



BENGUELA GLOBAL
FUND MANAGERS

Sustainability-related disclosure

BENGUELA GLOBAL EQUITY UCITS FUND

1. Summary

This document provides information about the BENGUELA Global Equity fund in relation to the Sustainable Finance Disclosure Regulation. **It is not marketing material. The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this fund. You are advised to read it in conjunction with other relevant documentation on this fund so you can make an informed decision about whether to invest.**

2. No sustainable investment objective

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

3. Environmental or social characteristics of the financial product

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

The environmental characteristics promoted by the Fund include but are not limited to

- a) climate change mitigation and adaptation
- b) water and waste management
- c) biodiversity

While social characteristics include but are not limited to

- d) product safety
- e) supply chain
- f) health and safety
- g) and human rights

4. Investment Strategy

What investment strategy does this financial product follow?

The portfolio seeks to deliver long-term capital growth that is superior to its benchmark, the MSCI All Country World Index ("MSCI ACWI"). The Fund invests with a Quality style and the portfolio managers aim to select stocks that offer the highest intrinsic valuation upside relative to their quality as measured through its proprietary Benguela Quality Score.

What is the investment strategy used to meet the environmental or social characteristics promoted by the financial product?

The Investment Manager has integrated environmental, social and governance factors into its determination of each investee company's Benguela Quality Score, through the incorporation of ESG scores obtained from a third-party data provider (Refinitiv), in order to ensure the Fund promotes the environmental and social characteristics detailed in the section above. Additionally, the Investment Manager conducts further proprietary analysis to determine any specific ESG risks that would impact the sustainability of any investee company. The Refinitiv ESG scores are used for positive screening purposes as well as inputs into the Benguela Quality Score. The Investment Manager does not have any specific ESG exclusion strategies.

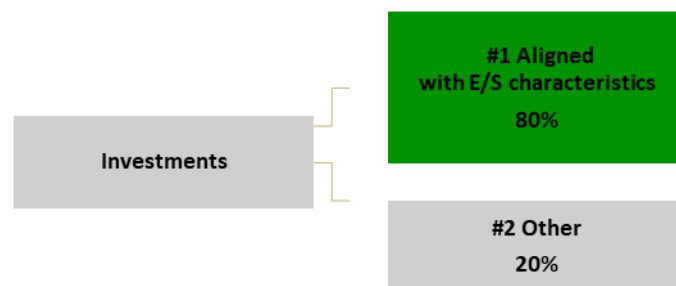
What is the policy to assess good governance practices of the investee companies?

The Investment Manager also assesses the governance practices of issuers by using governance ratings provided by Refinitiv as well as additional analysis conducted on the relevant issuer by the investment management team of the Investment Manager in order to satisfy itself that the relevant issuers follow good governance practices, with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

5. Proportion of investments

A minimum of 80% of the Fund's Net Asset Value will be invested in securities which will be aligned with the environmental and / or social characteristics promoted by the Fund, meaning that a maximum of 20% of the Fund's Net Asset Value will be invested in assets which will be categorised as "Other" in the chart below.

Assets categorised as "Other" will be investments made in order to achieve the investment objective of the Fund, but which do not meet the Investment Manager's assessment of environmental or social characteristics described above. Such assets may also include cash and cash equivalents, utilised for cash management purposes. No minimum safeguards are applied to these assets.



6. Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product monitored throughout the lifecycle of the financial product and what are the related internal or external control mechanisms

- a) The Risk Management team monitor the portfolio ESG characteristics together with the BENGUELA Quality Score and other portfolio metrics relative to the portfolio benchmark on an at least quarterly basis to review the portfolios and for quarterly client Due Diligences.
- b) Company specific characteristics and indicators are monitored by our research analysts on an ongoing basis when the investment cases are reviewed and whenever the companies release results or market updates.

7. Methodologies

We use ESG data collected by ASSET4 (part of Refinitiv). The different ESG characteristics are then weighted according to our portfolio holdings to determine the portfolio ESG characteristics relative to the benchmark.

8. Data sources and processing

The Investment Manager utilises a combination of its proprietary quantitative screens (the "Benguela Quality Score") and data from a third-party data provider, Refinitiv, in order to attain the Fund's environmental and social characteristics. The third party ESG data used to assess attainment of environmental and social characteristics is detailed below:

- a) Environmental characteristics: assessment against the following metrics
 - b) Low carbon
 - c) emissions to water

Social characteristics: assessment against the following metrics

- h) Controversy business ethics
- i) Gender diversity

- j) Gender pay-gap

9. Limitations to methodologies and data

The main limitations are around company disclosures.

10. Due Diligence

Benguela strives to gain an in-depth understanding of the relevant ESG issues applicable to our investments. Benguela's approach to integrating ESG factors into our investment analysis includes the following activities:

- a) In depth ESG Research and Integration
- b) Company engagement (where deemed necessary)
- c) Active Ownership (e.g., Proxy voting – refer to separate Policy)
- d) Collaboration within the Investment Industry

Benguela has outsourced its ESG data collection to ASSET4 (part of Refinitiv). The ESG data collected by ASSET4's is fed directly into our company models used to determine the Company's Cost of Capital as well as the Quality rating.

ASSET4's has built an ESG database of 4,600 stocks globally (138 of these companies are in South Africa). Where a company is for whatever reason not yet covered through the outsourced service (e.g., too small), Benguela is able to apply the same evaluation methodology on such a company in a consistent manner - it is therefore important to emphasise that our idea generation would not be constrained by lack of coverage of a stock by our ESG data partners.

- a) Company Engagement

We do not screen out companies from our investment universe purely on the grounds of poor ESG performance but rather adopt a positive engagement approach whereby we discuss these issues with the management of the companies in which we invest or are considering investing on behalf of our clients.

We use the information gathered during these meetings both to inform our investment decisions and to encourage the company's management to improve procedures and policies. We believe that this is the most effective way to improve corporate responsibility in our investee companies.

Portfolio managers and analysts meet the companies in which they invest on an ongoing basis, during these conference calls or face-to-face meetings with these firms specific ESG concerns can be addressed.

The goal of engagement is to encourage management to improve their ESG procedures and policies.

- b) Active Ownership

Benguela pursues an active investment style through portfolio management decisions, voting on resolutions at general meetings and maintaining an ongoing dialogue with management. This involves holding regular meetings with companies to discuss specific results or events as well as a more informal dialogue incorporating site visits and other research initiatives.

Benguela is generally supportive of the management of the companies in which we invest, but we will nonetheless form our own views on the strategy and governance of a business. These form part of our dialogue

with companies. On occasion, our views will differ from those of management and where this is accompanied by a failure to achieve our reasonable expectations for shareholder return, we will consider promoting change. Our specific response will be determined on a case-by-case basis, after weighing up the relative merit of intervention (refer to our Proxy Voting Policy) or a sale of the shares. Typically, we will choose to intervene to promote change when the expected benefits of intervention (through increased returns to our investors) outweigh the anticipated cost.

Benguela's analysts and portfolio managers are responsible for conducting our voting activities, with information being derived from a variety of sources, including proxy voting advisory services. All eventual voting decisions are always made in accordance with Benguela's policies and voting guidelines (after consultation with the relevant portfolio managers, where appropriate). Voting instructions are generally processed electronically via a proxy voting agent.

c) Industry collaboration

Benguela subscribes to (not signatory as yet) the Code for Responsible Investing for South Africa (CRISA) and the United Nations Principles for Responsible Investment (UNPRI), a voluntary framework for incorporating ESG issues into investment decision-making and ownership practices. The Principles for Responsible Investment are consistent with Benguela's approach to corporate social responsibility and support our view that ESG integration should be encouraged when it enhances long term financial return

d) Review of Policy

This policy may be reviewed by the Directors of Benguela from time to time, with a view to further enhance ESG awareness and effectiveness of ESG integration into Benguela's investment process.

11. Designated reference benchmark

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

There is no reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

As a core sustainability indicator, the Fund assesses whether its portfolio achieves a better Benguela Quality Score relative to its Benchmark, which is a broad market index