December 2022

Mondrian INVESTMENT PARTNERS

Global Green Bond Fund SFDR Article 10 disclosure

Summary

The Fund aims to generate returns consistent with the preservation of principal and the generation of income and capital growth over the long term with a focus on investment in green bonds. The sustainability indicator used to measure the attainment of the Fund's sustainable investment objective is the percentage of the Fund's Net Asset Value invested in green bonds.

The Investment Manager defines green bonds as any type of bond instrument where the proceeds will be applied to finance or refinance in part or in full new and/or existing projects that the Investment Manager believes are beneficial to the environment. The Investment Manager employs a full green analysis process to evaluate each and every bond under review, which includes consideration of the ICMA Green Bond Principles, EU Taxonomy as well as other internal and external resources.

It is intended that in normal market conditions 100% of the Fund's Net Asset Value will be invested in green bonds which contribute to the environmental objectives of climate change mitigation and climate change adaptation. The Fund has a minimum target of 20% of sustainable investments that are aligned with the EU Taxonomy. As more clarity is provided on the criteria of alignment to EU Taxonomy and, particularly, issuers respond with greater information and data coverage the Investment Manager expects to increase the minimum share of EU Taxonomy alignment on the fund. Particularly, the availability of the required data to confirm alignment to the EU Taxonomy for sovereign issuers is limited at this moment in time. As such, the fund also targets a minimum investment in sustainable investments that are aligned with the EU Taxonomy other than investments in sovereigns of 25%.

The designated reference benchmark for the Fund is the Bloomberg MSCI Global Green Bond Index (the Index). The Index employs an evaluation process on bond eligibility, which is expanded on and explained further below. Alongside additional resources and data sources, this evaluation methodology and index eligibility is considered as part of the Investment Manager's Green Bond Analysis. The Investment Manager monitors Index constituents both in terms of new and existing bonds and any changes in eligibility for the Index will be investigated. As such, the alignment of the Fund's investment strategy and Green Bond Analysis with the methodology of the Index is ensured through regular reviews and the cross referencing of data on a continuous basis.

At the outset, Sustainability Risks are inherently considered in defining the investable universe of the Fund as the Investment Manager ensures that 100% of the bonds that the Fund invests in are green bonds using its fundamental analysis (Green Bond Analysis). The Investment Manager also considers material ESG factors (including Sustainability Risks) as an integrated part of the investment process of the Fund. The Investment Manager's approach to the integration of ESG considerations in the investment process is consistent for both sovereign and corporate credits in the explicit incorporation of ESG factors into an issuer's proprietary credit rating.

At the issuer level, ESG analysis is fully integrated in the investment processes of both sovereign and corporate bonds. Any significant ESG risks, such as those with the potential to cause significant harm to other environmental and/or social objectives, would be captured under this analysis. Those issuers with significant ESG risks or heightened sustainability concerns would see these reflected in the overall risk assessment of that sovereign or corporate issuer.

The Investment Manager's process for analysing whether sustainable investments cause harm to other environmental or social sustainable investment objectives is reliant on the level of information provided by the issuer at the environmental project level. Any issuer may be financing multiple and distinct environmentally beneficial projects under their green bond program or sustainable objective allocation. To the extent that this information is available, the Green Bond Analysis will capture this data and the overall environmental impact of any project will be considered both in terms of the impact of the project on its direct environmental objectives but also the impact against other environmental and social objectives. Any sustainable investment or green project that causes significant harm to another environmental or social objective will fail the Green Bond Analysis and not be considered for investment.

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Mondrian utilises a common framework to engage with both sovereign and corporate issuers as summarised in the diagram below.

Direct	Collaborative	Non-Issuer Stakeholders
Engagement with issuers	Engagement with issuers through investor groups	Broader engagement
Fundamental part of our research process Target underperformers on our ESG metrics	Greater impact EM Investors Alliance Climate Bonds Initiative PRI Statement on ESG in Credit Ratings	Knowledge sharing Rating agencies Data providers Primary dealers

No significant harm to the sustainable investment objective

At the outset, Sustainability Risks are inherently considered in defining the investable universe of the Fund as the Investment Manager ensures that 100% of the bonds that the Fund invests in are green bonds using its fundamental analysis (Green Bond Analysis). The Investment Manager also considers material ESG factors (including Sustainability Risks) as an integrated part of the investment process of the Fund.

The Investment Manager's process for analysing whether sustainable investments cause harm to other environmental or social sustainable investment objectives is reliant on the level of information provided by the issuer at the environmental project level. Any issuer may be financing multiple and distinct environmentally beneficial projects under their green bond program or sustainable objective allocation. To the extent that this information is available, the Green Bond Analysis will capture this data and the overall environmental impact of any project will be considered both in terms of the impact of the project on its direct environmental objectives but also the impact against other environmental and social objectives. Any sustainable investment or green project that causes significant harm to another environmental or social objective will fail the Green Bond Analysis and not be considered for investment.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are considered during the investment process in the analysis of sovereign and corporate bonds. As part of the full ESG analysis, social factors are considered and analysed. The ESG analysis forms part of the overall credit assessment, which ultimately informs the sovereign credit adjustment or corporate credit rating. The weaker the overall credit assessment, the higher the sovereign credit adjustment or lower the corporate credit rating. Other things equal, an issuer with elevated social or general ESG risks will typically receive a lower allocation within the portfolio.

The issuers of green bonds are analysed against the specific criteria of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights to ensure that the minimum social safeguards set out in the EU Taxonomy are confirmed and attained.

Sustainable investment objective of the financial product

The Fund aims to generate returns consistent with the preservation of principal and the generation of income and capital growth over the long term with a focus on investment in green bonds.

The Fund will be actively managed and will seek to achieve its investment objective primarily through investing in a broad range of fixed and/or floating rate debt securities (such as notes, bonds and treasury bills) of governments, their agencies, instrumentalities or political subdivisions and companies, which the Investment Manager classifies as green bonds.

The Investment Manager defines green bonds as any type of bond instrument where the proceeds will be applied to finance or refinance in part or in full new and/or existing projects that the Investment Manager believes are beneficial to the environment which include but would not be limited to climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation and pollution prevention and control. It is intended that in normal market conditions 100% of the Fund's Net Asset Value will be invested in sustainable investments such as green bonds, as defined by the Investment Manager.

The Investment Manager employs a full green analysis process to evaluate each and every bond under review, which includes consideration of the ICMA Green Bond Principles, EU Taxonomy as well as other internal and external resources.

The designated reference benchmark for the Fund is the Bloomberg MSCI Global Green Bond Index (the Index). The investment performance of each Share Class will be measured relative to the Index hedged or unhedged in Euro or US Dollar terms as the case may be. The Index is a multi-currency benchmark that includes local currency debt markets tracked by the Bloomberg Barclays Global Aggregate Index. The Index includes investment-grade and fixed-rate bonds only. The Index does not have a 1-year minimum time to maturity and holds bonds until final maturity. The Index aligns with the objective of the Fund as it includes only fixed income securities in which the proceeds will be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes through their use of proceeds.

Investment strategy

The Fund aims to generate returns consistent with the preservation of principal and the generation of income and capital growth over the long term with a focus on investment in green bonds. The Fund intends to invest primarily in a broad range of fixed and/or floating rate debt securities (such as notes and bonds) of governments, their agencies, instrumentalities or political subdivisions and companies, which the Investment Manager classifies as green bonds.

Assessment of Governance Practices for Sovereign Bonds

There are four analytical factors for each sovereign issuer (domestic economy, external sector, ESG and fiscal). These factors and the weight given to them may evolve over time to reflect data availability and the Investment Manager's judgement of relative importance but at any point in time the four factors are consistently applied across all sovereign issuers.

ESG Profile

ESG factors are considered separately. Since there is some overlap between environmental and social factors the three factors are weighted as follows in the overall ESG assessment: Environmental (25%), Social (25%) and Governance (50%).

Governance Factors

Good institutions (e.g. the rule of law, unambiguous property rights, efficient tax collection, public good provision and control of corruption) are fundamental prerequisites for sustained productivity-driven economic growth and development.

Historically, many sovereign bond defaults can be attributed to weak institutional and political arrangements which affect a country's willingness to service debt and can occur even at low debt/gross domestic product levels.

Institutional and political development is measured along three dimensions:

- Strength of the state;
- Rule of law; and
- Accountability and corruption.

Corruption is a particularly invidious problem that inhibits the productive allocation of resources, depletes social capital and tends to exacerbate inequality.

To quantify these, the Investment Manager uses the World Bank Governance measures. The Investment Manager also considers the World Banks' "Ease of Doing Business" rankings which rank economies according to their business environment.

Assessment of Governance Practices for Corporate Bonds

All corporate bond issuers undergo a corporate credit analysis before being placed on the Investment Manager's buy list. Following on from that, they also undergo additional corporate credit analyses on a periodic basis as part of the Investment Manager's ongoing monitoring process. The Investment Manager assigns an ESG rating, based on a scale similar to that of Standard & Poor's (i.e., AAA is 'well above average', BBB is 'average' and BB and below is 'well below average').

A credit must achieve a satisfactory ESG rating during the Investment Manager's internal ESG review before it will be considered to be included on the Investment Manager's buy list as the Investment Manager believes that these factors could materially impact a business, its credit rating, and in extreme cases, its ability to repay lenders. The criteria for the rating are as follows:

- the social impact of the individual company's activities and the strength of the active ESG policies the company is pursuing;
- the governance of a particular company. Where the Investment Manager has concerns around a company, particularly regarding board or corporate structure,
it will not invest in that company; and
- the environmental policies of a particular company.

Meeting with company management is an integral part of the Investment Manager's due diligence and ongoing monitoring process. This is an ideal forum for direct engagement on areas where the Investment Manager has identified specific concerns, including those related to ESG factors. The close working relationship with the Investment Manager's equity teams is a direct benefit as they meet regularly with company representatives.

Proportion of investments

It is intended that in normal market conditions 100% of the Fund's Net Asset Value will be invested in green bonds which contribute to the environmental objectives of climate change mitigation and climate change adaptation. The Fund has a minimum target of 20% of sustainable investments that are aligned with the EU Taxonomy. As more clarity is provided on the criteria of alignment to EU Taxonomy and, particularly, issuers respond with greater information and data coverage the Investment Manager expects to increase the minimum share of EU Taxonomy alignment on the fund. Particularly, the availability of the required data to confirm alignment to the EU Taxonomy for sovereign issuers is limited at this moment in time. As such, the fund also targets a minimum investment in sustainable investments that are aligned with the EU Taxonomy other than investments in sovereigns of 25%.

Monitoring of sustainable investment objective

The Fund uses the Bloomberg MSCI Global Green Bond Index as its reference benchmark. The Index employs an evaluation process on bond eligibility, which is expanded on and explained further below. Alongside additional resources and data sources, this evaluation methodology and index eligibility is considered as part of the Investment Manager's Green Bond Analysis. The Investment Manager monitors Index constituents both in terms of new and existing bonds and any changes in eligibility for the Index will be investigated. As such, the alignment of the Fund's investment strategy and Green Bond Analysis with the methodology of the Index is ensured through regular reviews and the cross referencing of data on a continuous basis.

The Index provider carries out independent evaluation of securities along four dimensions (use of proceeds, project evaluation, management of proceeds, and reporting) to determine Index eligibility. These eligibility criteria reflect the core elements of the Green Bond Principles, a set of principles published by a consortium of banks. To be classified as a green bond for Index inclusion purposes, a security's use of proceeds must first fall within at least one of six MSCI defined eligible environmental categories: alternative energy, energy efficiency, pollution prevention and control, sustainable water, green buildings, and climate adaptation. General-purpose bonds are eligible if 90% of the issuer's activities (as measured by revenues) fall within one or more of the eligible MSCI environmental categories. Further, an eligible green bond's prospectus or supporting documentation must clearly identify the specific criteria and process for determining eligible projects or investments, and a formal process to ring-fence net proceeds must be disclosed in the bond prospectus or supporting documentation. At issuance, the issuer must either report on eligible projects or state its commitment to report within one year of issuance. Reporting will be monitored, and bonds can be removed if the issuer fails to report at least annually, or if annual reporting indicates that over 10% of proceeds had been used for ineligible projects.

Methodologies

The sustainability indicator used to measure the attainment of the Fund's sustainable investment objective is the percentage of the Fund's Net Asset Value invested in green bonds.

Data sources and processing

The investment manager employs a full green analysis process to evaluate each and every bond under review, which includes consideration of the ICMA Green Bond Principles, EU Taxonomy criteria as well as other internal and external resources. Information from issuer websites, green bond impact reports and green bond frameworks is utilised and data quality is ensured by cross checks to data published by external bodies such as the Climate Bonds Initiative and MSCI. Where there is no explicit disclosure, compliance with criteria is assessed by the portfolio manager drawing conclusions from the available information provided by an issuer. If this is insufficient to support such conclusions then a nil return is entered for that particular aspect of the analysis. The proportion that is estimated is therefore minimal.

Limitations to methodologies and data

It is intended that in normal market conditions 100% of the Fund's Net Asset Value will be invested in green bonds which contribute to the environmental objectives of climate change mitigation and climate change adaptation. The Fund has a minimum target of 20% of sustainable investments that are aligned with the EU Taxonomy. The limitation of EU Taxonomy alignment data does not affect the attainment of the sustainable investment objective, which is achieved through the Investment Manager's Green Bond Analysis process to determine green bond eligibility for the Fund. As more clarity is provided on the criteria of alignment to EU Taxonomy and, particularly, issuers respond with greater information and data coverage the Investment Manager expects to increase the minimum share of EU Taxonomy alignment on the fund. Particularly, the availability of the required data to confirm alignment to the EU Taxonomy for sovereign issuers is limited at this moment in time. As such, the fund also targets a minimum investment in sustainable investments that are aligned with the EU Taxonomy other than investments in sovereigns of 25%.

Due diligence

At the outset, Sustainability Risks are inherently considered in defining the investable universe of the Fund as the Investment Manager ensures that 100% of the bonds that the Fund invests in are green bonds using its fundamental analysis (Green Bond Analysis). The Investment Manager also considers material ESG factors (including Sustainability Risks) as an integrated part of the investment process of the Fund.

Integration of Sustainability Risks

The Investment Manager's approach to the integration of ESG considerations in the investment process is consistent for both sovereign and corporate credits in the explicit incorporation of ESG factors into an issuer's proprietary credit rating.

At the issuer level, ESG analysis is fully integrated in the investment processes of both sovereign and corporate bonds. Any significant ESG risks, such as those with the potential to cause significant harm to other environmental and/or social objectives, would be captured under this analysis. As explained further below, those issuers with significant ESG risks or heightened sustainability concerns would see these reflected in the overall risk assessment of that sovereign or corporate issuer.

Sovereign Bonds

ESG risk factors form a critical and distinct facet of the Investment Manager's sovereign credit risk analysis. The Investment Manager's ESG assessments synthesize numerous quantitative measures produced by international research bodies into an overall ESG score for each sovereign. Sovereign credit analysis is an integral part of the Investment Manager's top-down investment process. This analysis includes ESG factors, which ultimately inform the sovereign credit adjustment. The weaker the overall credit assessment, the higher the sovereign credit adjustment, resulting in a greater Prospective Real Yield (PRY) premium required to drive an allocation. Other things equal, a sovereign with elevated ESG risks will typically receive a lower allocation within the portfolio.

Corporate Bonds

The Investment Manager's credit process necessitates that all corporate bond issuers undergo corporate credit analysis culminating in an internal credit rating before being placed on the Investment Manager's buy list.

In determining the Investment Manager's corporate credit rating, all material factors that could influence credit quality are analysed as part of the research process. Each factor is assigned a credit rating which contributes to the overall company or issuer level credit rating. The Investment Manager believes that ESG concerns must be included in this process, otherwise the analysis overlooks a critical component of credit risk. Therefore, an ESG rating is assigned as an integral part of the Investment Manager's corporate credit analysis. The forward-looking sensitivity analysis component of the Investment Manager's credit research is used to quantify the impact of material credit risks on the credit rating over the investment time horizon. This therefore provides a method to quantify the impact of ESG risks over the short, medium and longer term.

The result of the Investment Manager's integrated approach is that much like any other risk incorporated into a bond valuation, the presence of ESG based risks need not preclude investment, provided they are adequately reflected in the market price.

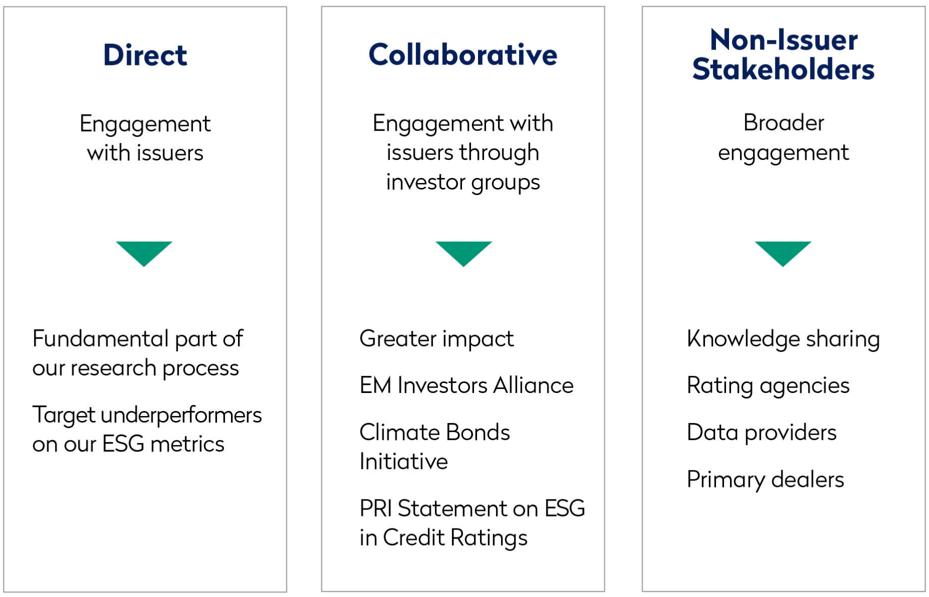
Do No Significant Harm

The Investment Manager's process for analysing whether sustainable investments cause harm to other environmental or social sustainable investment objectives is reliant on the level of information provided by the issuer at the environmental project level. Any issuer may be financing multiple and distinct environmentally beneficial projects under their green bond program or sustainable objective allocation. To the extent that this information is available, the Green Bond Analysis will capture this data and the overall environmental impact of any project will be considered both in terms of the impact of the project on its direct environmental objectives but also the impact against other environmental and social objectives. Any sustainable investment or green project that causes significant harm to another environmental or social objective will fail the Green Bond Analysis and not be considered for investment.

Engagement policies

There is a long-held belief that engagement is the domain and responsibility of equity holders and fixed income investors cannot engage or do not have the tools to engage effectively with issuers. However, Mondrian has always believed that engagement is integral to the investment process on both the corporate and sovereign side as our analysts meet with debt issuers as a matter of course to further our understanding and highlight issues of importance.

Mondrian utilises a common framework to engage with both sovereign and corporate issuers as summarised in the diagram below.



Direct Engagement

Mondrian engages directly with issuers as an integral part of both our sovereign and corporate research process. Findings from engagement will feed into our ESG rating awarded to each issuer, which in turn directly impacts the valuation we assign to the bonds.

On the sovereign side, members of Mondrian's Global Fixed Income and Currency Team meet with individuals at central banks and government agencies in the course of their research to raise issues we deem of importance, a recent example being engagement with the Reserve Bank of Australia during which the environmental impacts on inflation forecasting were discussed.

On the corporate credit side, Mondrian benefits from the close relationship with our equity-analyst colleagues, providing good access to company management. We raise the ESG issues we deem material to a company at the time of each credit review and follow up during subsequent reviews as part of a structured program of ESG engagement.

In addition to direct engagement inherent in the research process, Mondrian carries out a program of targeted engagement for both sovereign and corporate issuers, focusing on a particular ESG metric and engaging with laggards on this metric. We maintain that targeting what we perceive as a concise number of key factors is the most effective way to engage with issuers. This is consistent with our philosophy and process but has the added benefit of avoiding the fatigue we understand that issuers are experiencing from receiving ever increasing numbers of long form ESG questionnaires, not necessarily tailored to the issuer, as ESG concerns gain in prominence.

Collaborative Engagement

Mondrian is a signatory to the PRI's Statement on ESG in Credit Ratings, an initiative supported by asset managers, the rating agencies, debt issuers and asset owners that facilitates discussions in the context of ESG topics amongst these groups. The Global Fixed Income and Currency Team attends this initiative's round table events which have covered multiple ESG topics such as engagement in the asset class; the varying approaches taken to ESG in credit analysis; the importance of timescales to analysts when considering ESG; and how data can be improved.

In addition, Mondrian is a member of the Emerging Markets Investors Alliance (EMIA), which is a not-for-profit organisation that enables institutional emerging market investors to support good governance, promote sustainable development, and improve investment performance in the governments and companies in which they invest. EMIA seeks to raise awareness and advocate for these issues through collaboration among investors, companies or governments, and public policy experts.

Engagement with Non-Issuer Stakeholders

To further our engagement objectives within fixed income, we also regularly engage with non-issuer stakeholders on items such as index advisory committees on the composition of key benchmarks, the external credit rating agencies on their approach to ESG integration and transparency of information.

Attainment of the sustainable investment objective

The Fund uses the Bloomberg MSCI Global Green Bond Index as its reference benchmark. The Index employs an evaluation process on bond eligibility, which is expanded on and explained further below. Alongside additional resources and data sources, this evaluation methodology and index eligibility is considered as part of the Investment Manager's Green Bond Analysis. The Investment Manager monitors Index constituents both in terms of new and existing bonds and any changes in eligibility for the Index will be investigated. As such, the alignment of the Fund's investment strategy and Green Bond Analysis with the methodology of the Index is ensured through regular reviews and the cross referencing of data on a continuous basis.

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