

The Close Sustainable Select Fixed Income Fund

Embedding sustainability in fixed income investing

The Close Sustainable Select Fixed Income Fund aims to preserve capital and generate a high level of monthly income. The fund utilises an unconstrained, best ideas approach to investment selection, and aims to deliver high-yield returns, but within a strong, high quality bond portfolio.

The fund also aims to be a best-in-class sustainable portfolio by excluding investments in sectors with weak ESG characteristics, as well as operating with lower carbon emissions than a global fixed income benchmark.

Four Responsible Investing Factors

1 Research

Environmental, Social, and Governance analysis integrated into fundamental research for every holding

2 Screening

Screening business involvement and introducing filters to highlight explicit negative externalities

3 Carbon emissions

Portfolio emissions target creates a 'carbon budget' enabling us to invest in companies transitioning to lower emissions

4 Engagement & escalation

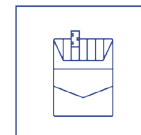
Using our influence as investors to encourage changes and escalate where appropriate

Screening negative externalities

WE EXCLUDE THE FOLLOWING SECTORS FROM OUR INVESTMENTS



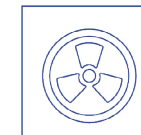
**UN – GLOBAL
COMPACT**



**TOBACCO
MANUFACTURE**



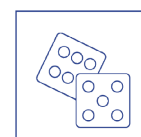
**ADULT
ENTERTAINMENT**



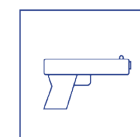
**CONTROVERSIAL
WEAPONS
(INCL. NUCLEAR)**



**THERMAL
COAL**



GAMBLING



**CIVILIAN
FIREARMS**

Issuers with 10% revenue exposure to any of the above are excluded (or any tie for controversial weapons)

Any Issuer which no longer meets our criteria will be sold within 90 days

We do not invest in sectors or companies whose products “cause harm when used as intended”

This document should be read in conjunction with the Fund's Key Investor Information Document and Prospectus which will exclusively form the basis of any application and will contain further information on specific risks that apply to your investment.

Past performance is not a reliable indicator of future results. The value of investments and the income from them can go down as well as up. Investors may get back less than the full amount originally invested. If you are unsure about any information contained within this document, or the suitability of this investment to meet your needs, you should take professional financial advice.

Sustainable Portfolio Promise

LOWER CARBON INTENSITY THAN BENCHMARK – AND COMMITMENT TO REDUCE FURTHER

The fund seeks to invest in such a way that contributes to reducing greenhouse gas emissions, by:

- Maintaining a lower carbon intensity than the benchmark global bond index at all times*
- Targeting a carbon intensity level 50% below the 2019 benchmark by 2030
- Targeting net zero CO2 emissions by 2050 achieved by reduction and removal

* Benchmark: BAML Global Corporate Investment Grade Index

Sustainable screening/exclusion criteria

| Industry criteria | Conduct criteria | Climate criteria |
|--|--|--|
| <p>Exclusion of companies which derive more than 10% of revenue from following sectors:</p> <ul style="list-style-type: none"> • Thermal coal mining and trading • Civilian firearms manufacture and retail • Gambling-related business activities • Adult entertainment • Tobacco products manufacture • Nuclear weapons production <p>Exclusion of companies with any tie to controversial weapons (non-detectable fragments, landmines, incendiary weapons, blinding laser weapons, cluster munitions, biological/chemical weapons)</p> | <p>Excludes companies we believe are in severe breach of Global Norms on:</p> <ul style="list-style-type: none"> • Human rights: e.g. no discrimination, freedom to assemble • Labour rights: e.g. based on ILO (International Labour Organisation) conventions on discrimination, the worst forms of child labour, right to collective bargaining • Environmental harm: e.g. pollution, breaches of environmental laws, no respect for protected areas • Business integrity/anti-corruption: e.g. fraud, gross corruption including bribery, business tax evasion | <p>Fund maintains a Weighted Average Carbon Intensity (WACI) below the BAML Global Corporate Investment Grade Index, targeting a level 50% below this benchmark by 2030, and net zero by emissions by 2050.</p> <p>WACI, expressed as tonnes of Scope 1 and 2 CO2e per US\$m of revenue, is the sum of emissions normalised by company revenues and scaled by weighting in the portfolio</p> |