

## 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: CORUM Butler European High Yield Fund Legal entity identifier: 6354006BJXXCKZYRO83

# 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

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



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

As part of its ESG risk assessment, the Investment Manager considered the following environmental and/or social characteristics:

1. the management of risks related to an investee company's own operational energy use and green house gas ("GHG") emissions, as well as that company's management of the energy efficiency and/or GHG emissions of its services and products during the use phase;
2. the management and respect of fundamental human rights within an investee company's own operations and in its supply chain;
3. the management by an investee company of human resources;

4. *the efficiency and effectiveness of an investee company's use of raw material inputs in production and how that company manages related risks, as well as the management of risks related to water scarcity and raw material inputs within its supply chain; and*
5. *the management of the impact of an investee company's operations on land, ecosystems and wildlife.*

*Furthermore, the Sub-Fund only invested in companies that complied with the United Nations (UN) Global Compact Principles.*

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

*The Fund's sustainability indicators performed in line with its policy since during the reference period the Funds had 0% exposure to companies that did not meet our Norm-based, Norm-based sectoral, sectoral and ESG risk rating exclusion policies.*

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

*Not applicable. This Sub-Fund recategorised as Article 8 on the 1st of December 2022.*

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

*The Sub-Fund promotes environmental and social characteristics but does not have sustainable investments as part of its investment objective.*

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

*As the Sub-Fund does not make sustainable investments, the requirement to consider the do no significant harm principle does not apply.*

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

*Not applicable.*

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

*Not applicable.*

**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 EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.*

The Investment Manager identified the following principal adverse impacts (PAIs) contained in Annex I of SFDR Level 2 as part of the ESG due diligence performed on at a pre-trade level:

- GHG emissions (Table 1, PAI 1);
- Exposure to companies active in the fossil fuel sector (Table 1, PAI 4);
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (Table 4, PAI 10);
- Board gender diversity (Table 2, PAI 13); and
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (Table 2, PAI 14).

The Investment Manager considered these selected PAI indicators for the purposes of the exclusion strategy applied to the Sub-Fund. These PAIs have also been integrated in the ESG risk rating provided by the Funds third-party ESG research provider.

The Investment Manager also performed a periodic review of the ESG characteristics of the portfolio companies for the period.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at 30.12.2022



### What were the top investments of this financial product?

Largest Investments	Sector	% Assets	Country
FRANCE (GOVT OF)	Government	6.5%	FR
BONOS Y OBLIG DEL ESTADO	Government	3.6%	ES
AUSTRIAN T-BILL	Government	1.8%	AT
DUTCH TREASURY CERT	Government	1.5%	NL
FIBER BIDCO SPA	Industrial	1.4%	IT
IBM CORP	Technology	1.2%	US
NIDDA HEALTHCARE HOLDING	Consumer, Non-cyclical	1.2%	DE
MIDCO GB SASU	Consumer, Cyclical	1.1%	FR
EQUINOR ASA	Energy	1.1%	NO
TELEFONICA EMISIONES SAU	Communications	1.1%	ES
LORCA TELECOM BONDCO	Communications	1.1%	ES
REPUBLIC OF AUSTRIA	Government	1.1%	AT
VALEO SA	Consumer, Cyclical	1.0%	FR
BANIJAY ENTERTAINMENT	Consumer, Cyclical	1.0%	FR

## What was the proportion of sustainability-related investments?

The Sub-Fund promotes environmental and social characteristics but does not make sustainable investments.

### ● What was the asset allocation?

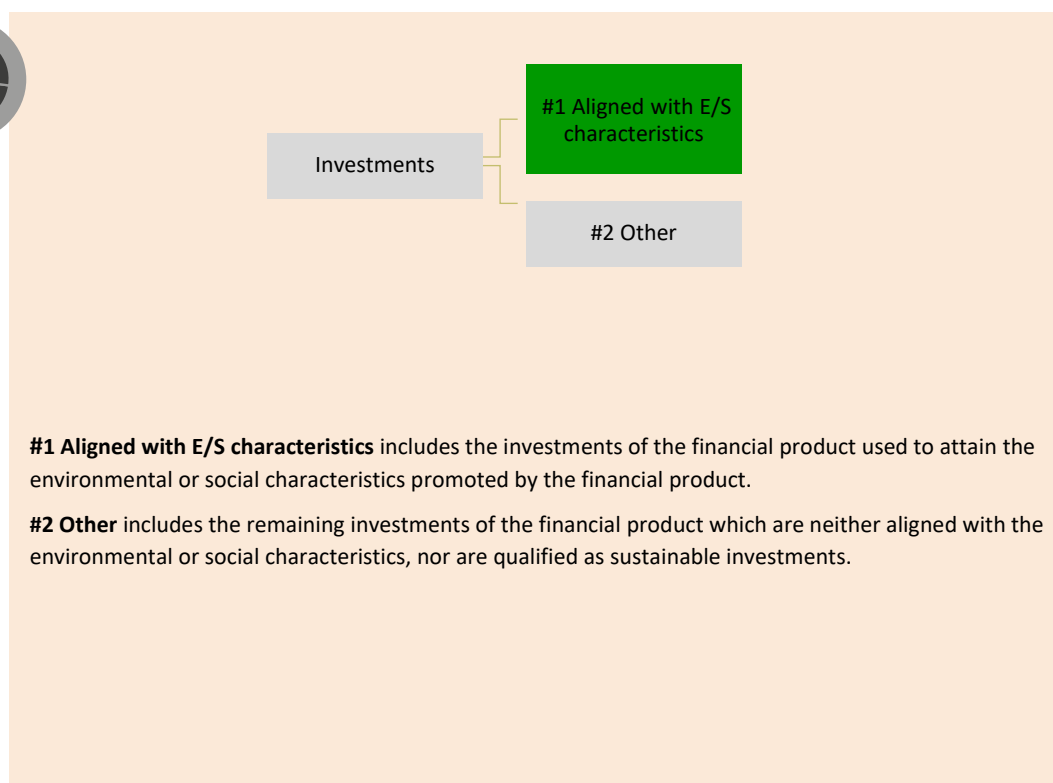
#1 Aligned with E/S characteristics represented 70%

#2 Other was 30%

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?

*Not applicable*



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

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.

The Sub-Fund does not invest in sustainable investments with an environmental objective which are aligned with EU Taxonomy under the Taxonomy Regulation. As a result, the percentage of the Sub-Fund's investments that will be in economic activities that qualify as environmentally sustainable is 0%.

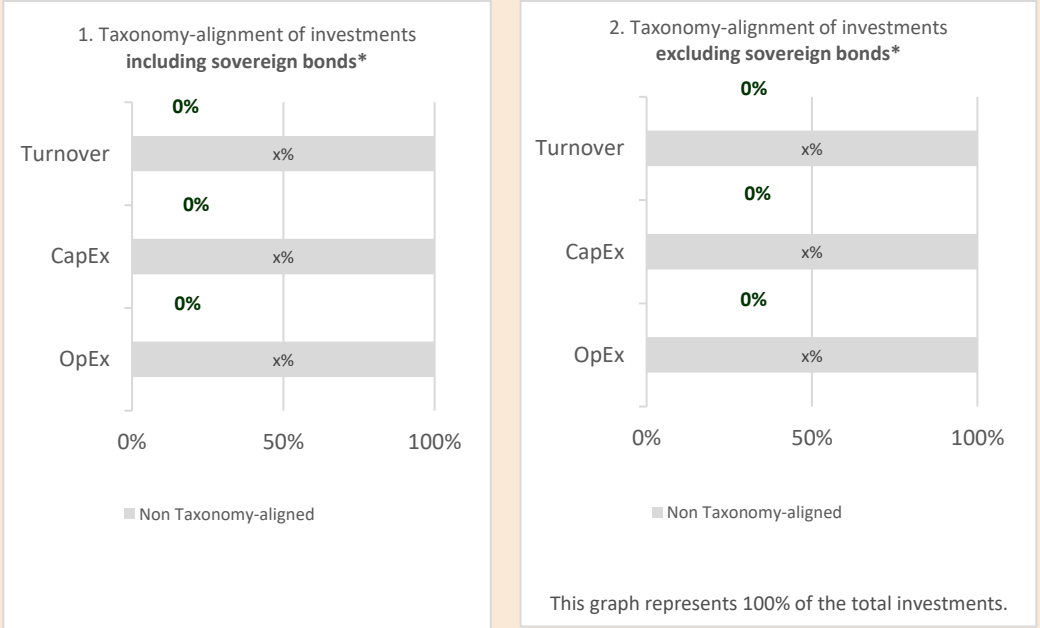
**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

☐ 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.

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

As at the date hereof, the proportion of investments in environmentally sustainable economic activities is currently 0% which comprises of 0% in transitional and 0% in enabling activities.

<sup>1</sup> 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.

- **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**

*The Sub-Fund does not invest in sustainable investments with an environmental objective which are aligned with EU Taxonomy under the Taxonomy Regulation*



**What was the share of socially sustainable investments?**

*Not applicable.*



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

For #2 Other, the Sub-Fund held:

- Cash and cash equivalents;
- Derivatives instruments used for hedging purpose (e.g CDS on indices, total return swaps on indices, IR futures, equity futures, volatility futures and options);
- short positions of any derivatives used for investment purposes;
- ETF; and
- Sovereign bonds and treasury bills.



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

*There has not been any engagement during the period.*



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

*Not applicable*

- **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