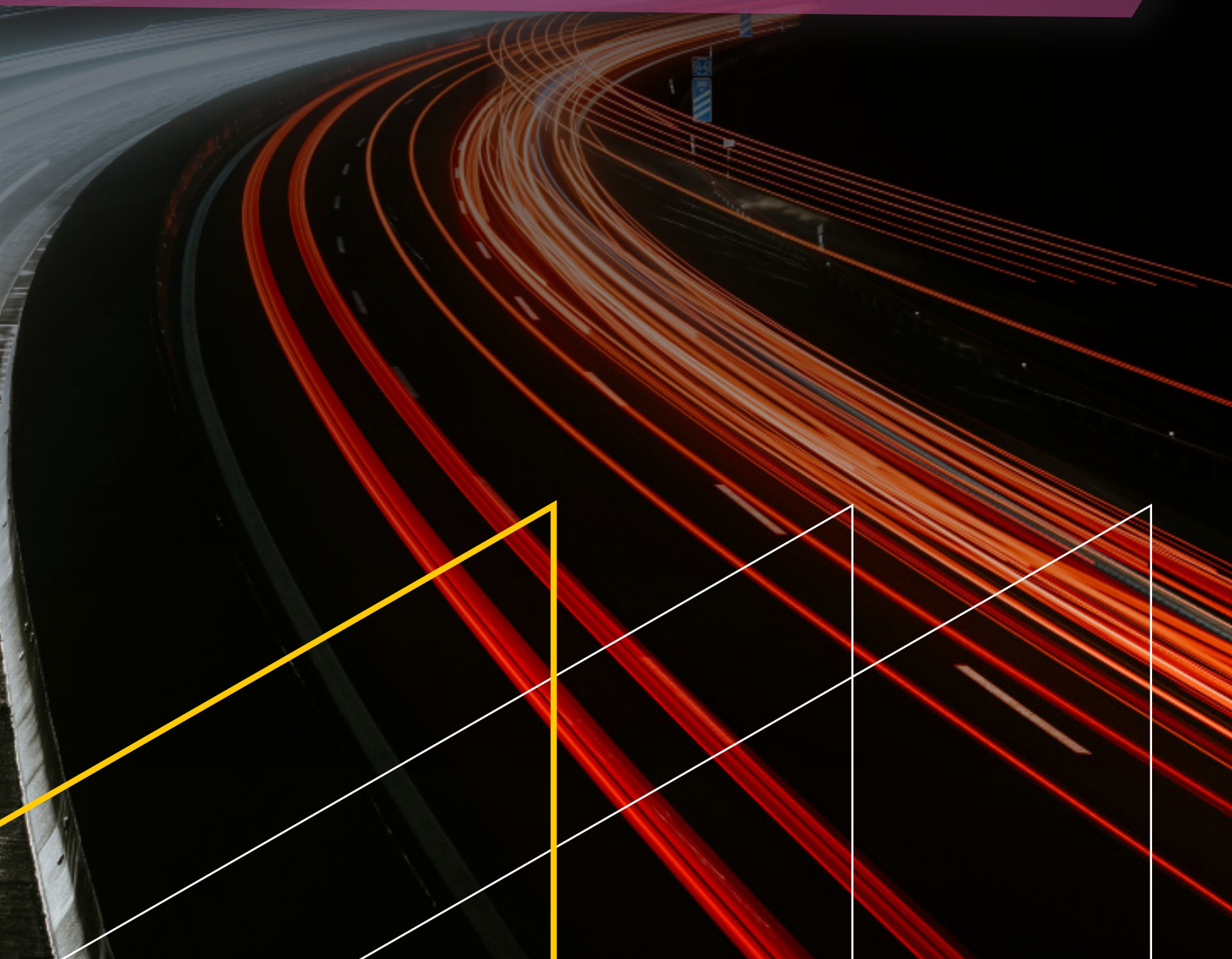
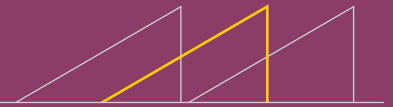


GIB AM
PAI Statement and Policy Structure
2025





Background and scope

The Sustainable Finance Disclosure Regulation (“SFDR”) requires firms to advise whether their investment decision making process considers Principal Adverse Impacts (“PAIs”) on sustainability factors.

PAIs are consequently understood to mean any material negative impact caused by an economic activity or investment on sustainability factors (i.e., environmental, social and governance matters, respect for human rights, anti-corruption, and anti-bribery matters).

GIB Asset Management¹ (“GIB AM”) has a long-established index solutions business and has built an active management business, consisting of two flagship funds, one of which is an Article 8 fund, and one which is an Article 9 fund. GIB AM’s Article 9 fund is managed in alignment with all mandatory PAIs, as well as relevant additional PAIs, as detailed in the funds’ Pre-Contractual Disclosures (appended to the relevant fund supplement). GIB AM’s Article 8 fund considers PAIs on sustainability factors, as detailed in the funds’ Pre-Contractual Disclosures (appended to the relevant fund supplement). This statement describes how GIB AM considers and mitigates the PAIs of its investment decisions on sustainability, as outlined by article 4 of the SFDR.

This policy and statement is accurate as at 31st December 2025. A report outlining a full review of PAIs will be made available by 30th June every year and will cover the period from 1st January to 31st December for the previous calendar year.

The PAIs currently evaluated by GIB AM at the entity level are:

Table 1:

PAI Indicator		Metric
Climate and other environment – related indicators		
Greenhouse Gas Emissions	1. GHG Emissions	Scope 1 GHG Emissions
		Scope 2 GHG Emissions
		Scope 3 GHG Emissions
		Total GHG Emissions
	2. Carbon Footprint	Carbon Footprint
	3. GHG Intensity of investee company	GHG Intensity of investee companies
Biodiversity	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production
	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 (NACE code A-L), expressed as a weighted average
Water	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
	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average

¹Trading name of Gulf International Bank (UK) Limited

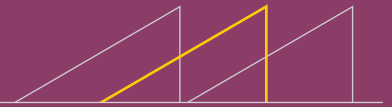
PAI Indicator		Metric
Waste	9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average
Indicators for Social and Employee, Respect for Human Rights, Anti-Corruption and Anti-Bribery		
Social and Employee Matters	10. Violation of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. 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
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. 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
Additional Climate and other Environment-related indicators		
Water, Waste and Material Emissions	7. Investments in companies without water management policies	Share of investments in investee companies without water management policies
	13. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average
Additional Indicators for Social and Employee, Respect for Human Rights, Anti-Corruption and Anti-Bribery Matters		
Social and Employee Matters	3. Number of days lost to injuries, accidents, fatalities, or illness	Number of workdays lost to injuries, accidents, fatalities, or illness of investee companies expressed as a weighted average

Description of policies and procedures to identify and prioritise PAIs

We aim to make every effort to implement our [Responsible Investment Policy 2025](#) consistently, but exceptions may apply in segregated mandates where the client has specific requirements.

The GIB AM actively managed funds aim to incorporate ESG considerations into their portfolio management and analysis of potential investments. The GIB AM Sustainable World Corporate Bond Fund (“SWCBF”) is an article 9 fund. The fund employs a multi-thematic framework that leverages thematic research to identify key global megatrends and pinpoint companies best positioned to benefit from their long-term structural impact.

The investment process begins by identifying the world’s greatest social and environmental challenges. The investment team then selects companies with products or solutions that directly attempt to address these issues. This is followed by a thorough analysis of credit resilience, including an assessment of how strategic investment decisions may impact the company’s long-term sustainability profile. This approach allows enables the investment team to build a diversified and balanced portfolio of 80-100 global companies, focused on investment grade (IG) issuers (over 70%), with a strategic allocation to high yield (HY) and emerging markets (EM). The goal is to deliver attractive risk-adjusted returns through the market cycle.



The GIB AM Emerging Markets Active Engagement Fund (“EMAEF”), which is an Article 8 fund, aims to maximise risk-adjusted returns by identifying undervalued businesses through its fundamentally driven bottom-up approach, and seeking to generate additional alpha by partnering with all portfolio companies on material ESG and operational improvements. During the due diligence part of the investment process, the investment team identifies and formulates an engagement plan revolving around material environmental and social risks for each company, alongside governance and strategic capital allocation issues. This is done before the initial investment is made which helps to reduce or mitigate environmental and social risks and negative impact on stakeholders if not improved. Such analysis is considered a core part of the fundamental, bottom-up research process that underpins GIB AM’s emerging markets approach.

The investment team also considers whether the investment meets the sustainability indicator thresholds detailed in the Pre-Contractual Disclosure (appended to the EMAEF’s supplement) and if the investment does not meet the thresholds, it is not included in the investible universe.

GIB AM also offers active segregated mandates, which are based upon the characteristics and aims of the actively managed funds, however, also include specific objectives and risk parameters of the client.

The aim of GIB AM’s our Index Solutions strategies is to reproduce returns consistent with those of the relevant indices with minimal tracking error at the most efficient cost, whilst providing incremental value through a high level of focus on the minutiae. The investment team create bespoke equity investment strategies through indexation built around each of GIB AM’s client’s unique objectives and risk parameters. The firm offer clients the flexibility to accommodate any restrictions and ethical considerations within their portfolios, alongside fully optimised diversification.

Whilst GIB AM aims to implement the [Responsible Investment Policy 2025](#) consistently, exceptions may apply to both its actively managed segregated mandates and indexation strategies, as the objectives and risk parameters are client-led.

GIB AM aims to include environmental, social and governance factors as part of its active management investment decision making process as the firm believes that the companies which have the biggest positive impact are also the ones which provide the strongest financial returns. Therefore, GIB AM believes that doing no significant harm (“DNSH”) is in line with the firm’s financial objectives, and in the best interest of its clients.

For the SWCBF fund, the sustainability risks that emerge from the PAIs are considered during the process of portfolio construction, through integration of environmental, social and governance risks. For example, where applicable, the investment team applies exclusion policies and screens, in line with GIB AM’s sustainability criteria, flagging companies deriving revenues from alcohol, tobacco, adult entertainment, fossil fuels, weapons, gambling and more, as defined in the [Responsible Investment Policy 2025](#). Moreover, the investment teams may avoid investing in companies whose PAI indicators do not meet GIB AM’s required thresholds.

Furthermore, subject to data availability, the investment teams use an internally developed system to research and monitor the PAI indicators for all managed assets on a continuous basis. The GIB AM proprietary research system includes multiple data sources such as company annual reports, regulatory filings, investor presentations, company websites, direct communication with companies, and third-party data providers, including MSCI ESG.

Actions to address principal adverse sustainability impacts

GIB AM's investment teams maintain the PAI monitoring system and identify assets requiring further analysis and potential action. The PAIs that they focus on in the active management portfolios are listed in table 1.

GIB AM may directly engage with the management of investee companies, as described below in the Engagement Policies section.

The issuers that perform worst on the PAIs are analysed by the investment teams who will decide on the appropriate course of action. Changes to holdings can be triggered by in-house company research and may result in engagement, reduction or selling, or no action.

GIB AM may face challenges accessing data for certain PAI indicators. Where data availability is lacking, deemed unreliable by the investment teams, or unavailable, the investment teams will undertake additional research to reach an appropriate conclusion regarding the potential impacts of investing in the given company. This conclusion will be based on other research such as company engagement, news, external experts or third party ESG data providers, including MSCI ESG.

Engagement policies

GIB AM's [Responsible Investment Policy 2025](#) covers engagement and is guided by its clients' best interests. At GIB AM, the investment teams analyse the possible or material adverse impact indicators as described above. They may engage with companies to eliminate or alleviate existing adverse impacts or request that the investee companies provide more data where data is unavailable. The prioritisation of these indicators depends on the materiality of the problem, the likelihood that engagement will lead to positive action eliminating or improving adverse impacts, as well as the weight of our holding in the investee company.

In cases where engagement consistently proves ineffective and the company does not improve its PAI indicators, GIB AM may consider reducing its position of a holding, or if the adverse impact is considered material enough, may sell the holding altogether. If an investee company shows policy commitments or other intent to change in order to DNSH, the investment team may decide to take no action.

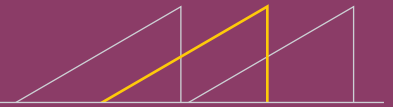
The [Responsible Investment Policy 2025](#) also covers GIB AM's Proxy Voting Policy.

References to international standards

GIB AM believes that investors and businesses both play a significant role in supporting the pathway towards a sustainable future. Collective impact requires commitment, collaboration, and action towards clearly defined goals. That is why the firm has chosen to partner with a number of leading initiatives and organisations focused on solving major sustainability challenges, both in the investment management industry and beyond.

GIB AM's mitigation of PAI builds on its sustainability drivers such as, but not limited to the United Nations Environment Programme (UNEP), the SDGs and the United Nations Development Programme (UNDP). GIB AM is also a proud signatory/member/partner of:

- The Principles for Responsible Investment (PRI) and the firm reports on a regular basis, as required, to the PRI;
- The Principles for Responsible Banking (PRB) and the firm reports annually at a Group level to the PRB;



- Institutional Investors Group on Climate Change (IIGCC);
- Task Force on Climate-related Financial Disclosures (TCFD) and the firm reports annually on TCFD requirements;
- The Investment Association (IA);
- UK Finance;
- CDP
- International Financial Reporting Standards (IFRS) Alliance
- Climate Financial Risk Forum

GIB AM has also been accredited as a Living Wage Employer by the Living Wage Foundation since 2023.