



Environmental, Social and Governance Investment Policy (“The ESG Policy”)

BlueBay Funds Management Company S.A.
October 2022

Overview

1. Key terms and concepts

BBAM: refers to the BlueBay Asset Management LLP, a limited liability partnership incorporated in England and Wales having its registered office and principal place of business at 77 Grosvenor Street, London W1K 3JR England. Authorised and regulated by the Financial Conduct Authority. BBAM is the delegate Investment Manager for all fixed income portfolios, whether funds, segregated mandates or advisory services.

RBC GAMUK: Royal Bank of Canada Global Asset Management (UK) Limited having its registered office and principal place of business at 77 Grosvenor Street, London W1K 3JR England. Authorised and regulated by the Financial Conduct Authority. RBC GAMUK is the delegate Investment Manager for all equity portfolios, whether funds, segregated mandates or advisory services.

Delegate Investment Managers: refers to any delegate Investment Manager, such as BBAM or RBC GAMUK

Board: means the board of directors of the Management Company S.A.

Conducting Officers: refers to the conducting officer(s) of the BlueBay Funds Management Company S.A. appointed and approved by the CSSF and the Board of Directors

Fund or Funds: means all AIFs or UCITS for which the Company is responsible

Policy: means the ESG Policy of the Company

the Company or BFMC: refers to the BlueBay Funds Management Company S.A. a société anonyme incorporated under Luxembourg law on 1 August 2002 for an unlimited period of time with registered office at 4, Boulevard Royal, L-2449 Luxembourg and registered with the Registre du Commerce et des Sociétés under number B. 88. 445 and its branches.

2. Summary

The information summarised in this document meets the requirement in the EU Sustainable Finance Disclosure Regulation (“**SFDR**”) for disclosing BlueBay’s approach to integration ESG, and therefore sustainability¹ risks into Investment fund manager decision-making, and a high level qualitative description in terms of the assessment of the likely impact of sustainability risks on investment returns.

3. Legal references

REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector.

¹ The reference to sustainability factors or risks is to signpost to the SFDR which uses the ‘sustainability’ term to refer to ESG related considerations. Sustainability factors means environmental, social or governance matters such as employee matters, respect for human rights, anti-corruption and anti-bribery matters. Sustainability risks means an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. BlueBay uses the terms ‘ESG’ within this document, but this should be taken to be equivalent to ‘sustainability’ as contained in the SFDR.

Purpose of the ESG Policy

The Company has established this Policy to meet its obligations under the SFDR Regulation.

The Company has delegated portfolio management activities to the Delegate Investment Managers so that BFMC does not participate in investment decision-making nor in principal transmit orders for execution nor execute directly the orders on behalf of the portfolios it manages.

This Environmental, Social and Governance (ESG) Investment Policy ('Policy') outlines the approach taken to incorporating ESG considerations within our investment management practices. This Policy sets out our approach to ESG factors and ESG risks, how ESG factors and risks fits within our investment philosophy, our approach to the investment strategies we manage, how we resource and manage this from a governance perspective, as well as how we communicate our efforts and progress. It applies as standard to all investments made within pooled Funds ('Funds'), separately managed accounts² (SMAs) and where the delegated investment managers provide investment advice.

'Sustainability Risks' mean an ESG event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment and 'Sustainability Factors' mean environmental, social and or governance matters such as employee matters, respect for human rights, anti-corruption and anti-bribery matters. All references to 'ESG risks' and 'ESG factors' within this Policy are equivalent to 'Sustainability Risks' and 'Sustainability Factors' as defined in SFDR. All managed assets (pooled Funds or SMAs) would also meet the conditions set out by Article 6 of SFDR as Sustainability Risks are integrated into the investment decision making process.

This Policy is applicable to all UCITS and AIF for which the Company acts respectively as the Management Company or the AIFM as well as to all segregated mandates managed by the Company.

² Clients with separately managed accounts can create a custom ESG investment strategy if they require this.

Scope of the ESG Policy

1. ESG Investment factors

Investment analysis of ESG factors – whether material or not in terms of representing negative ESG risks – encompasses those aspects of an issuer’s operations which may influence its ability to meet its financial obligations in the long term. Some ESG factors or risks – such as corporate governance practices, legal compliance, human capital management and climate change – are applicable to most issuers. However, some will vary by country, industry, as well as by characteristics specific to an issuer such as size and geographical footprint. An exhaustive or definitive list of ESG factors does not exist nor is it necessary, however the table provides examples of such issues for guidance purposes.

Environmental	Social	Governance
<p>Issues relating to the quality and functioning of the natural environment and natural systems</p> <ul style="list-style-type: none"> • Climate change • Deforestation • Pollution • Resource depletion • Waste 	<p>Issues relating to the rights, well-being and interests of people and communities</p> <ul style="list-style-type: none"> • Child labour • Employee relations • Human rights • Modern slavery • Working conditions 	<p>Issues relating to the governance of companies and other investee entities</p> <ul style="list-style-type: none"> • Board diversity and structure • Bribery and corruption • Executive pay • Political lobbying and donations • Tax strategy

Source: PRI

Increasingly investors are also starting to think about ESG factors as part of a more holistic framework such as the United Nations (UN) Sustainable Development Goals (SDGs)³.



Source: www.globalgoals.org/

³ The UN SDGs are a collection of 17 global goals designed to be a 'blueprint to achieve a better and more sustainable future for all'. Set in 2015 by the UN General Assembly, they are intended to be achieved by the year 2030. However, it should be noted that the SDGs were developed as a framework for governments rather than investors – and need to be viewed in this context.

2. ESG Investment Philosophy & Policies

The Company believes ESG factors, and specifically ESG risks, are relevant to the returns of its assets as they can potentially have a material impact on an issuer's long-term financial performance, and could cause an actual or a potential material negative impact on the value of investments. The focus of ESG analysis is on understanding downside risks. Poorly managed ESG risks can lead to inefficiencies, operational disruption, litigation and reputational damage, which may ultimately impact an issuer's ability to meet their financial responsibilities. Incorporating ESG analysis (in particularly ESG risks) into traditional financial analysis by reviewing ESG related management practices and performance is, therefore, not only prudent, but also in line with the Company's and delegated portfolio managers' fiduciary duty to optimise investor returns.

Impact of ESG Risks on Investment Returns

BlueBay aims to consider ESG factors and specifically ESG risks when investing on behalf of any portfolio. In general, the Company will ensure that Delegate Investment Managers take into account ESG factors and specifically ESG risks when investing on behalf of any portfolio. This is considered as an important element in contributing towards long-term investment returns and an effective risk-mitigation technique. The Company recognises that there is no guarantee that the measures implemented by Delegate Investment Managers to assess and manage ESG risks will prevent products from incurring losses as a result of these risks.

The Company further recognises that, in general, the impacts of ESG risks on a portfolio and its returns may be significant and may materially vary depending on a number of factors, including but not limited to:

- those associated with the specific investment and its characteristics (including but not limited to the industry, the geographies in which it is present (for instance those in emerging markets as compared with developed markets), the credit rating (for example investment grade as compared with a sub-investment grade issuer), ownership structure or maturity of the both);
- those related to the specific ESG Factor(s) which are relevant to the issuer given their characteristics (including but not limited to the extent to which the impact is instant as opposed to being incremental and spread over time such as in the case of a health & safety accident as compared with rising carbon emissions); as well as,
- the specific investment strategy of the portfolio and its characteristics (including but not limited to the extent to which is diversified across sectors, geographies, or credit ratings).

3. ESG Investment related policies

ESG factors and risks are incorporated via a variety of approaches, depending on whether they relate to ESG focussed strategies or not.

The Company will ensure that delegate Investment Managers have a comprehensive ESG investment management framework in place to incorporate ESG factors and risks into its investment decisions. The Company will ensure that Delegate Investment Managers have adopted complementary ESG investment related policies on specific topics, such as:

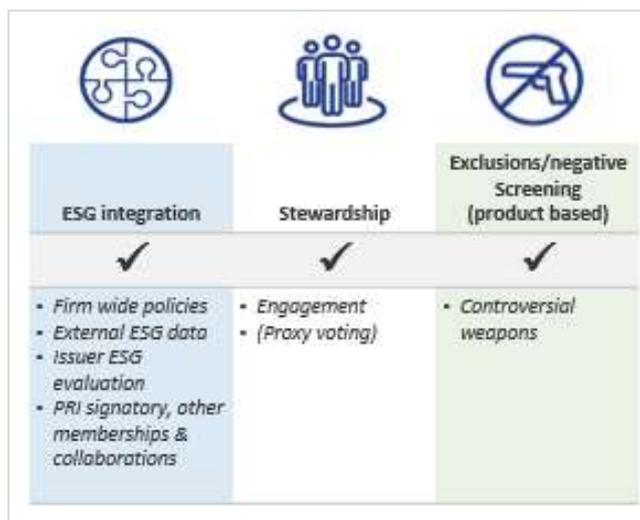
- A Controversial Weapons Investment Policy, and
- A Proxy Voting Policy.

4. ESG Investment management approach

The Company will ensure Delegated Investment Managers adopt a clear and consistent ESG investment management approach in line with this ESG Investment Policy to incorporate ESG considerations within their investment approach and promote responsible investment. In principal, ESG components should be implemented by the Delegated Investment Managers at firm level and at the portfolio strategy level.

Firm Level ESG Components

At the firm level, there are three ESG components, as illustrated in the following graphic.



ESG Integration

ESG integration can be described as the systematic and explicit inclusion of material ESG factors and risks into investment analysis and investment decisions. Delegated Investment Managers should ensure that ESG related risk factors are formally embedded into BlueBay's investment decision-making process. In the case of non-ESG focussed strategies, any ESG risk identified in relation to an issuer does not necessarily preclude investing in such issuer if any ESG risk identified is not material from an investment perspective, or if the Delegated Investment Manager believes any such ESG risk can be mitigated in some form, or if the investment risk-reward analysis adequately reflects, and compensates for this. However, in the case of ESG focussed strategies, the results of this analysis may result in an issuer being excluded independent of whether they represent an ESG risk or not, and whether investors are being compensated for the risks in terms of valuation.

The scope of the ESG integration approach should consider ESG factors at different levels. For example:

- **Issuers:** a formal issuer ESG evaluation framework for both corporate and sovereign issuers. The issuer evaluation framework should result in the generation of ESG metrics.

The ESG Investment approach should determine which ESG factors may present the most investment material ESG risks is a function of 1) inherent risk exposure dynamics, and 2) the nature and quality of the issuer's management and response (e.g., in terms of the policies, systems, practices and actual performance), which can act to mitigate or improve resilience of the issue to the risks, or exacerbate it. For instance, in terms of risk exposure characteristics:

- **Environmental:** for corporate issuers, specific environmental issues will be influenced by risk exposures as a function of sectoral and geographical footprint considerations. For instance, climate change is considered more of a material risk factor for companies in the extractives sector but may be less of an issue for a support service company. In the case of sovereigns, the extent to which environmental factors are likely to be material will vary depending on the extent to which the economy is dependent on agriculture or the extractive sector, their geographical location in terms of vulnerability to natural disasters, as well as the availability of natural resources such as

forests. Hence, an island state is likely to be more vulnerable to the physical risks of climate change than one which is landlocked, or an economy highly reliant on exports of fossil fuels for income will be more exposed to global regulation to lower carbon emissions.

- **Social:** in the case of corporate issuers, specific social issues will be influenced by inherent risk exposure as a function of sectoral and geographical footprint considerations. For instance, employee talent management is considered more of a material risk factor for companies in the service-based, technologically driven industries, but may be less of an issue for a manufacturing company, where health and safety, human rights or community relations may be more pertinent. It is also important how a company's management is mitigating any of these risks. With regards to sovereign issuers, the nature and quality of education, social and healthcare provisions will influence the extent to which a country has access to a skilled workforce and suffers from high income inequality, whilst the extent to which freedom of opinion and expression is protection as human rights will curtail social unrest. A country which lacks quality social care provisions or weak labour standards may experience more widespread and ongoing labour or civil unrest than which does not.
 - **Governance:** for corporate issuers, specific governance issues will be influenced by the ownership and business structure of the company as well as their corporate governance and financial reporting practices. For instance, conflicts of interest and board independence are considered more of a material risk factor for founder owned companies but may be less of an issue for a company with a large free float). In the case of sovereign issuers, the degree to which there are geopolitical and governance issues will depend on factor such as whether there is a well-established rule of law in operation, or government and regulatory effectiveness. Where there is widespread corruption, and weak regulations in one country, this can undermine trust in the government by the electorate or deter foreign investment in the country.
- **Sector:** materiality of ESG factors depending on sectors and geographies among others.
 - **Portfolio/sub-asset class level:** ESG risk characteristics at a portfolio level and across portfolios within a specific strategy.
 - **Firm:** ESG analysis involving evaluating potential concentration of ESG risks across the organisation.

Exclusions / Negative Screening

The Company will ensure the appropriate use of exclusions to prohibit certain investments applied at the Firm-level in relation to pooled funds. These may be applied on a variety of issues, which may be driven by a need to align with client expectations, and can be broadly categorised into two groups:

- *Product-based* which applies ethical/values-based/religious exclusions (e.g. sector or business activity, product or revenue stream for example for gambling, alcohol), or exclusions based on poor sustainability (e.g. fossil fuel companies due to concerns about climate change); or
- *Conduct-based* such as norms-based exclusions (e.g. resulting in restrictions of specific issuers due to non-compliance with international standards of conduct such as the UN Global Compact) or based on poor ESG assessment (e.g. excluding the worst performing issuers relative to peers).

Of these two types of approaches, in relation to all our managed pooled Funds, BlueBay applies a product-based exclusions policy⁴ on controversial weapons, which restricts investments in corporate issuers involved in the production of certain types of such weapons. The Company has a standalone Controversial Weapons Investment Policy, the scope of which is reviewed periodically.

Stewardship

The definition of stewardship is defined as "the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environmental and society". There are two common stewardship mechanisms available to investors, engagement and proxy voting.

⁴ In some jurisdictions, the scope of negative screening may be legal requirements e.g. investments in producers of cluster munitions.

Engagement

Complementing the ESG integration approach is ESG engagement, which describes the interaction between investors and issuers and other key stakeholders. The Company believes that providers of capital and debt do have a role in engaging with issuers and other relevant stakeholders on matters with the potential to impact investment returns, which may include ESG related ones. In general, the Delegate Investment Managers may engage with issuers on ESG factors if these are deemed to represent ESG risks, although ESG focussed strategies may engage on such factors independent of them necessarily representing ESG risks. We view such activities as being part of broader stewardship responsibilities, which is about protecting and enhancing our clients' assets for the long term. However, client expectations of the scale and effectiveness of such engagement – particularly at the issuer level – should be made in recognition of the fact that as debt investors, we are not owners and as such have more limited legal mechanisms to influence issuers. Furthermore, engagement with a non-corporate issuer such as a sovereign is potentially more challenging than compared to a corporate entity.

An engagement activity - on ESG or conventional investment related matters – should naturally occur as part of the investor/issuer interaction process. For investors this usually occurs to gain insights into the issuer's business practices. In more limited instances, engagement may occur with the specific aim of using influence to bring about a perceived required change in the issuer's business strategy and/or management practices, usually in order to mitigate specific investment risks. Engagement is an ongoing dynamic activity, with aims potentially alternating between insight or influence, or being about both at any one time. It may occur as a one-off event or form an ongoing series of interactions. Whilst issuers are usually the primary focus of engagement for corporate investment strategies, engagement with non-issuer stakeholders (such as politicians, financial institutions, industry associations, and/or specialist political advisers / consultants) are more of a common feature for sovereign debt investing.

As part of the routine investment research process, investment teams should meet issuers (particularly with primary issuances) and raise questions. Given the Company's core focus on ESG integration, actions to mitigate investment relevant ESG risks are expected to be raised by investments teams where considered necessary and appropriate. Where ESG engagement is deemed necessary, this will be prioritised using a risk-based approach. This means considering factors such as the issuer's investment relevant / material ESG risk exposures and the quality of its ESG mitigation efforts and ESG performance trajectory, as well as the size of BlueBay's investment exposure, whether it is a core / long term or opportunistic position, and where the security is in terms of the capital structure.

The Company will ensure Delegate Investment Managers proactively initiate dialogue with issuers on ESG matters or act in response to an external event or development. Delegate Investment Managers may conduct such activities on a unilateral basis, or work in collaboration with investors and other key stakeholders. Whilst engagement may be directly linked to specific issuers on ESG matters, Delegate Investment Managers are also encouraged to be involved in sectoral or thematic ESG engagement, which may take more of a public policy dimension (e.g. engaging on policies or initiatives, which promote ESG disclosure generally or climate change specific by issuers) or engage in efforts that advance ESG investment practice at the industry level.

Once engagement efforts have commenced, these need to be monitored and reviewed. The outcome of ESG engagement efforts (e.g. the degree to which we are reassured and/or successful in our change facilitation efforts) input into our investment thinking and decisions, potentially ultimately influencing whether we have exposure to the issuer, the nature of our positioning and / or whether further action is required.

Exercising rights and responsibilities (proxy voting)

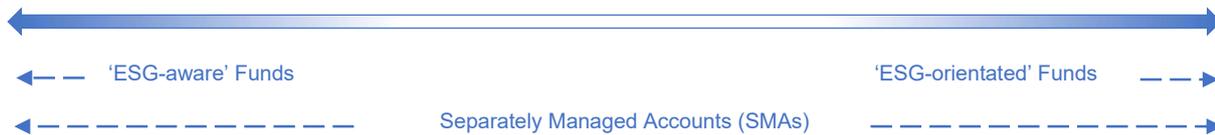
Proxy voting is generally a legal mechanism available to equity investors for communicating and influencing management at their Annual General Meetings (AGMs). The Company will ensure Delegate Investment Managers make appropriate use of voting rights on matters of corporate governance (CG) and corporate responsibility (CR) when the opportunity arises.

Strategy-Level ESG Components

The Company manages portfolios which are committed to ensuring compelling investment solutions which incorporate some level of ESG consideration for our clients. Such offerings are continually reviewed, which may be further developed and expand upon in future. For example, the graphics below illustrates the BlueBay product range in terms of how ESG is applied; this includes pooled Funds, as well as SMAs, with further details on each provided thereafter.

Primary focus on ESG risks
(mainly applies firm level ESG components as standard)

Primary focus on ESG factors, and not just on ESG risks
(goes beyond the firm level ESG components)



Strategy level ESG components					
	 ESG integration	 Stewardship*	 Exclusions / negative screening – product based	 Exclusions / negative screening – conduct based	 Thematic / impact
Pooled funds - 'ESG Aware' strategies <i>These strategies focus on ESG integration and identifying investment material ESG risks</i>	✓	✓	✓	Potentially ²	
Pooled funds - 'ESG Orientated'¹ strategies <i>These strategies have an ESG focus and ESG considerations take priority when investing, independent of investment materiality</i>	✓ (with further exclusions based on ESG assessment (minimum ESG requirement))	✓	✓	✓	Potentially ²
Separately managed accounts (SMAs) <i>These strategies could be 'ESG Aware' or 'ESG Orientated'</i>	✓ ⁴	✓	Potentially ²	Potentially ²	Potentially ²

Notes: 1 For BlueBay pooled funds, there are two types of ESG Orientated strategies: type 1 are focussed on 'responsibility' strategies and type 2 are focussed on 'sustainability' strategies. 2 The specific screens may vary depending on the Fund / SMA in question. 3 This would apply to type 2 'sustainability' strategies. 4 Where these relate to ESG Orientated mandates, exclusions based on ESG assessment may apply.

*BlueBay has embedded stewardship principles into its investment process but has not been a signatory to the 2012 UK Stewardship Code. We have a pending application to become a UK Stewardship Code 2020 signatory which is currently under consideration by the FRC.

‘ESG-Aware’ Pooled Funds

Consistent with our belief that ESG factors can be important drivers of investment value, BlueBay proactively apply a standard set of ESG investment strategies to our conventional (or ‘ESG-Aware’) Funds, where ESG incorporation is part of an enhanced investment risk management framework⁵. In this context, the focus is on investment relevant and material ESG factors, and primarily those that are risk related given our focus on capital preservation. For such funds, the ESG components are the firm level ones we have already outlined, namely:

- *ESG integration*: ESG factors are taken into consideration to enhance investment analysis and inform on the investment decision-making process at varying levels. Specifically, the outcome of the issuer ESG evaluation framework enables credit and ESG analysts to express their ESG view on an issuer, and for this to be used by portfolio managers to inform on portfolio construction decisions. Any ESG risk identified in relation to an issuer does not necessarily preclude investing in such issuer if any ESG risk identified is not material from an investment perspective, or if BlueBay believes any such ESG risk can be mitigated in some form, or if the investment risk-reward analysis adequately reflects, and compensates for this;
- *Stewardship*: the focus of ESG engagement efforts is on investment material ESG risk factors. Depending on the sub-asset class there may also be voting exposure; and
- *Exclusions / negative screening*: the product-based restriction in place for all Fund is in line with the Controversial Weapons Investment Policy. As previously outlined, this Policy is related to corporate issuers involved in the production of specific types of controversial weapons.

‘ESG-orientated’ Pooled Funds

‘ESG-orientated’ pooled Funds differ from the ‘ESG-aware’ Funds in being ESG focussed strategies⁶. For these Funds, ESG considerations directly influence investment decisions, where the results of the analysis of ESG factors may result in an issuer being excluded independent of whether they represent a ESG risk. We have developed these strategies to meet the needs of those investors who seek to more proactively incorporate ESG considerations into how they manage their assets, resulting in instances where investment are either excluded or avoided due to concerns about ESG factors alone.

There will be clear reference to the nature of the ESG investment policy for such Funds to help investors better differentiate which of the pooled Funds apply this approach.

Whilst BlueBay aims for such Funds to apply a common set of ESG approaches within each ESG component wherever possible (e.g. applying the same product-based exclusions), this may not be appropriate depending on the specific nuances of the sub-asset class⁷.

These Funds build on the firm level ESG components, either by applying an existing approach in a different way or featuring a new component:

- *ESG integration – enhanced (i.e. exclusions based on ESG assessment with minimum ESG requirement)*: ESG factors are taken into consideration to enhance investment analysis and inform the investment decision-making process. There is a nuanced approach in that depending on the outcome of the issuer ESG evaluation, some issuers may be prohibited from investment independent of whether they represent an ESG risk. This relates to the issuers assigned the worst ESG metrics. This is applied for both types of ‘ESG-orientated’ strategies (‘responsibility’ and ‘sustainability’). Such Funds may also potentially seek to adopt non-investment ESG specific goals in relation to their portfolio carbon profile, or their alignment to the UN Sustainable Development Goals (UN SDGs);

⁵ Under SFDR, the fund would be categorised as ‘other’ under SFDR and meets the conditions set out in Article 6 of SFDR as Sustainability Risks are integrated into the investment decision making process. Its investments do not take into account the EU criteria for environmentally sustainable economic activities.

⁶ Under SFDR, the fund would be categorised as either meeting the conditions set out by Article 8 as it promotes environmental or social characteristics (and follows good governance practices) through mandatory/binding requirements as a key feature; or meeting the conditions set out by Article 9 as it has Sustainable Investment as its investment objective. In either instance, such funds would also meet the conditions set out by Article 6 of SFDR as Sustainability Risks are integrated into the investment decision making process.

⁷ For instance, some ESG components (e.g. ESG best-in-class approach) are better suited to Investment Grade strategies than Leveraged Finance ones.

- *Stewardship - enhanced*: ESG engagement efforts are not limited to a focus on ESG risks but can also encompass ESG factors more generally. This is applied for both types of 'ESG-orientated' strategies ('responsibility' and 'sustainability'). Depending on the sub-asset class there may also be voting exposure; and
- *Exclusions / negative screening - enhanced*: there are more extensive restrictions in place for such Funds, with the scope going beyond that applied at the Firm-level. A combination of product-based⁸ and conduct-based⁹ screens are applied. This is applied for both types of 'ESG-orientated' strategies ('responsibility' and 'sustainability').

Separately Managed Accounts (SMAs)

The Company will ensure that for portfolios where investment requirements are set directly by the client rather than the Company, unless we are explicitly required to apply a set of requested ESG components, we will employ ESG integration and stewardship elements as standard (but not exclusions). Such mandates may be classed as either 'ESG-aware' or 'ESG-orientated strategies'¹⁰.

ESG Governance & Resourcing

The Company shall ensure that Delegate Investment Managers have a robust ESG Governance framework and sufficient ESG infrastructure and resources in order to properly implement and integrate the ESG investment management approach.

In order to ensure that the Delegate Investment Managers have developed and maintain an appropriate ESG Governance framework, the Company is committed to performing (i) due diligence and (ii) ongoing oversight and monitoring of the Delegate Investment Managers' ESG activities. ESG due diligence and oversight and monitoring is primarily led by the Investment Management Oversight Function ("IMOF") with the support of the Risk Management and Compliance functions.

Due Diligence

For each Delegate Investment Manager appointment, IMOF will perform initial and periodic due diligence to verify and test the Delegate ESG Governance Framework, including ESG dedicated resources and infrastructure, ESG integration into the investment process and the subsequent tracking of ESG performance and compliance. This will be performed during initial and follow-up interviews and site visits supplemented with due diligence questionnaires.

Ongoing Oversight and Monitoring

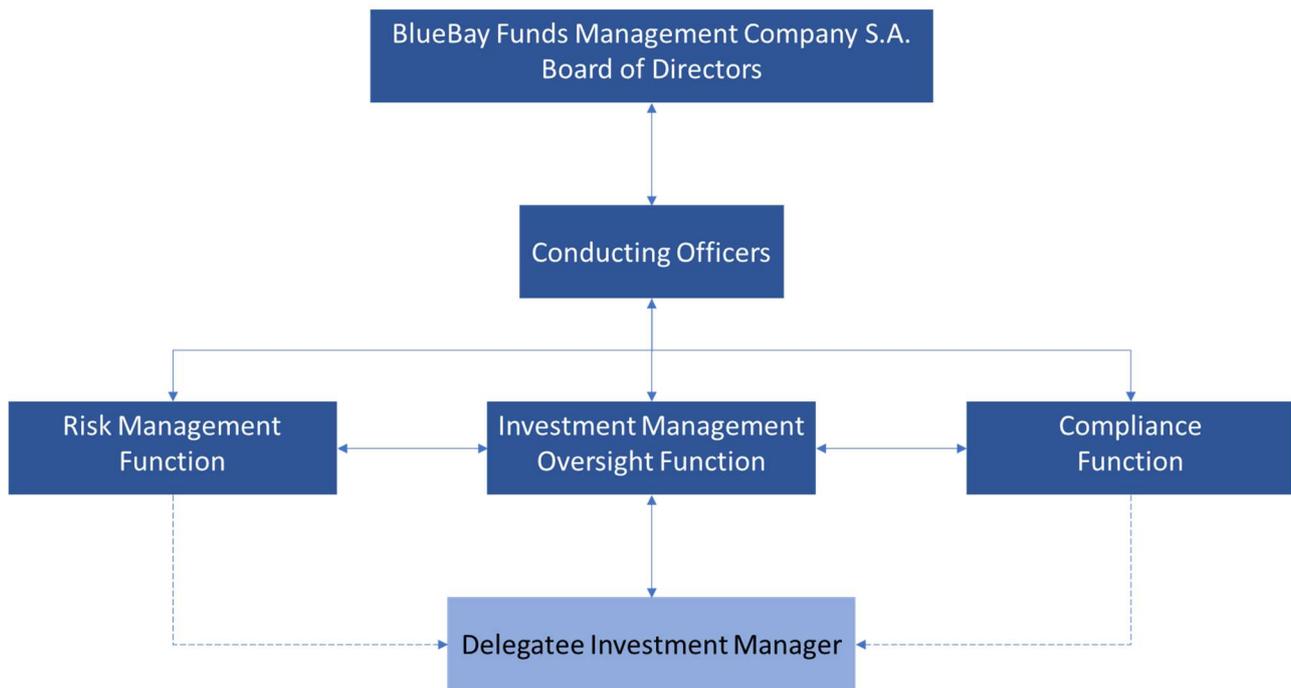
Further, for each Delegate Investment Manager appointment, IMOF will perform regular oversight and monitoring to again verify and test the delegate ESG Governance Framework, including such activities as ESG Restricted List compliance and verification of ESG score weightings within portfolios.

IMOF will periodically report their findings to the Conducting Officers and the Company Board of Directors. Any material breaches will be escalated to the Conducting Officers, Board of Directors or Regulator, as necessary.

⁸ Currently an extended approach is applied to controversial weapons producers, which includes screens on nuclear weapons, as well as tobacco and fossil fuel related screens (e.g. thermal coal)

⁹ Currently the conduct-based exclusion applied is norms-based per the UN Global Compact compliance status.

¹⁰ Under SFDR, SMAs may be either categorized as Article 8 or 9 or 'other' depending on their nature. All would be compliant with Article 6.



Collaboration and Promoting Best Practice

The development of this Policy and the Delegated Investment Managers' ESG practices have been informed by reference to, and consideration of, current best practice with regards to ESG investing. Being an iterative and dynamic process, our approach and strategy with regards to ESG investing will evolve over time as we build on, and learn from, our own efforts as well as from others. BlueBay and the RBC Group are committed to working with peers and other stakeholders on promoting incorporation of ESG into investing. We view our ongoing and active membership of the (UN-supported) Principles for Responsible Investment (PRI) as an important mechanism for achieving this, although we also have membership or participation in a range of other ESG investment related industry initiatives.

Transparency & Accountability

The Company is committed to ensuring timely and relevant external communication and reporting of ESG investment efforts, including in line with regulatory requirements. The Company will ensure, where possible, that the Delegated Investment Managers make ESG information publicly available. Delegated Investment Managers will also produce annual ESG investment reports, which summarise their practices and performance for the relevant reporting period. BBAM and RBC GAMUK also formally fulfil the reporting requirements that being a PRI signatory entails, in the form of the annual Transparency Report, which is available on the relevant and PRI website (www.UNPRI.org).

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