

Article 10 (SFDR)

Website disclosure for an Article 8 fund

BI SICAV – Emerging Markets Corporate Debt

Product name: BI SICAV – Emerging Markets Corporate Debt		Legal entity identifier: 549300IK7STJOS5RNG84	
Does this financial product have a sustainable investment objective?			
<input type="checkbox"/> Yes		<input checked="" type="checkbox"/> No	
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: __% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective	
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: __%		<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments	

 **A. Summary**

The Sub-fund’s portfolio is invested with the intention of promoting the environmental and social characteristics outlined by the ten principles of the UN Global Compact (UNGC). The Sub-Fund uses a combination of strategies to attain this goal. Specifically, it employs a blanket ban on certain activities, sectors, and practices that it deems as incompatible while it also utilizes a norm-based screening to filter out companies that violate international norms and don’t exhibit any willingness to change. More detailed information is provided below.



B. No sustainable investment objective

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



C. Environmental or social characteristics of the financial product

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

The Sub-fund's portfolio is invested with the intention of promoting the environmental and social characteristics outlined by the ten principles of the UN Global Compact (UNGC), as set out below.

Human Rights

- Businesses should support and respect the protection of internationally proclaimed human Rights.
- Businesses should make sure that they are not complicit in human rights abuses.

Labour

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Businesses should strive for the elimination of all forms of forced and compulsory labour.
- Businesses should strive for the effective abolition of child labour.
- Businesses should support the elimination of discrimination in respect of employment and occupation.

Environment

- Businesses should support a precautionary approach to environmental challenges.
- Businesses should undertake initiatives to promote greater environmental responsibility.
- Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Businesses should work against corruption in all its forms, including extortion and bribery.

Details on how these E/S characteristics are attained can be found further along this document.

Lastly, no reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.



D. Investment strategy

What investment strategy does this financial product follow and how is the strategy implemented in the investment process on a continuous basis?

The investment strategy to attain the environmental and social characteristics that the fund promotes is:

1. To apply exclusion screens of certain activities, sectors and practices that are incompatible with the environmental and social characteristics. This sums up to an exclusion list of companies not investable for the Sub-fund. This exclusion list is as follows:
 - Companies involved in the production of controversial weapons such as cluster munitions, land mines, chemical and biological weapons and nuclear weapons outside the Non-Proliferation Treaty are deemed uninventable. Companies in which more than 5% of the revenue comes from coal mining and production of tar sands are deemed uninventable
 - Companies in breach of international norms and which do not demonstrate any will to take responsibility and change their behaviour are deemed uninventable
 - The Sub-fund does not invest in companies that violate international standards in environmental, social and governmental matters as well as matters relating to respect for human rights, the fight against corruption and bribery, and which do not show goodwill to take responsibility and changing behaviour. This includes screening within the UN Global Compact Principles.
2. To apply further ESG screening criteria using ESG data from an external data provider.

Furthermore, the Sub-fund takes into consideration Principal Adverse Impacts, more information on which has been provided above under the relevant section.

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 has a general ban on investing in companies involved in the production of controversial weapons such as cluster munitions, land mines, chemical and biological weapons and nuclear weapons outside the Non-Proliferation Treaty as well as companies in which more than 5% of the revenue comes from extraction of coal and production of tar sands.

Furthermore, the policy also describes a norm-based screening listing companies that violates international norms and does not demonstrate any willingness to take responsibility and change their behaviour.

BankInvest Group has an internal Responsible Investment Committee, which is tasked with monitoring the Investment Manager's responsible investment efforts, including developing policies, maintaining an exclusion list, and ensuring that the Investment Manager meets the requirements imposed.

The exclusions and norm-based screening results in an exclusion list. The list is updated at least twice a year and the Investment Manager will seek to divest in companies entering the list as soon as possible.

Regarding government bond investments, the Investment Manager follows UN and EU sanctions and excludes countries that are subject to sanctions against investment in government bonds. In addition, the Investment Manager invests in government bonds in accordance with international conventions and with consideration of the UN-backed principles for responsible investment.

When the Investment Manager invests in government bonds issued by Emerging Market countries, data from the FFP's Fragile States Index and MSCI ESG is part of the investment analysis.

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

The Investment Manager has established a "Policy for Corporate Social Responsibility, Sustainability Risks and Responsible Investment" which provides more information on the promoted environmental and social characteristics while ensuring good governance of investee companies. The policy can be found on www.bankinvest.com

Additionally, the Investment Manager carries out norm-based screening which means that all investee companies are screened for their compliance of international norms such as UN Global Compact and ILO labour conventions. If an investee company has a confirmed violation of one or more of the norms, the Investment Manager will use engagement and active ownership, to influence the investee company to take responsibility and change its behaviour. The engagement is often done in collaboration with a data provider.

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

Yes, in the portfolio management process, the investment manager must take principal adverse impacts (PAI) into account in their investment decision process. The Sub-fund thus among others uses turnover within selected sectors and ESG rating in the investment analysis.

The Sub-fund carries out norm-based screening, which means that the investments are reviewed for companies that may breach international norms (e.g. the UN's Global Compact or ILO labour market conventions) for environmental protection, human rights, labour standards and business ethics. PAI indicators taken into account depends on data quality and availability

The following PAI's are considered:

4. Exposure to companies active in the fossil fuel sector

BankInvest has a general ban on investing in companies in which more than 5% of the revenue comes from extraction of coal and production of tar sand according to the Exclusion Policy.

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

The Sub-fund undergoes Norm-based screening, excluding any company that violates international norms and does not demonstrate any willingness to take responsibility and change its behaviour. The screening includes among others the UN Global Compact Principles and the OECD Guidelines for multinational enterprises.

14. Exposure to controversial weapons

BankInvest has a general ban on investing in companies involved in the production of controversial weapons such as cluster munition, land mines, chemical and biological weapons and nuclear weapons outside the Non-Proliferation Treaty according to the Exclusion Policy.

More information on principal adverse impacts on sustainability factors will be made available in the annual report of the Sub-fund.

No



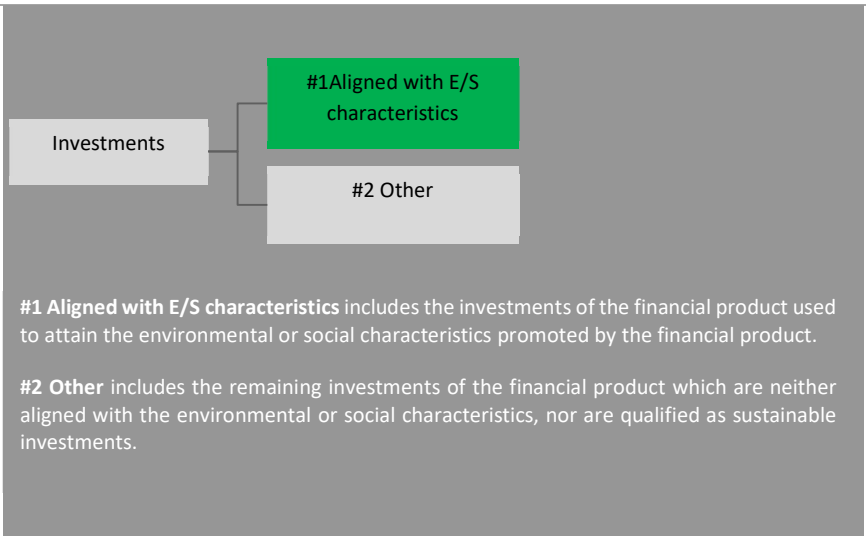
E. Proportion of investments

What is the planned asset allocation for this financial product?

The Sub-fund's portfolio is invested with the intention of promoting the environmental and social characteristics outlined by the ten principles of the UN Global Compact (UNGC), as set out under the first section of this Annex.

Of the Sub-fund's investments which are not ESG-related Investments, the majority is expected to be investments which contribute to the attainment of the environmental and social characteristics promoted by the Sub-fund. Therefore, at least 85% of the Fund's assets will be invested in securities which are "#1 Aligned with E/S characteristics".

The proportion of the Sub-fund's investments which are neither ESG-related Investments or categorized as Other Investments will not contribute to an environmental or social objective nor the attainment of the environmental and social characteristics promoted by the Sub-fund. However, the same policies and procedures will apply to all the Sub-fund's investments with respect to ensuring minimum environmental and social safeguards and assessing governance practices.



What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy? (including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)

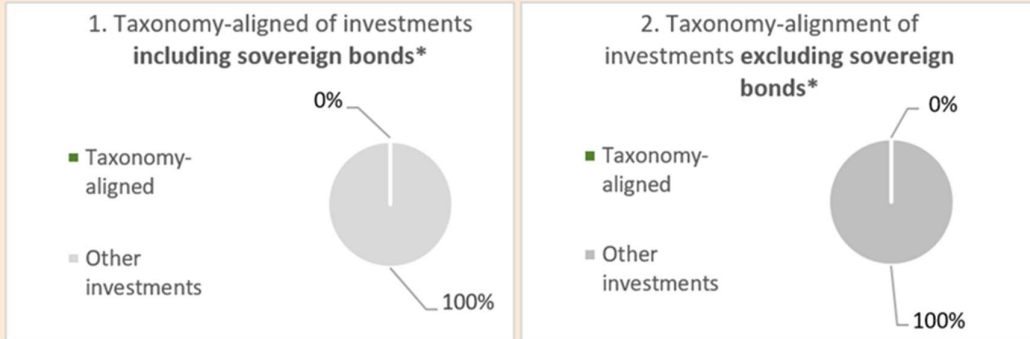
The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A

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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A

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

The same policies and procedures as mentioned before will apply to all the Sub-fund’s investments with respect to ensuring minimum environmental and social safeguards and assessing governance practices. The “Other” Investments may include investments in liquid assets (cash) held for the purposes of servicing the day-to-day requirements of the Sub-fund, which by their nature cannot have any minimum safeguards applied to them, or investments for which there is insufficient data for them to be considered ESG-related Investment.



F. Monitoring of environmental or social characteristics

What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?

The percentage of investments in companies that are included in the exclusion list is used as a metric to measure the attainment of the E/S characteristics promoted by the fund. Due to the nature of the metric, this percentage should ideally be 0% or trending to 0%.

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?

The Investment Manager has an internal Responsible Investment Committee, which is tasked with monitoring the Investment Manager's responsible investment efforts, including developing policies, maintaining an exclusion list, and ensuring that the Investment Manager meets the requirements imposed on the Investment Manager as an Investment Manager. The exclusions and norm-based screening results in an exclusion list. The list is updated at least twice a year and the Investment Manager will seek to divest in companies entering the list as soon as possible.



G. Methodologies

What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?

Based on ESG data, the investments within the sub-fund are screened with regards to product involvement, norm-based breaches and engagement status resulting in an exclusion list.



H. Data sources and processing

What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

The Investment Manager is using ESG data from globally recognized ESG data providers including MSCI ESG and Sustainalytics.

When the Investment Manager invests in government bonds issued by Emerging Market countries, data from the FFP's Fragile States Index and MSCI ESG is part of the investment analysis.

Data is sourced directly into our portfolio management system, BlackRock/Aladdin. And pre-trade limits are implemented.

No data is estimated with regards to this process.



I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the environmental or social characteristics and the actions taken to address such limitations)

The landscape of sustainability data is quite large and potentially a lack of consistency is present. When applying data from an external data provider we accept their methods and models.

The fact that corporate disclosures within sustainability is still largely voluntary, can often lead to data scarcity. Consequently, parts of the available data are based on estimations, introducing a risk of inaccuracy of the information upon which the external data providers rely.

The use of external data providers in turn implies that the application of different methodologies for each data provider could potentially lead to a degree of uninformed investment decisions being undertaken based on the incoherent methodologies between the different data sources.

Various measures are taken to ensure that these limitations are mitigated. In general, a best-effort approach is applied, and a dialogue is conducted with the external data providers, both on a continuous basis regarding methodologies as well as on an ad-hoc basis if a discrepancy is identified.

 **J. Due diligence**

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

The compliance system setup is automated and pre-trade controls are automatically run every time a new investment is made.

BankInvest has a four-eyes principle when setting up any limits within our portfolio management system, BlackRock/Aladdin.

It is not possible to execute a trade if the ISIN is on the exclusion list.

 **K. Engagement policies**

Is engagement part of the environmental or social investment strategy?

- Yes
- No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

N/A

 **L. Reference benchmark**

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

- Yes
- No