

# Nedgroup Investments Funds PLC

## Article 10 SFDR Website Disclosure in respect of

Name of Sub-Fund	Legal Entity Identifier
Global Strategic Bond Fund (the " <b>Sub-Fund</b> ")	213800G3YKH466UQKQ75

May 2025

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, as amended ("**SFDR**") requires certain EU-regulated entities (including Carne Global Fund Managers (Ireland) Limited as the management company of Nedgroup Investments Funds, the "**Company**") to disclose information on a public website regarding the promotion of environmental and/or social characteristics for certain financial products.

This document (hereinafter referred to as the "**Article 10 Statement**") constitutes the transparency disclosure with respect to the Sub-Fund for the purposes of Article 10 of SFDR and is available at the following website: <https://www.nedgroupinvestments.com>

This Article 10 Statement should be read in conjunction with the latest prospectus of the Company (the "**Prospectus**") and the supplement in respect of the Sub-Fund (the "**Supplement**") which sets out in detail the investment policy of the Sub-Fund and its approach to sustainable investment. The Supplement also incorporates the Annex setting out certain prescribed pre-contractual disclosures required under SFDR (the "**Sustainability Annex**").

Any capitalised terms appearing in this Statement and not expressly defined herein shall have the meaning given to them in the Prospectus and / or the Supplement.

## Summary

This summary section has been completed in furtherance of SFDR and, in particular, Article 25 of Commission Delegated Regulation (EU) 2021/1288 ("**SFDR Level 2**") and summarises the key information referred to in the remaining sections of this Article 10 Statement.

Classification	The Sub-Fund has been classified a fund which promotes environmental and/or social characteristics under Article 8 of SFDR.
No Sustainable Investment Objective	The Sub-Fund promotes environmental or social characteristics in accordance with Article 8 of SFDR but does not have a sustainable investment objective as contemplated by SFDR.
Environmental or social characteristics of the financial product	<p>The Sub-Fund is managed by Nedgroup Investments (UK) Ltd (the "Sub-Investment Manager"). The Sub-Fund seeks to promote environmental and social characteristics through limiting portfolio exposure to companies identified as engaging in activities related to the production, maintenance, or use of controversial weapons, or whose activities as regards climate change, tobacco, or human rights potentially create an adverse impact on sustainability factors. With issuers who are less advanced in their sustainability practices, the Sub-Investment Manager may use engagement to generate positive changes for all stakeholders.</p> <p>Nedgroup Investments (IOM) Limited (the "<b>Investment Manager</b>") assesses environmental, social and governance ("<b>ESG</b>") factors with particular focus on those considered most likely to have a material impact on the performance of the holdings or potential holdings in the Sub-Fund's portfolio. These ESG factors, which are incorporated into the investment process alongside financials, valuation, macro-economics and other factors, are components of the investment decision. Consequently, ESG factors are not the sole driver of an investment decision but are instead one of several important inputs considered during investment analysis.</p> <p>The Investment Manager's annual Responsible Investment Review is built on a framework of five key pillars: 1) Commitment to responsible investing, 2) ESG integration in the investment process, 3) Proxy voting and corporate engagement, 4) Transparency and disclosure, and 5) Broader industry participation regarding responsible investing.</p>

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## Investment Strategy

The Sub-Fund seeks to achieve its investment objective by employing an active management approach and will invest primarily in and gain exposure to a diversified portfolio of global debt and fixed income securities denominated in different currencies issued by government and/or corporate entities which securities may be fixed or floating, rated or unrated, including high yield (non-Investment grade) bonds, variable rate notes, bonds, treasury bills, convertible or non-convertible bonds/debentures and preferred stock.

The Sub-Investment Manager will actively manage the strategy using fundamental research, overlaid with absolute and relative value analysis. The Sub-Investment Manager seeks to add value primarily through asset allocation, duration management and security selection. The Sub-Investment Manager also assesses environmental, social and governance ("**ESG**") factors with particular focus on those considered most likely to have a material impact on the performance of the holdings or potential holdings in the Sub-Fund's portfolio. These ESG factors, which are incorporated into the investment process alongside financials, valuation, macro-economics and other factors, are components of the investment decision. Consequently, ESG factors are not the sole driver of an investment decision but are instead one of several important inputs considered during investment analysis.

A screen will be applied to the investment universe according to the exclusionary criteria as detailed above. Investments which pass the screening criteria form the investment universe and will be assessed based on their fundamentals and valuations. The ESG ratings of issuers will be integrated into the investment process by regularly reviewing improvements and any deterioration of their scores, over time. The overall Sub-Fund's portfolio's ESG rating will also be reviewed to ensure it meets the minimum criteria stated above.

To ensure compliance with issuer restrictions and exclusions, the Sub-Fund's portfolio will be regularly monitored. Where an issuer falls onto the exclusion list or breaches the restrictions in place, the investment will be eliminated in accordance with the Sub-Fund's portfolio guidelines.

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Proportion of investments	<p>At least 80% of the Sub-Fund’s assets will be investments aligned with any one or more of the environmental and social characteristics of the Sub-Fund. The Sub-Fund does not commit to making sustainable investments. Any investments in the “#2Other” category is likely to include investments and other instruments of the Sub-Fund that cannot be aligned with the environmental and social characteristics of the Sub-Fund. These can include, for example, cash, cash equivalents and derivatives. The Sub-Fund does not make a minimum commitment to making investments that fall within the “#2Other” category and therefore 0% is included for that category in the graph below. This means that between 0% and 20% of the Sub-Fund’s assets might at any point in time be in investments that qualify as “#2Other” investments.</p>
Monitoring of environmental or social characteristics	<p>The Sub-Investment Manager's fund management team will implement the various criteria set out in this Article 10 Statement in making investment decisions. The Sub-Investment Manager's compliance function will monitor the integration of ESG requirements through a combination of automated, manual and periodic reviews.</p>
Methodologies	<p>The Sub-Investment Manager includes a review of a company’s impact on the environment as part of its investment process and is a key component when assessing the quality of the assets owned by a company. The Sub-Investment Manager assesses ESG factors, which are incorporated into the investment process alongside financials, valuation, macro-economics and other factors, are components of the investment decision. Consequently, ESG factors are not the sole driver of an investment decision but are instead one of several important inputs considered during investment analysis.</p> <p>The Sub-Investment Manager applies the following minimum exclusion criteria for direct investments:</p> <ul style="list-style-type: none"> <li>• securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues;</li> <li>• securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons);</li> <li>• securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services;</li> <li>• securities issued by companies where the issuer has no thermal coal extraction transition plan;</li> <li>• and</li> <li>• securities issued by companies involved in the production of tobacco, and</li> </ul>

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securities issued by companies involved in the distribution of tobacco which represents more than 10% of their revenues.

In the portfolio construction of the Sub-Fund, the following minimum thresholds on ESG ratings, as determined by the Sub-Investment Manager's selected third-party data provider, must be met:

- The weighted average ESG rating for the portfolio of rated assets held by the Sub-Fund must be at least "BBB" using the MSCI scale;
- The weighted average ESG rating for rated bonds will be at least one notch higher than the Bloomberg Global Aggregate Total Return Index, until such time as the index is at least "A" rated;
- The maximum exposure of the Sub-Fund to bonds with an ESG rating lower than "BB" must not exceed 10% of the NAV of the Sub-Fund;
- The maximum exposure of the Sub-Fund to individual bonds with ESG ratings lower than "BBB" must not exceed 2% of the NAV of the Sub-Fund; and
- No sovereign debt with an ESG rating lower than "BB" will be held. Sovereign debt investments will be focused on OECD hard currency bonds.

The Sub-Investment Manager will only hold on behalf of the Sub-Fund a bond that is rated lower than "BBB" when in the opinion of the Sub-Investment Manager the rating does not fully reflect the position of the relevant issuer, or has not captured recent positive sustainability-related changes which have been implemented by the relevant issuer. This may include issuers which are transitioning their business model to generate positive changes such as those investing in the reduction of their carbon footprint. Some issuers (for example smaller issuers) may not be rated or covered by data providers and may publish little or no information on their ESG policies and sustainability risks, and in these cases the Sub-Investment Manager's scope for analysis of ESG factors and sustainability risk will be limited.

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Data sources and processing

*Sources of Data*

Data sources used to attain environmental or social characteristics promoted by the Sub-Fund may include both, proprietary information and third-party data providers, such as MSCI (MSCI One and MSCI ESG Manager) and Bloomberg ESG data.

Target companies are screened for compliance with frameworks published by intergovernmental organisations, such as the United Nations, which set out expected behaviours in respect of business practices. The relevant frameworks include the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues.

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### *Assessing Data Quality*

The data provided by external service providers including MSCI One, MSCI ESG Manager and Bloomberg ESG data will be assessed during an initial due diligence review to establish whether the data and services are satisfactory. The quality of data is monitored through usage by the Investment Manager during their assessment of ESG risks and throughout the investment process.

### *How Data is Processed*

In terms of how the data is processed to monitor the Sub-Fund alignment with SFDR, this includes the following: Subject to availability, the data points used to assess the sustainability indicators are applied consistently during the investment review process. Other data may be used on an ad hoc basis, for example when monitoring the engagement progress. Any sector level exclusions and restrictions are in place this will include post trade compliance reporting that highlights where ESG ratings changes impact the existing portfolio on a daily basis.

### *Proportion of Estimated Data*

There is currently 100% coverage for all data points required, although this may change over time due to the turnover of investments. The Sub-Investment Manager does not view this as a material issue as the Sub-Fund invests primarily global debt and fixed income securities denominated in different currencies issued by government and/or corporate entities and MSCI has strong coverage across most data points for businesses of this size.

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Limitations to methodologies and data

Whilst it is recognised that data availability may impact the extent to which environmental or social characteristics promoted can be measured, this is managed through the use of both proprietary data and data sourced from third party data providers generally with broad capabilities and coverage.

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Due diligence

Integration of ESG requirements is monitored through a combination of automated, manual, and periodic reviews. The data used to measure alignment is obtained from globally recognised sources. A report confirming the Sub-Fund's adherence to the sustainability indicators is periodically provided to the compliance function.

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Engagement policies

With issuers who are less advanced in their sustainability practices, the Sub-Investment Manager may use engagement to generate positive changes for all stakeholders.

It should be noted that direct engagement for bond investors can be difficult. The Sub-Investment Manager will engage where possible, normally during the new issue process if direct access to senior management is possible.

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Designated reference  
benchmark

A reference benchmark has not been designated for the purposes of attaining the  
environmental characteristics promoted by the Sub-Fund.

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