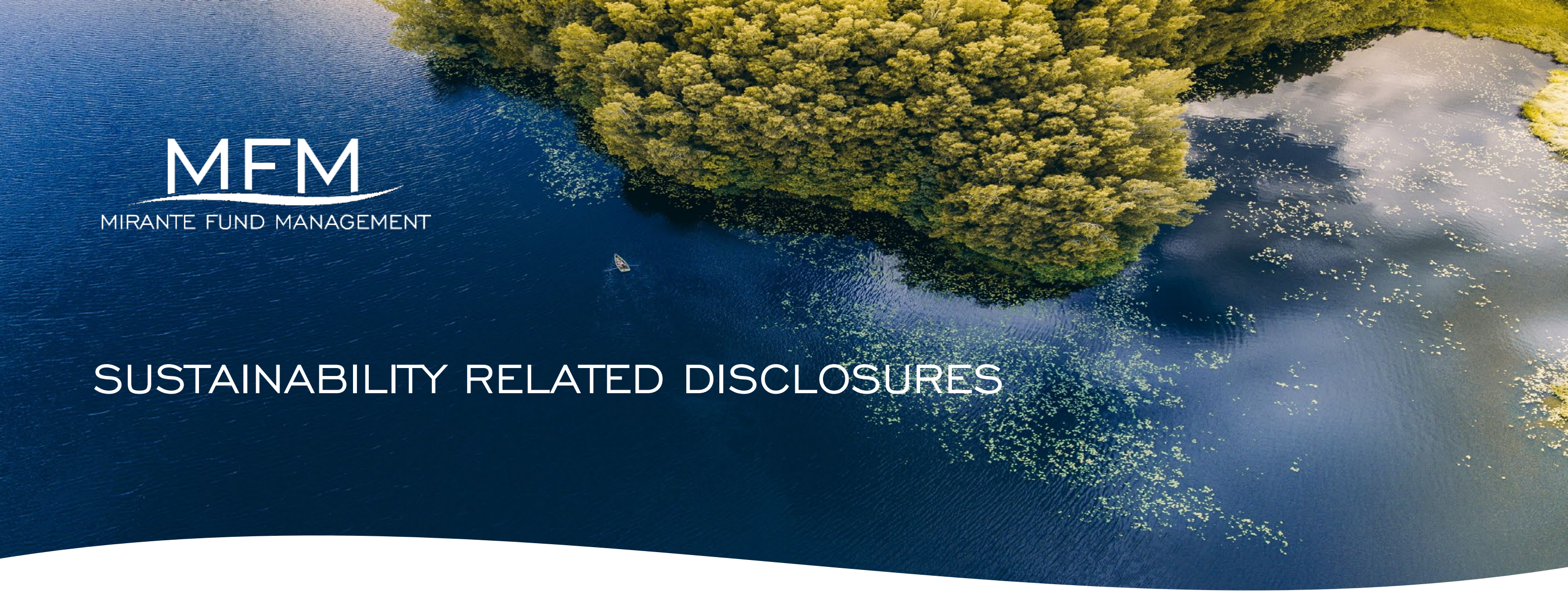

SUSTAINABILITY RELATED DISCLOSURES

Sustainable Investment Objective

The strategy invests only in green, social and sustainability bonds. Green, Social and Sustainability bonds are part of the impact finance universe. They are designed to provide direct and measurable exposure to activities that benefit environmental and social welfare. Green and social bonds are voluntarily self-labelled bonds whose proceeds are committed to ‘green’ or ‘social’ corporate activities, respectively. Sustainability bonds’ proceeds are committed to a combination of both green and social activities. An issuer’s pledge of proceeds towards such activities is legally integrated in publicly distributed marketing materials. Consequently, this strategy does not pursue financial return at first but is mainly aimed at having a social and ecological impact by investing only in green, social, and sustainability bonds. The use of proceeds by issuers of green, social, and sustainability bonds intend to finance qualifying investments that generate measurable societal and/or environmental benefits, rather than more broadly financing an issuers' activities. - The Sustainability Bond Guidelines as of June 2018 have been published to confirm the relevance of the Principles in this context and facilitate the application of their guidance on transparency and disclosure to the Sustainability Bond market. The common four core components of the Principles and their recommendations on the use of external reviews and impact reporting therefore also apply to Sustainability Bonds. - Green bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Green Projects and which are aligned with the four core components of the Green Bond Principles. - Social bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance in part or in full new and/or existing eligible Social Projects and which are aligned with the four core components of the SBP. In its embryonic stages, use of the ICMA label (particularly the Green bond label) began with multilateral banks, agencies, and supranational institutions. Amongst the original adopters were the World Bank (the International Bank for Reconstruction and Development), the International Finance Corporation (IFC), the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the African Development Bank (AfDB), the Asian Development Bank (ADB) and the Nordic Investment Bank (NIB). Over time, the share of global issuances by multilateral banks and supranational institutions has been in structural decline, amidst the surge in corporate and sovereign engagement with the ICMA labels. When debt issuers self-label their bonds in alignment with ICMA’s bond designations, they must follow a specific framework (either the Green Bond Principles (GBP), the Social Bond Principles (SBP) or the Sustainability Bond Guidelines (SBG) laid out by ICMA.

Investment Strategy

Green, social and sustainability bonds provide an explicit pledge of funds towards achieving ‘green’ and/or ‘social’ outcomes. An issuer legally integrates their future intentions in their marketing documentation, alongside a defined framework. This unique aspect of the impact finance investing approach constructs a different incentive structure to alternative methods of sustainable investing, such as the integration of ESG scoring, which typically ‘rewards’ issuers with capital based on their historical sustainability profile (a less direct exposure to positive impact). To go more into details, in terms of the type of impacts, the eligible green project categories, listed in no specific order, include, but are not limited to: - Renewable energy (including production, transmission, appliances, and products) - Energy efficiency (such as in new and refurbished buildings, energy storage, district heating, smart grids, appliances, and products) - Pollution prevention and control (including reduction of air emissions, greenhouse gas control, soil remediation, waste prevention, waste reduction, waste recycling and energy/emission-efficient waste to energy) - Environmentally sustainable management of living natural resources and land use (including environmentally sustainable agriculture; environmentally sustainable animal husbandry; climate smart farm inputs such as biological crop protection or drip-irrigation; environmentally sustainable fishery and aquaculture; environmentally-sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural landscapes) - Terrestrial and aquatic biodiversity conservation (including the protection of coastal, marine and watershed environments) - Clean transportation (such as electric, hybrid, public, rail, non-motorized, multi-modal transportation, infrastructure for clean energy vehicles and reduction of harmful emissions) - Sustainable water and wastewater management (including sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation) - Climate change adaptation (including information support systems, such as climate observation and early warning systems) - Eco-efficient and/or circular economy adapted products, production technologies and processes (such as development and introduction of environmentally sustainable products, with an eco-label or environmental certification, resource-efficient packaging, and distribution - Green buildings which meet regional, national, or internationally recognized standards or certifications The growth of bond markets provides increasing opportunities to finance the implementation of the Sustainable Development Goals, Nationally Determined Contributions, and other green growth projects. Green bonds are becoming an increasingly prevalent form of green finance, particularly for clean and sustainable infrastructure development and their large funding needs. They offer a vehicle to both access finance from the capital markets and deliver green impacts that can be verified against standards. In developing countries, green bonds are already financing critical projects, including renewable energy, urban mass transit systems and water distribution. Green bonds mobilized over $93 billion in 2016 to projects and assets with positive environmental impacts. According to a report by the Climate and Development Knowledge Network (CDKN) and PricewaterhouseCoopers, a green bond market has three key benefits to a country and its environmental goals and commitments. - It increases the finance available for green projects, therefore incentivizing an increase in their number. Today, green bonds mainly finance projects within renewable energy, energy efficiency, low-carbon transport, sustainable water, and waste and pollution. - It is a viable vehicle for enabling the increasing pool of sustainable investors to access environmental projects. Bonds are an instrument and an approach with which foreign investors are familiar, so these institutions need little new understanding or capacity. Investors are also interested in placing money where the environmental impact achieved is highest per unit of currency, and emerging and developing economies have the potential to offer this where lower project costs exist. - It can be a catalyst for further development of the domestic capital market and financial system more broadly beyond environmentally related projects. To go more into details, in terms of the type of impacts, the eligible social projects' categories include, but are not limited to, providing and/or promoting: - Affordable basic infrastructure (e.g., clean drinking water, sewers, sanitation, transport, energy) - Access to essential services (e.g., health, education and vocational training, healthcare, financing, and financial services) - Affordable housing - Employment generation including through the potential effect of SME financing and microfinance - Food security - Socioeconomic advancement and empowerment Examples of target populations include, but are not limited to, those that are: - Living below the poverty line - Excluded and/or marginalized populations and /or communities - Vulnerable groups, including as a result of natural disasters - People with disabilities - Migrants and /or displaced persons - Undereducated - Underserved, owing to a lack of quality access to essential goods and services - Unemployed

The strategy invests 100% (ex-cash) of its assets in global green, social and sustainability investment grade and high yield sovereign, sub-sovereign, and corporate bonds. The strategy leverages external, independent sustainable data sources from Climate Bonds Initiative ("CBI") and Environmental Finance to determine 'green', 'social', and 'sustainability' bond classifications. The classification schema is broadly based on the International Capital Market Association's (ICMA) voluntary principles for self-labelling but also contains other eligible sustainable bonds such as those based on the UN Sustainable Development goals. All bonds need to have a pledge to use the proceeds of the bonds for green, social or sustainability investments to be eligible. "The Sustainability Bond Guidelines (SBG) 2018" (https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg) The Sustainability Bond Guidelines as of June 2018 have been published to confirm the relevance of the Principles in this context and facilitate the application of their guidance on transparency and disclosure to the Sustainability Bond market. The common four core components of the Principles and their recommendations on the use of external reviews and impact reporting therefore also apply to Sustainability Bonds. The strategy also complies with the Norges Bank Ethical Exclusion List, one of the most well-known sources worldwide for ethical exclusions. It has excluded more than 100 companies from its investment universe over the past decade. Norges Bank, which manages the Norvegian Government Pension Fund Global also known as the Norwegian Oil Fund, decides on the exclusion of companies from the fund's investment universe based on ethical consideration. Exclusion criteria relate to specific product types and entail that the fund must not invest in companies which themselves, or through entities they control, produce weapons that violate fundamental humanitarian principles through their normal use, produce tobacco, or sell weapons or military material to certain countries.

Compliance with the above characteristics is monitored daily. All bonds that are not classified as green, social, or sustainable or any issuers involved in the exclusion list are excluded from their investment universe, and, consequently, the strategy. Within this eligible universe of sustainable Bonds, the selection is made by (1) Fundamental analysis, (2) liquidity assessment, (3) correlation, and (4) risk analysis. The strategy is usually composed of 80-100 positions with moderate concentration: 0.7% -1.5%.

Methodologies

The indicators used are: Exclusion of all bonds that are recognized as green, social, or sustainability bonds. - These green, social, or sustainability bonds are the ones that are: o recognized through inclusion in specific indices for green and/or social bonds; or o are verified by a recognized third party like for example ICMA, Climate Bonds Initiative, etc… For the evaluation of the level of risk linked to UNGC 10 Principle they use the UNGC Violator Flag provided by Reprisk. They then upload these indicators into their cloud-based database, which allows a daily monitoring of the risk of violation in the strategy. - The UN Global Compact (UNGC) Violator Flag allows to easily identify companies that have a high risk or potential risk of violating one or more of the ten UNGC Principles. With the Flag, it is also possible to see if the UNGC violations are primarily linked to the operations (O) or to the supply chain (S) of a company. - For each company and each Principle, the UNGC Violator Flag will have one of three values: o "Violator" (red): high risk of violating the UNGC Principles o "Potential" (yellow): potential risk of violating the UNGC Principles o "Blank" (gray): no strong evidence of violating the UNGC Principles - Companies classified as "UNGC Violators" are those that have had a significant and credible exposure to ESG risk incidents associated with one or more of the ten UNGC Principles. The underlying risk metric of the RepRisk UNGC Violator Flag is the RepRisk UNGC Violator Index (UNGC VI), which is based on the ESG risk incidents related to a company over the previous two years. Very severe risk incidents are given a higher importance than severe and less severe risk incidents. Further, the UNGC VI underweights risk incidents reported in low reach (influence) sources. For the evaluation of the overall ESG quality of the issuers of the sustainable bonds they are invested in they use the ESG Rating calculated by RepRisk. - This is a letter rating (AAA to D) that facilitates corporate benchmarking against a peer group and the sector, as well as integration of ESG and business conduct risks into business processes. This rating depends not only on a company's own performance (i.e., on its own risk incidents) but also on its country and sector affiliations. The methodology combines two factors: o The company-specific ESG risk provided by the Peak RepRisk Index. This is a proprietary algorithm developed by RepRisk that dynamically captures and quantifies a company's or project's reputational risk exposure to ESG issues. The RRI facilitates an initial assessment of the ESG risks associated with investments or business relationships, allows the comparison of a company's exposure with that of its peers, and helps track risk trends over time. The RRI calculation is based on the reach of information sources, frequency, and timing of ESG risk incidents, as well as the risk incident content, i.e., severity (harshness) and novelty (newness) of the issues addressed. The RRI does not depend on the sequence of ESG risk incidents. o The country-sector ESG risk Provided by the Country-Sector Average of the company, calculated by The Headquarters ESG Risk Exposure value (weighted 50%): The Country-Sector value of the company's country of headquarters and the primary sector The International ESG Risk Exposure value (weighted 50%): The average of all Country-Sector values of the country-sector combinations where the company has been linked to ESG risk incidents - The RepRisk Rating ranges from AAA to D: o AAA, AA, A denotes low ESG risk exposure o BBB, BB, B denotes moderate ESG risk exposure o CCC, CC, C denotes high ESG risk exposure o D denotes very high ESG risk exposure For Exclusion: The list published by the Norge Banks exclude companies which themselves or through entities they control: - produce weapons that violate fundamental humanitarian principles through their normal use - produce tobacco - sell weapons or military materiel to states that are subject to investment restrictions on government bonds - observation or exclusion may be decided for mining companies and power producers which themselves or through entities they control derive 30 per cent or more of their income from thermal coal or base 30 per cent or more of their operations on thermal coal. In addition to the company's current share of income or activity from thermal coal, importance shall also be attached to forward looking assessments, including any plans the company may have that will change the share of its business based on thermal coal and the share of its business based on renewable energy sources. - if there is an unacceptable risk that the company contributes to or is responsible for: o serious or systematic human rights violations, such as murder, torture, deprivation of liberty, forced labour and the worst forms of child labour o serious violations of the rights of individuals in situations of war or conflict o severe environmental damage o acts or omissions that on an aggregate company level lead to unacceptable greenhouse gas emissions o gross corruption o other particularly serious violations of fundamental ethical norms.

As the objective is to invest exclusively in sustainable bonds, the issues that are not eligible are automatically excluded from their investment universe and, therefore, from the strategy's investment. It is monitored continuously. They also exclude all green, social, or sustainability bonds listed on their ethical exclusion list. The evaluation of potential UN Global Compact violators and the ESG score on the issuers of the bonds invested are monitored daily. This evaluation is fully integrated into their fundamental and quantitative investment process to evaluate the issuers' overall fundamental and credit quality.

Cf question above: What sustainability indicators are used to assess the sustainable investment objective of this product? Legal reference: RTS 27, RTS 35.1.g 100% of the investment are sustainable bonds. For the other indicators described above (ESG score, UN Global Compact violator, Ethical exclusion list), the overall coverage within the strategy is above 90% of the asset under management.

Designated Reference Benchmark

They do not have a reference benchmark.

The strategy does not only target a reduction in carbon emissions (tCO2/year). It also targets environmental impact such as water savings (m3/year); land area re/afforested or preserved (km2); people benefiting from forest, agriculture, water, or waste projects (#); renewable energy generated (MWh/year); energy savings (MWh/year); water or waste collected and disposed or treated (m3/year); news passengers per year on public transit (#/year).