

GIB AM Sustainable World Fund

Website Disclosures

These disclosures were published on 1 January 2023 and updated on 21st May 2025, and remain in effect from that date.

SUMMARY

The following disclosures provide information about the GIB AM Sustainable World Fund (the “Fund”) in accordance with Regulation EU 2019/2088 on sustainability-related disclosures in the financial services sector, as amended (“SFDR”). SFDR requires the disclosure of information relating to investment products which promote environmental or social characteristics, or have an sustainable investment objective. GIB AM funds are categorised as either Article 8 or Article 9 funds. Article 8 funds promote environmental and/or social characteristics, provided that the investee companies follow good governance practices. They are not required to have sustainable investments as part of their investment objectives.

Article 9 funds have sustainable investment objectives, which means they invest in securities of companies that are involved in economic activities that contribute to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective, and that the investee company follows good governance practices.

GIB AM, as investment manager to the Fund, has categorized GIB AM Sustainable World Fund as meeting the provisions set out in Article 9 of SFDR for products that have a sustainable investment objective. These disclosures are not marketing material, and should be read in conjunction with the Fund’s regulatory documentation, including its supplement and pre-contractual disclosures.

INVESTMENT STRATEGY

The Fund will have 100% exposure to sustainable investments (excluding cash and instruments used for efficient portfolio management purposes as noted in the Fund’s Supplement).

In order to achieve this, the Fund’s portfolio will be comprised of companies whose products and services they believe have a positive impact on one of the Fund’s Sustainability Themes which are divided between People (social) and Planet (environmental). They then integrate environmental, social, and governance factors into their long-term assessment of each of these companies and invest in those that they believe to be sustainable throughout the business.

The first requirement is that at least the majority of the company’s revenue is derived from products or services that we believe will have an impact on one of these Sustainability Themes. The Sustainability Themes represent the solutions to what we believe are the great global sustainability challenges of our time such as those contained in the United Nations Sustainability Development Goals and the Paris Agreement on Climate Change. Sustainability Themes are divided between People (Social) and Planet (Environment). People examples include Medical Innovation, Nutrition, Fitness and Inclusive Economies. Planet examples include Clean and Safe Mobility, Clean Energy, Resource Efficiency and Sustainable Logistics.

Following an assessment of alignment with theme and exclusion of negative activities analysis, then covers the operations and behaviours of the business, including material ESG issues, principal adverse indicators and good governance practices. Fundamental analysis is undertaken against a range of ESG and financial data points to complete a detailed assessment of the sustainability of each issuer.

We integrate our sustainable and financial assessment of each issuer to produce a forecast of the company’s future earnings and valuation, together (where possible) with an assessment of the positive and negative ESG impacts associated with those forecasts.

Upon investment and over the life of an investment, GIB AM’s Investments Team assesses and monitors Sustainability Risk and considers the principal adverse impact of an investment decision on the Sustainability Factors.

PROPORTION OF INVESTMENTS

The Fund will have 100% exposure to sustainable investments, excluding cash and instruments used for efficient portfolio management purposes as noted in the Fund's supplement.

The allocation to social investments and environmental investments each can range between 0-100% at any given time, provided that the allocation to environmental and social investments is 100% in total, excluding cash and instruments used for efficient portfolio management purposes as noted in the Fund's supplement.

The Fund has the ability to use derivatives up to the limits noted in the Fund's supplement; however, any usage of the derivatives will be for efficient portfolio management purposes, but only to the extent that such use does not impact the Fund's sustainable investment objective.

METHODOLOGIES

GIB AM will invest 100% of the Fund's assets in sustainable investments, excluding cash and instruments used for efficient portfolio management. The methodology used to measure the attainment of the sustainable investment objective is applied both during the selection process, and as part of the ongoing monitoring of a company.

We invest in companies whose products and services we believe have a positive impact on one of the Fund's Sustainability Themes, which are divided into People and Planet. The following indicators are taken into account when considering portfolio inclusion:

- The percentage of revenue exposure to a Sustainability Theme; and or,
- The percentage of capital expenditure exposure to a Sustainability Theme; and or,
- The percentage of development capital expenditure (expenditure reserved for business expansion or transition) exposure to a Sustainability Theme.

DATA SOURCES AND PROCESSING

GIB AM uses a wide range of third party data providers to feed into our analysis, these include but are not limited to the following:

- MSCI
- Integrum ESG
- Bloomberg
- Company Reporting and Meetings
- Broker Research
- Credit Rating Agencies
- CDP
- Glass Lewis
- NGOs

These sources, combined with our own proprietary internal research, contribute to a mosaic of data that we use to aid in our analysis and shape our informed opinions.

To ensure data quality of providers, three key measures are implemented: (i) completion of the supplier documentation form; (ii) an extensive trial period; and, (iii) cross-referencing, which includes both data suppliers versus company reports and data suppliers versus data suppliers (e.g. Integrum ESG versus MSCI).

GIB AM does not process ESG data. Our investment approach is bottom-up company analysis, so raw data is integrated into the analysis and assessed by each analyst.

Despite rapid progress across companies and sectors, the lack of relevant data publicly available in the emerging and frontier markets remains quite commonplace, as such, alternative metrics may be used to track relevant and comparable sustainability risk factors. We therefore rely on estimates for our forecasts.

LIMITATIONS TO METHODOLOGIES AND DATA

The industry is facing the following limits regarding data, amongst others:

- Materiality
- Timeliness
- Data accuracy, audited or not
- Consistency across time and between peers

These limitations have no significant impact on our ability to achieve the long-term goal because we will always use our own analysis and opinion, based on team skill and experience, to achieve positive impact and financial returns.

We ensure the attainment of the Fund's sustainable investment objective is not impacted by industry limitations by:

- Combining extensive company research and audited financial statements (previous full fiscal year) with the analyst's opinion to assess the accuracy of reported percentages of revenue and capital expenditure exposure.
- Examining companies' operational behaviours using their audited disclosures and third party estimates.
- Implementing company screens using third party data and audited disclosures.

DUE DILIGENCE

For every company that we invest in, there is a comprehensive company report written and presented to the investment team for review. This note contains an assessment of sustainability theme contribution, review of corporate governance and management track record, PAI data, PAI data assessment, and PAI threshold assessment (described below). Once the name has been presented and approved, a record is kept of the date of the discussion and decision made. Company reports are updated annually and each investment team is responsible for maintaining an inventory of spreadsheets and models used.

In addition, we have independent teams responsible for fund governance and controls, which include Portfolio Performance and Control and Risk. They are in charge of monitoring portfolios against risk limits and company exclusions based on revenue are programmed into our portfolio and trading systems as a second line of defence. The internal audit team also conducts independent checks on company research notes and record keeping to ensure ongoing compliance with our investment process. Finally, our Product Development and Management team is responsible for conducting Annual Product Reviews to assess each product on a regular basis.

ENGAGEMENT POLICIES

With respect to the Fund, GIB AM will engage with investee companies to assess and monitor the following PAIs, where material and where data is available:

Investments in companies without water management policies	Engagement: Where the Investment Manager believes it to be material, they will engage companies that do not have adequate water management policies.
Non-recycled waste ratio	Engagement: Where the Investment Manager believes it to be material, they will engage with companies with poor waste recycling ratios.
Number of days lost to injuries, accidents, fatalities or illness	Engagement: Where the Investment Manager believes it to be material, they will engage with companies with poor safety metrics.

NO SIGNIFICANT HARM TO THE SUSTAINABLE INVESTMENT OBJECTIVE

In order to ensure that identified potential sustainable investments do not cause significant harm to the sustainable investment objectives both prior and after investment, we follow three steps during the investment process:

(1) We apply a **maximum revenue exposure** to the below excluded activities:

- Conventional Weapons
- Controversial Weapons
- Tobacco production
- Adult entertainment
- Alcohol
- Gambling
- Thermal coal extraction
- Oil sands, shale oil, shale gas

The Fund complies with ESMA's guidelines on funds' names using ESG or sustainability related terms. Accordingly, the Fund follows the exclusions for EU Paris-aligned benchmarks as set out in Article 12(1) of the Commission Delegated Regulation (EU) 2020/1818. Further details can be found at <https://gibam.com/about/governance>.

(2) Each investment is assessed against a set of 14 indicators of principle adverse impacts ("PAI"), and exclude potential investments which do not meet our set thresholds for selected PAIs. Sustainability indicators used for PAI assessment, and their corresponding metrics, are listed in Table 1 below.

(3) To ensure that investee companies have good governance practises, the we also conduct a qualitative and quantitative internal assessment of the investee company's corporate governance structure and practises.

OECD Guidelines for Multinational enterprises and UN Guiding Principles on Business and Human Rights form the basis of our exclusion principles for the Fund.

These metrics are captured by screening against PAI indicators (10) "Violation of UN Global Compact Principles" and (11) "Lack of process and compliance mechanisms to monitor compliance with UN Global Compact Principles". Companies that are in violation of these principles as determined by our third party data providers (where covered) are excluded from the investment universe.

Table 1

	PAI	Metrics (for indication purposes only, and where available)
1	GHG emissions	Carbon Emissions - Scope 1, 2 and 3 (metric tons) - policy, target or intent
2	Carbon footprint	
3	GHG intensity of investee companies	Carbon Emissions - Scope 1, 2 and 3 Intensity (t/USD million sales) - policy, target or intent
4	Exposure to companies active in the fossil fuel sector	Thermal Coal - Maximum Percentage of Revenue Oil Sands - Maximum Percentage of Revenue Shale Gas - Maximum Percentage of Revenue Shale Oil - Maximum Percentage of Revenue
5	Share of non-renewable energy consumption and production	Renewable energy usage as a percentage of total energy consumption - policy, target or intent
6	Energy consumption intensity per high impact climate sector	Same as #1, 2, and 3.
7	Activities negatively affecting biodiversity-sensitive areas	Environment - Land Use and Biodiversity Flag
8	Emissions to water	Environment - Water Stress Assessment Flag
9	Hazardous waste and radioactive waste ratio	Environment - Toxic Spills & Releases Flag
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Global Compact Compliance
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprise	

	PAI	Metrics (for indication purposes only, and where available)
12	Unadjusted gender pay gap	Percentage difference in average annual compensation for women to men (%) – policy, target or intent
13	Board gender diversity	Female Directors Percentage – policy, target or intent.
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Controversial Weapons - Any Tie

THE FUND'S SUSTAINABLE INVESTMENT OBJECTIVE

The Fund invests 100% of its assets in sustainable investments, excluding cash and instruments used for efficient portfolio management, as noted in the Fund's supplement.

The allocation between environmental or social investments can range between 0-100% provided that the total allocation to environmental and social investments is always 100%.

The Fund's objective is to invest in global equities issued by companies that we believe create a positive impact on global sustainability.

MONITORING OF THE SUSTAINABLE INVESTMENT OBJECTIVE

Upon investment and over the life of an investment, we assess and monitor these issuers using a variety of qualitative and quantitative data, where available. Examples of the qualitative and quantitative metrics that may be used, where data is available, are listed above in Table 1 found in the section entitled No Significant Harm to the Sustainable Investment Objective.

ATTAINMENT OF THE SUSTAINABLE INVESTMENT OBJECTIVE

Please note, the Fund is actively managed, and while it uses the MSCI World Total Return Index for assessing the Fund's performance, it has not designated the Index as a reference benchmark for the purpose of SFDR. Therefore the disclosures required under Article 49 of the regulation are not applicable.