

Product name: CIRCA5000 Sustainable Food & Biodiversity UCITS ETF

Legal entity identifier: 635400WPPU3ZNQJ7G74

Sustainable investment objective

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

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

Does this financial product have a sustainable investment objective?	
<div><input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes</div>	<div><input type="radio"/> <input type="radio"/> <input type="radio"/> No</div>
<div><input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 90%<div><div><input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div></div></div>	<div><input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments<div><div><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div><div><input type="checkbox"/> with a social objective</div></div></div>
<div><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%</div>	<div><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</div>

What is the sustainable investment objective of this financial product?

The Fund’s sustainable investment objective is to provide exposure to companies having a positive impact on the health of the global ecosystem and on biodiversity.

The Fund achieves its sustainable investment objective by replicating the performance of the impact CIRCA5000 Sustainable Food & Biodiversity Impact Index (the “Index”) which is the Fund’s reference benchmark designated for the purpose of attaining its sustainable investment objective.

The Fund’s sustainable investments contribute to the sustainable investment objective as companies in which the Fund invests (and which are constituents of the Index which the Fund replicates) generate a positive impact in an area looking to secure global ecosystems and to prevent the loss of biodiversitynamely: (i) agricultural technology; (ii) sustainable food systems; (iii) forest regeneration; and (iv) nature-based solutions.

The sustainable investments underlying the Fund contribute to the following environmental objectives under the EU Taxonomy: (i) the protection and restoration of biodiversity and ecosystems.



Sustainability

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

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

1. % of portfolio invested in B- or C-rated companies as determined by reference to the ZABC rating methodology implemented in the methodology for the Index;
2. Weighted average impact score of the portfolio as determined by the index provider in applying the methodology for the Index; and
3. Weighted average % of portfolio company revenue aligned to the UN Sustainable Development Goals, especially Goal 2: Zero Hunger, Goal 12: Responsible Consumption and Production, Goal 14: Life Below Water and Goal 15: Life on Land.

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

The Fund's sustainable investments are subject to the measures described below which form part of the Index methodology and are designed to ensure that the Fund's sustainable investments do not significantly harm any environmental or social sustainable investment objective.

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

All mandatory indicators for principal adverse impacts on sustainability factors have been taken into accounts as follows:

A number of business involvement screens are applied to the Index to ensure the exclusion of certain business activities. These screens, such as that relating to controversial weapons, directly relate to PAI indicators which are taken into consideration in the construction of the Index.

In addition, the indicators for adverse impacts on sustainability factors are also reflected in the impact Score, a major component of the Index weighting methodology. The score is broken into three component parts which contribute to an overall company score: 1) Positive Impact, 2) Negative Impact, 3) Governance. The negative impact element of the score accounts for 30% of the total score and is a reflection of how well a company mitigates its material negative impacts on the environment and society, either through its products and services, its operations or its supply chain, using a double materiality approach.

Moreover, the Fund will adopt an active engagement strategy that incorporates the indicators for adverse impacts on sustainability factors. The strategy will aim to ensure that the appropriate reporting, incentive and governance structures are in place to achieve the continuous positive improvement in the indicators.

Finally, the Index excludes securities which have been identified as causing or potentially causing harm by maintaining an exclusion list and removing from the investment universe companies which are rated Z using the Impact Management Project's ZABC rating methodology. The ZABC rating methodology categorises the impact of businesses on the following scale: A (Act to avoid harm), B (Benefit stakeholders), C (Contribute to solutions) and Z (Does or may cause harm).

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

The alignment of a company to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are also reflected in both the ZABC ratings and the impact Score. Controversy monitoring and alert systems are in place to ensure that any new

breaches are identified swiftly so that they can be assessed in the context of the company's future inclusion in the Index.



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

☒ Yes

☐ No

The Index factors principal adverse impacts on sustainability into the weighting methodology through the impact Scores. The negative impact scores consider material principal adverse impacts on sustainability factors, any steps taken to mitigate these impacts and the success of these steps. Information on principal adverse impacts on sustainability factors will be available in the annual report for the Fund.



What investment strategy does this financial product follow?

The Fund invests in a portfolio of equity securities that, as far as practicable, comprise the component securities of the Index in similar proportions to their weightings in the Index. Where it is not possible or practicable for the Fund to invest directly in or continue to hold all of the component securities of the Index and/or where consistent with its investment objective, the Fund may also invest in Depositary Receipts

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

In replicating the Index (and subject to the tracking error between the Fund and the Index), the Fund is bound by the security selection criteria in the Index construction methodology, namely:

1. *investing in companies deemed by the Index Provider to generate a positive impact in one or more of the areas of (i) agricultural technology; (ii) sustainable food systems; (iii) forest regeneration; and (iv) nature-based solutions, each of which look to look to secure global ecosystems and to prevent the loss of biodiversity, by reference to ZABC rating methodology; and*
2. *not investing in companies deriving more than 10% of their revenues from:*
 - a. *thermal coal;*
 - b. *fossil fuels;*
 - c. *alcohol;*
 - d. *gambling;*
 - e. *adult entertainment;*
 - f. *tobacco;*
 - g. *recreational drugs;*
 - h. *controversial weapons;*
 - i. *defence; and*
 - j. *firearms.*

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

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

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

Good governance practices are assessed through an assessment of the quality of employee relations, tax compliance, sound management structures and remuneration of staff, using company disclosures, policies in place, etc.

Moreover, the governance of investee companies is assessed in two ways through the *impak* Scores. The governance element of the *impak* Score accounts for 20% of the final score and represents a company's capacity to ensure impact alignment and continuity as well as an assessment of the level of controversy around a company's activities. The governance score is split into 3 categories:

- 1) *Intentionality*: Is the mission clearly identified, does it include an environmental and social issue and a solution to these issues; how is it formalised in the governance documents; level of integration of impact analysis in the value chain; etc
- 2) *Impact integration*: Presence of impact experts in the workforce; composition of the board; presence of impact/CSR objectives in KPIs and compensation goals; use of impact indicators to improve processes, analysis; and initiatives to drive impact culture; etc
- 3) *Sector and controversies*: An assessment of the level of controversy around a company's activity.

Any negative impacts generated as a direct or indirect result of poor governance practices will also be reflected in the negative component of the *impak* Score.



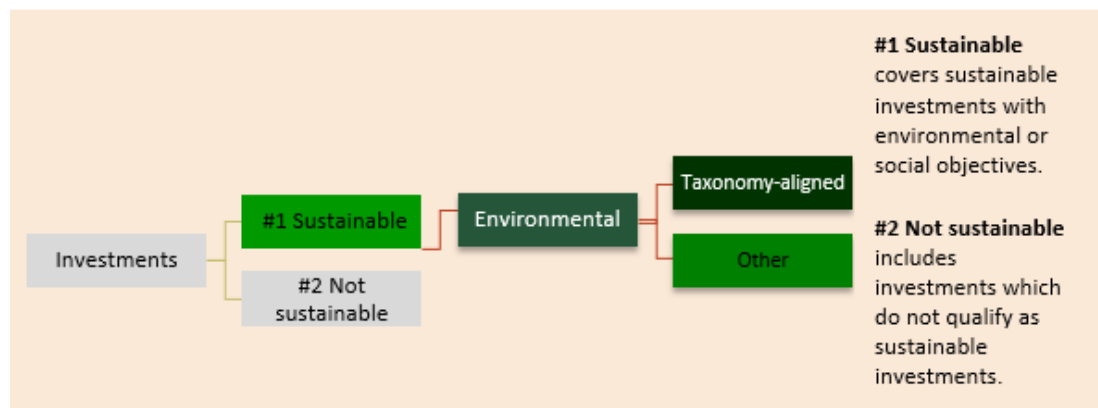
What is the asset allocation and the minimum share of sustainable investments?

Subject to any circumstances outside the control of the Fund as outlined in the supplement for the Fund, at least 90% of the Fund's investments will be constituents of the Index and on that basis align with the sustainable investment objective of the Fund. All 90% will be invested in environmentally sustainable investments, including 10% which will be aligned with the Taxonomy Regulation. The remaining portion of the Fund's investments will be in financial derivative instruments for hedging purposes or cash for ancillary liquidity.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

The use of derivatives does not attain the sustainable investment objective of the Fund. Such instruments are used for currency hedging or efficient portfolio management purposes only.



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

10%

- Does the financial product invest in fossil gas and/or nuclear energy related

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

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

activities that comply with the EU Taxonomy¹?

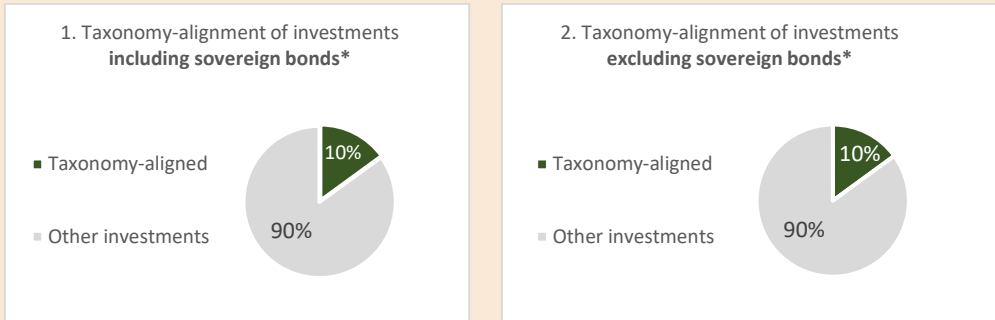
☐ Yes:

☐ In fossil gas

☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● What is the minimum share of investments in transitional and enabling activities?
0%

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

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?
80%

What is the minimum share of sustainable investments with a social objective?
0%

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

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

“#2 Not sustainable” investments comprise financial derivative instruments for currency hedging or efficient portfolio management purposes or cash for ancillary liquidity and in respect of which there are no minimum safeguards.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

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

The Index is specifically designed to align with the sustainable investment objective of the Fund, i.e. to provide exposure to companies having a positive impact on the health of the global ecosystem and on biodiversity, and so is continuously aligned with the sustainable investment objective.

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

The Fund invests in a portfolio of equity securities that, as far as practicable, comprise the component securities of the Index in similar proportions to their weightings in the Index, thereby being aligned with the methodology of the Index on a continuous basis.

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

The Index only comprises companies deemed by the Index Provider to generate a positive impact in one or more of the areas of (i) agricultural technology; (ii) sustainable food systems; (iii) forest regeneration; and (iv) nature-based solutions, each of which look to secure global ecosystems and to prevent the loss of biodiversity and, in doing so, excludes companies involved in certain business activities or deemed to cause harm or have the potential to cause harm, thereby differing from a relevant broad market index.

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

The methodology used for the calculation of the Index can be found at: <https://bitadata.com/pages/ICSFBII>



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://circa5000.com/>

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