

Fineco AM MSCI USD IG Liquid SRI P-Series Corporate Bond UCITS ETF

SUPPLEMENT DATED 21 May2025

This Supplement contains specific information in relation to **Fineco AM MSCI USD IG Liquid SRIP-Series Corporate Bond UCITS ETF** (the "**Fund**"), a sub-fund of **FAM Series UCITS ICAV** (the "**ICAV**"), an open-ended umbrella type Irish collective asset- management vehicle with variable capital with segregated liability between its sub-funds and authorised by the Central Bank on 1 August 2018 pursuant to the UCITS Regulations.

Application will be made to Borsa Italiana and/or such other exchanges as the Directors may determine from time to time (the "**Relevant Stock Exchanges**") for the listing of the Shares issued and available to be issued to be admitted to listing on the official list and trading on each of the Relevant Stock Exchanges on or about the launch date of the Fund. This Supplement and the Prospectus together comprise listing particulars for the purposes of listing the Shares on the official list and trading on the main market of each of the Relevant Stock Exchanges.

This Supplement forms part of and should be read in the context of and in conjunction with the prospectus of the ICAV dated 1 December 2022 and the addendum thereto (together the "Prospectus").

Shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down.

Investment Objective and Policies

The investment objective of the Fund is to achieve long term capital appreciation.

The Fund seeks to achieve its investment objective by tracking the performance of the MSCI USD IG Liquid SRI P-Series Corporate Bond Index (the "**Reference Index**", as described below under the sub-heading "**Description of the Reference Index**") while minimising as far as possible the tracking error between the Fund's performance and that of the Reference Index.

The Reference Index is published by MSCI Limited, acting as the index sponsor (the "**Index Sponsor**") and it is described below in the sub-heading "Description of the Reference Index".

The Fund may replicate the Reference Index by holding all of the securities of the Reference Index in a similar proportion to their weighting in the Reference Index. However, the Fund may also invest in a portfolio of securities that, insofar as possible and practicable, consists of a representative sample of the component securities of the Reference Index, or which contains securities that are not constituents of the Reference Index (as further outlined below), in order to build a representative portfolio that provides a return that is comparable to that of the Reference Index.

Consequently, the Fund may over certain periods only hold a certain sub-set of the Reference Index securities or may hold securities that are not constituents of the Reference Index. Where the Fund holds securities that are not constituents of the Reference Index, such securities provide similar exposure (with similar risk profiles) to certain securities of the Reference Index and promote similar environmental and/or social characteristics as those of the Reference Index. Securities which are not constituents of the Reference Index are selected by virtue of the fact that they provide substantively the same exposure by industry and by company characteristics in the case of liquidity considerations or corporate actions to certain securities of the Reference Index.

In selecting the representative sample of the component securities of the Reference Index as described above, the Investment Manager will use techniques such as optimisation. Optimisation seeks to minimise tracking error through proprietary quantitative portfolio analysis. This analysis may include consideration of matters such as how a security's price changes in relation to another over

time, scenario analysis (which involves estimating the change in an investment portfolio's value given a change in key risk factors), and stress testing. The optimisation process analyses portfolio holdings, benchmark weights, transaction costs and risk model data and then computes an optimal portfolio, which minimises tracking error.

For information in relation to the difficulties associated with tracking indices, please refer to "Reference Index Tracking Risk" in the "Risk Factors" section of the Prospectus. It is currently anticipated that the tracking error of the Fund will be up to 1.5% under normal market conditions. The causes of tracking error can include but are not limited to the following: holdings/size of the Fund, cash flows, transaction costs, dividend reinvestment, differences in timings between the receipt/payment of subscription and redemption monies into the Fund, investment/divestment of Fund assets and the impact of fees.

Description of the Reference Index

General Description: The Reference Index is an investment-grade, US dollar-denominated benchmark that includes issuers with MSCI ESG Ratings of BBB or higher and excludes issuers that are involved in business activities that are restricted according to pre-defined Business Involvement Screens. Issuers are screened for levels of involvement expressed in terms of % of associated revenue and may relate to activities pertaining to adult entertainment, alcohol, gambling, tobacco, conventional weapons, civilian firearms, nuclear weapons, controversial weapons, nuclear power, thermal coal, fossil fuels and genetically modified organisms. The Paris Aligned Benchmark exclusions (the "**PAB Exclusions**") are also built into the Reference Index methodology.

The Reference Index does not rebalance more frequently than monthly and such rebalancing is not expected to have a material effect on the costs incurred within the Reference Index.

As at the date of this Supplement, the administrator of the Reference Index, namely MSCI Limited, is availing of the transitional arrangements afforded under the Benchmarks Regulation. Accordingly it does not appear on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

Publication: The Reference Index is calculated and published by the Index Sponsor.

Further Information and Website: The Index Sponsor's index methodology, composition, revision rules and additional information concerning the underlying components of the Reference Index are available on <https://www.msci.com/index-methodology>. The Index Sponsor's disclaimer is included as an appendix to this Supplement.

Use of Financial Derivative Instruments ("FDI")

The Fund may engage in FDI transactions for the purposes of hedging and/or for efficient portfolio management. The types of FDI that the Fund may use are currency forwards and interest rate futures. The underlying assets of FDIs will be limited to those investments that the Fund may acquire in accordance with its investment policy. Transactions in FDIs will be used for the purpose of meeting the Fund's investment objective and to hedge against currency risk. The expected effect of the use of FDI will be to enhance returns and/or reduce inherent risks affecting the Fund's Investments. For information in relation to the risks associated with the use of FDIs, please refer to the "Risk Factors" section of the Prospectus.

Currency Forwards: The Fund may use currency forwards for the purpose of hedging currency exchange risk.

Interest Rate Futures: The Fund may use interest rate futures to gain exposure to changes in relevant rates or to hedge against changes in relevant rates.

Long/Short Exposure

The expected maximum level of long derivative positions which the Fund may hold is 10% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the

Fund. The expected maximum level of short derivative positions which the Fund may hold is 10% of its Net Asset Value, measured on a gross basis using the sum of notional amounts of the derivatives held by the Fund.

Securities Lending Agreements

Securities lending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at pre-agreed time. These agreements will only be used for efficient portfolio management to enhance overall returns to the Fund through the receipt of finance charges for the lending of its securities and are subject to the conditions and limits set out on the Central Bank UCITS Regulations. The Fund's exposure to securities lending transactions is expected to be 5% of the Fund's Net Asset Value, subject to a maximum exposure of 30% of the Fund's Net Asset Value.

Risk Measurement - Global Exposure and Leverage

Global exposure is calculated using the commitment approach. Global exposure and leverage as a result of FDIs, as measured using the commitment approach, shall not exceed 100% of the Fund's Net Asset Value.

Investor Profile

The Fund is suitable for both institutional and retail investors seeking capital appreciation over the long term who are willing to accept a moderate level of volatility from time-to-time.

Investment Manager

The Manager has appointed BNP Paribas Asset Management France of 1 Boulevard Haussmann, 75009, Paris, France to act as investment manager pursuant to an investment management agreement dated 26 August 2022. The Investment Manager will provide discretionary asset management services to the Fund subject to the overall supervision of the Manager. The Investment Manager's principal business is to manage collective investment schemes (UCITS and AIFs) and to provide investment management services to clients.

SFDR Classification: The Manager has categorised the Fund as meeting the provisions set out in Article 8 of SFDR, as further described in Annex II to this Supplement.¹

SFDR Disclosure

The Manager integrates Sustainability Risk into its due diligence assessment of the investments of the Fund. However, such due diligence is not a determining factor with regard to investment decisions on the basis that the Fund is an index tracking sub-fund which physically replicates the Reference Index and such output is accordingly deemed not relevant.

It has been determined that the Fund may have a lower prospect of being impacted by Sustainability Risk given that the Fund falls within the meaning of Article 8 of SFDR. To the extent that a Sustainability Risk occurs, there may be a sudden, material negative impact on the value of an investment, and hence there may be a material negative impact on the Net Asset Value of the Fund. Such negative impacts may result in an entire loss of value of the relevant investment(s). The Investment Manager acknowledges that the Fund's exposure to Sustainability Risks is changeable and shall keep the Fund's exposure to these risks under periodic review. Where the Manager and/or the Investment Manager considers, as a result of such a review, that the Fund's approach to the

¹¹ The information contained in Annex II has been completed using information provided by the Investment Manager of the Fund.

management of Sustainability Risks is to materially change, these disclosures will be updated accordingly.

Taxonomy Regulation

While the Fund promotes environmental and/or social characteristics within the meaning of Article 8 of the SFDR, it should be noted that as the investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation, the Fund's portfolio alignment with the Taxonomy Regulation is not calculated. It follows that the Fund does not currently commit to investing more than 0% of its assets in investments aligned with the Taxonomy Regulation. 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.

Please refer to the section of the Prospectus entitled "Sustainable Finance Disclosures" for further information.

Base Currency: US Dollar.

Offer of Shares

The following Classes of Shares are available for subscription.

Share Class	Initial Offer Price	Initial Offer Period	Currency Denomination	Hedged Class	Sales Charge	Minimum Initial Subscription and Minimum Subsequent Subscription	Distribution Type
Class A Acc	100	Closed	Euro	No	No	1,000/100	Accumulating
Class AH Acc	100	2 December 2022 – 1 June 2023	Euro	Yes	No	1,000/100	Accumulating
Class I Acc	100	2 December 2022 – 1 June 2023	Euro	No	No	1,000,000/100	Accumulating
Class J Acc	10,000	2 December 2022 – 1 June 2023	Euro	No	No	1,000,000/100	Accumulating

During the initial offer period Shares are available for subscription on the primary market at the initial offer price as indicated in the table above. Where the initial offer period has closed, Shares will be available on the primary market at the prevailing Net Asset Value of each Class of Shares.

Definitions applicable to the Fund

Investors should note the following definitions that shall apply in respect of the Fund:

- “Business Day”** means a day (except Saturday or Sunday and public holidays) on which retail banks and securities markets in London and Paris are normally open for business;
- “Dealing Day”** means each Business Day on which the relevant securities markets in which the Reference Index has an exposure to are normally open for business;
- “Dealing Deadline”** means 1:30pm (Irish time) on the relevant Dealing Day;
- “Valuation Day”** means each Business Day on which the Net Asset Value will be calculated by the Administrator for each Dealing Day and such other Business Day or Days as the Directors may determine; and
- “Valuation Point”** means 11.59pm (Irish time) on the relevant Business Day.

Applications for Shares on the primary market may be made to the Administrator (whose details are set out in the Application Form). Applications received by the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day, unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day, provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Fees and Expenses

The following fees and expenses are payable out of the assets of the Fund. Details of how the fees and expenses are accrued and paid as well as details of other general management and fund charges are set out in the Prospectus under the heading "Fees and Expenses".

Manager's Fee

Up to 1% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

The fees of the Investment Manager shall be paid out of the Manager's fee and not out of the assets of the Fund.

Administrator's Fee

Up to 0.3% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Depositary's Fee

Up to 0.2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Establishment Costs

The cost of establishing the Fund and the preparation and printing of the relevant Supplement is expected not to exceed EUR 25,000 and will be charged to the Fund and amortised over the first five years of the Fund's operation or such other period as the Directors may determine.

A detailed summary of each of the fees and expenses of the Fund and the ICAV is set out in the section of the Prospectus headed **“Fees and Expenses”**.

Risk Factors

The attention of investors is drawn to the section headed "Risk Factors" in the Prospectus.

APPENDIX

Disclaimer of the Index Sponsor

The Fund is not sponsored, endorsed, sold or promoted by MSCI Inc ("MSCI"), any of its affiliates, any of its information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI index (collectively, the "MSCI Parties"). The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licenced for use for certain purposes by the ICAV. None of the MSCI Parties makes any representation or warranty, express or implied, to the issuer or owners of the Fund or any other person or entity regarding the advisability of investing in funds generally or in this Fund particularly or the ability of any MSCI index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI indexes which are determined, composed and calculated by MSCI without regard to the Fund or the issuer or owners of the Fund or any other person or entity. None of the MSCI Parties has any obligation to take the needs of the issuer or owners of the Fund or any other person or entity into consideration in determining, composing or calculating the MSCI indexes. None of the MSCI Parties is responsible for or has participate in the determination of the timing or, prices at, or quantities of the Fund to be issued or in the determination or calculation of the equation by or the consideration into which the Fund is redeemable. Further, none of the MSCI Parties has any obligation or liability to the issuer or owners of the Fund or any other person or entity in connection with the administration, marketing or offering of the Fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI indexes from sources that MSCI considers reliable, none of the MSCI Parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI index or any data included therein. None of the MSCI Parties makes any warranty, express or implied, as to results to be obtained by the issuer of the Fund, owners of the Fund, or any other person or entity, from the use of any MSCI index or any data included therein.

None of the MSCI Parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI index or any data included therein. Further, none of the MSCI Parties makes any express or implied warranties of any kind, and the MSCI Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to each MSCI index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI Parties has any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: FINECO AM MSCI USD IG LIQUID SRI P-SERIESCORPORATE BOND UCITS ETF Legal entity identifier: 254900ZYS0PG3V8ECA96

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

☒ ☐ Yes	☒ ☐ ☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: ____% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of sustainable investments with a social objective: ____%	☒ 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 35% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ It promotes E/S characteristics, but will not make any sustainable investments

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

The financial product (the "Fund") promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the Fund is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within

The Fund aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

The MSCI USD IG Liquid SRI P-Series Corporate Bond Index, administrated by MSCI Limited, has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

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

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the Fund, and are based on the reference benchmark ESG methodology:

- The percentage of the Fund's portfolio compliant with the reference benchmark minimum ESG ratings standards and controversial business involvement exclusion criteria;
- The percentage of the Fund's assets covered by the ESG analysis based on the index provider ESG methodology;
- The percentage of the Fund's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments made by the Fund are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The Manager is using, as of the date of this document, the Investment Manager's internal methodology to determine sustainable investments. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives;
2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets;
3. A company operating in high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C;
4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation "POSITIVE" or "NEUTRAL" from the Investment Manager's ESG research and analysis department, i.e. the "Sustainability Centre", following the issuer and underlying

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

environmental or social objectives (the Do No Significant Harm “DNSH” principle) and should follow

good governance practices. The Investment Manager uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the Investment Manager: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](https://bnpparibas-am.com/sustainability-documents).

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the Fund partially intends to make should not significantly harm any environmental or social objective (DNSH principle). In this respect, for such sustainable investments, the Investment Manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

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

How indicators for adverse impacts on sustainability factors are taken into account depends on the ESG methodology of the reference benchmark tracked by the Fund and used for the purpose of attaining the environmental or social characteristics promoted by the Fund.

The Investment Manager ensures that throughout its investment process, the Fund takes into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the Investment Manager Global Sustainability Strategy (GSS) and as further detailed below in this document and/or by relying on the ESG methodology and disclosures of the reference benchmark administrator.

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

The sustainable investments of the Fund exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the Investment Manager's Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

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.

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.



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



Yes, the Fund considers principal adverse impacts on sustainability factors. In order for the Investment Manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the Fund mainly relies on both of the following pillars:

- 1- Analysis of the embedded exclusion process of the reference benchmark, leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;
- 2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

More detailed information on the manner in which the Investment Manager considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the Investment Manager's SFDR disclosure statement: [sustainability risk integration and Principal Adverse Impacts considerations](#).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the Fund.

No



What investment strategy does this financial product follow?

The investment objective of the Fund is to achieve long term capital appreciation.

The Fund seeks to achieve its investment objective by tracking the performance of the MSCI USD IG Liquid SRI P-Series Corporate Bond Index while minimising as far as possible the tracking error between the Fund's performance and that of this index.

The index is an investment-grade, US dollar denominated benchmark that includes issuers with MSCI ESG Ratings of BBB or higher and excludes issuers that are involved in business activities that are restricted according to pre-defined Business Involvement Screens. Issuers are screened for levels of involvement expressed in terms of % of associated revenue and may relate to activities pertaining to adult entertainment, alcohol, gambling, tobacco, conventional weapons, civilian firearms, nuclear weapons, controversial weapons, nuclear power, thermal coal, fossil fuels and genetically modified organisms. The PAB Exclusions are also built into the Reference Index methodology.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this Fund as described below are systematically integrated throughout the investment process.

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 Fund shall comply with the reference benchmark minimum ESG rating standards and controversial business involvement exclusion criteria.
- The Fund shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.
- The Fund should invest a proportion of its assets in "sustainable investments" as defined in Article 2 (17) of SFDR and as disclosed in the asset allocation below.

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



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- The Fund shall be subject to negative screenings in compliance with PAB Exclusions.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

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

The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.msci.com.

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



Asset allocation describes the share of investments in specific assets.

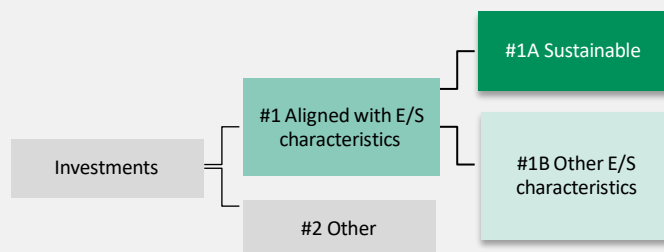
What is the asset allocation planned for this financial product?

90% of the Fund's investments will be used to meet the environmental or social characteristics promoted by the Fund in accordance with the binding elements of its investment strategy which represent the proportion of assets

- 1) With a positive ESG score and either a positive E score or a positive S score or
- 2) Screened for PAB Exclusions or
- 3) Being Sustainable Investments according to the Investment Manager's ESG proprietary methodology.

The minimum proportion Sustainable Investments is equal to 35%. For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the Sustainable Investments of the Fund will be available in the annual report.

The remaining proportion of the investments is mainly used as described below.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the Fund.



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

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the environmental objectives climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below. Even if the investment objective of the Fund falls within the framework of the environmental objectives defined by the Taxonomy Regulation, all the economic activities related to this objective are not necessarily covered by the latter.

In addition, taxonomy alignment data is still not yet communicated or published and the activities of certain issuers require additional fundamental analysis in order to be accounted for and are therefore not taken into account by the taxonomy data that we use.

The Investment Manager is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus updates will be made accordingly.

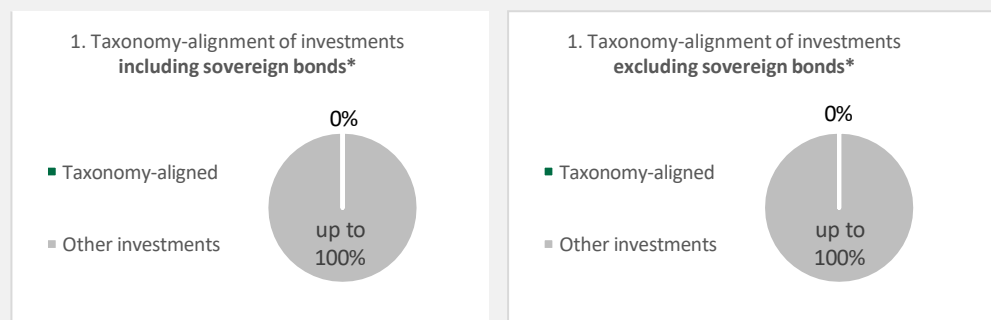
Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. In addition, all activities that can make a substantial contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

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.



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

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.



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

The minimum share of investments in transitional and enabling activities in the meaning of the Taxonomy Regulation is 0% in transitional activities and 0% in enabling activities.



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 0%.

The investment strategy of the Fund is not to prevent investments in taxonomy-aligned activities. As such, the commitment within the Fund to invest in activities not aligned with the EU Taxonomy is minimal.



What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the Fund is 0%.



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

The remaining proportion of the investments may include the proportion of assets that do not attain the following standards established by the Investment Manager: 1) a positive ESG score and either a positive E score or a positive S score or 2) being Sustainable Investment according to the Investment Manager's ESG proprietary methodology or instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes.

Those investments are made in compliance with the Investment Manager's internal processes, including the risk management policy and the Investment Manager's Responsible Business Conduct policy when applicable as minimum environmental or social safeguards. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks.



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





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

The MSCI USD IG Liquid SRI P-Series Corporate Bond Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

The environmental or social characteristics promoted by the Fund are directly linked to the ones of the reference benchmark as the investment objective of the Fund is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the Fund and the reference benchmark below 1.5%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, there is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

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

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the Fund which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the Fund and the index below 1.5%.

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

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

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

The methodology used for the calculation of the reference benchmark can be found at: www.msci.com.



Where can I find more product specific information online?

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

Further details on the Responsible Investment Policy and summary investment process can be found on the Manager's website at the following link <https://finecoassetmanagement.com/sustainability/>