



Sustainability-Related Disclosures

Coeli Frontier Markets Fixed Income: SFDR Article 8

This document provides information about this fund in relation to the Sustainable Finance Disclosure Regulation (SFDR). The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this fund. This document should be read in conjunction with other relevant documentation on this fund to help make an informed investment decision.

Summary

The Sub-Fund promotes environmental and social characteristics pursuant to Article 8 of the SFDR but does not have sustainable investment objective and does not currently commit to investing in any “sustainable investment” within the meaning of the SFDR or the Taxonomy Regulation.

The Sub-Fund promotes environmental and social standards by providing funding to countries that are improving across environmental, social and governance factors.

The Sub-Fund excludes countries where the EU or UN have active sanctions on trading in financial instruments.

The Sub-Fund promotes Sustainable Development Goal #5: Gender Equality. More specifically #5.5 with regards to Women in Parliament in our investment countries.

The Sub-Fund excludes certain products (controversial weapons such as anti-personnel mines, cluster munitions, biological and chemical weapons) by applying exclusion criteria.

The Sub-Fund also considers Principal Adverse Impacts (PAI) on sustainability factors that are relevant to the investment strategy.

The Sub-Fund’s approach to sustainable investments is based on three pillars:

- ESG integration
- Stewardship and engagement, and
- Investment restrictions and exclusions.

To measure the attainment of the environmental or social characteristics, the investment manager utilises third-party research and data. The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.

Sustainability-related disclosures of this fund

Principal Adverse Impacts (PAI)

The Sub-Fund recognizes that an unintended consequence of some of its investments may include levels of adverse impact on broader aspects. Examples of such broader aspects include but are not limited to social and environmental matters, labour and employee matters, respect for human rights, and anti-corruption matters.

The Sub-Fund has established measures within its due diligence procedure and/or investment process, in order identify principal adverse impacts of investment decisions on sustainability factors and seek to address and mitigate them. The Sub-Fund considers principal adverse impacts on sustainability factors that are relevant to the investment strategy.

Principal Adverse Impact of investment decisions on sustainability factors are considered both on entity level and on a product level.

Pre-investment, Principal Adverse Impacts on sustainability factors may be implemented as exclusions.

Based on the Investment Manager's knowledge, engagement dialogues are initiated with company management, regulators, interest groups, government representatives or peers, seeking to mitigate sustainability risks and principal adverse impacts.

The Sub-Fund's engagement activities may come in the form of meetings, formal correspondence, participation at conferences, and exchange of information.

The Sub-Fund evaluates the outcome in the Sustainable Investing Committee on a regular basis.

The Investment Manager's approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.

Relevant information on Principal Adverse Impacts on sustainability factors will also be disclosed in due course in the Sub-Fund's annual report.

No sustainable investment objective

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

Environmental or social characteristics of the financial product

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The Sub-Fund excludes countries where the EU or UN have active sanctions on trading in financial instruments.

The Sub-Fund promotes Sustainable Development Goal #5: Gender Equality. More specifically #5.5 with regards to Women in Parliament in our investment countries.

The Sub-Fund excludes certain products (controversial weapons such as anti-personnel mines, cluster munitions, biological and chemical weapons) by applying exclusion criteria.

Investment strategy

The Sub-Fund aims to achieve a competitive return investing in frontier markets debt.

The Sub-Fund's approach to sustainable investments is based on three pillars:

1) ESG integration: The Sub-Fund attaches great importance to thorough analysis in which ESG aspects are considered alongside financial factors in a holistic manner. Examples of this information include but are not limited to climate change, communities, customers, natural resources, pollution, waste, human resources, and stakeholders.

The Sub-Fund incorporates ESG data and sustainability information into the due diligence and investment process - as appropriate for its strategy and asset class - to identify and manage risks and opportunities in relation to the portfolio and/or underlying holding. Material ESG and sustainability aspects are considered as factors alongside financial factors, in support of making better-informed investment decisions.

2) Stewardship and engagement: The Sub-Fund engages in constructive dialogue with company management, regulators, interest groups, government representatives and peers, seeking to contribute to positive development and change.

The Sub-Fund engages with its portfolio holdings based on prioritized areas where change, improvements, and a positive outcome can be achieved in the portfolio and/or underlying holding.

3) Investment restrictions and exclusions: The Sub-Fund identifies companies with a negative impact on the environment, society, and stakeholders, by excluding banned weapons, fossil fuels, gambling, military equipment, pornography, and tobacco from its investment universe.

The Sub-Fund's Policy for Sustainable Investing sets out a framework and guidelines to assess good governance practice of the investee companies.

The Sub-Fund is guided by international standards and principles to assess good governance and identify potential violators of, for example: The UN Global Compact (UNGC); The OECD Guidelines for Multinational Enterprises and Corporate Governance; and The UN Guiding Principles on Business and Human Rights (UNGP).

Proportion of investments used to meet E/S characteristics

- 50% of the allocation will be aligned with the environmental and/or social characteristics promoted by the Sub-Fund.
- 50% of the total investments are set aside for cash positions, money market instruments and potential derivatives and other eligible assets which do not incorporate any environmental or social characteristic.

Monitoring of E/S characteristics

To ensure that environmental and social characteristics are met throughout the lifecycle of the Sub-Fund, the ESG process above is applied and monitored on an ongoing basis with a regularity of at least once every quarter.

Methodologies

The sustainability indicators used to measure the attainment of the environmental or social characteristics promoted are:

1. Majority of assets in Frontier Markets
2. At least equal or better weighted average number of Share of women in parliament in the portfolio versus that of our benchmark, currently the JPM NEXGEM index
3. At least 2 engagements per annum on promoting Gender Equality in frontier markets
4. 0% exposure to companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

Data sources and processing

The Sub-Fund uses a variety of sources such as: Company disclosure, engagement with company management and government representatives; third-party research and data, and other publicly available information such as industry data and news.

Limitations to methodologies and data

The Sub-Fund's methodologies and data depend on the quality of data provided by the portfolio companies, by third parties and other sources. Although the Sub-Fund typically applies thorough assessments, the data provided by the above-mentioned sources may be

incomplete, estimated, out of date or otherwise materially inaccurate. As the Sub-Fund relies in part on this data in its investment decision-making, such uncertainty in data collection may negatively impact portfolio performance. The Sub-Fund combines internal and external assessments, to detect incomplete or false data early on and seeks to prevent it from affecting the attainment of the environmental or social characteristics promoted by the Sub-Fund.

Due diligence

Prior to each investment, the Sub-Fund conducts a pre-screening and a due diligence covering ESG aspects alongside financial factors in a holistic manner that is governed by the Sustainable Investing Policy. The ESG due diligence involves an assessment of sustainability risks, principal adverse impacts on sustainability factors and opportunities of investment targets. The information is used to mitigate risk and prioritize areas where we can contribute to improvements and a positive outcome.

Engagement policies

As stated in the Sustainable Investing Policy, which aligns with responsible business codes and internationally recognised standards, the Sub-Fund believes in exercising its rights as shareholders.

The Sub-Fund is engaged in its investments covering a range of sustainability issues that are identified in the due diligence and investment processes. Through the Sub-Fund's knowledge and understanding, the Investment Manager can have constructive dialogues with company management, regulators, interest groups, government representatives or peers, seeking to contribute to positive development and change.

The Sub-Fund invest in publicly listed companies and can exercise its ownership power by voting at general meetings.

Remuneration policy

The remuneration policy stipulates that portfolio managers shall refrain from unnecessary risk-taking linked to sustainability risks as identified in the sustainability policy document. The remuneration policy also prevents Coeli from rewarding portfolio managers for taking risks linked to sustainability.

Designated reference benchmark

The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.