

The NT Global Green Bond Index Fund

Supplement dated 27 August 2024 to the Prospectus dated 27 August 2024 for Northern Trust Investment Funds plc

The NT Global Green Bond Index Fund

*This Supplement contains specific information in relation to The NT Global Green Bond Index Fund (the "**Fund**"), a Fund of Northern Trust Investment Funds plc (the "**Company**") an open-ended investment company with variable capital established as an umbrella fund with segregated liability between Funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**").*

This Supplement forms part of and should be read in conjunction with the Prospectus.

*The Directors of the Company, whose names appear in the **Management and Administration** section of the Prospectus, accept responsibility for the information contained in the Prospectus, this Supplement and the Annex. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.*

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, or as otherwise provided herein, have the same meaning when used in this Supplement.

*The Fund meets the criteria pursuant to Article 9 of the Sustainable Finance Disclosure Regulation (Regulation EU/2019/2088) as amended ("**SFDR**") to qualify as a financial product which has Sustainable Investment as its objective and provided that the companies that the Fund invests in follow good governance practices. Please refer to the Annex appended hereto which has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR applicable to an Article 9 Fund.*

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

A typical investor is prepared to accept a degree of low volatility. A typical investor will be seeking to achieve exposure to investment grade bonds and will be seeking to achieve a return on investment in the medium to long term.

Investment in the Fund may be appropriate for professional or retail investors who have knowledge of, and investment experience in, this particular financial product and understand and can evaluate the strategy, characteristics and risks in order to make an informed investment decision. This Fund is passively managed.

The Fund may invest in financial derivative instruments ("FDI") for hedging and efficient portfolio management ("EPM") purposes (as detailed below). See below section titled "Borrowing and Leverage" for details of the leverage effect of investing in FDI.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The investment objective of the Fund is to track the risk and return characteristics of the Bloomberg MSCI Global Green Bond Index (the "**Index**").

Any change of Index shall only be made with the prior approval of the Shareholders.

Investment Policies

The Fund seeks to achieve its investment objectives through investment primarily in freely transferable Debt and Debt Related Securities including investment grade green bonds; namely fixed-income securities in which the proceeds will be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes through their use of proceeds. Such bonds will be constituents of the Index as described further below in the section titled "**Index Description**". The Fund may also invest in Bond Connect through CIBM, as defined and further detailed below.

The Fund may also invest in investment grade bonds that are not included in the Index that are deemed by the Investment Manager to exhibit similar characteristics to securities in the Index and that have a similar risk profile, examples include: recently issued securities that are expected to be included in the Index; government securities issued in Index eligible currencies, securities that have previously been included in the Index and have been deleted due to maturity falling below one year; and securities that have previously been included in the Index and have been deleted due to an increase in the par amount eligibility threshold of the Index. Investment in such securities will, in all cases, be consistent with the investment objective of the Fund. The bonds which may be fixed or floating rate in which the Fund invests will be investment grade quality at the time of purchase and, although in practice they may be purchased or sold by the Investment Manager on the secondary market, they and all other securities, including exchange traded FDI, in which the Fund may invest (other than permitted unlisted securities) will be listed or traded on a Market within the list in Appendix I of the Prospectus. The Fund may invest in mortgage and asset-backed securities for which the pools of underlying assets may directly include commercial, residential, consumer loans or trade receivables but shall not invest in collateralised loan obligations, collateralised mortgage obligations or collateralised debt obligations. The average credit rating of the Fund's assets will be approximate to the average credit rating of the Index.

The Fund's investments will, at the time of purchase, comply with the Fund's environmental, social and governance ("**ESG**") policy, as described below under "Index Description". As the Fund is an index tracking product, it may continue to hold securities which no longer comply with these ESG requirements until such time as the relevant securities cease to form part of the Index or if the Investment Manager exercises its discretion to dispose of a security before the next rebalance in limited instances and it is possible and practicable (in the Investment Manager's view) to liquidate the position, having regard to the best interests of the Shareholders.

The Fund may invest in FDI for EPM purposes. The Fund may be fully or partially hedged back to the Base Currency in accordance with the powers and restrictions set out by the Central Bank in relation to techniques for EPM purposes as further disclosed in the **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions** section of the Prospectus. The Fund may invest in FDI as set out in the section titled "**Use of**

Efficient Portfolio Management Techniques and Financial Derivative Instruments" below.

Subject to any derogation that may be obtained from the Central Bank during the initial six months from approval of the Fund from the requirements of Regulation 73 of the UCITS Regulations, the Fund may also invest (up to 10% of its Net Asset Value) indirectly in Debt and Debt Related Securities comprised within the Index through holdings in open-ended collective investment schemes ("**CIS**") (including UCITS exchange traded funds ("**ETFs**"). Any such CIS shall be listed/traded on Regulated Markets and will have investment objectives which are materially similar to the Fund.

Index Tracking Strategy

The Fund operates an index tracking strategy whereby it seeks to track the risk and return characteristics of the Index through the investment directly in assets that are Index constituents (i.e. a physical replication model). However, the Fund does not seek to fully replicate the Index but instead seeks to match the Fund's investments with Index constituents on a sample based physical replication model within the scope of the general UCITS investment restrictions and the specific investment restrictions set out below. Therefore the weighting of a constituent of the Index held by the Fund cannot exceed the permitted investment restrictions. Accordingly, investment in the Fund should not be considered to provide a direct exposure to the Index. In normal market conditions the Fund can be expected to closely match the performance of the Index. However, in normal market conditions, since the Fund does not seek to fully replicate the Index, an annualised ex-post Tracking Error of 0.20% should be anticipated due to transaction costs and the liquidity impact of the Fund's sampling approach. Employing a sampling approach (rather than full replication approach) necessarily results in individual security overweights and underweights relative to the Index, as the Fund will not hold every Index constituent but will strive to achieve representative exposure to the more liquid securities and sectors of the Index which are available for purchase.

As the Fund does not pursue a synthetic index replication strategy, there is no counterparty risk related to the index replication strategy.

Index Description

The starting universe for the Index is the Bloomberg Global Aggregate Index ("the Parent Index"). The Index is calculated by Bloomberg based on MSCI ESG Research Methodology to determine green bond classification. The eligibility criteria reflect themes articulated in the Green Bond Principles across four elements: (i) stated use of proceeds; (ii) process for green project evaluation and selection; (iii) process for management of proceeds; and (iv) commitment to ongoing reporting of the environmental performance of the use of proceeds.

Further information about the eligibility criteria, as well as the exclusions at the issuer level and specified thresholds, are provided in the Annex.

For further details of the Index please refer to

<https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Global-Green-Bond-Index.pdf> and <https://www.msci.com/documents/1296102/30916262/MSCI+Labeled+Bond+and+Loan+Assessment+Methodology.pdf>

For the avoidance of doubt, the Investment Manager has no role in the composition of the Index.

INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading **Investment Restrictions** in the Prospectus shall apply.

USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

The Fund may use forwards, TBAs and exchange traded funds for EPM and hedging purposes as further described in the Prospectus.

Further details of the techniques and instruments that the Fund may employ for EPM purposes are set out in the **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions** section of the Prospectus.

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of EPM techniques. Please refer to the section of the Prospectus entitled **Collateral Policy** for further details.

The use of FDI for the purposes outlined in the Prospectus may expose the Fund to the risks disclosed under the section of the Prospectus titled **Risk Factors**.

INVESTING THROUGH BOND CONNECT

The Fund may also invest in the China Interbank Bond Market ("**CIBM**") via the arrangement between Hong Kong and the People's Republic of China ("**PRC**") that enables Chinese and overseas investors to trade various types of debt securities in each other's bond markets through connection between the relevant respective financial infrastructure institutions ("**Bond Connect**").

BOROWINGS AND LEVERAGE

The Fund may borrow up to 10% of its Net Asset Value on a temporary basis.

Global exposure and leverage as a result of its investment in FDI as described above shall not exceed 100% of the Net Asset Value of the Fund. Global exposure will be measured using the commitment approach.

RISK FACTORS

The general risk factors as set out in the Prospectus under the heading "**Risk Factors**" also apply to the Fund, as well as the following additional factors, which apply specifically to the Fund:

Liquidity Risk

Reinvestment of Cash Collateral Risk

Economic Factors

Derivatives and Securities Financing Transactions Risk

Sanctions

Investing through Bond Connect

INVESTMENT MANAGER AND SUB-INVESTMENT MANAGER

The Manager has appointed Northern Trust Global Investments Limited as the Investment Manager of the Fund. In line with its global operating model the Investment Manager has appointed Northern Trust Investments, Inc as the sub-investment manager of the Fund.

DIVIDEND POLICY

Accumulating Shares

No dividends will be declared in respect of the Accumulating Shares.

Distributing Shares

In respect of the Distributing Shares, the Directors intend to declare and pay all net income of the Fund attributable to each class annually as a dividend to the Shareholders of each relevant class of Shares on the register of members as at the close of business on the relevant Dealing Day.

Further details on the distribution policy are set out in Prospectus under the heading **Dividend Policy**.

KEY INFORMATION FOR BUYING AND SELLING

Share Classes

Shares may be issued as Accumulating Shares or (where specifically identified as such) Distributing Shares.

Base Currency

U.S. Dollar

Business Day

Any day (except Saturday or Sunday) on which the banks in Ireland are open generally for business, or such other day as the Directors may determine and notify to Shareholders.

Dealing Day

The Dealing Day for the Fund will be every Business Day or such other day or days as the Directors may determine and notify in advance to Shareholders, provided that there shall be at least one Dealing Day per fortnight. In determining whether a day should be treated as a Dealing Day, the Directors may take into account whether there are sufficient market exchanges open as determined by the Investment Manager to allow the normal liquidity trading of the portfolio.

The Investment Manager maintains a list of any non-Dealing Days on the Website.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline is 3.00p.m. (Irish time) on the Business Day immediately preceding each Dealing Day. Any applications received after the Dealing Deadline for a Dealing Day will be processed on the next Dealing Day unless the Directors in their absolute discretion in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day provided that such request(s) have been received prior to the Valuation Point for the particular Dealing Day.

Initial Offer Period

The Initial Offer Period in respect of all other Share Classes shall continue until 5.00 p.m. (Irish time) on 26 February 2025 (or such shorter or longer period as the Manager may determine and notify to the Central Bank).

After the Initial Offer Period, the Fund will be continuously open for subscriptions on each Dealing Day.

Settlement Date

In the case of applications, proceeds must be received no later than two (2) Business Days after the relevant Dealing Day or as otherwise determined by the Manager.

In the case of repurchases, proceeds must be remitted to investors no later than two (2) Business Days after the relevant Dealing Day (assuming the receipt of the relevant duly signed repurchase documentation) or as otherwise determined by the

Manager provided that in all cases proceeds are paid within ten (10) Business Days.

Preliminary Charge

There will be no Preliminary Charge for this Fund.

Redemption Charge

There is no Redemption Charge for this Fund.

Anti-Dilution Levy

The Directors or the Manager (or their duly appointed delegate) may impose a swing pricing adjustment as further detailed in the Prospectus in the section entitled **Anti-Dilution Levy**.

Valuation Point

With respect to: (i) currencies and currency-related transactions only, 4pm (London time); and (ii) all other assets, the close of business of the relevant market that closes last on each Dealing Day, which in all cases shall be after the Dealing Deadline.

Initial Issue Price

For Euro denominated share classes €100 per Share, for US Dollar denominated share classes \$100 per Share, for Sterling denominated share classes, £100 per Share.

Classes of Shares Available

A, B, C, D, E, F, G, H, I, J, K

Each of the above referenced Share Classes are available as Accumulating Shares and Distributing Shares.

Currencies Available

Each of the Share Classes are available in Euro, Sterling and U.S. Dollar.

Currency Hedged Share Classes

Each Share Class is available as either a hedged or an unhedged Share Class.

Minimum Shareholding

€100,000 (or its equivalent in the relevant Share Class currency) subject to the discretion of the Directors to allow lesser amounts.

Minimum Initial Investment Amount

In respect of Share Class B, GBP 100 million (or the equivalent in EUR, USD) subject to the discretion of the Directors to allow lesser amounts.

In respect of all other Share Classes, €100,000 (or its equivalent in the relevant Share Class currency) subject to the discretion of the Directors to allow lesser amounts.

FEES AND EXPENSES

Fees and Expenses of the Manager, the Investment Manager, the Depositary, any sub-custodian and the Administrator

The Investment Manager is entitled to receive out of the assets of the Fund an annual fee of up to 0.50% of the Net Asset Value of the Fund. Such fee shall accrue and be calculated on each Dealing Day and be payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred by the Investment Manager in the performance of its duties. The Investment Manager will pay out of the above fee (and not out of the assets of the Fund) the fees of the Sub-Investment Manager.

The Manager shall not receive a fee but shall be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred in the performance of its duties.

The Administrator shall be entitled to receive out of the Net Asset Value of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears at an annual rate which will not exceed 0.05% of the Net Asset Value of the Fund (plus VAT, if any). The Administrator is entitled to be repaid out of the assets of the Fund all of its reasonable agreed upon transaction and other charges (which will be at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

The Depositary shall be entitled to receive out of the Net Asset Value of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears, at an annual rate which will not exceed 0.05% of the Net Asset Value of the Fund (plus VAT thereon, if any).

The Depositary is also entitled to be repaid out of the assets of the Fund sub-custodian's fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

In addition to the fees outlined above, the Fund will also be responsible for the fees of Hermes EOS (for its services in respect of the Fund, as described in the Prospectus), up to 0.02% of the Net Asset Value of the Fund per annum. Such fee shall accrue and be calculated on each Dealing Day and be payable quarterly in arrears.

This section should be read in conjunction with the section entitled **Fees and Expenses of the Funds** in the Prospectus.

Establishment costs

The organisational and establishment expenses relating to the creation of the Fund are estimated not to exceed EUR 25,000. These costs shall be borne by the Fund and will be amortised over the first five accounting periods of its operation (or such other period as may be determined by the Directors at their discretion).

MISCELLANEOUS

Reporting

Some Shareholders may receive additional information and/or reports in relation to the Fund on a frequent basis. Any such information will be available to all investors in the Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates. Please contact your relationship manager to discuss any reporting needs.

Other Funds

The other Funds of the Company are listed in the Global Supplement to the Prospectus.

New Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Funds will be issued by the Company.

ANNEX

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: The NT Global Green Bond Index Fund (the "Fund")

Legal entity identifier: 635400EZAVKA6VPYKK62

Sustainable investment objective

Does this financial product have a sustainable investment objective?

Yes **No**

<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 90%	<input 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 ___% 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 checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input 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 type="checkbox"/> with a social objective
<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments	



What is the sustainable investment objective of this financial product?

The NT Global Green Bond Index Fund seeks to achieve the sustainable objective by closely matching the risk and return characteristics of the Bloomberg MSCI Global Green Bond Index (the "Index") which measures the performance of the global market for fixed income securities classified as a 'green bonds' issued to fund projects with direct environmental benefits. Treasury, corporate, government-related, and securitised bonds are included.

In order to be eligible for the index, the proceeds of these Green bonds are exclusively and formally applied to projects or activities that promote the transition to a low carbon economy or other environmental sustainability purposes. Project evaluation against eligible project categories is conducted by MSCI ESG Research analyst team.

The seven environmental categories are defined by MSCI ESG Research as; Alternative Energy, Energy Efficiency, Pollution Prevention and Control, Sustainable Water, Green Building, Climate Adaptation and 'Other'. Other may include, but is not limited to, the protection and conservation of biodiversity; sustainable forestry and afforestation projects; and sustainable agricultural projects.

Further information on the methodology and specific parameters of the Index that the Fund tracks can be found [here](#).

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

Independent evaluation of securities by MSCI ESG Research along four dimensions (use of proceeds, project evaluation, management of proceeds, and reporting) determine index eligibility. These eligibility criteria reflect the core elements of the Green Bond Principles set by the International Capital Markets Association ("ICMA"). MSCI ESG Research evaluate the eligibility of the fixed-income securities, which are applied to the Bloomberg Global Aggregate Index (the "Parent Index"). The Index targets a minimum 90% asset allocation to environmentally impactful projects in the categories listed above (as measured by revenues) and therefore has over 90% of sustainable investments.

The following four dimensions are the sustainability indicators used to measure the attainment of the sustainable investment objective of the Fund:

- The **use of proceeds** that fall within at least one of the seven eligible environmental categories defined by MSCI ESG Research (alternative energy, energy efficiency, pollution prevention and control, sustainable water, green building, climate adaptation, and other (as described earlier). 100% of bond proceeds need to fund projects with positive environmental benefit (e.g. energy efficiency gains, water efficiency gains, GHG emission reductions). Of these, at least 90% of proceeds should fall within the eligible categories defined in the Methodology. Self-labelled green bonds or green loans with any proceeds funding social projects with no environmental benefit will not meet the use of proceeds criteria;
- The **process for green project selection** includes the bond issuer clearly delineating the specific criteria and process for determining projects or investments in the bond or loan-related documentation which can include but is not limited to the green bond or loan framework, investor presentation or website. Project criteria must outline either specific projects or the specific categories of activities to be financed;
- The **management of proceeds** is a formal process to connect the proceeds raised to the eligible allocation of proceeds and must be disclosed in the documentation ("**Management of Proceeds**") to maintain the transparency of the loan. Mechanisms to ring-fence net proceeds include: direct recourse to revenues or assets; creation of a separate legal entity; among others. For green bonds, a formal process to apply net proceeds raised or an amount equal to net proceeds raised, to the eligible use of proceeds must be disclosed in the bond prospectus or supporting documentation; and
- **Ongoing reporting** by the bond issuer or loan borrower at issuance, must occur on projects or they must state its commitment to report within one year of issuance. Reporting must include one or more of the following: a list of specific projects/investments, including amount disbursed to each individual project; or aggregate project/investment categories, including amount disbursed to each project type.

This methodology is subject to change based on the evolving areas for use of proceeds, changes in regulatory requirements and standard definitions.

In addition to the above indicators, the Investment Manager shall also ensure that any investments made by the Fund are in accordance with rules regarding cluster munitions laid down in the relevant national legislation adopting the Convention on Cluster Munitions.

Please also refer to the response below on the binding elements of the investment strategy for further details of the sustainability indicators, including the thresholds applied.

Further information on the methodology and specific thresholds of the Index can be found [here](#).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The Bloomberg MSCI Global Green Bond Index incorporates some elements of Do No Significant Harm ("**DNSH**") through the issuer level exclusions applied by Bloomberg. The index excludes issuers involved in the following business lines:

- thermal coal mining revenues of 15% or more;

Principal adverse impacts are the most significant negative impacts of investment decisions on

sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ownership or revenue ties to controversial weapons (Cluster Munitions, Landmines, Depleted Uranium, Biological/Chemical Weapons, Blinding Lasers, Non-Detectable Fragments, White Phosphorous and Incendiary Weapons); and
- additionally, the index excludes companies identified by MSCI as global norms violators and involved in “very severe” ongoing ESG controversies that a company is directly involved in.

All proceeds of these Green bonds are exclusively and formally applied to projects or activities that promote the transition to a low carbon economy or other environmental sustainable purposes. Therefore, at least 90% of securities are sustainable investments that meet our definition of positive contribution and DNSH. To calculate the sustainable investments within the NT Global Green Bond fund the Investment Manager uses the following methodology found [here](#).

The Management of Proceeds requirement (detailed earlier) ensures that bond proceeds are ring-fenced from unsustainable or harmful activities and that proceeds are not used for any purpose other than the stated environmentally sustainable project. To ensure this is the case, MSCI ESG Research ensures that a formal process to apply net proceeds raised or an amount equal to net proceeds raised to the eligible use of proceeds is disclosed in the bond prospectus or supporting documentation. Eligible mechanisms to apply net proceeds raised or an amount equal to net proceeds raised include: direct recourse to eligible revenues or assets (e.g. a green securitized bond, green project bond, or green revenue bond); creation of a separate legal entity; creation of a sub-portfolio linked to the issuer’s investment operations for eligible projects; or other auditable mechanism whereby the balance of tracked proceeds is reduced periodically by amounts matching investments made in eligible projects during that period.

— *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The green bond eligibility criteria ensure that all bonds considered part of the Index, as evaluated by MSCI ESG Research, are securities in which the proceeds will be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes through their use of proceeds.

In addition to the DNSH test at the issuer level, detailed in the previous response, the Fund considers adverse impacts through the design of the Management of Proceeds assessment requirements. The ring-fenced use of proceeds helps to ensure that proceeds are not financing any activities or projects other than the stated eligible environmentally sustainable projects.

For sustainable investments specifically, MSCI’s Green Bond Assessment mitigates any adverse impacts. A green bond data set from a different provider is used as a second layer of validation that the securities are ‘green’. Any securities that do not meet this requirement will not be deemed sustainable by the Investment Manager.

A security is assessed as a sustainable investment using the Investment Manager’s methodology found [here](#) under ‘Green Bonds’.

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

The Fund applies the ESG controversy screening criteria at the issuer level, to identify and exclude companies that do not adhere to international norms and conventions such as: The UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work.

The implementation of these exclusions is quarterly and is based on any investee company being directly involved in very severe and ongoing controversies in

relation to its operations, products and services.

In practice, this means that all investee companies that form part of the Index are aligned with these minimum safeguards, not only the sustainable investments.



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

- Yes** The Fund considers as part of the investment strategy the following principal adverse impact (PAI) indicators in Annex 1, Table 1 of the SFDR RTS.
- No**
 - Exposure to companies active in the fossil fuels sector;
 - Violations of UNGC principles and OECD Guidelines for Multi-national Enterprises; and
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).



What investment strategy does this financial product follow?

The Fund has an Index tracking strategy whereby it seeks to track the risk and return characteristics of the Index by investing directly in assets that are Index constituents.

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

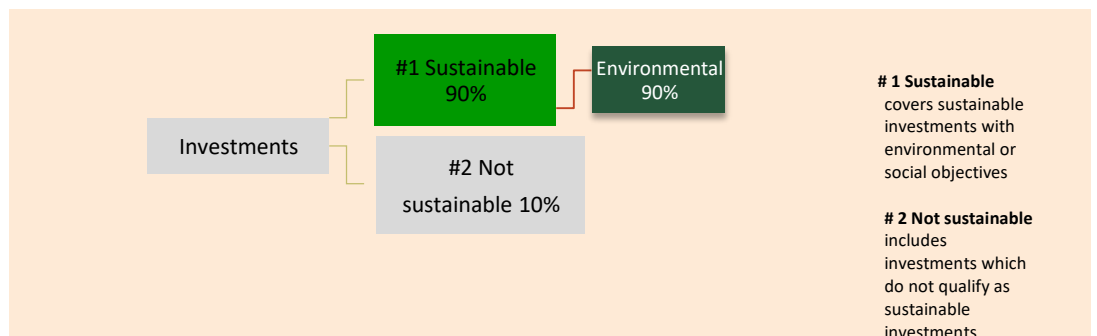
Similar to Good Governance, the ring-fenced use of proceeds is achieved through the set-up of special purpose companies dedicated to the green bond issuance. The Index requires the following for the management of Proceeds:

- A formal process to apply net proceeds raised or an amount equal to net proceeds raised to the eligible use of proceeds must be disclosed in the bond prospectus or supporting documentation;
- Eligible mechanisms to apply net proceeds raised or an amount equal to net proceeds raised include: direct recourse to eligible revenues or assets (e.g., a green securitized bond, green project bond, or green revenue bond); creation of a separate legal entity; creation of a sub-portfolio linked to the issuer’s investment operations for eligible projects; or other auditable mechanism whereby the balance of tracked proceeds is reduced periodically by amounts matching investments made in eligible projects during that period; and
- Additionally, the Index screening process ensures removes all issuers directly involved in “very severe” ongoing ESG controversies and global norms violations, thermal coal operations and controversial weapons.

What is the asset allocation and the minimum share of sustainable investments?

The Fund intends to invest at least 90% of its Net Asset Value in securities that are sustainable investments.

The “other” assets are expected to be proceeds allocated by issuers to OpEx or CapEx outside of the Fund's eligible use-of-proceeds categories.



The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

Climate-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the

green investments made by investee companies, e.g. for a transition to a green economy.

— **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

How does the use of derivatives attain the sustainable investment objective?

Derivatives are not used to attain the sustainable investment objective of the Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund invests at least 90% of its Net Asset Value in sustainable investments but commits 0% of its Net Asset Value to sustainable investments with an environmental objective aligned with the EU Taxonomy.

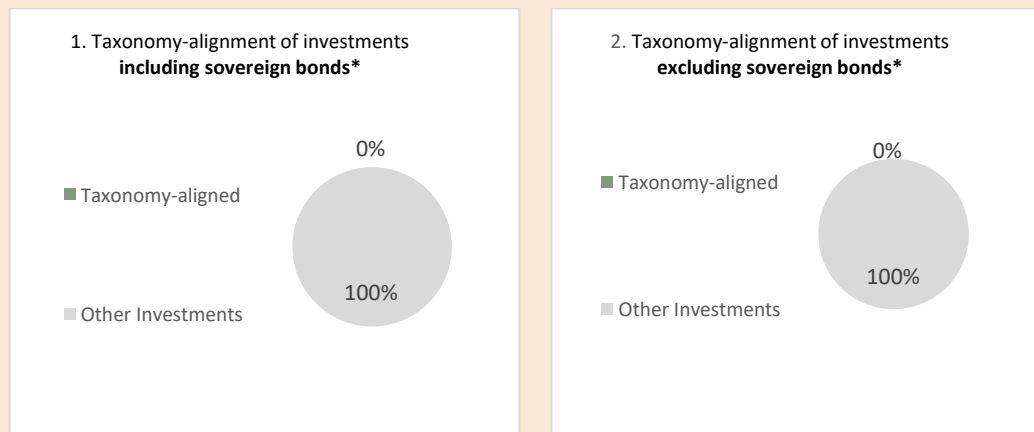
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹

Yes:

In fossil gas In nuclear energy

No

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 investments in transitional and enabling activities?

Not applicable. The Fund does not have a specific minimum share of transitioning and enabling activities.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund invests at least 90% of its Net Asset Value in sustainable investments with environmental objectives which are not aligned with the EU Taxonomy.



What is the minimum share of sustainable investments with a social objective?

Not applicable. The Fund does not commit to sustainable investments with a social objective.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Derivatives and cash are the only two investment types categorised as ‘other’ and no minimum safeguards are applied.

Investments may be marked as ‘other’ for the following reasons:

- Cash and cash equivalents or money market instruments: The Fund may invest in cash and cash equivalents or money market instruments.
- Derivatives: The Fund may use derivatives only for managing broad market exposure or passive share class currency hedging.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

The Index takes in to account the sustainability factors through the independent evaluation of securities by MSCI ESG Research along four dimensions detailed earlier. The securities to be excluded from the Index are based on MSCI ESG Research data and is calculated by Bloomberg.

Continuous alignment with the sustainable investment objective is through tracking the Index and the bond reporting obligation which continues for the life of eligible bonds until proceeds have been fully disbursed.

The Investment Manager also evaluates the application of eligibility criteria through regular reviews so that the Index continues to be aligned.

The Index is rebalanced monthly.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Alignment of the investment strategy with the methodology of the Index is achieved on a continuous basis through the Fund tracking the Index, which incorporates the four eligibility criteria. In addition, investment guidelines and restrictions are coded in the Investment Manager’s order management system to enable pre and post-trade monitoring.

This means that the Fund is only able to own a security that meets the green bond eligibility criteria (companies that do not meet the specific criteria will not appear in the universe).

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

The Index differs from the Parent Index due to the application of the eligibility criteria described in earlier responses.

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

The methodology used for the index can be found [here](#).



Where can I find more product specific information online?

More specific information regarding the Fund can be found [here](#).