

**This document is a supplement to the prospectus dated 17 October 2023 (the “Prospectus”) issued by Tabula ICAV (the “ICAV”). This Supplement forms part of, and should be read in conjunction with, the Prospectus.**

Investors’ attention is drawn, in particular, to the risk warnings contained in the section of the Prospectus entitled “Special Considerations and Risk Factors”.

This Supplement constitutes the listing particulars, including all information required by Euronext Dublin listing requirements, for the purposes of the applications to list the Dist, Acc, CHF Hedged Acc, CHF Hedged Dist, USD Hedged Acc, USD Hedged Dist, GBP Hedged Acc and GBP Hedged Dist. Shares.

**TABULA ICAV**

an Irish collective asset-management vehicle having registration number C174472 and established as an umbrella fund with segregated liability between sub-funds

**SUPPLEMENT**

**in respect of**

**Tabula EUR HY Bond Paris-Aligned Climate UCITS ETF  
(the “Sub-Fund”)**

**a UCITS ETF Sub-Fund of the ICAV**

**Dated 17 October 2023**

The Director of the ICAV, whose names appear on page 1 of the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

## INTERPRETATION

Save as set out below, capitalised terms shall have the same meaning herein as in the Prospectus.

<b>Definitions</b>	
<b>“Business Day”</b>	means, unless otherwise determined by the Directors and notified in advance to the Shareholders, a day (excluding Saturdays and Sundays) on which the banks in the UK and the US are open for normal business.
<b>“Dealing Day”</b>	means, unless otherwise determined by the Directors and notified in advance to Shareholders, each Business Day excluding Christmas Eve (24 December) and New Year’s Eve (31 December); an up-to-date dealing calendar specifying the Sub-Fund’s Dealing Days will be available on <a href="http://www.tabulaim.com/">http://www.tabulaim.com/</a> .
<b>“Index”</b>	means the iBoxx MSCI EUR High Yield Paris Aligned Capped TCA Index
<b>“Index Provider”</b>	means Markit Indices Limited
<b>“Index Rebalancing Date”</b>	means, the last Business Day of each calendar month
<b>“Index Value”</b>	means the value of the Index calculated on each Business Day.
<b>“Initial Offer Period”</b>	means the period beginning at 9.00 a.m. (London time) on 18 October 2023 and terminating at 5.00 p.m. (London time) on 17 April 2024 or such other period determined by the Directors in accordance with the requirements of the Central Bank.
<b>“Low Carbon Benchmarks Regulation”</b>	means Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) 2016/1011 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks.
<b>“Minimum Dealing Size”</b>	means in respect of the Sub-Fund the minimum number of Shares for subscription and redemption, which shall be 10,000 Shares.
<b>“Settlement Time”</b>	means the second Business Day after the relevant Dealing Day, or such other times as may be determined by the Directors provided that in the case of redemptions, the Settlement Time shall not be later than the tenth Business Day after the relevant dealing deadline.
<b>“Trade Cut-Off Time”</b>	means, for subscriptions and redemptions Shares, 3pm (London time) on the relevant Dealing Day, or such other times as may be agreed with the Directors provided that the Trade Cut-Off Time shall always precede the Valuation Point.
<b>“Valuation Point”</b>	means, unless otherwise determined by the Directors and notified in advance to Shareholders 11pm (London time) on the relevant Dealing Day. Securities that are quoted, listed or traded on or under the rules of any Regulated Market shall be valued at the bid-price on the relevant Regulated Market at the Valuation Point.

## INVESTMENT OBJECTIVE, STRATEGY AND POLICY

<p><b>Investment Objective</b></p>	<p>The investment objective of the Sub-Fund is to track the performance of the Index within an acceptable tracking error (which will take into account, amongst other things, the fees and expenses incurred) thereby aligning investments with the EU Paris-Aligned Benchmark framework and helping investors move towards a low carbon economy, while at the same time seeking to provide investors with a total return which reflects the return of the Index.</p> <p><b>There can be no assurance that the Sub-Fund will achieve its investment objective.</b></p> <p><b>Investors should note that an investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.</b></p>
<p><b>Investment Policy</b></p>	<p>In order to achieve its investment objective, the Sub-Fund will invest in a portfolio of fixed income securities, namely, fixed coupon bonds, step-up bonds (i.e. bonds that pay lower initial coupon rates but that allow for increased coupon rates at periodic intervals), medium term notes (i.e. bonds which mature within 5 – 10 years of being issued), callable bonds, putable bonds, perpetual bonds (i.e. bonds with no maturity date), pay-in kind bonds (during the pay-in-kind period), zero coupon bonds and zero step-up bonds that, as far as possible and practicable, consist of the constituent securities of the Index. The types of fixed income securities in which the Sub-Fund may invest are EU dollar-denominated, sub-investment grade, fixed-rate corporate securities.</p> <p>The Sub-Fund intends to use optimisation techniques (which includes the use of quantitative analysis by the Investment Manager to select securities from the Index with the aim of matching characteristics of the Index such as average duration, industry and sector weights, issuer type, regional exposure and credit quality) in order to achieve a similar return to the Index. It is, therefore, not expected that the Sub-Fund will hold each and every constituent security of the Index at all times or hold them in the same proportion as their weightings in the Index. From time to time, the Sub-Fund may hold all constituents of the Index. However, the Sub-Fund may hold securities which are not constituents securities of the Index where such securities provide similar performance (and a matching risk profile) to certain constituent securities of the Index.</p> <p>The Sub-Fund may invest in FX forwards for currency hedging purposes. For further information, please see the section below titled “<i>Share Classes</i>” and the section of the Prospectus titled “<i>Investment Techniques and Instruments</i>”.</p> <p>It is intended that the Sub-Fund will only invest in bonds of issuers that comply with the Index Provider’s climate criteria, environmental, social and governance (“<b>ESG</b>”) requirements and/ ESG ratings as detailed in the section below titled “<i>Description of the Index</i>”.</p> <p>The Sub-Fund’s investments will, at the time of purchase, comply with the credit rating requirements of the Index (which, as set out in the section titled “<i>Description of the Index</i>”, is EUR dollar-denominated sub-investment</p>

	<p>grade bonds), although this may include unrated or split-rated bonds judged to be of comparable quality with sub-investment grade bonds at the time of purchase. Issues of sub-investment grade bonds may be upgraded from time to time. In such an event, the Sub-Fund may hold investment grade bonds until such time as the investment grade bonds cease to form part of the Index, where applicable, and/or it is, in the Investment Manager’s view, possible, practicable and in the best interests of Shareholders to liquidate the position.</p> <p>The Sub-Fund’s investments will, at the time of purchase, comply with the climate criteria, ESG requirements and/or ESG ratings of the Index which are detailed in the section below titled “<i>Description of the Index</i>”.</p> <p>The Sub-Fund may continue to hold bonds which no longer comply with the climate criteria, ESG requirements and/or ESG ratings of the Index (which are detailed in the section below titled “<i>Description of the Index</i>”) until such time as the relevant bonds cease to form part of the Index, where applicable, and/or it is possible, practicable and in the best interests of Shareholders to liquidate the position. Such circumstances may arise if an issuer which complied with the Climate criteria, ESG requirements and/or ESG ratings of the Index ceases to comply with such requirements between Index Rebalancing Dates by virtue of, for example, increasing involvement in excluded business activities or its MSCI ESG controversy score changing to “Red”. Please see section below titled “<i>Description of the Index</i>” for information on the ESG requirements and/or ESG ratings of the Index with which issuers must comply.</p>
<p><b>Sustainability-related Disclosures</b></p>	<p>The Sub-Fund is an Article 9 fund for the purposes of SFDR. Investors’ attention is drawn to “<b>Risks relating to SFDR classifications and allocations to sustainable investments</b>” in the section of the Prospectus entitled “Special Considerations and Risk Factors”.</p> <p>Please refer to <b>Annex I – Sustainability-related Disclosures</b> for the pre-contractual disclosures for financial products referred to in Article 9(1), (2) and (3) of SFDR and Article 5 of Regulation (EU) 2020/852</p>
<p><b>Tracking Error</b></p>	<p>Tracking error will arise because of trading costs and, while there can be no assurance that it will not exceed such figure, tracking error is expected to be up to 0.75% in normal market conditions. For the avoidance of doubt, the foregoing indication of tracking error does not take into account the Total Expense Ratio, as described below under the heading “Fees and Expenses”.</p>
<p><b>Description of the Index</b></p>	<p>The Index measures the performance of a sub-set of EUR denominated, high yield, fixed-rate corporate bonds, including callable bonds, that follow the rules of the Markit iBoxx EUR High Yield 3% Issuer Cap Custom Index (the "Parent Index") and excludes issuers from the Parent Index based on the Index Provider’s Climate, ESG, and other criteria set out below.</p> <p>The Index is designed to help investors move towards a low carbon economy and align investments with the EU Paris-Aligned Benchmark framework and is constructed to follow the Low Carbon Benchmarks Regulation. The Index fulfils or exceeds all the criteria set out in the report</p>

of the European Commission’s Technical Expert Group on Sustainable Finance.

An “EU Paris-Aligned Benchmark” means a benchmark that is labelled as an EU Paris-Aligned Benchmark where the underlying securities are selected, weighted or excluded in such a manner that the resulting benchmark portfolio is on a decarbonisation trajectory and is also constructed in accordance with the minimum standards laid down in the delegated acts to the Low Carbon Benchmarks Regulation.

The Index uses a weighting optimisation to ensure that Index composition remains in line with the 1.5°C scenario through 2050 (i.e. limiting global warming to 1.5°C above pre-industrial levels by 2050). To achieve this, the Index uses a metric called GHG Emissions as described under the heading Climate Criteria, below.

Bonds are selected for inclusion in the Index according to the following criteria:

- i. denominated in EUR;
- ii. minimum par amount outstanding of EUR 250m;
- iii. maximum issuer weight of 3% of the index;
- iv. expected remaining life, as determined by the Index Provider of greater than one year;
- v. high yield rating (Ba1/BB+/BB+ or below with a minimum rating of C) using the middle rating of Moody’s, S&P and Fitch. Where a rating from only two agencies is available, the lower is used. When a rating from only one agency is available, that rating is used. Where an explicit bond level rating is not available, other sources may be used by the Index Provider to classify the credit quality of the bonds; and
- vi. issued by an issuer with an MSCI ESG Rating.

### **MSCI ESG Screens**

In addition, the ESG screening within the Index:

- i. applies the MSCI ESG screen that excludes issuers that are involved in the following business lines/activities: alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, nuclear power, civilian firearms and military weapons (including landmine manufacturing, cluster bomb manufacturing, depleted uranium weapons, chemical and biological weapons components). The MSCI ESG screen defines what constitutes “involvement” in each restricted activity, this may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received;
- ii. excludes issuers that derive greater than 0% of revenue from business activities related to thermal coal extraction, thermal coal-based power generation and oil sands and those issuers that have no ESG coverage or rating; and
- iii. oil & gas companies deriving 10% or more revenue from oil and gas-related activities, including distribution/retail,

- equipment and services, extraction and production, petrochemicals, pipelines and transportation and refining but excluding biofuel production and sales and trading activities;
- iv. excludes issuers with very serious MSCI ESG Controversies, assessed across three pillars (Environmental, Social and Governance);
  - v. exclude issuers with serious or very serious MSCI ESG Environment Controversies; and
  - vi. excludes issuers not in compliance with the United Nations Global Compact principles.

The market value of the remaining securities is then adjusted based on MSCI ESG Rating and Momentum in the manner set out below. The adjustments are made to ensure that the issuers of securities comprising the Index displaying higher levels of engagement and involvement in ESG activities are ranked higher in the Index than other issuers.

**Market Value Adjustments Based on MSCIs ESG Rating and Momentum**

**ESG Rating Tilt**

The weight of each eligible security in the Parent Index is adjusted by a fixed multiplier or “Rating Tilt”, which is determined by its MSCI ESG rating (AAA, AA, A, BBB, BB, B, CCC, NR):

<b>ESG Rating</b>	<b>Rating Tilt</b>
AAA	1.75x
AA	1.5x
A	1.5x
BBB	1.0x
BB	0.8x
B	0.67x
CCC and below	0.57x
No coverage / NR	0.0x

For each Index Rebalancing Date, Rating Tilts are based on the MSCI ESG ratings at the start of that calendar month., so rating changes during the month do not affect Index weights and returns until the next Index Rebalancing Date.

MSCI ESG ratings are generally updated annually throughout the year but may be reviewed more frequently as needed.

**ESG Momentum Tilt**

After the Rating Tilt is applied, each eligible security’s weight is further adjusted by a fixed multiplier or “Momentum Tilt”, which is determined by the change in its MSCI ESG rating over the last 12 months (i.e. positive momentum, negative momentum or neutral).

A 12-month lookback period is used in the momentum strategy. If a security's ESG rating has improved over the period, it is considered to be showing positive momentum.

If the rating stays the same, it is put in the neutral momentum category.

Otherwise, the security is considered to be exhibiting negative momentum. For unrated securities, if it is not clear whether they are showing positive, negative or neutral trend, they will be given a neutral stance in these conditions.

<b>ESG Rating Momentum</b>	<b>Momentum Tilt</b>
Positive	2.0x
Neutral	1.0x
Negative	0.5x

### **Climate Criteria**

The Index applies on a monthly basis the following MSCI Climate criteria which seeks to:

- i. reduce the GHG Emissions of the Index by at least 50% compared to the Parent Index; and
- ii. reduce the GHG Emissions of the Index by at least 7% on average per annum in line with or beyond decarbonisation trajectory from the 1.5°C scenario through 2050,

where

- i. GHG Emissions are the absolute Scope 1, Scope 2 and Scope 3\* greenhouse gas emissions of an issuer, measured in tons of CO2 equivalent (CO2e) and provided by MSCI;
- ii. The GHG Emissions of the Index is the weighted average GHG Emissions for all issuers included in the Index; and
- iii. Scope 1 emissions are from sources owned or controlled by the issuer, typically direct combustion of fuel as in a furnace or vehicle. Scope 2 emissions are those caused by the generation of electricity purchased by the issuer. Scope 3\* emissions include all emissions beyond the issuers direct operations and electricity use, including supply-chain operations and end-product usage by customers.

### **\*Scope 3: Phase-in Period**

The EU phase-in period described in Article 5 of the delegated acts to the Low Carbon Benchmarks Regulation outlines a timeline that requires the inclusion of Scope 3 GHG data only for specific sectors within an EU Paris-Aligned Benchmark in order to determine an issuer's total emissions level. This phase-in period has been provided due to the current data quality or lack of coverage of issuers with respect to Scope 3 emissions data.

	<p>As a result of the phase-in period, Index emissions shall be determined using only Scope 1 and Scope 2 GHG data for issuers, unless the issuer’s sector requires the inclusion of Scope 3 GHG data. If a ‘required’ issuer is in a sector that has insufficient Scope GHG 3 data to reliably estimate an average emission, that issuer will be proactively excluded from the Index. The threshold level for sufficient data is set so that at least 50% of all issuers within the issuer’s sector must have Scope 3 GHG data present.</p> <p>When applying the carbon emission constraints, the weights of all securities are then normalised to give aggregate weight of 100%, and the Index sector exposure is capped at +/- 1% versus the ESG Rating and Momentum Tilted Index with the issuer weight capped at 3%.</p> <p>Additional information on the Index and the general methodology behind it is available on:  <a href="https://www.markit.com/Documentation/Product/IBoxx/Rules_Benchmark">https://www.markit.com/Documentation/Product/IBoxx/Rules_Benchmark</a>.</p> <p>Further information on the Index, including its constituents and weightings, shall be available on demand and free of charge from the Investment Manager.</p>
<p><b>What impacts the performance/return of the Sub-Fund?</b></p>	<p>The performance of the Sub-Fund will depend on several factors including:</p> <ol style="list-style-type: none"> <li>i. the market value of the corporate bonds held by the Sub-Fund;</li> <li>ii. gains, losses and transaction costs generated by any rebalancing of the Sub-Fund’s corporate bond portfolio;</li> <li>iii. any coupon income received by the Sub-Fund and not yet reinvested in corporate bonds;</li> <li>iv. fees borne by the Sub-Fund; and</li> <li>v. where relevant, any hedging costs.</li> </ol>
<p><b>Investment in Collective Investment Schemes</b></p>	<p>The Sub-Fund will not invest more than 10% of its Net Asset Value in Eligible Collective Investment Schemes.</p>
<p><b>Dividend Policy</b></p>	<p>Certain Shares Classes of the Sub-Fund, as set out in the appendix to this Supplement, shall distribute dividends to Shareholders in accordance with the section of the Prospectus entitled “Dividend Policy”. Dividends will be paid in cash by electronic transfer and will generally be declared as at the end of each semi-annual period.</p> <p>In respect of the Share Classes marked “accumulating” in the appendix to this Supplement, the ICAV does not intend to distribute dividends. Net income will be managed in accordance with the UCITS cash management limits, whereupon it will be reinvested at the next Index Rebalancing Date.</p>
<p><b>Profile of a Typical Investor in the Sub-Fund</b></p>	<p>An investment in the Sub-Fund is suitable for investors who are able and willing to invest in a sub-fund with a medium to high risk grading.</p> <p>An investment in the Sub-Fund is intended for Financially Sophisticated Investors. Therefore the Sub-Fund is appropriate for Financially Sophisticated Investors who understand its strategy, characteristics and risks.</p>



	<p>A “Financially Sophisticated Investor” means an investor who:</p> <ul style="list-style-type: none"> <li>- has knowledge of, and investment experience in financial markets generally; and</li> <li>- understands and can evaluate the strategy, characteristics and risks of the Sub-Fund in order to make an informed investment decision.</li> </ul>
<b>Risk Factors</b>	Investors’ attention is drawn to the risk factors set out in the section of the Prospectus entitled “Special Considerations and Risk Factors”.
<b>Base Currency</b>	EUR
<b>UCITS Compliance</b>	<p>The Investment Manager uses the methodology known as the “Commitment Approach” in order to measure the global exposure of the Sub-Fund and manage the potential loss to them due to market risk. The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDI to determine the degree of global exposure of a Sub-Fund to FDI. Pursuant to the UCITS Regulations, in the event that a Sub-Fund uses leverage in the future, the global exposure for a Sub-Fund must not exceed 100% of that Fund’s Net Asset Value. While it is not the Investment Manager's intention to leverage the Fund, any leverage resulting from the use of FDIs will be done in accordance with the UCITS Regulations.</p> <p>Further detail on the calculation of global exposure is set out in the financial derivative instrument risk management process of the Sub-Fund (“<b>RMP</b>”). The RMP employed enables the Investment Manager to accurately measure, monitor and manage the various risks associated with FDI, including leverage.</p>
<b>Relevant Stock Exchanges</b>	<p>Application will be made to list the Exchange-Traded Shares to Euronext Dublin (formerly the Irish Stock Exchange) for admission to the Official List and to trading on the regulated market of Euronext Dublin.</p> <p>Neither the admission of the Exchange-Traded Shares to the Official List, nor to trading on the regulated market of Euronext Dublin, nor the approval of the listing particulars pursuant to the listing requirements of the Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the ICAV, the adequacy of information contained in the listing particulars or the suitability of the ICAV or the Sub-Fund for investment purposes.</p> <p>Exchange-Traded Shares may also be listed and admitted for trading on a number of other stock exchanges (including, without limitation, the Main Market of the London Stock Exchange plc (the “<b>LSE</b>”), Borsa Italiana, SIX, BX Swiss and Xetra) but the ICAV does not warrant or guarantee that such listings will take place or continue to exist. In the event that such listings do take place, the primary list of the Exchange-Traded Shares will normally be on the main market of Euronext Dublin or the LSE (although the Exchange-Traded Shares may be primarily listed on an alternative stock exchange) and any other listings shall be secondary to the primary listing.</p>
<b>Publication of Share Prices</b>	The Irish Stock Exchange trading as Euronext Dublin will be notified immediately of the Net Asset Value per Share of each relevant Share Class, which will be available on Euronext Dublin ( <a href="http://www.ise.ie">www.ise.ie</a> ).

	<p>The London Stock Exchange will be notified without delay of the Net Asset Value per Share of each relevant Share Class, which will be available on <a href="http://www.londonstockexchange.com">www.londonstockexchange.com</a>.</p> <p>The Net Asset Value per Share of the relevant Share Classes will also be available on <a href="http://www.tabulaim.com/">http://www.tabulaim.com/</a>.</p>
<b>Portfolio Holdings</b>	The portfolio holdings (for the previous day) will be published for a particular the Fund will be available daily on <a href="http://www.tabulaim.com/">http://www.tabulaim.com/</a>

## FEES AND EXPENSES

The establishment costs of the Sub-Fund will be paid by the Investment Manager.

The total annual fees and operating expenses of the Sub-Fund (except for transaction charges and taxes or duty charges for portfolio re-balancing, all of which are paid separately out of the assets of the Sub-Fund) per Share class will be up to the percentage per annum of the Net Asset Value of the (the “**Total Expense Ratio**” or “**TER**”) Share Class as set out in the Appendix to this Supplement.

Such fee shall accrue daily and be payable monthly in arrears to the Investment Manager. The Investment Manager will receive no further disbursement for expenses, out of pocket or otherwise from the Sub-Fund. Except for transaction charges and taxes or duty charges for portfolio re-balancing, all of which are paid separately out of the assets of the Sub-Fund, the Investment Manager will be responsible for the payment of all fees, costs, and expenses of the Sub-Fund, including but not limited to fees and expenses paid to any sub-distributor or paying agent, Depository, Administrator and auditors.

### Fees Payable by the Investor

In addition to Duties and Charges as described in the Prospectus, a subscription fee of up to 5% of the subscription monies may be charged, at the discretion of the Directors, in respect of a subscription in the Sub-Fund and a redemption fee of up to 3% of the redemption monies may be charged in respect of a redemption of Shares in the Sub-Fund. Such fees may be retained by the Sub-Fund or remitted to the Investment Manager, sales intermediaries or other third parties.

Any fees and expenses payable out of the assets of the Sub-Fund other than those set out in this Supplement are set out in the Prospectus in the section entitled “Fees and Expenses”.

## SHARE CLASSES

Details of the Share Classes of the Sub-Fund are set out in the appendix hereto. The Share Classes comprise: (i) unhedged Share Classes in the Base Currency; and (ii) hedged Share Classes which hedge the foreign exchange exposure of the currency or currencies in which the underlying assets of the Sub-Fund are denominated to the currency of the relevant Share Class (each a “**Hedged Share Class**”). Further information is set out in the Prospectus in the section entitled “Currency Risk – Class Level”. Shares may also be Exchange-Traded Shares or Non-Exchange Traded Shares as set out in the appendix hereto. Further information on Exchange Traded Shares and Non-Exchange Traded Shares is set out in the Prospectus in the section entitled “Investing in Shares”.

## SUBSCRIPTIONS AND REDEMPTIONS

In respect of the Sub-Fund, payment for subscriptions for Shares will only be accepted in cash and redemption proceeds will only be paid in cash. Unless otherwise stipulated in the appendix hereto, subscriptions and redemptions of Shares in the Sub-Fund will be subject to the Minimum Dealing Size. The Minimum Dealing Size may be waived or reduced for investors in a Share Class at the discretion of the Directors, who may delegate the exercise of such discretion to the Investment Manager.

## **USE OF COLLATERAL**

The policy that will be applied to collateral arising from OTC derivative transactions relating to the Sub-Fund is to adhere to the requirements set out in Schedule 3 to the Prospectus. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank pursuant to the UCITS Regulations. The categories of collateral which may be received by the Sub-Fund include Collateral Assets. From time to time and subject to the requirements in Schedule 3, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied (if any) by the Investment Manager are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the requirements in Schedule 3. Each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets should be justified on the basis of this policy.

If cash collateral received by the Sub-Fund is re-invested, the Sub-Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Sub-Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Sub-Fund. For further details see the section of the Prospectus entitled “Risk Factors”.

## **BORROWINGS AND LEVERAGE**

As of the date of this Supplement, the Sub-Fund does not have any loan capital (including term loans) outstanding or created but unissued, and no outstanding bank overdrafts, mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowing under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities. The Sub-Fund does not intend to use leverage for investment purposes or be actively leveraged through borrowing.

## **INDEX DISCLAIMER**

The Markit Markit iBoxx MSCI ESG EUR High Yield Paris-Aligned Capped Index referenced herein is the property of Markit Indices GmbH and has been licensed for use in connection with the Sub-Fund. For the purpose of this document: (i) the Markit Markit iBoxx MSCI ESG EUR High Yield Paris-Aligned Capped Index is an “Index”; and (ii) Markit Indices GmbH is the “Index Sponsor” for Markit Markit iBoxx MSCI ESG EUR High Yield Paris-Aligned Capped Index.

Each party acknowledges and agrees that the Sub-Fund is not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor make no representation whatsoever, whether express or implied, and hereby expressly disclaim all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaim any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular

date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.

The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of purchasing or selling the Sub-Fund, the ability of the Index to track relevant markets' performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. No party purchasing or selling the sub-Fund, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Index. The Index Sponsor and its affiliates may deal in any obligations that compose the Index, and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the issuers of such obligations or their affiliates, and may act with respect to such business as if the Index did not exist, regardless of whether such action might adversely affect the Index or the Sub-Fund.

**THE DIRECTORS OF THE ICAV, THE INVESTMENT MANAGER AND THE INDEX PROVIDER TOGETHER THE "RESPONSIBLE PARTIES" DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY DESCRIPTION RELATING TO THE INDEX, THE FIXED INCOME INDICES OR ANY DATA INCLUDED THEREIN AND THE RESPONSIBLE PARTIES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. THE RESPONSIBLE PARTIES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE SUB-FUND, TO ANY SHAREHOLDER IN THE SUB-FUND, OR TO ANY OTHER PERSON OR ENTITY IN RESPECT OF THE INDEX DESCRIBED HEREIN**

#### **IMPORTANT INFORMATION**

Certain risks relating to the Shares are set out in the section of the Prospectus entitled Special Considerations and Risk Factors. In addition, Shareholders must also note the following risk considerations in relation to the Index.

**This does not purport to be an exhaustive list of the risk factors relating to an investment in an Index Fund.**

**Index Performance.** All Shareholders in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index. There is no assurance as to how the Index will perform in either absolute terms or in relative terms. The Index is ultimately exposed to the performance of the components underlying the Index. No assurance can be given that such components and/or the methodology itself will generate positive returns. The Index return may be lower than the actual return of the selected components. It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to its historical levels. The complete methodology of the Index is available on [www.solactive.com](http://www.solactive.com). Before making any investment decision, investors should ensure that they have read and understood these documents and should take professional advice on the potential risks to satisfy themselves that an exposure to the Index and an investment in the Shares is suitable and appropriate for them in light of their own circumstances.

**Limited Operating History.** The Index has only recently been established as a tradable strategy and therefore has limited historical performance data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. Because the Index is of recent origin and limited historical performance data exists with respect to it, a potential investment in the Index may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

**Termination of Index licence.** While the ICAV has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may have to be terminated in certain circumstances.

**Environmental, Social and Governance Risk:** The Sub-Fund intends to invest in securities of issuers that manage their ESG exposures better relative to their peers in accordance with the criteria imposed by the Index Provider. This may affect the Sub-Fund's exposure to certain issuers and cause the Sub-Fund to forego certain investment opportunities. The Sub-Fund may perform differently to other funds, including underperforming other funds that do not seek to invest in securities of issuers based on their ESG ratings.

**Index-Related Risk.** There is no guarantee that the Sub-Fund will achieve a high degree of correlation to Index and, therefore, achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the Sub-Fund's ability to adjust its exposure to the required levels in order to track the Index. Errors in Index data may occur from time to time and may not be identified and corrected for a period of time and may have an adverse impact on the Sub-Fund and its Shareholders.

**Optimisation.** With a optimisation strategy, the Sub-Fund may not hold all of the securities in the Index and may invest in securities not included in the Index. The securities held by the Index may also be over or underweight relative to the securities in the Index. It is therefore possible that the Sub-Fund may be subject to larger tracking error.

## **Investment Risks**

**High Yield & Non-Rated Securities Risk.** The Sub-Fund may invest into below investment grade and non-rated securities. Securities that are rated lower than "BBB-" by Standards & Poor's and Fitch, Inc., "Baa3" by Moody's Investors Service, Inc. (i.e. below investment grade) or are unrated but judged by the Investment Manager to be of comparable quality, at the time of purchase, may be more volatile than higher-rated securities of similar maturity. Such securities tend to be more volatile in their valuations and subject to higher credit risk. High yield securities may also be subject to greater levels of credit or default risk than higher-rated securities. The value of high yield securities can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and high yield securities may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated securities. In particular, high yield securities are often issued by smaller, less creditworthy countries and companies or by highly leveraged (indebted) countries and companies, which are generally less able than more financially stable countries and companies to make scheduled payments of interest and principal.

**Interest Rate Risk.** The Sub-Fund may invest in fixed income securities, which are subject to interest rate risk. An increase of interest rates will cause the values of fixed income securities (in particular fixed rate securities), and thus the value of the Sub-Fund, to decline. Interest rate risk is generally lower for shorter term fixed income investments and higher for longer term fixed income investments

**Income Risk.** Falling market interest rates can lead to a decline in income for the Sub-Fund. This can result when, in declining interest rate environment, (i) the Sub-Fund receives in-kind deposits of portfolio securities in connection with a subscription, (ii) the Sub-Fund Fund reinvests into securities at a lower yield than the then-current Sub-Fund Fund portfolio yield, or (iii) the floating rate securities in the portfolios experience lower yields.

**Issuer Risk.** The value of the Sub-Fund is subject to issuer risk of its underlying investments. A corporate issuer may willingly or unwillingly default on its obligation to make interest and principal payments (for example, many defaulted during the Global Financial Crisis in 2008 and 2009).

**Credit Risk.** The value of the Sub-Fund is affected by the credit worthiness of its underlying investments. A deterioration of credit quality (e.g. an issuer credit downgrade or credit event leading to widening of credit spread) of an underlying investment will adversely impact the value of such investment

**Call Risk.** The Sub-Fund may invest into callable fixed income securities that are subject to call risk. During periods of falling interest rate and rising security price, the issuer may prefer to “call” or repay the security prior to its stated maturity. The Sub-Fund may then have to reinvest such proceeds into lower yielding securities at a falling interest rate environment, which may thus result in a decline in the Sub-Fund’s income.

**Liquidity Risk.** Certain bond markets (especially secondary markets) may be relatively illiquid. The cost of dealing may be high in such illiquid markets. A disruption in the asset allocation in the Sub-Fund is also possible if underlying securities cannot be purchased or sold.

**Valuation Risk.** In a thinly traded market, it may be more difficult to achieve fair value when purchasing or selling underlying securities because of the wide bid-ask spread. The inability to transact at advantageous times or prices may result in a reduction in the Sub-Fund’s returns.

**Illiquidity of Bonds Close to Maturity.** The Sub-Fund’s underlying fixed income securities may become more illiquid when nearing maturity. It therefore may be more difficult to achieve fair valuation in the market.

**Insufficiency of Duties & Charges.** A pre-set spread, included in Duties and Charges, related to subscription or redemption price calculation in a cash creation or cash redemption may be determined prior to trading of the underlying securities to cover estimated trading costs. If such spread is narrower than the actual associated trading costs, the Net Asset Value of the Sub-Fund will be adversely affected.

**Market Risk.** Past performance is not indicative of future performance. The Net Asset Value of the Sub-Fund will change with changes in the market value of the securities it holds. The price of Shares and the income from them may go down as well as up. Investors may not get back their original investment. There can be no assurance that the Sub-Fund will achieve its investment objective or that an investor will achieve profits or avoid losses, significant or otherwise. The capital return and income of the Sub-Fund is based on the capital appreciation and income on the securities it holds, less expenses incurred. The Sub-Fund’s return may fluctuate in response to changes in such capital appreciation or income. Furthermore, the Sub-Fund may experience volatility and decline in a manner that broadly corresponds with the Index.

**Distribution Yield.** Whether or not distributions will be made by the Sub-Fund is at the discretion of the ICAV taking into account various factors and its own distribution policy. Some factors are beyond the control of the ICAV, such as issuer risk where the bond issuer fails to pay interest. There can be no assurance that the distribution yield of the Sub-Fund is the same as that of the Index due to factors such as expenses incurred by the Sub-Fund.

**Asset Class Risk.** Although the ICAV is responsible for the continuous supervision of the investment portfolio of the Sub-Fund, the returns from the types of securities in which the Sub-Fund invests may underperform returns from other securities markets or from investment in other assets. Different types of securities tend to go through cycles of out-performance and underperformance when compared with other general securities markets

**Passive Investments.** The Sub-Fund is not actively managed. Accordingly, the Sub-Fund may be affected by a decline in world market segments relating to the Index. The Sub-Fund invests in the securities included in or reflecting its Index regardless of their investment merit, except to the extent of

any optimisation strategy. The Investment Manager does not attempt to select bonds individually or to take defensive positions in declining markets.

**Investment Management Risk.** Because the Sub-Fund may not fully replicate its Index and may hold non-index securities, it is subject to an investment management risk. This is the risk that the Investment Manager's strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. In addition, the Investment Manager has absolute discretion, subject to the provisions of the Prospectus, Supplement and applicable legislation, to exercise shareholders' rights with respect to securities comprising the Sub-Fund. There can be no guarantee that the exercise of such discretion will result in the investment objective of the Sub-Fund being achieved. Investors should also note that in certain cases, none of the Investment Manager, the ICAV or the Shareholders has any voting rights with respect to securities held by the Sub-Fund.

**Tracking Error Risk.** The Net Asset Value of the Sub-Fund may not correlate exactly with the Index. Factors such as the fees and expenses of the Sub-Fund, imperfect correlation between the Sub-Fund's assets and the securities constituting the Index, inability to rebalance the Sub-Fund's holdings of securities in response to changes in the constituents of the Index, rounding of prices, changes to the Indices and regulatory policies may affect the Investment Manager's ability to achieve close correlation with the Index of the Sub-Fund. The Sub-Fund's returns may therefore deviate from the Index. In addition, any potential tax consequence in the underlying securities caused by a change in tax policy by a respective government may cause further deviation from the Sub-Fund's return

**Foreign Security Risk.** The Sub-Fund invests entirely within or relates to the debt markets of a single country or region. These markets are subject to special risks associated with foreign investment including market fluctuations caused by factors affected by political and economic development. Investing in the securities of non-domestic companies involves special risks and considerations not typically associated with investing in domestic companies. These include differences in accounting, auditing and financial reporting standards, the possibility of nationalisation of assets (in whole or in part), the possibility of expropriation or confiscatory taxation, adverse changes in investment or exchange control regulations, political instability which could affect local investments in foreign countries, and potential restrictions on the flow of international capital. Non-domestic companies may be subject to less governmental regulation than domestic companies. Moreover, individual foreign economies may differ favourably or unfavourably from the domestic economy in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payment positions.

**APPENDIX TO THE SUPPLEMENT OF THE  
Tabula EUR HY Bond Paris-Aligned Climate UCITS ETF  
SHARE CLASSES OF THE SUB-FUND**

<b>Share Class</b>	<b>Class Currency</b>	<b>Hedged/Unhedged</b>	<b>Exchanged-Traded/Non-Exchange Traded</b>	<b>Initial Offer Period Status</b>	<b>Initial Offer Price per Share</b>	<b>Distributing/Accumulating</b>	<b>TER</b>	<b>ISIN</b>
Acc	EUR	Unhedged	Exchange-Traded	Launched	EUR 10	Accumulating	Up to 0.50%	IE000V6NHO66
Dist	EUR	Unhedged	Exchange-Traded	New	EUR 10	Distributing	Up to 0.50%	IE000OXQ14R4
USD Hedged Acc	USD	Hedged	Exchange-Traded	New	USD 10	Accumulating	Up to 0.55%	IE000WL5O2B3
USD Hedged Dist	USD	Hedged	Exchange-Traded	New	USD 10	Distributing	Up to 0.55%	IE000FNXROV3
GBP Hedged Acc	GBP	Hedged	Exchange-Traded	New	GBP 10	Accumulating	Up to 0.55%	IE000OE92PJ9
GBP Hedged Dist	GBP	Hedged	Exchange-Traded	New	GBP 10	Distributing	Up to 0.55%	IE000HI38BG3
CHF Hedged Acc	CHF	Hedged	Exchange-Traded	New	CHF 10	Accumulating	Up to 0.55%	IE00026Z8TG0
CHF Hedged Dist	CHF	Hedged	Exchange-Traded	New	CHF 10	Distributing	Up to 0.55%	IE0003Q9WVO0



# Pre-contractual disclosure for financial products referred to in Article 9(1), (2) and (3) of Regulation (EU) 2019/2088 and Article 5 of Regulation (EU) 2020/852

Product name: **Tabula EUR HY Bond Paris-Aligned Climate UCITS ETF**

Legal entity identifier:  
635400DZBUIMTBCXGA12

## 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, establishing a list of environmentally sustainable economic activities. For the time being, it 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?

- Yes
- It will make a minimum of sustainable investments with an environmental objective: **70%**
- 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: \_\_\_%
- No
- 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 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 is the sustainable investment objective of this financial product?** *[indicate the investment objective pursued by the financial product, describe how the sustainable investments contribute to a sustainable investment objective and indicate whether a reference benchmark has been designated for the purpose of attaining the sustainable investment objective. For financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes. For financial products referred to in Article 9(3) of Regulation (EU) 2019/2088, indicate that the financial product has the objective of reducing carbon emissions and explain that the reference benchmark qualifies as an EU Climate Transition Benchmark or an EU Paris-aligned Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011 and indicate where the methodology used for the calculation of that benchmark can be found. Where no EU Climate Transition Benchmark or EU Paris-aligned Benchmark as qualified in accordance with Regulation (EU) 2016/1011 is available, describe that fact, how the continued effort of attaining the objective of reducing carbon emissions is ensured in view of achieving the objectives of the Paris Agreement and the extent to which the financial product complies with the methodological requirements set out in Commission Delegated Regulation (EU) 2020/1818]*

The sustainable investment objective of the Sub-Fund is to reduce carbon emissions in Euro high yield bond allocations in alignment with the Paris Agreement. It achieves this by tracking the performance of the **Markit iBoxx MSCI ESG EUR High Yield Paris-Aligned Capped Index**.

This is a reference benchmark meeting the criteria for an EU Paris-aligned Benchmark (PAB) described in regulation (EU) 2020/1818. The methodology for the reference benchmark is available at <https://www.tabulaim.com/products/ieoov6nho66/documents/>.

Bonds, including any sustainable investments, are selected and weighted so as to deliver a portfolio with 50% lower greenhouse gas (GHG) emissions than the broad Euro high yield market and a 7% year-on-year reduction in GHG emissions. The sustainable investments contribute to the environmental objective of climate mitigation.

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

- **Weighted average GHG emissions 50 % lower than broad Euro high yield market**, as represented by the Markit iBoxx EUR High Yield 3% Issuer Cap Custom Index (the "parent index")

- **7% annual reduction in weighted average GHG emissions**

Note that these indicators are built into the methodology of the reference benchmark and applied using data provided by MSCI. GHG emissions include Scope 1 and Scope 2, plus Scope 3 emissions for some sectors, in line with the timetable for the phasing in Scope 3 emissions provided in Article 5 of regulation (EU)2020/1818.

Please refer to the reference benchmark methodology more information.

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

The sustainable investments are subject to the measures described below, which are designed to reduce adverse impacts on sustainability factors and to ensure that sustainable investments made by the Sub-Fund do not cause significant harm to any environmental or social sustainable investment objective.

**How have the indicators for adverse impacts on sustainability factors been taken into account?** *[explain how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I are taken into account]*

The Sub-Fund takes adverse impacts into account as follows:

- **GHG emissions (Principal Adverse Impact #1):** reduces the weighted average GHG emissions of the Sub-Fund by 50 % relative to the parent index, and by 7% per annum
- **Exposure to companies active in the fossil fuel sector (Principal Adverse Impact #4):** excludes issuers with revenues from oil, gas, coal and energy intensive electricity above the thresholds specified in the PAB rules.
- **Violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises (Principal Adverse Impact #10):** excludes issuers deemed in violation of the UN Global Compact Principles or involved with very severe ESG controversies, including violation of international norms such as the OECD Guidelines.
- **Significant environmental harm:** excludes issuers involved with severe or very severe controversies, including those related to land use and biodiversity, toxic spills and releases, energy and climate change, water management, operational non-hazardous waste, the environmental impact of products and services, and management of supply chain environmental impact.
- **Exposure to controversial weapons (Principal Adverse Impact #14):** excludes issuers involved with controversial weapons, including chemical and biological weapons, landmines and cluster munitions.
- **Exposure to additional harmful business activities:** excludes issuers involved with alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, nuclear power, nuclear weapons, civilian firearms or recreational cannabis, subject to certain revenue thresholds.

Note that these indicators are built into the methodology of the reference benchmark and applied using data provided by MSCI. Please refer to the reference benchmark methodology for more information. The Investment Manager takes the indicators into account by a) replicating the reference benchmark as far as possible and practical and b) ensuring that the same constraints are applied to the actual holdings of the Sub-Fund.

In addition, the Investment Manager performs additional checks using the 14 mandatory Principal Adverse Impact (PAI) indicators described in (EU) 2019/2088 (SFDR), on a "best efforts" basis. Data is sourced from MSCI. Where data availability is low, or where it is not possible to establish a meaningful minimum or maximum threshold, the Investment Manager may use alternative metrics with a broader scope. For example, data for Hazardous Waste Ratio is not widely available, so the Investment Manager uses MSCI ESG's Environmental Controversy Score, which incorporates controversies relating to toxic waste, as a proxy measure.

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

All holdings of the Sub-Fund, including the sustainable investments, are screened using the MSCI ESG Controversy methodology, which is aligned with both the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The methodology covers a wide range of environmental, social and governance controversies, including but not limited to the following:

- **Environmental:** biodiversity and land use, energy and climate change, supply chain management, water stress, toxic emissions and waste, operational waste (non-hazardous)

- **Social:** human rights and community impact, labour rights and supply chains, customers
- **Governance:** bribery and fraud, controversial investments, governance structures

Bond issuers with a score of zero (very severe controversy) for any controversy are excluded.

Note that this screen is built into the methodology of the reference benchmark. Please refer to the reference benchmark methodology for more information. The Investment Manager takes the indicators into account by a) replicating the reference benchmark as far as possible and practicable and b) ensuring that the same constraints are applied to the actual holdings of the Sub-Fund.

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

Yes [if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available.]

No

The Sub-Fund considers the 14 mandatory PAI indicators plus one optional climate-related PAI indicator (Investments in companies without carbon emission reduction initiatives).

The following PAIs are formally considered within the reference benchmark methodology, using data provided by MSCI:

1. GHG emissions
4. Exposure to companies active in the fossil fuel sector
10. Violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises
14. Exposure to controversial weapons

The remaining PAIs are not incorporated in the reference benchmark methodology and therefore cannot be formally considered in the day-to-day investment process. However, the Investment Manager monitors these PAIs on a quarterly basis using MSCI data. It also considers these PAIs in annual reviews with index providers, to assess whether the quality and availability of data is sufficient to incorporate them into the reference benchmark methodology. Disclosures pursuant to Article 11(2) of Regulation (EU) 2019/2088 will be published at <https://www.tabulaim.com/products/ieoobn4gx163/sustainability/>

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.

#### What investment strategy does this financial product follow? [provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]

The Sub-Fund invests in a portfolio of fixed income securities that reflects the composition of the reference benchmark as far as practicable. The Sub-Fund may use optimisation techniques to select securities. However, it is intended that the Sub-Fund will only invest in bonds of issuers that meet the sustainability and ESG-related selection criteria described in the reference benchmark methodology (and below as "binding elements")

In addition, the Investment Manager performs monthly checks to ensure that the Sub -Fund is maintaining its commitment to a 70% allocation to sustainable investments.

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

The Sub-Fund is bound by the rules governing PABs and by the selection criteria specified in the reference benchmark methodology.

These include the following:

- Weighted average GHG emissions 50% lower than the broader market
- Weighted average GHG emissions reducing by 7% per annum
- Exclusion of bond issuers in violation of social norms (including the UN Global Compact), causing significant environmental harm or with revenues from oil, gas, coal and energy intensive electricity above certain thresholds
- Exclusion of bond issuers involved with alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, nuclear power, controversial weapons, civilian firearms, and recreational cannabis.

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

The reference benchmark excludes bond issuers with an MSCI ESG Controversy score of zero (very severe controversy). This indicator covers a range of governance controversies including, but not limited to, bribery and fraud, controversial investments and governance structures.

In addition, the Investment Manager regularly screens the Sub-Fund's holdings for specific governance-related controversies, using MSCI ESG's Governance Controversy Flag and Labor Rights Flag. Issuers with red flags (very severe controversy) are excluded. Issuers with orange flags (severe controversy) are reviewed on a case-by-case basis.

**Asset allocation** describes the share of investments in specific assets.

*[include note only for financial products referred to in Article 5 of Regulation (EU) 2020/852]*

Taxonomy-aligned activities are expressed as a share of:

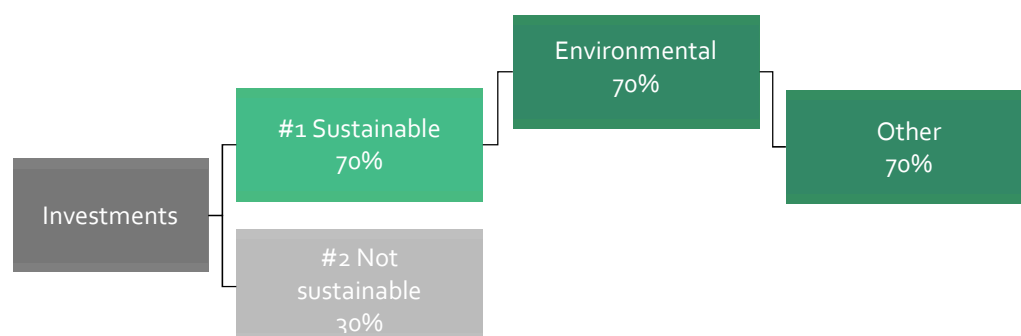
- Turnover reflecting the share of revenue from green activities of investee companies
- Capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- Operational expenditure (OpEx) reflecting green operational activities of investee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

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

**What is the asset allocation and the minimum share of sustainable investments?** *[include a narrative explanation of the investments of the financial product including the minimum proportion of the investments of the financial product used to meet the sustainable investment objective in accordance with the binding elements of the investment strategy]*

The Sub-Fund allocates a minimum of 70% of assets to sustainable investments with an objective of climate mitigation.

*[Include only relevant boxes, remove irrelevant ones for the financial product]*



*#1 Sustainable covers sustainable investments with environmental or social objectives.*

*#2 Not sustainable includes investments which do not qualify as sustainable investments.*

**How does the use of derivatives attain the sustainable investment objective?** *[for financial product that use derivatives as defined in Article 2(1), point (29), of Regulation (EU) No 600/2014 to attain their sustainable investment objective, describe how the use of those derivatives attains that sustainable investment objective]*

n/a

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include the section for financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 19(1), point (a), of this Regulation, the description referred to in Article 19(1), point (b), of this Regulation, the clear explanation referred to in Article 19(1), point (c), of this Regulation, the narrative explanation referred to in Article 19(1), point (d), of this Regulation]*

0%

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?<sup>1</sup>**

Yes *[specify below, and details in the graphs of the box]*

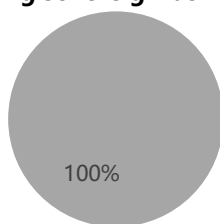
In fossil gas    In nuclear energy

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.

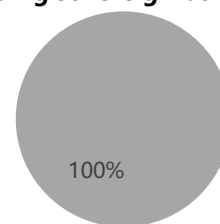
<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for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

1. Taxonomy-alignment of investments including sovereign bonds\*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear

2. Taxonomy-alignment of investments excluding sovereign bonds\*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear

\*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?** *[include subsection for financial products referred to in Article 5 of Regulation (EU) 2020/852]*

0%

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy\*?** *[include subsection only for financial products referred to in Article 5 of Regulation (EU) 2020/852 where the financial product invests in environmental economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]*

70%. Alignment with the EU Taxonomy is not currently in the criteria for PABs and is not incorporated in the reference benchmark methodology. As a result, to ensure that the fund closely tracks the reference benchmark, the Investment Manager cannot currently commit to a specific minimum percentage alignment with the EU Taxonomy.

**What is the minimum share of sustainable investments with a social objective?** *[include section only where the financial product includes sustainable investments with a social objective]*

n/a

**What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?** *[describe the purpose of the remaining proportion of the investments of the financial product, including a description of any minimum environmental or social safeguards, how their proportion and use does not affect the delivery of the sustainable investment objective on a continuous basis and whether those investments are used for hedging or relate to cash held as ancillary liquidity]*

All corporate bonds held by the Sub-Fund, including those classified as "not sustainable" are consistent with the Sub-Fund's overall sustainable objective of reducing portfolio GHG emissions (50% reduction relative to broad Euro high yield market, 7% reduction per annum) and are included in the calculation of these metrics in accordance with the PAB rules. These additional investments also help to ensure diversification across countries and sectors.

There are minimum environmental and social safeguards, as follows:

- **ESG controversies:** the Sub-Fund excludes issuers involved with very severe environmental, social or governance controversies, including violation of international norms
- **UNGC compliance:** the Sub-Fund excludes issuers deemed in violation of the principles of the UN Global Compact.
- **Environmental controversies:** the Sub-Fund excludes issuers involved with severe or very severe controversies, including those related to land use and biodiversity, toxic spills and releases, energy and climate change, water management, operational non-hazardous waste, the environmental impact of products and services, and management of supply chain environmental impact.
- **Fossil fuels:** the Sub-Fund excludes issuers with revenues from oil, gas, coal and energy intensive electricity above the thresholds specified in the PAB rules.
- **Specific business activities:** the Sub-Fund excludes issuers involved with alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, nuclear power, controversial weapons, civilian firearms and recreational cannabis. What constitutes "involvement" may be

*[include note only for financial products referred to in Article 5 of Regulation (EU) 2020/852]*

**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.

*[include note for financial products referred to in Article 5 of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*

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

based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

Note that these safeguards are built into the methodology of the reference benchmark and applied using data provided by MSCI. Please refer to the reference benchmark methodology for more information.

The Sub-Fund may also hold a small Cash Component for the purposes of efficient portfolio management and may invest in FX forwards for currency hedging purposes. No minimum environmental or social safeguards are applied to these assets.

*[include note for financial products referred to in Article 9(1) of Regulation (EU) 2019/2088]*

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

**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?** *[include section only for financial products referred to in Article 9(1) of Regulation (EU) 2019/2088 and indicate where the methodology used for the calculation of the designated index can be found]*

n/a

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

n/a

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

n/a

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

n/a

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

n/a

**Where can I find more product specific information online?**

More product-specific information can be found on the website:  
<https://www.tabulaim.com/products/jeoov6nho66/sustainability/>