

Sustainability related disclosures

Capitalised terms used but not defined herein shall have the meanings set forth in the Fund's supplement.

Product name: Flexible Income FAM Fund

Legal entity identifier: 6354006DDRFMHMEOVV17

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments	

A. Summary

The Fund promotes environmental and social characteristics by excluding certain potential investments from its investment universe based on the certain ESG criteria to mitigate potential negative effects on the environment and society.

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Sustainable investments that the Fund intends to make do not cause significant harm to any environmental or social sustainable investment objective as they are required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures are compatible with sustainable investment

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund are then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

All investments purchased by the Fund must pass the Investment Manager's good governance tests, and in addition, sustainable investments must also pass tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

B. No sustainable Investment Objective

The Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment. All potential sustainable investments are screened against the above-mentioned ESG Criteria using the Exclusionary Approach.

The Investment Manager uses a series of proprietary tests based on available data to determine whether and how an investment makes positive contribution(s) towards environmental and social objectives.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments that the Fund intends to make do not cause significant harm to any environmental and/or social sustainable investment objective based on screening applied by the Manager through its Exclusion Policy.

How does this financial product take into account principal adverse impacts on sustainability factors?

The Investment Manager’s research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

The Fund’s consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund are then subject to ongoing monitoring and a quarterly review process.

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

All investments purchased by the Fund must pass the Investment Manager’s good governance tests, and in addition, sustainable investments must also pass tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

C. Environmental or social characteristics promoted by this financial product

What are the environmental or social characteristics promoted by this financial product?

The Fund promotes the use of an Exclusionary Approach (as defined below):

The Fund excludes certain potential investments from its investment universe based on the following ESG criteria (the “ESG Criteria”) to mitigate potential negative effects on the environment and society (the “Exclusionary Approach”). In this regard, the Fund applies norms-based exclusions, whereby an investment that is assessed to be in breach of the Investment Manager’s good governance tests , as well as any company that is assessed to be in breach of the UNGC principles on human rights, labour, environment protection and anti-corruption, is excluded. Sector-based exclusions comprise of the Investment Manager’s application of its thermal coal investment policy, while the fossil fuels exclusions test excludes companies that derive a certain percentage of revenues from the extraction of thermal coal, conventional and unconventional oil and gas extraction and carbon-intensive power generation. Social exclusions exclude companies that derive a certain percentage of revenues from adult entertainment, gambling, tobacco, controversial weapons and defence and other weapons. Where such exclusions apply, revenues are tested against the threshold set out for the relevant exclusion. For securitised investments such as asset-backed securities (ABS), this also includes assessing them against the Investment Manager’s proprietary scoring methodology. In respect of government bonds, the relevant government is assessed for factors indicating its social progress, with lower scoring governments being excluded, and governments that pass the social tests being subject to further tests to assess their environmental credentials. By applying its Exclusionary Approach, the Investment Manager is promoting environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark has been designated for the purpose of attaining the Fund’s promoted environmental and/or social characteristics.

D. The Investment Strategy

What investment strategy does this financial product follow and how is the strategy implemented in the investment process on a continuous basis?

Consideration of ESG Factors is fully integrated into analysis and investment decisions.

In order to identify investments for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the ESG Criteria are screened out.
2. From this narrowed investment universe, the Investment Manager allocates capital between different types of assets in accordance with the process explained above. Within each asset class the Investment Manager performs further analysis, including consideration of ESG Factors, to identify and take advantage of investment opportunities.

The Fund's ESG Criteria apply to at least:

- 90% of equities issued by large capitalisation companies in developed countries; debt securities, money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries;
- 75% of equities issued by large capitalisation companies in emerging market countries; equities issued by small and mid-capitalisation companies in any country; debt securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging market countries.

The Manager's exclusion list which is based on the Manager's exclusion policy and compiled by the Manager will apply. Exclusion categories considered in the exclusion policy are United Nations Global Compact Principles, Controversial Weapons, Tobacco, Climate Change and Forced Labour. See link below to the Manager's website for more detail on the application of the exclusion policy.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The following elements are binding, as part of the Investment Manager's strategy for this Fund:

- The Fund's exclusions;
- The amount of the Fund aligned to the promoted environmental and/or social characteristics, as set out in the section "What is the asset allocation planned for this financial product?"; and
- Minimum levels of sustainable investments, as set out in the section "What is the asset allocation planned for this financial product?".

Where it is in the best interests of investors, the Fund may temporarily deviate from one or more of these elements, for example if the Investment Manager considers it prudent to hold high levels of cash in response to market conditions.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance test.

Is there a commitment to reduce by a minimum rate the scope of investments considered prior to the application of the strategy? (Including an indication of the rate)

Not applicable.

Does this financial product consider principal adverse impacts on sustainability factors?

Yes

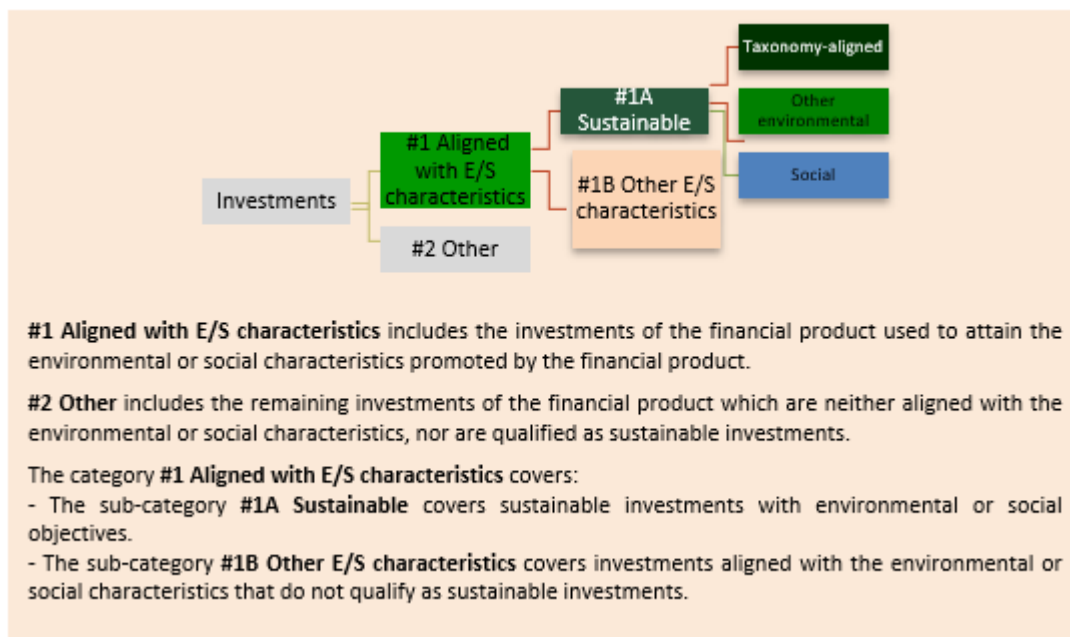
No

Yes, for sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund. Information on how the principal adverse impacts were taken into account will be provided in the Fund's annual report.

E. Proportion of Investments

What is the planned asset allocation for this financial product?



The Investment Manager expects at least 70% of the Fund to be aligned to the promoted E/S characteristics. At least 20% of the Fund will be in Sustainable Investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

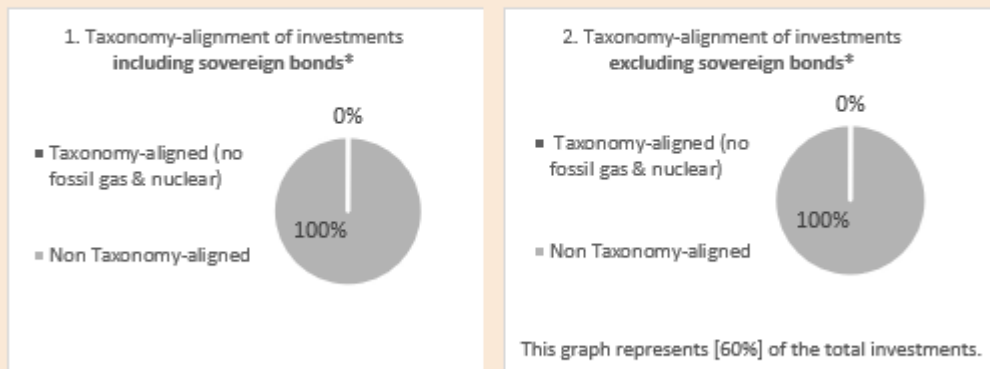
Derivatives may be considered aligned with the promoted environmental and/or social characteristics on the following basis:

Exclusions:

1. Where a derivative represents exposure to a single name it must be a permitted investment for the Fund.
2. Where a derivative represents exposure to a diversified financial index, it must deliver an evidencable alignment to the promoted characteristics.

What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy? (including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

5%

What is the minimum share of socially sustainable investments?

5%

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The Fund may hold cash, near cash and money market funds, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for

duration trades) as “Other” investments, for any purpose permitted by the Fund’s investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund’s investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments’ alignment with the promoted characteristics.

It is also possible that the Fund may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Fund will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.

F. Monitoring of environmental or social characteristics

What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?

The sustainability indicators selected to demonstrate the attainment of the promoted environmental and/or social characteristics are:

- Exclusionary approach: Percentage (%) of NAV held in excluded investments
- Exclusionary approach: Percentage (%) of ABS below the Investment Manager’s threshold for alignment

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?

The Fund's exclusions are coded and monitored on a pre and post trade basis as investment restrictions to prevent and detect investments that would not be compliant with the stated exclusions. Incidents are recorded, and resolved through an incident investigation process, and are reported as part of the SFDR reporting.

The Fund's Positive ESG Tilt is coded and monitored on a pre and post trade basis as an investment restriction to prevent the Fund being managed in a way that is not compliant with the binding characteristic of the Positive ESG Tilt. The relevant characteristic is reported on as part of the SFDR reporting.

G. Methodologies

What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?

There are a variety of methods that can be used depending on the asset class or information type:

- binary pass/fail test e.g. exclusion of sanctioned companies or countries
- meets or exceeds a specific threshold e.g. revenue to contributes to an environmental outcome, or more than % of board diversity
- industry certification evidencing sustainability performance e.g. Climate Bond Initiative (CBI) certified bond
- contributes a set % of revenue to a climate, environmental or social cause
- proprietary analysis to form an assessment of the sustainability characteristics e.g. net zero alignment

In the case that particular data points are not available or insufficient, it is expected that the Investment Manager's own assessment will be sufficient.

H. Data Sourcing and processing

What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

Data Sources

Information can be sourced from third party data vendors including companies such as MSCI, Bloomberg or sourced from proprietary research and analysis.

Measures taken to ensure data quality

Data received from third party vendors typically comes from reputable and, in some cases, audited sources, such as annual reports of sustainability reports. Upon receipt, the data is checked by the analysts. To ensure that interpretation of data is consistent, benchmarking exercises are performed where appropriate. Collected ESG data is evaluated via use of a proprietary ESG scorecard, which is populated by the analysts.

How data is processed

Data is processed through a combination of external and internal proprietary systems and digital platform tools which monitor the exposure of the funds both at fund and security level both pre and post trade.

Proportion of data that is estimated

Use of estimated data is limited. However when an estimation is needed proprietary analysis and tools are used. For example, if a portfolio company does not disclose its greenhouse gas emissions, an estimation is made using the Investment Manager's proprietary carbon emission tool which estimates portfolio companies' carbon intensity level.

I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the environmental or social characteristics and the actions taken to address such limitations)

ESG information from third party data providers and/or obtained directly from the issuers may be incomplete, inaccurate, stale or unavailable. As a result, there is a risk that the Fund may incorrectly assess an issuer. This in turn can result in the incorrect inclusion or exclusion of a company in the portfolio of the Fund. Incomplete, inaccurate or unavailable ESG data may also act as a methodological limitation to a non-financial investment strategy (such as the application of ESG risk and opportunity characteristics). Where identified, the Investment Manager will seek to mitigate this risk through its own assessment and take any appropriate remediation as necessary.

Where limitations in the methodologies and data have been identified, the Investment Manager seeks to mitigate these through governance and oversight. Whilst, as with financial data, it is impossible to completely eliminate the risk of impact of an external data vendor error, the Investment Manager does conduct its own reviews and challenges where it believes investments have been misclassified. Where the methodologies and/or data are insufficient post mitigation to evidence that an investment is in compliance with the promoted characteristics, such investment may only be purchased if it is suitable for inclusion as an "Other" investment, and the Investment Manager will continue to consider what further information can be obtained through additional research.

J. Due Diligence

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

ESG due diligence is carried out as a part of fundamental investment research. Research analysts assess the Principal Adverse Impact metrics and identify key sustainability risks in order to evaluate and express their materiality for the subject company or investment. Analysts reflect their assessments in either written research or an ESG Scorecard.

Where applicable, the analyst uses the ESG Scorecard to evaluate 15 mandatory and common factors and additional idiosyncratic factors deemed relevant to the subject company's risk profile and business mix. The mandatory factors for evaluation are as follows:

- Climate: Disclosure, Intensity, Footprint, Vulnerability, Intent
- Governance: Ownership & Control, Political Interference & Sovereign Concerns, Strategy and Financial policy, Disclosure and Transparency, Board, Regulation, Compliance and Oversight, Cybersecurity, Corporate culture and controversy
- Social: Modern Slavery, Diversity & Inclusion
- Sector-specific Key Issues determined from the SASB Materiality Map.

In addition to the proprietary assessments described above, investment decision-making may also take account of third party ESG ratings, where available.

Appropriate consideration of ESG factors is a mandatory objective in the due diligence process for analysts and fund managers.

The section above entitled 'Monitoring of environmental or social characteristics' details the controls associated with the components of due diligence listed herein.

K. Engagement Policies

Is engagement part of the environmental or social investment strategy?

Yes

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

The Investment Manager believes that the long-term success of companies is supported by effective investor stewardship and high standards of corporate governance. The Investment Manager believes that if a company is run well, and sustainably, it is more likely to be successful in the long run. The Investment Manager undertakes all investment stewardship engagements and proxy voting with the goal of protecting and enhancing the long-term value of client's assets, with engagement representing an integral part of how it integrates environmental, social and governance (ESG) considerations in its investment process. The investment Manager is committed to being transparent about how it conducts investment stewardship activities in support of long-term sustainable performance for its clients. The precise nature of the engagement will vary depending on the investments held, but these overarching principles will inform the Investment Manager's conduct when engaging with companies, whether through voting equities in general meetings or in our participation in bondholder committees.

L. Reference Benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

Yes

No

How is that index designated as a reference benchmark aligned with the environmental or social characteristics promoted by the financial product? (including the input data, the methodologies used to select those data, the rebalancing methodologies and how the index is calculated)

An index has not been designated as a reference benchmark to determine whether this financial product is aligned with the environmental or social characteristics that it promotes.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

This question is not applicable.

How does the designated index differ from a relevant broad market index?

This question is not applicable.

Where can the methodology used for the calculation of the designated index be found?

This question is not applicable.