

NOTE: This document is an excerpt from the prospectus and should be read in conjunction with the prospectus.

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, paragraph 1, of Regulation (EU) 2020/852.

Product name: BANTLEON SELECT CORPORATE HYBRIDS

Legal entity identifier (LEI-Code): 5299003CN034QST6D261

Environmental and/or social characteristics

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.

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 ___% 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.**



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

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

The environmental and/or social characteristics promoted by the sub-fund include the following:

1. Use of value-based or norm-based criteria:
 - a. Companies participating in the UN Global Compact are favoured.
 - b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.

2. Use of screening criteria:
 - a. Companies
 - i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
 - ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
 - iii. Manufacturers/distributors of biological and chemical weapons
 - iv. Manufacturers/distributors of depleted uranium weapons
3. Use of a minimum allocation to securities with a specific ESG rating
 - i. At least 65% of the securities held by the sub-fund must be from issuers with an average ESG profile (equals a MSCI ESG rating »BB«, »BBB« or »A«) or above-average ESG profile (equals a MSCI ESG rating »AA« or »AAA«).

No reference value for achieving the environmental and/or social characteristics promoted by the sub-fund has been defined. More information can be found in sections »18. Integration of sustainability risks« and »19. Integration of ESG characteristics« of this Sales Prospectus.

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

The following indicators are used to measure the extent to which individual environmental or social characteristics are achieved:

Environmental/social characteristic	Indicator
Favours companies participating in the UN Global Compact	Data field: <i>Global Compact Signatory</i> Data source: MSCI ESG Research
Favours companies from countries that promote the OECD Guidelines for Multinational Enterprises	The country in which the company has its registered office has signed up to the OECD Guidelines for Multinational Enterprises. Data sources: information in the public domain and information from MSCI ESG Research
Excludes manufacturers/distributors of: <ul style="list-style-type: none"> ▪ Anti-personnel mines ▪ Cluster munitions ▪ Biological and chemical weapons ▪ Depleted uranium weapons 	Revenue generated from or in connection with controversial weapons Data field: <i>Controversial Weapons – Any Tie</i> Data source: MSCI ESG Research
At least 65% of the securities held by the sub-fund must be from issuers with an average or above-average ESG profile.	Minimum rating of BB from MSCI ESG Research Data field: <i>ESG Rating</i> Data source: MSCI ESG Research

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 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?*

N/A

- *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?*

N/A



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



Yes, the sub-fund does consider the principal adverse impacts on sustainability factors. The table below sets out which sustainability factors are considered and which measures/exclusions are foreseen to prevent or reduce the adverse impacts of investment decisions on these factors.

Sustainability factors	Consideration	Reasoning
Indicators for investments in companies		
1. Greenhouse gas (GHG) emissions 2. Carbon footprint 3. Intensity of the company's GHG emissions	Screening criterion: No. 3 i)	The screening criteria rule out companies that have high ESG risks (this applies to at least 65% of the sub-fund's assets). It can therefore be assumed that the portfolio's direct and indirect emissions are lower.
4. Investment in companies with fossil fuel operations	Screening criterion: No. 3 i)	The screening criteria rule out companies that have high ESG risks (this applies to at least 65% of the sub-fund's assets). This partially avoids exposure to these types of company.
5. Proportion of energy consumption and generation from non-renewable sources	none	n/a
6. Intensity of energy consumption by climate-intensive sectors	none	n/a
7. Activities with an adverse impact on regions with biodiversity that requires protection 8. Water pollution 9. Proportion of hazardous and radioactive waste	none	n/a
10. Violations of the principles of the UN Global Compact and	none	n/a

the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises		
11. Insufficient processes and mechanisms for monitoring compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Screening criterion: No. 3 i)	The screening criteria rule out companies that have high ESG risks (this applies to at least 65% of the sub-fund's assets). This partially avoids exposure to these types of company.
12. Persistent gender pay gaps 13. Mix of genders in management and control bodies	Screening criterion: No. 3 i)	An above-average MSCI ESG rating for the "S" (social) dimension addresses risks relating to equal treatment and discrimination. It can therefore be assumed that applying both criteria will reduce adverse impacts.
14. Involvement with controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Screening criterion: No. 2a i) bis v)	Companies that are involved with and/or manufacture controversial weapons are categorically excluded. It can therefore be assumed that adverse impacts in this respect are significantly reduced or avoided altogether.
Indicators for investments in countries and supranational organisations		
15. Intensity of GHG emissions	Screening criterion: Country emits over 1,000 tonnes of CO ₂ per EUR 1 million of gross domestic product Data field: <i>Country GHG intensity</i> Data source: MSCI ESG Research	The screening criterion rules out countries that make no effort to bring their CO ₂ emissions (measured in tonnes) down to a reasonable level in relation to their gross domestic product.
16. Countries in which investments are made that violate social norms	none	n/a

Information on the principal adverse impacts on sustainability factors is published in the Annual Report.

No

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

What investment strategy does this financial product follow?

Bantleon Select Corporate Hybrids is a bond fund, investing primarily in subordinated corporate bonds with investment-grade rating denominated in EUR. Corporate bonds have an investment-grade rating, provided they have at least a »BBB-« (»Standard & Poor's«),

»BBB-« (»Fitch«) or »Baa3« (»Moody's«) rating and above at the time of acquisition. Where ratings from different rating agencies differ, the lowest rating takes precedence.

- ***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 binding elements of the investment strategy that are employed to select investments with a view to achieving the promoted environmental and social characteristics comprise the use of the value-based and norm-based criteria, screening criteria and minimum allocation to securities with a specific ESG rating listed below.

1. Use of value-based or norm-based criteria:
 - a. Companies participating in the UN Global Compact are favoured.
 - b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.
2. Use of screening criteria:
 - a. Companies:
 - i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
 - ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
 - iii. Manufacturers/distributors of biological and chemical weapons
 - iv. Manufacturers/distributors of depleted uranium weapons
3. Use of a minimum allocation to securities with a specific ESG rating
 - i. At least 65% of the securities held by the sub-fund must be from issuers with an average or above-average ESG profile.

More information can be found in sections »18. Integration of sustainability risks« and »19. Integration of ESG characteristics« of this Sales Prospectus.

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

There is no fixed minimum percentage that reduces the scope of investments considered before this investment strategy was applied.

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

In order to assess the extent to which issuers of financial instruments apply good governance, in particular sound management structures, employee relations, remuneration of staff and tax compliance (Article 2 point 17 of Regulation (EU) 2019/2088), the issuer's overall ESG profile or rating is considered.

MSCI ESG Research analyses the issuer's overall ESG profile on the basis of detailed data on the issuer and its conduct/attitude towards all ESG dimensions. A scoring system is employed to rate each issuer on a scale that serves as an indicator of its ESG profile. The scale covers the entire spectrum of possible ESG profiles: poor, average and above-average. The overall assessment of good governance is designed to ensure that any severe violation of good governance standards automatically results in a poor ESG profile or rating.

An issuer therefore only meets the requirements for good governance if it has an average or above-average ESG profile or rating according to MSCI ESG Research. At least 65% of the securities held by the sub-fund must have an average or above-average ESG rating.

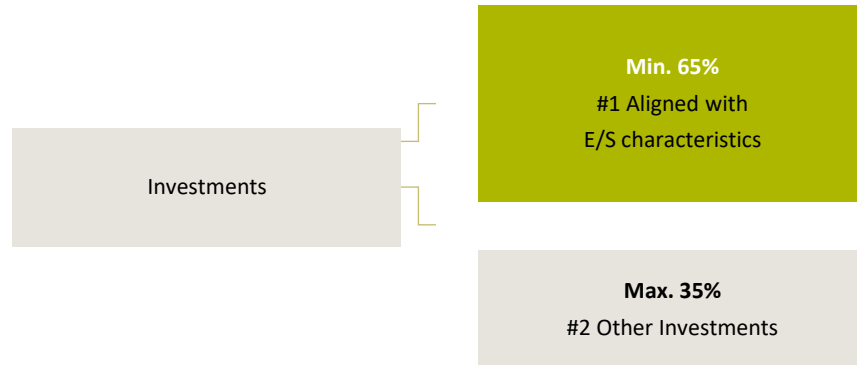
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

At least 65% of the bonds held by the sub-fund achieve the promoted environmental or social characteristics under #1 in accordance with the binding elements of the investment strategy. There is no minimum allocation to sustainable investments.



#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.

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

The sub-fund does not use derivatives to achieve the promoted environmental and/or social characteristics.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitation on emissions and switching to renewable power on low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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



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

The sub-fund does not aim to make sustainable investments with an environmental objective that complies with the EU taxonomy.

- **Does the financial product invest in EU taxonomy-compliant activities in the fossil gas and/or nuclear energy sector?**

Yes:

Fossil gas

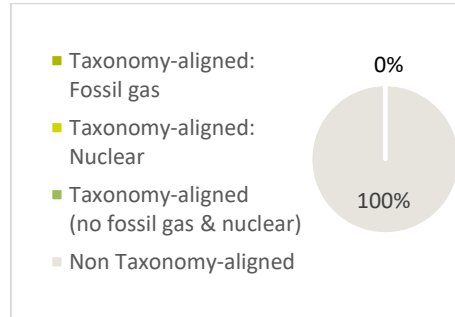
Nuclear energy

No

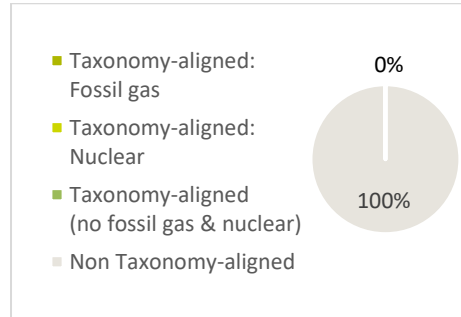
emission levels corresponding to the best performance.

The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy in green. 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.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding 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?**

There is no minimum level of investment in transitional and enabling activities.



are sustainable investments with an environmental objective 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?

N/A



What is the minimum share of socially sustainable investments?

N/A

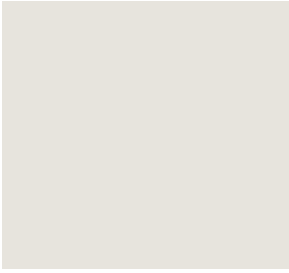


What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

#2 Other investments covers investments held by the sub-fund that are permitted under the investment policy in the annex to this Sales Prospectus pertaining to the sub-fund but are neither aligned with environmental or social characteristics nor categorised as sustainable.

Up to 35% of the securities held by the sub-fund may fall under **#2 Other investments**. The following value-based and norm-based criteria and minimum screening criteria ensure a minimum level of environmental or social characteristics with respect to these investments:

1. Use of value-based or norm-based criteria:
 - a. Companies participating in the UN Global Compact are favoured.
 - b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.



2. Use of screening criteria:

a. Companies:

- i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
- ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
- iii. Manufacturers/distributors of biological and chemical weapons
- iv. Manufacturers/distributors of depleted uranium weapons



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

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?

N/A



Where can I find more product specific information online?

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

<https://www.bantleon.com/en/sustainability>

Version 2 as of 01.01.2024

Published on 30.01.2024