

GO GLOBAL EQUITY ESG

Social and environmental characteristics

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR").

The Sub-Fund strives for economic results, while at the same time taking into account environmental, social and governance characteristics. For the assessment, areas like corporate strategy, corporate governance, transparency as well as the product and service range of a company are taken into account. The Sub-Fund aims to select stocks with relatively low environmental footprints compared to stocks with high environmental footprints.

In addition to ESG integration, other sustainability criteria in relation to the Sub-Fund, such as exclusions, negative screening (exclusion of thermal coal, weapons, military contracting and companies that severely violate labour conditions) and active ownership (voting and engagement), are taken into account in the management of the Sub-Fund.

The Investment Manager uses various tools to identify and evaluate sustainability factors and related risks. Once identified and evaluated as impactful for an individual investment portfolio, sustainability risks are directly integrated in the related investment and risk management process.

In order to mitigate sustainability risks, the Sub-Fund takes the following actions:

- *Climate risk: the Sub-Fund applies carbon footprint reduction that is minimum 20% better than the Benchmark. Furthermore, the Sub-Fund applies strict fossil fuel exclusions and engages with high carbon emitters on climate strategy. The climate risk is considered low.*
- *Environmental, social and governance risks: the Sub-Fund applies ESG integration by making sure the ESG score and the water and waste footprint are at least 20% better than the Benchmark, exclusions based on UN Global Compact and OECD screening on environmental, social and governance issues and engagement with companies on material environmental, social and governance issues. The environmental risk is considered low.*

Methodology and monitoring of compliance with social and environmental characteristics

The Investment Manager uses industry-specific materiality frameworks to determine which ESG factors are most material in a certain industry. These frameworks consider any intangible factor that can have an impact on a company's core business value – namely growth, profitability, capital efficiency and risk exposure – to be financially material.

Analysis is conducted on which ESG issues are most financially material, as these are the most relevant for investment decisions. Then the company is assessed as to how it manages these issues, and how that compares to peers. The last step is to quantify the impact of the ESG analysis into the company's valuation assessment.

Investment Manager's investment team is responsible for ESG Integration. Head of ESG Integration provides oversight the quality and robustness of the process and is responsible for ensuring that a coordinated approach is used.

Sources of information

The Investment Manager has a proprietary source of ESG research and also uses data provided by external providers. Additionally the outcomes of engagement efforts are communicated to analysts and portfolio managers enabling them to incorporate this information into their investment decisions.