

THIS DOCUMENT IS IMPORTANT AND  
REQUIRES YOUR ATTENTION. IF IN DOUBT,  
PLEASE SEEK PROFESSIONAL ADVICE.

31 October 2023

Dear Investor,

### **Merger of the Ninety One Global High Yield Fund into the Ninety One Global Total Return Credit Fund**

We are writing to you as an investor in the Ninety One Global High Yield Fund (the 'Merging Fund'), a sub-fund of the Ninety One Global Strategy Fund ('GSF'), to inform you of our plans to merge the Merging Fund into the Ninety One Global Total Return Credit Fund<sup>1</sup> (the 'Receiving Fund'), which is also a sub-fund of GSF.<sup>2</sup> The Merging Fund is one of two GSF sub-funds that will merge with the Receiving Fund.

The merger will be effective at 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) on 2 February 2024 and does not require the approval of investors.

Please note that the merger will lead to the closure of the Merging Fund and your shares in the Merging Fund will be cancelled and exchanged for shares in the Receiving Fund. In other words, the merger will result in you being an investor in the Receiving Fund.

If you would like further information regarding the merger or wish to discuss your options, please contact your usual financial and/or tax advisor in the first instance. Alternatively, our teams are available to help you. Please find their contact details on the first page of this letter.

We recommend investors read this notice carefully in order to understand the implications of the merger. You do not need to take any action in relation to this letter, unless you wish to do so. However, you are encouraged to read it because it explains the background to the merger and aims to provide you with sufficient information to help you make an informed assessment of the impact of the merger on your investment. For more details of the merger please refer to the Appendix below.

<sup>1</sup> Please note that the Receiving Fund will be renamed the Ninety One Global Credit Income Fund on 30 November 2023.

<sup>2</sup> The merger will be effected in accordance with Article 42.1 of the Articles of Incorporation

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## Background and rationale for the merger

We regularly review the GSF range of funds to ensure it remains relevant as investment markets evolve and that it continues to offer investors the very best of Ninety One's long-term investment management expertise. Following such a review we have decided to consolidate the credit sub-funds within the range which are managed by Ninety One's Alternative Credit Team. As a part of this consolidation, we plan to merge the Merging Fund with the Receiving Fund. We consider that the merger is in the interests of shareholders of the Merging Fund.

The Merging Fund and Receiving Fund share some similar features. They have a similar investment objective with the aim to provide income with an opportunity for capital growth and do this through investment in credit securities issued by corporate and sovereign borrowers around the world and related derivatives. Both funds are also managed by the same investment team through a comparable investment philosophy and approach.

Despite these similarities, there are some important differences between the Merging Fund and the Receiving Fund. In particular, they differ in terms of the credit quality of their investments and due to this the risk profile of the Receiving Fund, as measured by its SRI<sup>3</sup>, is slightly lower than the Merging Fund. Additionally, the Receiving Fund promotes environmental characteristics within the meaning of Article 8 of the European Union's Sustainable Finance Disclosure Regulation ('SFDR')<sup>4</sup>. These differences and a number of others are explained further in Section 3 of Appendix A, which includes a detailed comparison between the Merging Fund and the Receiving Fund and a comparison of the specific risk factors associated with each.

The Merging Fund is smaller than the Receiving Fund with net assets of US Dollars 86.6 million (as at 31 August 2023) compared to net assets of US Dollars 207.3 million (as at 31 August 2023). Additionally, as part of the consolidation of the credit sub-funds within the GSF range we will also carry out a similar merger, whereby shareholders in the Ninety One Investment Grade Corporate Bond Fund will also receive shares in the Receiving Fund. Combined the three portfolios would be much larger than the Merging Fund at approximately US Dollar 390.1 million (as at 31 August 2023). The mergers will provide investors with the opportunity to benefit from increased scale efficiencies through a larger combined pool of assets.

The investment performance track record of the Receiving Fund and the Merging Fund is set out in this letter. Please refer to section 3.3 of Appendix A for further information, including cumulative performance over 5 years and 5 years of calendar performance.

Following the merger as an investor in the Receiving Fund your ongoing charge is expected to be materially in line with or lower than your current ongoing charge (as at the date of this letter). Please refer to Section 3.7 of Appendix A for further information on fees broken down by share class.

For your information, we enclose a copy of the Key Information Document(s) or Key Investor Information Document(s) (for UK investors only), as applicable, for the share class(es) in the Receiving Fund that you will hold following the completion of the merger. It is important that you read this as it will provide you with useful information regarding the Receiving Fund.

The merger will result in an investment in a fund which varies from your existing investment in the Merging Fund. Please refer to Section 3 of this Appendix A below for a detailed comparison between the Merging Fund and the Receiving Fund, including a comparison of the specific risk factors associated with the

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<sup>3</sup>A summary risk indicator ('SRI') represents the overall combined measure of the market risk and credit risk of a fund's investments on a scale of 1 (being the lowest) to 7 (being the highest). The lowest category does not mean risk free. The SRI of the Merging Fund is currently 3 and the Receiving Fund is currently 2, however, this category may change over time. The indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. For more information in respect of the SRI for the Receiving Fund, please view the enclosed Key Information Document.

<sup>4</sup>The Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (also known as the 'Sustainable Finance Disclosure Regulation or 'SFDR').

Merging Fund and the Receiving Fund. You should seek independent advice from your usual financial advisor if you are uncertain as to whether the Receiving Fund meets your investment objectives or its risk profile is suitable for you.

### Merger costs

All legal, advisory and administrative costs associated with the merger will be borne by the Management Company of GSF and not by investors.

Initial set up costs for both the Merging Fund and the Receiving Fund have already been amortised and therefore none of these costs will be included in the costs of the merger.

### Option to redeem or switch

If you believe that the Receiving Fund will not suit your investment requirements, you may switch your investment into an alternative sub-fund within the GSF range or redeem your investment. You will not be charged for any such switch or redemption by Ninety One. Please see section 4 of Appendix A for more information on switching or redeeming your investment in the Merging Fund. Any instruction to switch or redeem from the Merging Fund prior to the merger must be received before 5:00 p.m. Luxembourg time (which is 11:00 a.m. New York City time) on 30 January 2024.

### If you take no action

Your investment in the Merging Fund will be merged into the Receiving Fund on 2 February 2024.

### Confirmation of merger

Each investor in the Merging Fund will receive a notification confirming: (i) that the merger has been carried out; (ii) the exchange merger ratio<sup>5</sup>; and (iii) the details of the shares in the Receiving Fund that they hold after the merger is completed, including the type and number of shares. This confirmation is expected to be sent to investors no later than 16 February 2024.

### More information

If you would like further information regarding the merger or wish to discuss your options, please contact your usual financial and/or tax advisor in the first instance. Alternatively, our teams are available to help you. Please find their contact details on the first page of this letter. For more information on our funds, please visit our website, [www.ninetyone.com](http://www.ninetyone.com). Please consult your tax advisor for advice on whether a conversion or redemption of your investment pursuant to this letter constitutes a taxable disposal.

Thank you for your continued investment.

Yours faithfully,



**Grant Cameron**  
Director



**Matthew Francis**  
Director

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<sup>5</sup> The calculation of the exchange ratio of shares of the Merging Fund and the Receiving Fund based on the respective net asset values per shares on 2 February 2024.

The Directors of GSF are responsible for the accuracy of the contents of this letter. To the best of the knowledge and belief of the Directors of GSF (who have taken all reasonable care to ensure that such is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of GSF accept responsibility accordingly.

All defined terms in this letter shall have the same meaning as those defined terms as set out in the Prospectus of GSF, unless the context requires otherwise.



## Appendix A: Details of the Merger

We recommend that you read the current version of GSF's Prospectus before considering your investment options and prior to the merger taking place. The Prospectus contains important investor information regarding GSF and the Receiving Fund. A copy of the GSF Prospectus is available on request free of charge or at [www.ninetyone.com](http://www.ninetyone.com).

For your convenience we have included extracts on the Receiving Fund from the Prospectus in Appendix B.

### 1. Summary of the merger

- 1.1. The merger will be effective from 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) 2 February 2024. Please refer to Section 2 of this Appendix for further information.
- 1.2. We believe that the merger is in the interests of investors. The background and rationale for the merger are set out in the cover letter of this Appendix.
- 1.3. You are not required to vote on the merger. Please refer to Section 6.2 of this Appendix for further information.
- 1.4. The merger will lead to the termination and closure of the Merging Fund.
- 1.5. The merger will result in the cancellation of your shares in the Merging Fund and in exchange you will be issued new shares in the Receiving Fund. Please refer to Section 3 of this Appendix for a detailed comparison between the Merging Fund and the Receiving Fund.
- 1.6. Please refer to Section 4 of this Appendix for a description of your options in relation to the merger, including, in particular, your right to redeem or switch your investment in the Merging Fund before the merger without any charge being imposed by Ninety One.
- 1.7. Dealing in the Merging Fund will continue as usual until 5:00 p.m. Luxembourg time (which is 11:00 a.m. New York City time) on 30 January 2024. Any subscriptions, redemptions, conversions and/or transfers into or out of the Merging Fund after this date will not be processed and investors will need to resubmit their instruction on 5 February 2024 with the details of the Receiving Fund. After 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) on 2 February 2024, investors in the Merging Fund will hold shares in the Receiving Fund.
- 1.8. The procedural aspects of the merger are set out in detail in Section 5 of this Appendix.
- 1.9. Please be aware that the merger may create tax consequences for you. You should consult your tax advisor about the consequences of the merger on your individual tax position.
- 1.10. Please refer to Appendix B of this letter for an extract on the Receiving Fund from GSF's Prospectus.

## 2. Timetable for merger

Documentation sent to investors	31 October 2023
Dealings close in the Merging Fund	5:00 p.m. Luxembourg time (which is 11.00am New York City time) on 30 January 2024
End of current accounting period of the Merging Fund	4.00p.m. New York City time (which is 10:00 p.m. Luxembourg time) on 2 February 2024
Valuation of the Merging Fund and the Receiving Fund	4.00p.m. New York City time (which is 10:00 p.m. Luxembourg time) on 2 February 2024
Effective time of the merger with the Receiving Fund	4.01p.m. New York City (which is 10:01 p.m. Luxembourg time) on 2 February 2024
Dealings continue as usual in the Receiving Fund	5 February 2024

## 3. Key information regarding the Merging Fund and the Receiving Fund

### 3.1. Comparison of the investment objectives and policies of the Merging Fund and the Receiving Fund

The Receiving Fund's investment policy will be amended on 30 November 2023. The investment policy shown in the table below is the amended investment policy of the Receiving Fund which will be applicable at the date of the merger and is used for the purpose of the comparison with the Merging Fund in this Section 3.1.

The investment objective of both the Merging Fund and the Receiving Fund is to provide income with the opportunity for capital growth. The Merging Fund measures its performance relative to the BofAML Global High Yield Constrained USD Hedged Index, whereas the Receiving Fund has a performance target that aims to provide a positive return of overnight SOFR (a risk free US Dollar cash rate) + 4% over a credit cycle.

Both the Merging Fund and the Receiving Fund invest primarily in a diversified portfolio of credit securities issued by developed markets and emerging markets corporate and sovereign borrowers. The typical number of holdings in the portfolio is slightly higher in the Receiving Fund at 100-160 compared to a maximum of 150 in the Merging Fund.

The portfolio currency of both the Merging Fund and the Receiving Fund is US Dollars, with any non-US Dollar investments hedged back to US Dollars.

The Merging Fund and the Receiving Fund may both use derivatives for hedging, efficient portfolio management and investment purposes. However, they use different approaches to measuring their portfolio market risk from the use of derivatives, with the Merging Fund using the relative value-at-risk approach and the Receiving Fund using the absolute value-at-risk approach. Gross expected leverage levels are the same, with an expectation of 100% for both the Merging Fund and the Receiving Fund.

In addition to their investments in credit securities, both the Merging Fund and the Receiving Fund may invest up to a third of their assets in other transferable securities (e.g. shares and bonds), money market instruments, deposits and units in other collective investment schemes and may hold cash on an ancillary basis.

Whilst the Merging Fund and Receiving Fund share these similarities, there are some important differences. Most notably the credit quality of their investments. Whereas the Merging Fund primarily invests in non-investment grade (below BBB- by S&P and Fitch or Baa3 by Moody's) credit securities, the Receiving Fund invests across the credit spectrum in both investment grade and non-investment grade credit securities. Although the typical average credit rating of the Receiving Fund's portfolio has been non-investment grade at BB on the credit ratings scale of S&P and Fitch, compared with a lower typical average credit rating of B for the portfolio of the Merging Fund.

The Receiving Fund and the Merging Fund may invest in a similarly broad range of credit securities, including, structured credit, contingent convertible bonds and distressed debt. However, the combined maximum investment limits to these types of credit securities differs between the Merging Fund and the Receiving Fund. Additionally, both funds may invest in bonds issued in mainland China on the China Interbank Bond Market. However, the Merging Fund limits its investments in mainland China bonds to a maximum of 20% of its assets, whereas the Receiving Fund does not have a limit to such investments.

Finally, the Receiving Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR. The environmental characteristics promoted by the Receiving Fund are better carbon outcomes – i.e. to maintain a carbon profile lower than typical global credit indices by making investments in borrowers that meet the standards of the Investment Manager’s proprietary sustainability frameworks and by excluding direct investments in certain business areas and sectors that are deemed to have less favourable sustainability characteristics. Further information on the sustainability characteristics promoted by the Receiving Fund, the asset allocation to investments aligned with these characteristics and the excluded business areas and sectors is set out in Appendix B.

For ease of reference we have put the full investment policy of the Merging Fund and the Receiving Fund side by side in the table below so that it is easy for you to compare:

Merging Fund	Receiving Fund <sup>6</sup>
<p>The Sub-Fund aims to generate an income with the opportunity to provide capital growth over the long-term.</p>	<p>The Sub-Fund aims to provide total returns, comprising of a high level of income with the opportunity for capital growth (i.e. to grow the value of your investment) over the long-term.</p>
<p>The Sub-Fund seeks to achieve its objective by investing primarily in a diversified portfolio of Non-Investment Grade debt securities (e.g. bonds), issued by governments, government agencies, supranational bodies, local authorities, national public bodies, institutions and corporations across the world, with the relevant currency exposure hedged back into U.S. Dollars.</p>	<p>The Sub-Fund targets a return of Overnight SOFR + 4% gross of fees over a full credit cycle. Credit cycles can vary in length and typically last between 3 and 7 years. While the Sub-Fund aims to achieve a positive return and its performance target, there is no guarantee that either will be achieved over the full credit cycle, or over any period of time. There is no guarantee that all capital invested in the Sub-Fund will be returned.</p>
<p>The Investment Manager will aim to achieve diversification by taking into consideration factors such as credit quality, liquidity, geographic as well as sectoral exposure as part of the portfolio construction process.</p>	<p>The Sub-Fund invests primarily in a diversified portfolio of fixed and floating rate credit securities. These instruments may be (i) issued by any borrower (e.g. companies and governments), including in emerging markets, (ii) deposits, bills, notes, bond or derivatives (financial contracts whose value is linked to the price of an underlying asset) thereof (iii) of any duration (iv) of Investment Grade and/or Non-Investment Grade and (v) denominated in any currency.</p>
<p>The Sub-Fund may invest in debt instruments issued inside Mainland China on any eligible market, including CIBM, and traded through, without limitation, QFI, CIBM Direct Access and Bond Connect. The Sub-Fund’s exposure to investments in Mainland China will be limited to 20% of its net</p>	<p>The Sub-Fund will be actively managed. The Investment Manager will take into consideration factors such as credit quality, duration, issuer type, liquidity, geographic and sectoral exposure as part of the portfolio construction process. Currency exposures will be hedged back to US Dollars.</p>

<sup>6</sup> Please note that the Receiving Fund’s investment policy will be amended on 30 November 2023 and the new investment policy is shown in the table above, which will be applicable as at the date of the merger.

assets.

Any exposure to mortgage-backed securities, asset-backed securities, contingent convertibles (CoCos) and distressed debt combined will not represent more than 20% of the assets of the Sub-Fund.

The Sub-Fund may also invest in other transferable securities, money market instruments, derivatives, deposits and units in collective investment schemes. The Sub-Fund may hold Cash on an ancillary basis.

The Sub-Fund may use derivatives for efficient portfolio management, hedging and/or investment purposes.

The Sub-Fund promotes environmental and social characteristics in line with Article 8 of the SFDR as described in the Sub-Fund's Sustainability Disclosures.

The Sub-Fund will not invest in certain sectors or investments. Details of these excluded areas can be found on the website [www.ninetyone.com](http://www.ninetyone.com) in the section entitled "Sustainability-related Disclosures" pursuant to Article 10 of the SFDR. Over time, the Investment Manager may, in its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website, as they are implemented.

The Sub-Fund may invest up to 20% of its assets in Structured Credit Instruments, including collateralised loan obligations, mortgage-backed securities and asset backed securities. Combined investments in Contingent Convertible securities (CoCos) and distressed debt will not represent more than 20% of the Sub-Fund's assets. Investment in distressed debt will not exceed more than 10% of the Sub-Fund's assets.

The Sub-Fund may also invest in other transferable securities, money market instruments, derivatives, deposits and units or shares in other funds. The Sub-Fund may hold Cash on an ancillary basis.

The Sub-Fund may use derivatives for hedging, Efficient Portfolio Management and/or Investment Purposes. This may include derivatives that can be used to achieve both long and short positions. Derivatives used may include, without being exhaustive, exchange traded and over-the-counter futures, options, swaps (including total return swaps, credit default swaps and interest rate swaps) and forwards, or combination(s) of these. The underlying of a transaction in a derivative may consist of any one or more of transferable securities, money market instruments, indices, interest rates, foreign exchange rates and currencies.

### 3.2. Comparison of the asset allocations for the Merging Fund and the Receiving Fund

Asset Types / Sectors	Merging Fund	Receiving Fund
Short Duration High Yield	37.1	25.1
<b>Structured Credit</b>	0.0	20.3
US High Yield	16.2	3.4
Bank Capital	8.6	8.0
European High Yield	5.8	3.8
US Investment Grade	7.0	18.7

EM Credit	3.2	2.0
<b>Corporate Hybrids</b>	5.1	4.7
<b>Floating Rate Notes</b>	3.4	3.6
<b>European Investment Grade</b>	2.3	6.8
Synthetics	1.5	1.4
Derivatives	0.1	-0.2
Cash and FX	9.7	2.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Top 10 Holdings

<b>Merging Fund</b>	<b>%</b>	<b>Receiving Fund</b>	<b>%</b>
CCO Holdings LLC 4.75 Mar 01 30	1.9	Telecom Italia Spa Milano 5.303 May 30 24	1.6
Telecom Italia Spa Milano 5.303 May 30 24	1.6	Banijay Group SAS 6.5 Mar 01 26	1.4
Banijay Group SAS 6.5 Mar 01 26	1.3	Jaguar Land Rover Automotive P 5.875 Nov 15 24	1.3
Multiversity SRL 7.5 Oct 30 28	1.3	Ares European CLO VIII DAC 6.013 Apr 17 32	1.2
Ford Motor Credit Co LLC 7.35 Nov 04 27	1.2	BPCE SA 5.7 Oct 22 23	1.2
Credit Agricole SA 7.875 Mar 23 72	1.2	Teamsystem Spa 7.413 Feb 15 28	1.2
Lumen Technologies Inc 4 Feb 15 27	1.2	Ishares Usd Corp Bond Ucits Et	11
Connect Finco Sarl / Connect U 6.75 Oct 01 26	1.2	Adagio V CLO DAC 6.863 Oct 15 31	1.0
Nationwide Building Society 5.875 Dec 20 7	1.2	CPUK Finance Ltd 6.5 Aug 28 26	1.0
Prime Healthcare Services Inc 7.25 Nov 01 25	1.1	Ares European CLO XIV DAC 6.346 Oct 21 33	1.0
<b>Total</b>	<b>13.2</b>	<b>Total</b>	<b>12.0</b>

### 3.3. Comparison of the investment performance track records for the Merging Fund and the Receiving Fund

A comparison of the investment performance of the Merging Fund and the Receiving Fund over the last 5 years can be seen below.

Cumulative Performance*		5 year return to 31 August 2023 (annualised)		5 year return to 31 August 2023 (annualised)
Share Class	Merging Fund - I Acc USD	1.9%	Receiving Fund - I Acc USD	1.9%
Benchmark		2.8%		5.8%

Calendar Year Performance*	YTD	2022	2021	2020	2019	2018
Merging Fund - I Acc USD	5.6%	-13.1%	2.1%	4.8%	14.1%	-1.3%
Receiving Fund - I Acc USD	4.8%	-11.1%	1.9%	6.7%	9.4%	-0.9%

\*Source: Morningstar, as at 31 August 2023, NAV based, net of fees but excluding initial charges, total return, in USD. Past performance is not a guide to the future and investments carry a risk of capital loss. Investment involves risk. Investors should refer to section 4.6 for a comparison of the specific risk factors for the Merging Fund and Receiving Fund and the Prospectus for further information on the risk factors.

#### Yield Comparison (I. Acc. USD\*)

Merging Fund	Receiving Fund
5.48%	6.47%

\*The yield information has been calculated as at 30 June 2023. For any income share class of the Receiving Fund distributable income may include an implied yield accrued by certain investments that are purchased with an income-generating objective (e.g. foreign exchange contracts).

### 3.4. The Investment Managers of the Merging Fund and the Receiving Fund

Ninety One UK Limited is the Investment Manager for both the Merging Fund and the Receiving Fund. Ninety One North America Inc. is appointed by the Investment Manager as a sub-investment manager for both the Merging Fund and the Receiving Fund.

### 3.5. Comparison of the rights of investors in the Merging Fund and the Receiving Fund

Share classes of the Merging Fund will be merged into the share classes of the Receiving Fund with the same currency denomination and same distribution policy as outlined in the table below

Merging Fund	Receiving Fund
Global High Yield Fund, A, Acc, EUR, Hedged (Reference)	Global Total Return Credit Fund, A, Acc, EUR, Hedged (Reference)
Global High Yield Fund, A, Acc, GBP, Hedged (Reference)	Global Total Return Credit Fund, A, Acc, GBP, Hedged (Reference)
Global High Yield Fund, A, Acc, USD	Global Total Return Credit Fund, A, Acc, USD
Global High Yield Fund, A, Inc-2, EUR, Hedged (Reference)	Global Total Return Credit Fund, A, Inc-2, EUR, Hedged (Reference)
Global High Yield Fund, A, Inc-2, GBP, Hedged (Reference)	Global Total Return Credit Fund, A, Inc-2, GBP, Hedged (Reference)
Global High Yield Fund, A, Inc-2, USD	Global Total Return Credit Fund, A, Inc-2, USD
Global High Yield Fund, C, Acc, USD	Global Total Return Credit Fund, C, Acc, USD
Global High Yield Fund, C, Inc, USD	Global Total Return Credit Fund, C, Inc, USD
Global High Yield Fund, C, Inc-2, AUD, Hedged (IRD)	Global Total Return Credit Fund, C, Inc-2, AUD, Hedged (IRD)
Global High Yield Fund, C, Inc-2, EUR, Hedged (Reference)	Global Total Return Credit Fund, C, Inc-2, EUR, Hedged (Reference)
Global High Yield Fund, C, Inc-2, USD	Global Total Return Credit Fund, C, Inc-2, USD
Global High Yield Fund, C, Inc-3, ZAR, Hedged (IRD)	Global Total Return Credit Fund, C, Inc-3, ZAR, Hedged (IRD)
Global High Yield Fund, I, Acc, USD	Global Total Return Credit Fund, J, Acc, USD
Global High Yield Fund, S, Inc, USD	Global Total Return Credit Fund, S, Inc, USD

All investors in the Merging Fund at the date of the merger will receive shares in the Receiving Fund to the equivalent value (but may be a different number) of those shares that they hold in the Merging Fund on 2 February 2024.

Investors in the Merging Fund will acquire rights as investors in the Receiving Fund from 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) on 2 February 2024.

The ISIN code for each share class is contained in section 5.5 below.

### 3.6. Comparison of the specific risk factors for the Merging Fund and the Receiving Fund

As described in section 3.1 above, both the Merging Fund and the Receiving Fund have a similar investment objective and there are similarities between their investment policies. However, given that the Receiving Fund differs in terms of the permitted credit quality of its investments and also has a sustainability focus, additional risk factors apply. For example, the Receiving Fund invests in investment grade credit securities. Set out below are the specific risk factors for the Merging Fund and the Receiving Fund as identified in the Prospectus.

Merging Fund	Receiving Fund
Bond Connect Risk	Bond Connect Risk
China Bond Market Liquidity Risk	China Bond Market Liquidity Risk
China Credit Rating Risk	China Credit Rating Risk
China Interbank Bond Market Risk	China Interbank Bond Market Risk
CIBM Direct Access Risk	CIBM Direct Access Risk
China Tax Risk	China Tax Risk
Contingent Convertibles or CoCos	Contingent Convertibles or CoCos
Credit Default Swaps and Other Synthetic Securities Risk	Credit Default Swaps and Other Synthetic Securities Risk
Credit Risk	Credit Risk
Derivative Risk	Derivative Risk
Distressed Debt Risk	Distressed Debt Risk
Emerging Markets Risk	Emerging Markets Risk
EMIR Clearing: Client Segregation Model Risk	EMIR Clearing: Client Segregation Model Risk
-	Exchange Derivatives risk
-	Frontier Markets Risk
High Yield Debt Securities Risk	High Yield Debt Securities Risk
-	Distribution of Implied Yield Risk
Income Priority Risk	Income Priority Risk
Interest Rate Risk	Interest Rate Risk
-	Investment Grade Risk
Investment in China Risk	Investment in China Risk
Leverage Risk	Leverage Risk
Structured Credit Instrument Risk	Structured Credit Instruments Risk
OTC Derivative Instruments Risk	OTC Derivative Instruments Risk
Perpetual Bond Risk	Perpetual Bond Risk
Renminbi Currency Risk	Renminbi Currency Risk
-	Sustainable Investing Risk

### 3.7. Comparison of the Merging Fund's and the Receiving Fund's distribution frequencies, fees and ongoing charges etc.

The tables below show the distribution frequencies, fees and Ongoing Charges for the share classes of the Merging Fund and the Receiving Fund affected by the merger.

## Merging Fund

Share Class	Currency	Distribution Frequency <sup>^</sup>	Initial Charge	Management Fee	Administration Servicing Fee	Ongoing Charge	SRI
A, Acc	USD	N/A	5.00%	1.00%	0.30%	1.50%	3
A, Acc	EUR Hedged (Reference)	N/A	5.00%	1.00%	0.30%	1.61%	3
A, Acc	GBP, Hedged (Reference)	N/A	5.00%	1.00%	0.30%	1.61%	3
A, Inc-2	EUR, Hedged (Reference)	Monthly	5.00%	1.00%	0.30%	1.61%	3
A, Inc-2	GBP, Hedged (Reference)	Monthly	5.00%	1.00%	0.30%	1.61%	3
A, Inc-2	USD	Monthly	5.00%	1.00%	0.30%	1.50%	3
C, Acc	USD	N/A	3.00%	2.00%	0.30%	2.50%	3
C, Inc	USD	Monthly	3.00%	2.00%	0.30%	2.50%	3
C, Inc-2	AUD, Hedged (IRD)	Monthly	3.00%	2.00%	0.30%	2.61%	3
C, Inc-2	EUR, Hedged (Reference)	Monthly	3.00%	2.00%	0.30%	2.62%	3
C, Inc-2	USD	Monthly	3.00%	2.00%	0.30%	2.51%	3
C, Inc-3	ZAR, Hedged (IRD)	Monthly	3.00%	2.00%	0.30%	2.60%	3
I, Acc	USD	N/A	5.00%	0.50%	0.15%	0.77%	3
S, Inc	USD	Semi-Annually	10.00%	0.00%	0.05%	0.16%	3

## Receiving Fund

Share Class	Currency	Distribution Frequency <sup>^</sup>	Initial Charge	Management Fee	Administration Servicing Fee	Ongoing Charge	SRI
A, Acc	USD	N/A	5.00%	1.00% <sup>^</sup>	0.30%	1.45% <sup>**</sup>	2
A, Acc	EUR Hedged (Reference)	N/A	5.00%	1.00% <sup>^</sup>	0.30%	1.55% <sup>***</sup>	2
A, Acc	GBP, Hedged (Reference)	N/A	5.00%	1.00% <sup>^</sup>	0.30%	1.55% <sup>***</sup>	2
A, Inc-2	EUR, Hedged (Reference)	Monthly	5.00%	1.00% <sup>^</sup>	0.30%	1.55% <sup>***</sup>	2
A, Inc-2	GBP, Hedged (Reference)	Monthly	5.00%	1.00% <sup>^</sup>	0.30%	1.55% <sup>***</sup>	2

A, Inc-2	USD	Monthly	5.00%	1.00%^	0.30%	1.46%**	2
C, Acc	USD	N/A	3.00%	1.75%	0.30%	2.20%*	2
C, Inc	USD	Monthly	3.00%	1.75%	0.30%	2.20%***	2
C, Inc-2	AUD, Hedged (IRD)	Monthly	3.00%	1.75%	0.30%	2.30%***	2
C, Inc-2	EUR, Hedged (Reference)	Monthly	3.00%	1.75%	0.30%	2.30%***	2
C, Inc-2	USD	Monthly	3.00%	1.75%	0.30%	2.20%***	2
C, Inc-3	ZAR, Hedged (IRD)	Monthly	3.00%	1.75%	0.30%	2.30%***	2
J, Acc	USD	N/A	5.00%	0.55%	0.10%	0.76%**	2
S, Inc	USD	Semi-Annually	10.00%	0.00%	0.05%	0.15%***	2

\* The ongoing charges figures are based on the expenses over a 12-month period from 1 January 2022 to 31 December 2022. These figures represent the sum of the ongoing expenses chargeable to the respective share class of the sub-fund expressed as a percentage of the average net asset value of the respective share class of the sub-fund over the same period. These figures may vary from year to year.

\*\*The ongoing charges figures are based on the expenses over a 12-month period from 1 January 2022 to 31 December 2022 and adjusted for a lower future management fee. These figures represent the sum of the ongoing expenses chargeable to the respective share class of the sub-fund expressed as a percentage of the average net asset value of the respective share class of the sub-fund over the same period. These figures may vary from year to year.

\*\*\*The ongoing charges figure shown here is an estimate of the charges as at 1 December 2023

^The Management Fee applicable at the merger date shown. The Management Fee of the A share class will be reduced to 1.00% respectively effective 1 December 2023.

The management fees and administration servicing fees of the A and C share classes of the Receiving Fund are either the same as or lower than those of the Merging Fund. Shareholders in the I share class of the Merging Fund will be merged with the corresponding J share class of the Receiving Fund respectively. The management fee of the J share class of the Receiving Fund is 5bps higher than the management fee of the I share class of the Merging Fund. However, the administration servicing fee of the J share class of the Receiving Fund is 5ps less than the administration servicing fee of the I share class of the Merging Fund. As an investor in the Receiving Fund your ongoing charge is expected to be materially in line with or lower than your current ongoing charge (as at the date of this letter).

Where share classes in the Receiving Fund have higher minimum subscription amounts than those in the Merging Fund, these will be waived for all shareholders affected by the merger.

No initial charge will be applied to the shares you receive in the Receiving Fund as a result of the merger.

The periodic reporting is the same for the Merging Fund and the Receiving Fund, with the annual report being made available within four months following the end of GSF's financial year being 31 December and unaudited semi-annual reports being made available within two months from the end of June.

Additional information for UK investors: The synthetic risk and reward indicator ('SRRI') of both the Merging Fund and the Receiving Fund is currently 4. The SRRI measures the volatility of a fund on a scale of 1 (being the lowest) to 7 (being the highest). The lowest category does not mean risk free. A fund's category may change over time. The indicator is based on historical data and may not be a reliable indication of the future risk profile of the fund. For more information in respect of the SRRI for the Receiving Fund, please view the enclosed Key Investor Information Document(s).

### **3.8. Performance Fees**

There are no performance fees currently applied to the Receiving Fund.

### **3.9. Dealing Days**

Dealing in both the Merging Fund and the Receiving Fund is available on any day on which banks in both Luxembourg and the United Kingdom are open for normal banking business, with the exception of 24 December each year.

### **3.10. Rebalancing of the Merging Fund before the merger**

Within the two weeks leading up to the merger it is anticipated that the Merging Fund's portfolio will be rebalanced to align the portfolio with that of the Receiving Fund. In this period, during which assets are sold, the Merging Fund will no longer be fully invested in accordance with its investment policy and will hold higher levels of cash, which may make up a large portion of the assets of the Fund. The costs of rebalancing the Merging Fund's portfolio (as described above) will be borne by the Merging Fund. It is not anticipated that the rebalancing costs of the merger will be more than 0.36% of the net asset value of the Merging Fund. So for every US\$100 invested, the cost would be no more than 36 cents.

Following the rebalancing of the Merging Fund, the assets and liabilities will be transferred to the Receiving Fund on the effective date of merger.

### **3.11. Impact of the merger on the Receiving Fund's portfolio**

The merger will have no impact on the Receiving Fund's asset allocation. It is likely that there will be an increase in the Receiving Fund's assets under management following the merger, which may result in increased cost efficiencies and economies of scale for that fund.

### **3.12. Costs of the merger**

The legal, administrative and advisory costs of the merger, if any, will be paid by GSF's Management Company, Ninety One Luxembourg S.A.

There will be no cost to investors in the Receiving Fund arising from this merger.

### **3.13. Accrued income**

A distribution will be issued so that all income from the Merging Fund is paid out as income and the receipt into the Receiving Fund is a clean capital receipt before the effective date of the merger.

If there is any accrued income in the Merging Fund, in the case of income shares it will be distributed on the effective date of the merger. A distribution will be made on 2 February 2024 to all shareholders of income shares on record as of 24 January 2024. Distributions will be paid 2 February 2024 and reinvested for shareholders of income shares who have elected to do so into the Receiving Fund on 5 February 2024. In the case of income shares, any income accrued from 25 January 2024 up to the date of the merger will be accumulated in the net asset value at the date of the merger. In the case of accumulation shares, the distribution will be reflected in the net asset value per share of each class at the effective date of the merger. If the value of any distribution payable to a shareholder from any income shares is less than US\$50 (or an equivalent amount in a different currency), such distribution shall be reinvested into new income shares of the same type received in the Receiving Fund instead of being paid out to the shareholder.

### **3.14. Fund Registrations**

The Receiving Fund has been notified to market its shares in all Member States where the Merging Fund is either authorised or has been notified to market its shares.

#### 4. Option to redeem or switch

If you believe that the Receiving Fund will not suit your investment requirements, you may switch your investment into an alternative sub-fund within the GSF range or redeem your investment. The paragraphs below set out your options in relation to the merger. If you do not want to proceed with merger you must choose option 2 (convert your investment) or option 3 (redeem your investment) by the times specified, otherwise option 1 (proceed with the merger) will apply by default.

If you choose option 2 or option 3, we can apply a dilution adjustment to the price of the share classes of the Merging Fund on any day on which the Merging Fund sees net redemptions in accordance with Section 5 of the GSF prospectus. This is in order to protect the remaining investors from the costs of selling assets to meet redemptions and conversions-out.

##### 4.1. Option 1: You wish to proceed with the merger, therefore no action is required and your investment will be subject to the merger on the effective date

The merger will be effective at 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) on 2 February 2024. If you do not select option 2 or option 3 below, your investment in the Receiving Fund will be subject to the merger as described in this Appendix.

##### 4.2. Option 2: Convert your investment on or before 30 January 2024

If you wish to convert your investment in the Merging Fund into a different sub-fund within the GSF range, please submit your request in writing or by completing and returning the necessary Ninety One GSF Conversion Form on or before 5:00p.m. Luxembourg time<sup>7</sup> (which is 11:00a.m. New York City time) on 30 January 2024.

However, please note that if the trade order cut-off time of the local Ninety One representative you deal through, or the fund or share class in which you wish to convert your investment, is earlier than 5:00pm Luxembourg time on 30 January 2024, your conversion request will need to be received on or before the earlier time. The Ninety One GSF conversion form can be found on our website [www.ninetyone.com](http://www.ninetyone.com).

Please contact your usual financial advisor or your local Ninety One Fund Centre as detailed on the first page of this document for details of alternative sub-funds within the GSF Range or if you require a copy of the Ninety One GSF Conversion Form. The completed form or instruction should be sent to the postal address or fax number for your Fund Centre as detailed on the first page of this document. Neither GSF nor Ninety One will charge any fees for such a conversion.

##### 4.3. Option 3: Redeem your investment on or before 30 January 2024

If you wish to redeem your investment in the Merging Fund, please submit your request in writing or by completing and returning a Ninety One GSF Redemption Form, which can be found on our website ([www.ninetyone.com](http://www.ninetyone.com)), on or before 5:00p.m. Luxembourg time<sup>7</sup> (which is 11:00a.m. New York City time) on 30 January 2024. The completed form or instruction should be sent to the postal address or fax number for your Fund Centre as detailed on the first page of this document. Alternatively, for information on how to redeem your shares, please contact either your usual financial advisor or your local Ninety One Fund Centre as detailed on the first page of this letter.

The redemption will be carried out according to the procedure set out in GSF's prospectus. Redemption proceeds can only be paid to you if we hold all necessary identification documents for you. Subject to us having all the necessary identification documentation in respect of your investment in the Merging Fund, the proceeds of the redemption will be paid to the bank account which we have on file for you three business days after date your redemption is processed.

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<sup>7</sup>For investors submitting conversion or redemption requests through the Fund/SERV dealing platforms of the National Securities Clearing Corporation in the US and Fundserv Inc. in Canada your conversion or redemption instruction must be received on or before 10:00p.m. Luxembourg time (which is 4:00p.m. New York City time) on 30 January 2024 (unless you wish to convert into a fund or share class with an earlier trade order cut-off time, in which case your instruction must be received on or before the earlier time).

If you are unsure whether any identification documentation is outstanding, please do not hesitate to contact us. Payments will be made in the currency of the share class of in which you are invested in the Merging Fund, except in the case where you have indicated that payments should be made in a preferred currency.

If you are unsure whether any identification documentation is outstanding, please do not hesitate to contact us. Neither GSF nor Ninety One will charge any fees for such a redemption.

For option 2 and 3 above, a contract note will be sent to you or, if applicable, your advisor. This will detail (amongst other things) the number of shares dealt, the share price received and the proceeds payable (for a redemption).

## **5. Procedural aspects of the merger**

### **5.1. Effective date of the merger**

The effective date and time of the merger will be at 4:01 p.m. New York City time (which is 10:01 p.m. Luxembourg time) on 2 February 2024.

### **5.2. No investor vote required**

Please note that under the terms of GSF's Articles of Incorporation, no investor vote is required in order to carry out the merger.

### **5.3. Merger report**

The GSF's statutory auditor, PricewaterhouseCoopers, société coopérative, will prepare an auditor's report in respect of the merger. The merger report will include a validation of the following items:

- i. the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the merger ratio;
- ii. if applicable, any cash payment to be distributed to investors;
- iii. the calculation method for determining the merger ratio; and
- iv. the exchange merger ratio.

A copy of the merger report shall be available on request and free of charge to investors. Please contact your local Ninety One office to request a copy of the merger report.

### **5.4. Dealing in the Merging Fund**

Dealing in the Merging Fund will continue as usual until 5:00 p.m. Luxembourg time (which is 11:00 a.m. New York City time) on 30 January 2024<sup>7</sup>. Any subscriptions, redemptions, conversions and/or transfers into or out of the Merging Fund will not be processed if instructions are received after 5:00 p.m. Luxembourg time 11:00 a.m. New York City time (which is 11:00 a.m. New York City time) on 30 January 2024. This will allow the Merging Fund and Receiving Fund's administrator to implement the procedures needed for the merger in an orderly and timely manner.

Dealing in the Receiving Fund will not be suspended as a result of the merger.

The Merging Fund's investors can deal in their new holdings in the Receiving Fund on 5 February 2024. Please refer to Section 2 above for a detailed timetable of the merger procedure.

### **5.5. ISINs**

Please note that the ISIN codes of the shares you hold in the Merging Fund as a result of the merger will change as a result of this merger. Details of these codes are given below.

Share class currently held			Share class to be held after merger		
Merging Fund			Receiving Fund		
Share Class	Currency	ISIN	Share Class	Currency	ISIN
A Acc EUR Hedged (Reference)	EUR	LU2114232346	A Acc EUR Hedged (Reference)	EUR	LU2639068969
A Acc GBP Hedged (Reference)	GBP	LU0416338241	A Acc GBP Hedged (Reference)	GBP	LU2639069009
A Acc USD	USD	LU2114232429	A Acc USD	USD	LU1617705824
A Inc-2 EUR Hedged (Reference)	EUR	LU0345766611	A Inc-2 EUR Hedged (Reference)	EUR	LU2639068886
A Inc-2 GBP Hedged (Reference)	GBP	LU0416338167	A Inc-2 GBP Hedged (Reference)	GBP	LU2639068704
A Inc-2 USD	USD	LU2114232692	A Inc-2 USD	USD	LU2114231702
C Acc USD	USD	LU0965377947	C Acc USD	USD	LU1617705238
C Inc USD	USD	LU1104034704	C Inc USD	USD	LU2639068613
C Inc-2 AUD Hedged (IRD)	AUD	LU0996343082	C Inc-2 AUD Hedged (IRD)	AUD	LU2639068530
C Inc-2 EUR Hedged (Reference)	EUR	LU0345766702	C Inc-2 EUR Hedged (Reference)	EUR	LU2639068456
C Inc-2 USD	USD	LU0440696283	C Inc-2 USD	USD	LU2639068373
C Inc-3 ZAR Hedged (IRD)	ZAR	LU0996345459	C Inc-3 ZAR Hedged (IRD)	ZAR	LU2639069348
I Acc USD	USD	LU0416339132	J Acc USD	USD	LU2639068027
S Inc USD	USD	LU2341657398	S Inc USD	USD	LU2639067722

## 5.6. Existing mandates and instructions

Existing mandates and instructions (in respect of regular savings plans, payment of income or redemption proceeds) in relation to shares in the Merging Fund will be treated as continuing to apply to new shares in the Receiving Fund. If, however, an investor in the Merging Fund is, at the date of the merger, also an investor in the Receiving Fund, any mandate or instruction given in relation to shares in the Receiving Fund will take precedence, unless you instruct us otherwise.

## 5.7. Taxation

The merger of the Merging Fund into the Receiving Fund may create tax consequences for investors. Investors should consult their professional advisors about the consequences of this merger on their individual tax position.

Investors in the Merging Fund who are UK taxpayers should be aware that an application has been made to HM Revenue & Customs for Capital Gains Tax Clearance. If this clearance is received, the merger will not have any Capital Gains Tax consequences for investors resident or ordinarily resident in the UK as it will constitute a reorganisation in accordance with section 127 of the Taxation of Chargeable Gains Act 1992. Such investors will not be treated as having disposed of their shares in GSF. An investor's holding of shares in GSF immediately after the merger will be treated for the purposes of UK Capital Gains Tax as if it had been acquired at the same time as the investor acquired the shares held by them before the merger and for the same cost as that of his pre-merged holding.

## 6. Important information about the Receiving Fund

Please refer to Appendix B of this letter for extracts from GSF's Prospectus which sets out important information for the Receiving Fund not already contained elsewhere in this letter. This information has been taken from GSF's Prospectus and not from a Key Information Document or Key Investor Information Document.

## Appendix B: extracts from the Prospectus for the Receiving Fund

The following are extracts from Appendix 1 and Appendix 3 of the Prospectus as indicated and relate to the Receiving Fund.

### Appendix 1: The Specifics of the Sub-Funds of the Fund

#### Section 3: Global Total Return Credit Fund (to be renamed Global Credit Income Fund on 30 November 2023)

##### 1. Reference Currency

U.S. Dollar

##### 2. Profile of the Typical Investor

The Sub-Fund is suitable for an investor who wishes to have the investment exposure as set out above in the Sub-Fund's investment policy and is comfortable taking on the risks as set out in Appendix 2. This Sub-Fund may be appropriate for an investor whose intended investment horizon is long-term i.e. generally 5 years or more, although an investor can sell at any time (subject to the conditions described in Sections 5.5 and 6.8 of this Prospectus). Investing in any fund involves a risk to capital that could be large or small depending on various market conditions and Shareholders must understand this volatility.

##### 4. Minimum Subscription and Shareholding

The minimum subscription and shareholding amounts are as follows:

	Share Class					
	A/C/D	T/TX	I/IX	J/JX	S	Z/ZX
<b>Minimum initial subscription amount* and minimum shareholding</b>	US\$3,000 or the approximate equivalent in another approved currency (subject to minimum levels of investment determined by the Board of Directors of the Fund in respect of any US Person)	US\$50,000 or the approximate equivalent in another approved currency	US\$1,000,000 or the approximate equivalent in another approved currency	US\$50,000 or the approximate equivalent in another approved currency	US\$100,000,000 or the approximate equivalent in another approved currency	US\$500,000,000 or the approximate equivalent in another approved currency
<b>Minimum subsequent subscription amount*</b>	US\$750 or the approximate equivalent in another approved currency	US\$1,000 or the approximate equivalent in another approved currency	US\$250,000 or the approximate equivalent in another approved currency	US\$250,000 or the approximate equivalent in another approved currency	As per investment management agreement	US\$250,000 or the approximate equivalent in another approved currency <sup>^</sup>

## Appendix 3: Sustainability Disclosures

### Global Total Return Credit Fund (to be renamed the Global Credit Income Fund on 23 November 2023)

Full information about the environmental and social characteristics of the Receiving Fund required to be disclosed in accordance with Article 8 of the SFDR and Article 6 of the EU Taxonomy Regulation is available in the Sustainability Disclosures for the Receiving Fund in Appendix 3 of the Prospectus. The following are certain extracts of the disclosures in Appendix 3 relating to the Receiving Fund.

#### Does the financial product have a sustainable investment objective?

No. It promotes E/S characteristics, but will not make any sustainable investments.

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

The Sub-Fund promotes better carbon outcomes (i.e., maintaining a carbon profile lower than typical global credit indices) by making investments in borrowers that meet the standards of the Investment Manager's proprietary sustainability frameworks and by excluding direct investments in certain sectors or business areas (that are deemed to have less favourable sustainability characteristics).

Details of the proprietary sustainability frameworks and information on exclusions are explained in the question below on 'what investment strategy does the financial product follow?'

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

#### What Sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by the financial product?

On at least an annual basis, the following sustainability indicators will be used to measure the attainment of the environmental or social characteristics promoted by the Sub-Fund:

- the carbon profile of the Sub-Fund; and
- the carbon profile of typical global credit indices

Currently, the Sub-Fund's carbon profile is measured using its Weighted Average Carbon Intensity (WACI). The Sub-Fund's WACI is derived as the weighted aggregate of each borrower's emissions normalised by its sales in USD (which allows for comparison between borrowers of different sizes) where the weighting is the percentage each investee borrower represents in the Sub-Fund. Sector estimates are used where data is not available for a specific investment.

The Sub-Fund's promotion of better carbon outcomes is intended at the aggregate Sub-Fund level. This means not every investment held will have a lower carbon profile than the comparable global credit indices at any single time

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

Yes, as part of the in-depth fundamental analysis on an individual borrower, the following principal adverse impacts are currently considered for the Sub-Fund's investments:

- Carbon footprint
- GHG intensity of investee companies

In addition, as described in the section on the investment strategy followed below, the Sub-Fund does not invest in borrowers in relation to the following principal adverse impacts:

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

An assessment of the principal adverse impacts at the aggregate Sub-Fund level will be reported on an annual basis in the annual report as required by Article 11 SFDR.

### **What investment strategy does this financial product follow?**

#### Sustainability Framework

The Investment Manager assesses the investee borrowers using a proprietary Sustainability Framework and proprietary Transition Alignment Framework described below to determine whether they meet the standards required by the Investment Manager. This analysis uses a variety of qualitative information and available data. There will be no mechanistic reliance on external ESG ratings and scores.

**Sustainability Framework:** an appraisal of the sustainability of each holding, currently encompassing aspects such as climate change, pollution and waste, natural capital, human capital, social capital, product liability, corporate behaviour, regulatory risk, and good governance.

**Transition Alignment Framework:** an assessment of a borrower's transition risk alongside how the borrower is positioned to offset this transition risk, as well as the commitment, processes, and governance in place to support that transition. This framework is ultimately aimed at tracking the transition of the portfolio to achieving net zero over time. The Investment Manager aims for a majority of the borrowers in the Sub-Fund to have at least committed to a credible net zero pathway before the end of 2030 and are showing some progress on that pathway.

In addition, this framework helps the Investment Manager identify areas for borrower engagement in an effort to improve the trajectory of the transition process.

Analysis within both frameworks combine the use of third party data, internal analysis and interaction with the investee borrowers. There will be no mechanistic reliance on external ESG ratings and scores.

#### Exclusions

The Sub-Fund avoids sectors deemed to have less favourable sustainability characteristics. As a result, the Sub-Fund will not invest in borrowers that derive more than 5% of their revenue from the following business activities:

- thermal coal mining; or
- oil sands mining.

The Sub-Fund is not precluded from investing in heavy emitters which are committed to a transition pathway.

Furthermore, the Sub-Fund will not invest in borrowers that:

- are directly involved in the manufacture and production of controversial weapons (including biological and chemical weapons, cluster munitions, landmines);
- are directly involved in the manufacture and production of nuclear weapons;
- the Investment Manager deems to be in violation of global norms, in particular the UN Global Compact principles;
- derive more than 5% of their revenue from tobacco; or
- derive more than 5% of their revenue from adult entertainment.

Over time, the Investment Manager may, at its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website as they are implemented and subsequently updated in this Prospectus at the next available opportunity.

#### Additional Considerations

The Sub-Fund's holdings will be monitored on an ongoing basis by the Investment Manager. A holding may be sold for a range of reasons but in particular, if it is determined that the investment case for the holding has been weakened or it no longer satisfies the investment objective and policy of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

**What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Investment Manager applies its sustainability analysis consistently and on an ongoing basis to assess the environmental and social characteristics of the Sub-Fund's investments.

In the securities selection process, the Investment Manager applies in a binding manner the promoted environmental characteristics of better carbon outcomes, as described above, in the portfolio of the Sub-Fund.

This criterion does not apply to the Sub-Fund's '#2 Other' investments – please find more detail in the question about asset allocation planned below.

In addition, the Sub-Fund will not invest in certain sectors or investments, as described above.

**What is the asset allocation planned for this financial product?**

The minimum proportion of investments used to meet the environmental or social characteristics promoted by the Sub-Fund (i.e. '#1 Aligned with E/S characteristics') is 51% of the Sub-Fund's assets.

Information on the remaining investments, their purpose and any minimum environmental or social safeguards applied is outlined in the section below on 'What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?'

The investments included in '#1 Aligned with E/S characteristics' are selected in accordance with the binding criteria outlined in the section 'what investment strategy does this financial product follow?' under the sub-sections entitled 'Sustainability Framework' and 'Exclusions.'

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

The Sub-Fund does not currently commit to invest in any sustainable investments within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of EU Taxonomy-aligned investments is 0% of the Sub-Fund's assets.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

'#2 Other' includes investments, as described in the Sub-Fund's investment policy, that support the financial objective and other management activities of the Sub-Fund such as:

- borrowers that are considered not aligned with E/S characteristics;
- derivatives for hedging and/or Investment Purposes and/or Efficient Portfolio Management;
- Cash held for liquidity purposes as an ancillary asset, deposits and money market instruments; and
- shares or units in other funds and exchange traded funds in which the Investment Manager does not have direct control of the underlying investments.

No minimum environmental or social safeguards are applied.

