



MEGATREND EQUITY SUSTAINABILITY DISCLOSURE

SUMMARY

This Fund promotes environmental and/or social characteristics but does not have a sustainable investment objective. While this Fund is designed to consider and contribute to the sustainability of our environment and society within the provisions of Article 8 of the SFDR, it is not specifically designed to make “sustainable investments” as defined under SFDR or to make investments which qualify as “environmentally sustainable” under the EU Taxonomy. The fund specifically aims to:

- > Reduce the impact of the Fund on climate change (relative to the wider equity market) •Increased allocation to green revenues versus the wider equity market.
- Reduction in carbon intensity of the portfolio versus the appropriate broad market benchmark.
- > To Increase the Fund’s exposure to companies with improved sustainability (relative to the wider equity market).
- Improvement in the good corporate governance versus the wider equity market.

The Fund follows the Solactive ILIM Global Thematic Equity Index. The Fund is designed to deliver exposure to three global investment themes (made up of sub-themes) that the Investment Manager, ILIM, believes will have a transformative effect on the global economy over the coming decades.

The themes are:

- Technological Innovation
- Environmental Opportunities
- Future Living

The reference benchmark is designed by ILIM in co-ordination with the benchmark provider, Solactive, and is designed to promote the E/S characteristics of the Fund. The estimated proportion of equities which promote environment, and social (E/S) characteristics is circa 95%. The Fund is a passive product and invests in developed market equities and may carry a small cash balance for liquidity purposes while the Fund may have exposure to derivatives such as futures. The promotion of environmental or social characteristics are applied across the Fund’s equity investments. The Fund is classified as Article 8 under SFDR regulation. ILIM relies on third party ESG data from Sustainalytics. Sustainalytics have developed methodologies to assess companies’ ESG credentials. ILIM utilises the ESG data from Sustainalytics to monitor the E/S characteristics of the Fund. The E/S characteristics of the Fund are reported periodically to internal executive committees. ESG data is provided for the underlying holdings with each security having a series of ESG indicators. The indicators used to measure the promotion of the E/S characteristics of the Fund are carbon intensity, fossil fuel involvement and ESG risk score. There are limitations regarding ESG data and some available ESG data is based off estimated data due to the lack of publicly disclosed information.

ILIM utilises ESG data to take into account sustainability factors including a number of principle adverse impact (“PAI”) indicators. The E/S characteristics promoted by the Fund are monitored to assess if these E/S characteristics have been attained. The Fund engages in active ownership and actively engages with companies to improve their E/S characteristics. The Fund also uses its voting power to vote to promote E/S characteristics. The fund manager of the Fund, ILIM, has an active ownership programme, which ILIM enacts on behalf of the Fund. ILIM also tackles many specific environmental and social characteristics through engagement activities, either directly with companies or collaboratively with other investors. Engagement topics include transition climate risks such as physical climate risks, biodiversity, water, waste, human-rights, supply-chain labour standards, modern slavery, anti-discrimination, anti-corruption and ESG risk. The Fund follows a passive strategy and aims to replicate the reference benchmark. The reference benchmark is designed by ILIM in co-ordination with the benchmark provider, Solactive, and is designed to promote the E/S characteristics of the Fund. It is a rules based benchmark which integrates ESG data to ensure the reference benchmark is continuously aligned with the E/S characteristics promoted by the Fund. The broad market index does not consider the promotion of E/S characteristics and is weighted based on market capitalisation.

NO SUSTAINABLE INVESTMENT OBJECTIVE

This Fund promotes environmental and/or social characteristics but does not have a sustainable investment objective. While this Fund is designed to consider and contribute to the sustainability of our environment and society within the provisions of Article 8 of the SFDR, it is not specifically designed to make “sustainable investments” as defined under SFDR or to make investments which qualify as “environmentally sustainable” under the EU Taxonomy.

ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

The environmental and/or social characteristics promoted by the Fund are targeting improvements in net green revenues, carbon intensity and good corporate governance metrics compared to the wider equity market while requiring that index constituents exceed a minimum required corporate governance score.

The Fund is passively managed and has designated the Index as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

INVESTMENT STRATEGY

The Fund is a passive product and follows the Index (being the Solactive ILIM Global Thematic Equity Index) and is a high risk fund.

The Fund is designed to deliver exposure to three global investment themes (made up of sub-themes) that the Investment Manager believes will have a transformative effect on the global economy over the coming decades (the “Themes”). The Themes are:

- Technological Innovation
- Environmental Opportunities



- Future Living

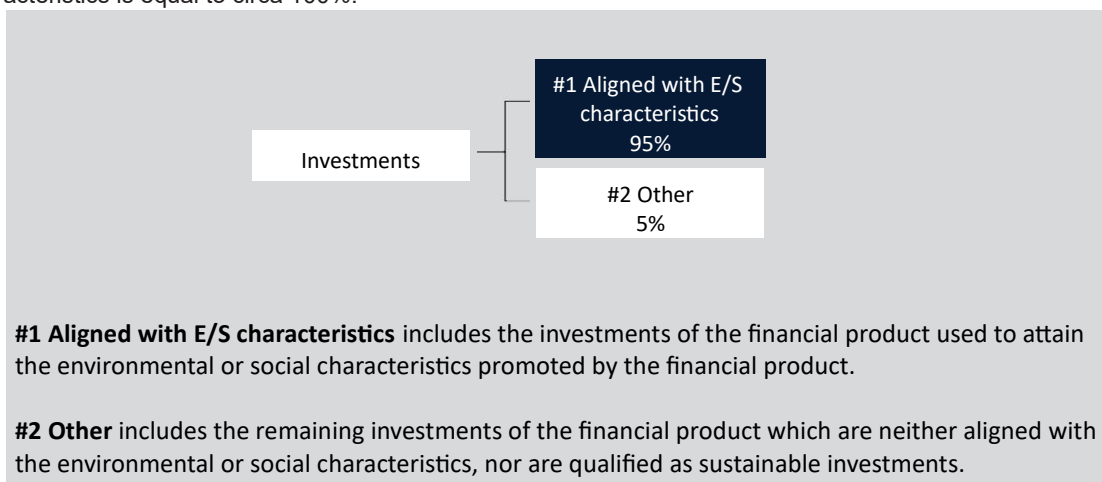
The Fund promotes environmental and/or social characteristics alongside other factors.

As part of its active ownership program the Investment Manager will selectively engage (either directly or collaboratively with other like-minded investors) with companies in which it invests to support and encourage the adoption of positive sustainable behaviours within these companies.

As it may be inefficient or impracticable to hold all of the component securities of the Index, the Fund instead may use an index “sampling” process of selecting securities. Where this limited replication strategy is employed, the Fund holds a representative sample of securities which approximates the full Index in terms of key risk factors and other characteristics.

PROPORTION OF INVESTMENTS

The Fund invests in developed market equities and may carry a small cash balance for liquidity purposes. At least 95% of investments are expected to be allocated to assets which promote E/S characteristics and up to 5% may be allocated to “other” investments which may comprise of a small cash balance for liquidity purposes or equity derivatives. However, in normal market conditions, the Investment Manager expects the investments used to meet the environmental and/or social characteristics is equal to circa 100%.



MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The environmental and/or social characteristics promoted by the Fund are targeting improvements in net green revenues, carbon intensity and good corporate governance metrics compared to the wider equity market while requiring that the Index constituents exceed a minimum required corporate governance score.

The Fund is passively managed and has designated the Index as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes

METHODOLOGIES

ESG data is provided for the underlying holdings with each security having a series of ESG indicators using data from Sustainalytics. The indicators used to measure the promotion of the E/S characteristics of the Fund are: To reduce the impact of the Fund on climate change (relative to the wider equity market) > Increased allocation to green revenues versus the wider equity market.

> Reduction in carbon intensity of the portfolio versus the appropriate broad market benchmark.

To Increase the Fund’s exposure to companies with improved sustainability (relative to the wider equity market). > Improvement in the good corporate governance versus the wider equity market.

DATA SOURCES AND PROCESSING

ILIM, as Fund manager, obtains the data used to attain and evaluate each of the environmental and social characteristic promoted from our chosen ESG data provider, Sustainalytics.

LIMITATIONS TO METHODOLOGIES AND DATA

There are limitations regarding data and some investments may not have reported or estimated data for a given ESG indicator.

DUE DILIGENCE

ILIM utilise independent third-party ESG data to take into account sustainability factors including a number of PAI indicators. The E/S characteristics promoted by the Fund are monitored to assess if these E/S characteristics have been attained. ILIM implements an overarching governance framework which requires approval of Funds categorised as Article 8 and/or Article 9 as defined under the Sustainable Finance Disclosure Regulation. New Funds must be reviewed and approved by the relevant committee members in accordance with the firm’s governance framework.



ENGAGEMENT POLICIES

The Fund engages in active ownership and actively engages with companies to improve their environmental and sustainable characteristics. The Fund also uses its voting power to vote to promote environmental and sustainable characteristics. The Fund manager of the Fund, ILIM, has an active ownership programme, which ILIM enacts on behalf of the Fund. ILIM also tackle many specific environmental and social characteristics through engagement activities, either directly with companies or collaboratively with other investors. Engagement topics include transition climate risks, physical climate risks, biodiversity, water, waste, human rights, supply chain labour standards/modern slavery, anti-discrimination, anti-corruption and ESG risk.

DESIGNATED REFERENCE BENCHMARK

The Index has been designated as a referenced benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics promoted by the Fund. The Fund follows a passive indexation strategy and aims to replicate the Index.