average unadjusted gender pay-gap of investee companies (“**Gender Pay Gap Calculation**”). Unadjusted gender pay gap means the difference between average gross hourly earnings of male paid employees and of female paid employees as a % of average gross hourly earnings of male paid employees.
 - (ix) the average percentage of female board members in investee companies (“**Board Gender Diversity Calculation**”)
 - (x) a percentage of meetings, proposals, and shareholder resolutions voted for or against calculated as a simple percentage of out of the total number of the applicable meetings, proposals, and shareholder resolutions during the Reference Period (the “**Voting Methodology**”);
 - (xi) the number of engagements made during the Reference Period (the “**Total Engagements Calculation**”);
 - (xii) the portfolio average (weighted using investment weights) of an issuer-level score from third party ESG data providers covering labour relations and labour practices; the portfolio average (weighted using investment weights) of an issuer-level governance score from third party ESG data providers; the portfolio average (weighted using investment weights) of an issuer-level environmental score from third party ESG data providers; the portfolio average (weighted using investment weights) of an issuer-level social score from third party ESG data providers; and the portfolio average (weighted using investment weights) of an issuer-level ESG score from third party ESG data providers. These are all computed according to the same methodology being the average scores of quarter-end portfolios for the four quarters of the year (the “**Average Score Methodology**”)
- ((i) to (xii) above together referred to as the “**Reporting Methodologies**”).

The Reporting Methodologies used by the Investment Manager in consultation with the Manager were chosen for the applicable Indicators in compliance with the Fund, Manager and Investment Managers’ obligation to ensure that information disclosed is fair, clear and not misleading. Unless expressed otherwise, all methodologies are based on the average of the Fund’s four quarter-ends.

Other Additional Disclosures (Unaudited)

Performance of the Indicators

(A) Core ESG Concerns:

For the Reference Period the Core Indicators reported as follows:

INDICATOR	DEFINITION	METHODOLOGY	VALUE	SOURCE
Indicator 1	Share of investees' revenues from predatory lending activities (%)	Average Revenues Methodology	0.00 %²	Sustainalytics
Indicator 2	Emissions of air pollutants (tonnes per EUR million invested)	Air Pollutants Methodology	0.001³	Clarity AI
Indicator 3	Share of investments in companies that disclose a commitment to setting or have set science-based targets ("SBTs") in relation to decarbonization (%)	Average Portfolio Methodology	7%⁴	Bloomberg Finance LP SBTi
Indicator 4.a	Share of investments in companies involved in very serious violations of human rights under the UN Global Compact (UNGC), (%)	Average Portfolio Methodology	0.00%⁵	MSCI
Indicator 4.b	Share of investments in companies lacking human rights commitments, policies, and procedures at the individual investee level (%)	Average Portfolio Methodology	29.22 %⁶	Clarity AI
Indicator 5.a	Share of investments in companies involved in very serious violations of labour rights under UNGC (%)	Average Portfolio Methodology	0.00%⁷	MSCI
Indicator 5.b	Portfolio level annual average Labour Practice score (0-100, 100 = best)	Average Score Methodology	48 / 100⁸	Clarity AI S&P RobecoSAM

² Reported as a % of any applicable revenue for the Reference Period, such % calculated using the Average Revenues Methodology. All companies screened prior to investment against the Algebris Predatory Lending Exclusions List – which flags companies deriving any revenues from this activity. Investment in such companies is not allowed at Firm level.

³ Reported as a Tonnes of air pollutants emissions per € 1 million of revenue using the Air Pollutants Methodology. Annual average coverage for this indicator is 22%.

⁴ Reported as % of Portfolio invested in applicable companies over the Reference Period, such % calculated using the Average Portfolio Methodology. Accounts for investment in companies that have either committed to or had Net Zero targets approved directly by Science Based Targets initiative (SBTi). 'Committed' indicates the company has made a public commitment to adopting SBTi's Net Zero standard. 'Validated' indicates that SBTi has reviewed and validated the company's Net Zero commitment.

⁵ Reported as a % of Portfolio invested in applicable companies over the Reference Period, such % calculated using the Average Portfolio Methodology. All companies are screened prior to the investment against the Algebris UNGC Exclusion List – which flags companies involved in very serious violations of the UNGC principles. Investment in such companies is not allowed at Firm level.

⁶ Reported as % of Portfolio invested in applicable companies over the Reference Period, such % calculated using the Average Portfolio Methodology. Annual average coverage for this indicator is 89%

⁷ Reported as a % in accordance with the Average Portfolio Methodology. All companies are screened prior to the investment against the Algebris UNGC Exclusion List – which flags companies involved in very serious violations of the UNGC principles. Investment in such companies is not allowed at Firm level.

⁸ Reported as the average of quarter-end portfolios for the four quarters of the year in accordance with the Average Score Methodology. Algebris sources labor practice scores from several third party ESG data providers, to ensure better coverage. The number reported in the table (48 / 100) is the average of the scores sourced from two different providers (Clarity AI and S&P

(B) Exclusion Policies

For the Reference Period Indicator 6 reported as follows:

- **Indicator 6⁹: 0.00%**

Over the Reference Period, the Fund held **no** positions in companies that were listed on the Manager's ESG exclusion lists.

(C) Voting Policy and Engagement

For the Reference Period Indicator 7 reported as follows:

INDICATOR	DEFINITION	METHODOLOGY	VALUE	SOURCE
Indicator 7.a	The share of meeting voted (% of total)	Voting & Engagement Methodology	93%	ISS Algebris
Indicator 7.b	The share of proposals voted (% of total)	Voting & Engagement Methodology	88%	ISS Algebris
Indicator 7.c	The % of shareholders' resolutions voted against (% of all shareholders resolutions)	Voting & Engagement Methodology	31%	ISS Algebris
Indicator 7.d	The share of shareholders' resolutions voted in favour (% of all shareholders resolution)	Voting & Engagement Methodology	56%	ISS Algebris
Indicator 7.e	The number of ESG-related engagements with investees (N)	Voting & Engagement Methodology	45¹⁰	Algebris

The Investment Manager holds meetings with investee companies and the broader sector regularly throughout the year. Where relevant, ESG-related matters are discussed within the context of the broader engagement. In 2022, the Investment Manager engaged on ESG issues with around 4 of investee companies. Some examples of ESG engagements conducted by the Investment Manager were **Barclays Plc, UBS AG, BPER Banca, Banca Monte dei Paschi di Siena**. The engagement topics included ESG targets and financed emission methodologies, timeline for reporting of Scope 3 emissions, options to improve asset quality in this respect (e.g. renewable energy lending). ESG issues more specific to the banks' specific business cycle were also discussed, e.g. the social impact of

RobecoSAM). The original score from Clarity AI is 55/100 (with annual average coverage of 94%) and the original score from S&P RobecoSAM is 40/100 (with annual average coverage of 90%)

⁹ Reported as a % in accordance with the Average Portfolio Methodology. All companies are screened prior to investment against the Algebris ESG exclusion list applicable to the Fund. Investments in such companies are not permitted at Firm level.

¹⁰ Reported as absolute number of engagements on ESG matters held with investee companies.

Other Additional Disclosures (Unaudited)

potential future layoffs in one case, and potential ESG issues connecting to specific business geographies in another case.

(D) ESG screening

For the Reference Period Indicators 8.a – 8.e performed as follows:

INDICATOR	DEFINITION	METHODOLOGY	VALUE	SOURCE
Indicator 8.a	Share of investment in companies identified to be in the bottom 10% of the distribution of the relevant sector's ESG score	Average Portfolio Methodology	0.3% ¹¹	S&P RobecoSAM
Indicator 8.b	Portfolio level annual average Global ESG score	Average Score Methodology	57 / 100 ¹²	Clarity AI S&P RobecoSAM
Indicator 8.c	Portfolio level annual average Environmental Score	Average Score Methodology	59 / 100 ¹³	Clarity AI S&P RobecoSAM
Indicator 8.d	Portfolio level annual average Social Scores	Average Score Methodology	53 / 100 ¹⁴	Clarity AI S&P RobecoSAM
Indicator 8.e	Portfolio level annual average Governance Scores	Average Score Methodology	61 / 100 ¹⁵	Clarity AI S&P RobecoSAM

...and compared to previous periods?

N/A

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

N/A

¹¹ A restricted list of firms scoring in the bottom 10% of the relevant sector's ESG score distribution is maintained at Firm level and used to screen pre-investment. The list is based on ESG scores from third party providers. In Q1 2022, the Fund held a position in a company that became ineligible following an update to the 10% ESG screening criteria. A detailed discussion of the case is available under the section discussing compliance with **Indicator 6: ESG Exclusion Policies**

¹² Algebris sources ESG scores from several third party ESG data providers, to ensure better coverage. The number reported in the table (57 / 100) is the average of the scores sourced from two different providers (Clarity AI and S&P RobecoSAM). The original score from Clarity AI is 69/100 (with annual average coverage of 94%) and the original score from S&P RobecoSAM is 45/100 (with annual average coverage of 90%)

¹³ Algebris sources E scores from several third party ESG data providers, to ensure better coverage. The number reported in the table (59 / 100) is the average of the scores sourced from two different providers (Clarity AI and S&P RobecoSAM). The original score from Clarity AI is 79/100 (with annual average coverage of 94%) and the original score from S&P RobecoSAM is 39/100 (with annual average coverage of 90%)

¹⁴ Algebris sources S scores from several third party ESG data providers, to ensure better coverage. The number reported in the table (53 / 100) is the average of the scores sourced from two different providers (Clarity AI and S&P RobecoSAM). The original score from Clarity AI is 62/100 (with annual average coverage of 94%) and the original score from S&P RobecoSAM is 43/100 (with annual average coverage of 90%)

¹⁵ Algebris sources G scores from several third party ESG data providers, to ensure better coverage. The number reported in the table (61 / 100) is the average of the scores sourced from two different providers (Clarity AI and S&P RobecoSAM). The original score from Clarity AI is 73/100 (with annual average coverage of 94%) and the original score from S&P RobecoSAM is 50/100 (with annual average coverage of 90%)

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

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 Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A

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

N/A

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

N/A



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

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.

Adverse Indicators Considered by the Investment Manager

During the Reference Period, the Investment Manager considered the principal adverse impacts (“**PAI**”) of the Fund’s investments prior to investment, and on an ongoing basis, by considering the following PAI adverse sustainability indicators (the “**Adverse Indicators**”) in respect of all investee companies:

Climate and other Environmental Indicators:

GHG Emissions

- **GHG Emissions:** the total greenhouse gases (“**GHG**”) emissions of the investee company (“**PAI 1**”).
- **Carbon Footprint:** the carbon footprint of the investment company (“**PAI 2**”).

Other Additional Disclosures (Unaudited)

- **GHG Intensity:** the measure of the GHG intensity of the investee company (“**PAI 3**”).
- **Exposure to Fossil Fuel:** the share of investments the Fund made in companies active in the fossil fuel sectors (“**PAI 4**”).
- **Non-Renewable Energy Consumption:** the investee companies’ share of non-renewable energy consumption and non-renewable energy production from non-renewable energy sources compared to renewable energy sources (“**PAI 5**”).
- **Energy Consumption Intensity:** the investee companies’ energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (“**PAI 6**”).

PAIs 1 to 6 together referred to as the “**GHG Indicators**”.

Biodiversity

- **Adverse Biodiversity Activities:** the share of investments by the Fund in investee companies with sites and/or operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas (“**PAI 7**” or the “**Biodiversity Indicator**”).

Water

- **Emissions to Water:** the tonnes of emissions to water generated by investee companies per million EUR invested (“**PAI 8**” or the “**Water Indicator**”).

Waste

- **Hazardous Waste Ratio:** the tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested (“**PAI 9**” or the “**Waste Indicator**”).

Emissions

- **Absence of Carbon Emission Reduction Initiatives:** the share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement adopted under the UN Framework Convention on Climate Change (“**PAI 10**” or the “**Emissions Reduction Indicator**”).

(1) Social Adverse Indicators:

Social and Employee Matters

- **Violations of UNGC principles and OECD Guidelines:** the share of investments the Fund makes in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for multinational enterprises (“**PAI 11**”).
- **Lack of process to monitor compliance with UNGC:** the share of investments of the Fund in companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (“**PAI 12**”).
- **Unadjusted Gender Pay Gap:** the average unadjusted gender pay gap of investee companies of the Fund (“**PAI 13**”).
- **Board Gender Diversity:** the ratio of female to male board members in the investee companies of the Fund (“**PAI 14**”).
- **Exposure to Controversial Weapons:** the share of investments the Fund makes in investee companies involved in the manufacturing or selling of controversial weapons (“**PAI 15**”).

Other Additional Disclosures (Unaudited)

- **Absence of Anti-Corruption and Anti-Bribery Policies:** the share of investments in investee companies that do not have policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption (“PAI 16”).

PAIs 11 to 16 referred to together as the “**Social Indicators**”.

(2) **Sovereign Adverse Indicators:**

GHG Emissions

- **GHG Intensity:** the measure of the GHG intensity of the investee country (“PAI 17”).

Social

- **Social Violations:** the number of investee countries subject to applicable social violations¹⁶ (“PAI 18”).

Adverse Indicators Reporting:

During the Reference Period, the impact applicable to the PAIs applied to the investee companies in the Fund’s portfolio can be reported as:

Adverse sustainability indicator		Metric	Impact 2022
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS			
Greenhouse gas emissions	PAI 1. GHG emissions¹⁷	Scope 1 GHG emissions	24.35 tonnes CO2e
		Scope 2 GHG emissions	91.17 tonnes CO2e
		Scope 3 GHG emissions	1193.68 tonnes CO2e
		Total GHG emissions	1309.66 tonnes CO2e
	PAI 2. Carbon footprint	Carbon footprint	12.37 tonnes CO2e / EUR M invested¹⁸
	PAI 3. GHG intensity of investee companies	GHG intensity of investee companies	78.39 tonnes CO2e / EUR M revenue¹⁹

¹⁶ Algebris sources data on this indicator from Clarity AI. The provider identifies a country as subject to social violation if it meets any of the following criteria:

- (1) Countries with sanctions imposed by the European Union or the United Nations that satisfy one of the following: (i) Human rights abuses by the governmental institutions; (ii) Evidence to show that at least one person from the list of sanctioned persons in the country holds a position in the government or governmental institutions; (iii) the current regime is the result of a coup; (iv) violations of international law; (v) misappropriation of public funds resulting in undermining of democracy.
- (2) Countries with sanctions imposed by the Office of Foreign Asset Control (OFAC) of the United States that satisfy the following: (i) human rights abuses by the government or governmental institutions

¹⁷ Calculated in accordance with the CO2e Calculation. Annual average coverage for this indicator is 97%

¹⁸ Calculated in accordance with the Carbon Footprint Calculation. Annual average coverage for this indicator is 97%

¹⁹ calculated in accordance with the GHG Intensity Methodology. Annual average coverage for this indicator is 97%

Other Additional Disclosures (Unaudited)

	PAI 4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	3.88 %²⁰
	PAI 5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	Consumption: 46.68 %²¹ Production: n/a
	PAI 6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Total: 0.008 ²² Sectors A, B C, D, E, G, H: n/a Sectors: F = 0.02; L = 0.0002
Biodiversity	PAI 7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity- sensitive areas where activities of those investee companies negatively affect those areas	0.00 %²³
Water	PAI 8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00 tonnes / EUR M invested²⁴
Waste	PAI 9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.001 tonnes / EUR M invested²⁵
Emission Reduction	PAI 10: Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement. Only validated Science Based Targets are considered for this indicator.	99.72 %²⁶
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			
Social and employee matters	PAI 11. Violations of UN Global Compact principles and Organisation for Economic Cooperation and	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00 %²⁷ (of which UNGC violations: 0.00%)

²⁰ Calculated using the Average Portfolio Methodology. Annual average coverage for this indicator is 100%

²¹ Calculated in accordance with the Non-Renewable Energy Consumption Calculation. Annual average coverage for this is 65%

²² Calculated in accordance with the Energy Consumption Calculation. Annual average coverage for this indicator is 100%

²³ Calculated using the Average Portfolio Methodology. Annual average coverage for this indicator is 980%

²⁴ Calculated in accordance with the GHG Intensity Methodology. Annual average coverage for this indicator is 67%

²⁵ Calculated in accordance with the Hazardous Waste Intensity Methodology. Annual average coverage for this indicator is 26%

²⁶ Calculated in accordance with the Average Portfolio Methodology. Annual average coverage for this indicator is 97%

²⁷ Calculated in accordance with the Average Portfolio Methodology. Annual average coverage for this indicator is 98%

Other Additional Disclosures (Unaudited)

	Development (OECD) Guidelines for Multinational Enterprises		
	PAI 12. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	3.89 %²⁸
	PAI 13. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	20.48 %²⁹
	PAI 14. Board gender diversity	Average ratio of female to male board members in investee companies	33.63 %³⁰
	PAI 15. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00 %³¹
	PAI 16: Lack of anti-corruption and anti-bribery policies	Share of investments in investee companies without policies on anti-corruption and anti-bribery consistent with the UN Convention against Corruption	1.70 %³²
MANDATORY PAIs FOR SOVEREIGN INVESTMENTS			
Greenhouse gas emissions	17: GHG Intensity (sovereigns)	Tonnes of GHG emission in proportion of the country's Gross Domestic Product (GDP)	203.77 tonnes CO₂e / EUR M GDP³³

²⁸ Calculated in accordance with the Average Portfolio Methodology. Annual average coverage for this indicator is 98%

²⁹ Calculated using the Gender Pay Gap Methodology. Annual average coverage for this indicator is 36%

³⁰ Calculated using the Board Gender Diversity Methodology. Annual average coverage for this indicator is 99%

³¹ Calculated using the Average Portfolio Methodology.

³² Calculated using the Average Portfolio Methodology. Annual average coverage for this indicator is 99%

³³ Calculated in accordance with the GHG Intensity Methodology.

Other Additional Disclosures (Unaudited)

Social Indicators	18: Investee countries subject to social violations	Relative number of investee countries subject to social violations	0.00% (out of all investee companies) ³⁴
		Absolute number of investee countries subject to social violations	0.00 ³⁵



Action Taken

Please see section entitled 'What actions have been taken to meet the environmental and/or social characteristics during the reference period'.

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

1 January 2022 to 31 December 2022

What were the top investments of this financial product?

Issuer	Sector	Sub Sector	Country	%of NAV	Cum % NAV
BANCO SANTANDER SA	Financial	Diversified Banks	Spain	4.5%	4.5%
CITIZENS FINANCIAL GROUP	Financial	Banks	United States	2.6%	7.1%
NATWEST GROUP PLC	Financial	Diversified Banks	United Kingdom	2.6%	9.6%
ING Groep NV	Financial	Banks	Netherlands	2.5%	12.1%
AXA Equitable Portfolio Inc	Financial	Life Insurance	United States	2.5%	14.6%
Wells Fargo & Co	Financial	Banks	United States	2.4%	17.1%
Carlyle Group LP/The	Financial	Private Equity	United States	2.4%	19.5%
Commerzbank AG	Financial	Banks	Germany	2.2%	21.7%
SOCIETE GENERALE	Financial	Diversified Banks	France	2.2%	23.9%
DEUTSCHE BANK AG	Financial	Diversified Banks	Germany	2.1%	26.0%
Popular Inc	Financial	Banks	United States	2.0%	28.0%
CITIGROUP INC	Financial	Diversified Banks	United States	1.9%	29.9%
Webster Financial Corp	Financial	Banks	United States	1.8%	31.7%
Bank of Ireland Group PLC	Financial	Banks	Ireland	1.8%	33.6%
BPER Banca	Financial	Banks	Italy	1.8%	35.4%

³⁴ Calculated as the absolute number of countries meeting the conditions described in the PAI definition

³⁵ Calculated as the % of countries meeting the conditions described in the PAI definition as a percentage of all countries in which there is any sovereign investment in the portfolio

Other Additional Disclosures (Unaudited)

What was the proportion of sustainability-related investments?

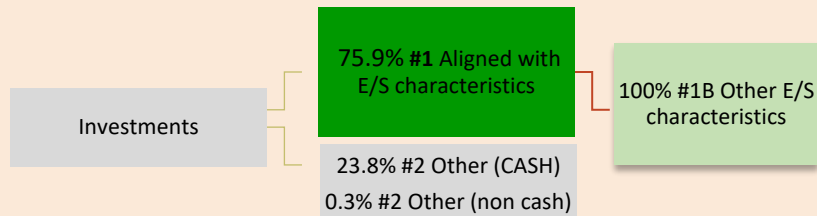
Information on the proportion of the Fund which promoted environmental/social characteristics during the reference period is provided below.

What was the asset allocation?



The proportion of the Fund's investments that were aligned with the E/S Characteristics was **75.9%**. Please note that voting was not taken into account in determining this percentage. Please refer to the section '*What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?*' below for a description of the purpose of the investments during the Reference Period within #2 Other.

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.

In which economic sectors were the investments made?

SECTOR	2022
Consumer Discretionary	
Homebuilding	0.95%
Financials	
Banks	42.17%
Consumer Finance	0.24%
Diversified Banks	23.43%
Institutional Brokerage	1.78%

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.

Other Additional Disclosures (Unaudited)

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



Investment Management	2.94%
Life Insurance	5.18%
Mortgage Finance	3.17%
Other Financial Services	0.32%
P&C Insurance	1.80%
Private Equity	4.82%
Wealth Management	1.44%
Technology	
Application Software	2.48%
Data & Transaction Processors	0.83%
Government	
Sovereign Government	8.44%

The above table uses the Average Portfolio Methodology in calculating holdings across each sector

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

While the Fund promotes environmental and social characteristics, during the Reference Period investments of the Fund in environmentally sustainable economic activities aligned with the “EU Taxonomy” (being Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments) (including in transitional and enabling activities) were **0.00%** of the investments of the Fund.

Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy³⁶?

☐ **Yes:**

☐ In fossil gas ☐ In nuclear energy

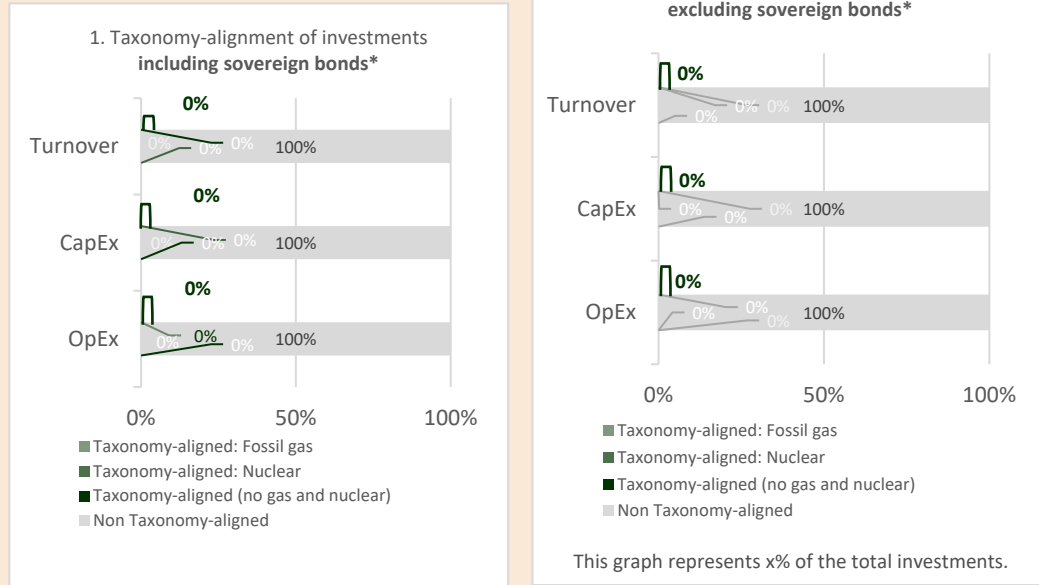
☒ **No**

³⁶ 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 Delegate Regulation (EU) 2022/12141

Other Additional Disclosures (Unaudited)

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.

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.



*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?

0%

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

N/A



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

0%



What was the share of socially sustainable investments?

0%



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

The "#2 Other" investments made by the Fund during the Reference Period include instruments which are used for the purpose of hedging (including currency risk management), liquidity, diversification, and efficient portfolio management. These investments include, but are not limited to, ancillary liquid assets and financial derivative instruments. Whilst these investments may not

be aligned with the environmental or social characteristics promoted by the Fund, they will, to the extent possible, still be subject to the exclusion policies detailed above, in addition to the UNGC Screening. These provide the minimum safeguards.

The remaining assets of the Fund during the Reference Period comprised of cash and cash equivalents held from time to time on an ancillary basis, as well as instruments for hedging purposes. No minimum environmental or social safeguards applied in respect of these.



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

The following actions taken during the reference period to meet the environmental and/or social characteristics promoted by the Fund:

(i) Characteristic 1 (Prevention and Contrast of Predatory Lending Practices):

All companies are screened prior to investment against the Investment Manager's Predatory Lending Exclusion List – which flags companies deriving any (>0%) revenues from this activity. Investment in such companies is not allowed at Firm level. All ESG exclusion lists are coded into the Algebris' internal automated controls system. These have fully integrated pre- and post-trade controls which include the relevant investment guidelines for a particular fund. Any attempts at trading a security that is restricted on ESG grounds would trigger a pre-trade alert.

(ii) Characteristic 2 (Pollution Prevention and Control):

Where available, the Investment Manager monitors GHG emission, air pollutants emissions, and inorganic pollutants emission data from third party providers. Since data coverage from third party providers on air pollutants and inorganic pollutants emissions is still limited, for the time being no hard threshold has been set on this indicator for the purpose of investment eligibility.

(iii) Characteristic 3 (Emission Reduction):

The Investment Manager monitors the share of investments in companies that explicitly disclose they have either committed to setting or have set science-based targets ("SBTs") in relation to decarbonisation.

The Investment Manager also monitor transition from those commitments into validated targets. Throughout 2022, the share of investments in companies that had an official SBT commitment (published by the Science Based Target Initiative) was 7%. One of the companies in which the Fund held long positions of approximately 3% on average had a SBT validated during the year 2022.

(iv) Characteristic 4 (Human Rights):

All companies are screened prior to investment against the Investment Manager's UNGC Exclusion List – which uses MSCI data to identify companies involved in breaches of the UNGC Principles. Investment in such companies is not allowed at Firm level. All ESG exclusion lists are coded into the Algebris' internal automated controls system. These have fully integrated pre- and post-trade controls which include the relevant investment guidelines for a particular fund. Any attempts at trading a security that is restricted on ESG grounds would trigger a pre-trade alert. During 2022, the Fund held no positions in names listed on the Investment Manager's UNGC exclusion list.

The Investment Manager will also monitor the existence of human rights policies and commitments at investee level. The share of investments in marked by one of our ESG data providers as lacking such policies was 29.22% on average over the year under review,

but at the same time the share of investment in companies marked as lacking processes and compliance mechanisms to monitor compliance with UNGC and OECD-GME (which also include human rights) was only 3.9%.

(ix) Characteristics 5 (Labour Relations):

All companies are screened prior to investment against the Investment Manager's UNGC Exclusion List – which uses MSCI data to identify companies involved in very serious violations of the UNGC principles, including labour rights. The screening includes an assessment of compliance with labour standards (broad and narrow measures). Investment in such companies is not allowed at Firm level. All ESG exclusion lists are coded into the Algebris' internal automated controls system. These have fully integrated pre- and post-trade controls which include the relevant investment guidelines for a particular fund. Any attempts at trading a security that is restricted on ESG grounds would trigger a pre-trade alert. During 2022, the Fund held no positions in names listed on the Investment Manager's UNGC exclusion list.

The Investment Manager monitors the evolution of third-party Labour Practice scores – aggregating a variety of indicators pertaining to labour conditions, health and safety, discrimination, and other relevant labour practices. The Investment Manager sources ESG scores from several third party ESG data providers, to increase coverage as much as possible. Where available (as is the case in the previous section), the Investment Manager compares scores from different providers to ensure they provide an as consistent picture as possible. In this disclosure, an average of scores from two providers has been reported together with the raw underlying scores by each of the providers – for full transparency.

(x) Characteristic 6 (Exclusion Policies):

All companies are screened prior to investment against the Investment Manager's ESG Exclusion Lists applicable to the Fund – which flags companies deriving any (>0%) revenues from this activity. Investment in such companies is not allowed at Firm level. All ESG exclusion lists are coded into the Algebris' internal automated controls system. These have fully integrated pre- and post-trade controls which include the relevant investment guidelines for a particular fund. Any attempts at trading a security that is restricted on ESG grounds would trigger a pre-trade alert. During 2022, the Fund held no positions in names listed on the Investment Manager's ESG exclusion lists.

(xi) Characteristic 7 (Voting policy and engagement)

The Fund actively exercised its voting rights during the Reference Period under review. Votes were cast for 93% of all meetings and 88% of all proposals. 87.5% of votable shareholders' resolutions were voted, and 64% of the shareholders' resolutions voted were voted in favour – leading to a 56% support rate out of total votable shareholders' resolutions. Shareholders resolution supported included resolutions requesting investee companies to adopt a Financing Policy Consistent with IEA's Net Zero Emissions by 2050 Scenario.

The Investment Manager has been participating in collective ESG investment initiatives – in particular the Carbon Disclosure Project's (CDP) Non-disclosure Campaign (NDC) – since 2021. In the context of this initiative, the Investment Manager has been requesting investee companies to respond to climate change, forests and water security questionnaires developed and managed by CDP. In 2022, the Investment Manager served as the Lead Investors for engagements with two of the investee companies in the Fund, within the CDP NDC campaign.

The Fund's team also performs *ad hoc* ESG engagement with investee companies in the portfolio, where warranted. Typically, if an investee company is flagged by the Investment Manager's UNGC screening or ESG screening, or if significant ESG controversies arise,

Other Additional Disclosures (Unaudited)

the ESG team and the investment team would engage with the company to establish whether the investment becomes unacceptable. This did not occur for the companies on the Fund's portfolio for the year under review.

The Fund's investment team also engage with portfolio companies and issuers in general on a wide array of topics to assess the investment opportunity within the context of the broader analysis aimed at understanding the attractiveness of the investment based on its fundamentals, technical, financial and non-financial. Within these, ESG topics are discussed when relevant. The financial investment team also engages specifically on the disclosure of financed emissions and banks' fossil fuel financing policies.

(xii) Characteristic 8 (ESG screening):

Where available, an Environmental Score, a Social Score, a Governance Score and an aggregate ESG Score from third-party ESG data providers is considered as part of the investment process. The average ESG score of companies in the Fund's portfolio was significantly above the average ESG score of companies in the broader reference universe (financials). The Fund is also restricted from investing in companies that are identified to be in the bottom 10% of the distribution of the relevant sector's ESG score.

Over the Reference Period, the Fund held **one** positions in a company that became ineligible following an update to the ESG screening criteria. The position accounted to 1.2% of the total invested portfolio in Q1 2022, and to 0% for the three subsequent quarters, resulting in an average 0.3% exposure for the full year.

Upon updating the ESG best-in-class screening that restricts investments in companies scoring in the bottom 10% of the sectors' ESG score distribution, an existing position was flagged as failing this updated screening. Upon review of the ESG research and data available for the company in question, the Investment Manager determined that the low ESG score appeared to be mostly driven by lack of transparency and disclosure about ESG, rather than by exposure to severe ESG controversies. Given that the ESG score was just marginally below the threshold (21 vs a threshold of 22) and the exposure was small, a decision was taken to engage with the company before taking a divestment decision.

The Investment Manager held a call with the company, which confirmed the Investment Manager's assessment of the low ESG score being linked to limited disclosure rather than underlying issues. The company representatives demonstrated to be aware of the issue and were working on it, stating the aim of publishing a separate sustainability report and inclusion of ESG disclosures in upcoming regulatory filings. The company representatives further mentioned that while the company did fill out several questionnaires from various ESG third party data providers, so far it had not completed the questionnaire from the provider that the Investment Manager had been relying upon for this screening. Following the call, the Investment Manager conducted a further analysis using data from a second provider (listed by the company among those whose questionnaire they had responded to) and confirmed that the ESG score from that second provider was indeed higher – reinforcing the assessment that lack of disclosure was the main reason for the low score.

The following actions were also taken during the Reference Period upon considering PAI:

Climate and Other Environmental Indicators:

- **GHG Emissions / Carbon Footprint / GHG Intensity:** the Investment Manager monitors investee companies' GHG emissions and GHG intensity, as well as the carbon footprint at portfolio level. The Fund invests only in financials, which have a very low direct carbon footprint. To cater for the fact that banks' biggest impact on the environment stems from their own financed emissions (Scope 3 Category 15), the Investment Manager applies a financing angle to its climate exclusion policies. Investment is not permitted in: (1) financial companies having a significant ownership stake in entities excluded under the Investment

Other Additional Disclosures (Unaudited)

Manager's Climate-related exclusion policies³⁷; (2) Debt or equity issued by the top-5 global coal shareholders and bondholders, nor in debt or equity issued by major coal financiers – as described in the Investment Manager's [ESG Exclusion policy](#). Complementary to this exclusion, the Investment Manager monitors fossil fuel policies of global banks and aims to select names exhibiting stronger policies and lower fossil fuel funding exposure.

- **Exposure to companies active in the fossil fuel sector:** the Investment Manager joined the Net Zero Asset Managers Initiative (NZAM) in 2021, [committing](#) to manage a progressively larger share of our AUM in line with net zero emissions by 2050 or sooner and committing to implement a science-based [Fossil Fuel Investment Policy](#). As set out in the 2018 IPCC 1.5 degrees scenarios and the 2021 IEA Net Zero scenario, achieving net zero by 2050 will require a rapid reduction in emissions from fossil fuel combustion and phase out of investment in fossil fuels. The pathway laid out in the IEA report requires that no new unabated coal plants, no new oil and gas fields, and no new coal mines or mine extensions be approved from 2021 on. In its guidance for the financial sector, the Science Based Target Initiative (SBTi) also recommends that financial institutions seeking to align with the Paris Agreement transparently address the role of fossil fuels in their investment portfolio. The SBTi recommended phaseout of thermal coal investments and more thorough disclosure on financial institutions' fossil fuel investments and related activities. The Fund is prevented from investing in any companies deriving any (0%) revenues from: (i) coal mining; (ii) coal power generation; (iii) Arctic Oil; (iv) Tar sands. The Fund is also prevented from investing in any companies deriving more than 40% of revenues from Oil and Gas production. In line with the recommendations put forward in the IEA 2050 Net Zero report, the Fund is also subject to an exclusion list of the companies listed on the Global Coal Exit List (GCEL) as having coal power or coal mining expansion plans – regardless of the share of revenues they derive from thermal coal.

The Fund primarily invests in equity and equity related securities issued by financial companies. The 3.88% exposure to companies active in the fossil fuel sector was obtained indirectly and attributable to one investee company held during the Reference Period. The investee company in question is an investment firm, engaged in global private equity, global credit, and global investment solutions. Through its global private equity segment, the company invests in assets in the real estate, energy, and infrastructure sectors. Based on Sustainalytics data, the company had an estimated 2.5% of its revenues connected to oil and gas through its subsidiaries. This percentage was within the Oil and Gas exclusion threshold applied to this Fund as per the Investment Manager's ESG policy.

- **Share of non-renewable energy consumption and production:** the Investment Manager monitors the average share of non-renewable energy consumption by investee companies, where available.
- **Biodiversity:** the Investment Manager monitors the exposure of investee companies to biodiversity risk and the existence of biodiversity policies. Where warranted, this may be part of ESG engagement with investee companies.
- **Water:** the Investment Manager monitors emission to water of investee companies, where available. Where warranted, this may be part of ESG engagement with investee companies.
- **Waste:** the Investment Manager monitors the hazardous waste ratio of investee companies, where available. Where warranted, this may be part of ESG engagement with investee companies.

³⁷ Significant ownership data are sourced from data provider Sustainalytics. Significant ownership is typically defined as an ownership stake of 10% or above.

- **Emission Reduction:** the Investment Manager monitors investee companies' commitment to set Science Based Targets for emission reduction (SBTs) and also monitors transition from these commitments into targets validated by the Science Based Target Initiative (SBTi). See details for **Characteristic 3** under the section *What actions have been taken to meet the environmental and/or social characteristics during the reference period?*

Social Indicators:

- **UNGC / OECD Violations (PAI 10):** the Investment Manager applies an exclusion policy restricting investment in companies that are found to be in breach of the UN Global Compact principles. See details for **Characteristic 4** under the section *What actions have been taken to meet the environmental and/or social characteristics during the reference period?*
- **UNGC / OECD Policies (PAI 11):** the Investment Manager monitors the existence of policies to monitor compliance with UNGC Principles and OECD guidelines. See details for **Characteristic 4** under the section *What actions have been taken to meet the environmental and/or social characteristics during the reference period?*
- **Unadjusted Gender Pay Gap:** the Investment Manager monitors the unadjusted gender pay gap of investee companies, where available. Where warranted, this may be part of ESG engagement with investee companies.
- **Board Gender Diversity:** the Investment Manager monitors the board gender diversity of investee companies. Where warranted, this may be part of ESG engagement with investee companies.
- **Exposure to Controversial Weapons:** the Fund is prevented from investing in companies deriving any (0%) revenue from the manufacturing or selling of controversial weapons. The Fund is also prevented from investing in any company having a significant ownership in the entities excluded under the above rule³⁸. The Fund is also restricted from investing in debt or equity issued by the top-5 nuclear weapons shareholders and lenders – as described in the Investment Manager's [ESG Exclusion Policy](#).
- **Lack of anti-corruption and anti-bribery policies:** the Investment Manager monitors the hazardous waste ratio of investee companies, where available. Where warranted, this may be part of ESG engagement with investee companies.

On the back of this analysis, the position was allowed for investment.



How did this financial product perform compared to the reference benchmark

How does 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 environmental or social characteristics promoted?*

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

³⁸ Significant ownership data are sourced from data provider Sustainalytics. Significant ownership is typically defined as an ownership stake of 10% or above.