ANNEX II

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

Product name: Muzinich Global High Yield Low Carbon Credit Fund **Legal entity identifier:** 49300MBB0IKQASDXP90

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:**_________%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments 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?

This financial product seeks to generate attractive returns and protect capital by investing in debt instruments that meet its ESG criteria while seeking to meet its objective of assisting in the transition to a low carbon economy.

This financial product adheres to a weighted average carbon intensity target to ensure that it remains at least 40% below that of its reference index. This financial product also applies an industry exclusion list and certain conduct-related criteria to avoid investing in companies which the Investment Manager considers to be fundamentally unsustainable. This financial product also seeks to maintain a portfolio that meets certain binding minimum standards with respect to ESG management scores. Moreover, the portfolio investments are also required to follow good governance practices.

This financial product has not designated a reference benchmark for the purpose of attaining the investment objective.

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

To measure, monitor and ensure the attainment of the environmental and social characteristics promoted by this financial product, the Investment Manager uses the following sustainability indicators to the extent available and relevant:

Environmental and Social	• The percentage of an individual issuer's revenue which may be derived from specific business activities (e.g., controversial weapons production). For further details of this financial product's industry exclusion list please see the disclosure below: "*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"*. • An issuer's alignment with recognised norms and/or international standards relating to respect for human rights, labour relations, protection from severe environmental harm, and fraud and/or gross corruption standards, is assessed by the Investment Manager's analysts, by independent ESG data providers, and by the Investment Manager's ESG Eligibility Committee. • The ESG controversy score, which measures the severity of sustainability related incidents related to an issuer. • Proportion of the financial product's holdings which are covered by research and have an ESG score. The Investment Manager will ensure that the issuers in respect of at least 90% of its portfolio (by value) have an ESG risk score. • Principal Adverse Impact indicators as defined by the SFDR. • Absolute ESG scores, measured on a 0-70 scale ranging from neglible ESG risk to severe ESG risk, which are used as investment limits both for individual holdings and when aggregated at portfolio level. The Investment Manager will target a weighted average ESG score of "medium" risk or lower. For further details of the ESG score please see the disclosure below: "*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"*.
Environmental	• The percentage margin between the weighted average carbon intensity of the portfolio of the financial product and that of a comparable investable universe of securities to determine whether the financial product meets or breaches its carbon intensity criteria. See below "*What investment strategy does this financial product follow*?" for further details of the weighted average carbon intensity target including details of the reference index used for comparative sustainability measurements.

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.

The data and information relating to these sustainability indicators are sourced either directly by the Investment Manager's research team or from external ESG data providers. The Investment Manager has selected these sustainability indicators based on the current availability of ESG data across its investment universe. As data availability and reliability improve, the Investment Manager’s approach may evolve and this pre-contractual disclosure may be updated accordingly.

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?

Not applicable - this financial product has not committed to making sustainable investments. It is nevertheless possible that this financial product may incidentally make sustainable investments which contribute to climate change mitigation and/or climate change adaptation owing to the activities of the issuers which may form part of the portfolio. Details of the investments made by the financial product (and the extent of any sustainable investments, if any) will be included in its annual report.

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?

This financial product has not committed to making sustainable investments. Nevertheless, the Investment Manager considers certain business conduct criteria relating to human rights, labour rights, environmental protection and governance practices via its due diligence and ongoing monitoring process to ensure holdings do not significantly harm environmental or social objectives.

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

This financial product has not committed to making sustainable investments. Nevertheless, the Investment Manager considers principal adverse impacts (“**PAIs**”) on sustainability factors when making relevant investment decisions relating to this financial product, as part of its due diligence, research and ongoing monitoring of individual issuers and via engagement with certain issuers. The Investment Manager’s consideration of PAIs is guided by monitoring the mandatory indicators provided in Table 1 of Annex 1 of the Commission Delegated Regulation (EU) 2022/1288 with regard to the regulatory technical standards supplementing the SFDR.

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

Not applicable - this financial product has not committed to making sustainable investments.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

✖ Yes, _______

The Investment Manager considers PAIs on sustainability factors when making investment decisions relating to this financial product, as part of its due diligence, research and ongoing monitoring of individual issuers and via engagement with certain issuers. The Investment Manager's consideration of PAIs is guided by monitoring the mandatory indicators provided in Table 1 of Annex 1 of the Commission Delegated Regulation (EU) 2022/1288 with regard to the regulatory technical standards supplementing the SFDR.

As a result of assessing PAIs at an issuer and financial product level, the Investment Manager may decide to engage with certain issuers, set restrictions and targets at the financial product level, and ultimately may exclude certain issuers from being eligible for investment on the basis of PAI indicators. As a result, it is possible that consideration of PAIs may restrict certain investments as compared to a strategy that does not consider PAIs, however the overall impact on this financial product is likely to be negligible.

The Investment Manager notes that its consideration of PAIs is based on its understanding and expectations of the materiality of certain PAIs in relation to specific industries, regions and jurisdictions in which issuers operate, and also on the availability of data on such PAIs. Further details of the Investment Manager's approach to considering PAIs on sustainability factors in relation to the financial product can be found here.

More information regarding the PAIs on sustainability factors can be found in the financial product's annual reports.

☐ No

What investment strategy does this financial product follow?

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

This financial product follows an actively managed corporate credit strategy which utilises a credit-intensive, proprietary research process. Investment decisions are generally based on quantitative and qualitative analysis using internally generated financial models and projections. This financial product's exclusion criteria and carbon intensity target are binding elements of the investment strategy and therefore have the potential to reduce the scope of investment opportunities.

- ***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?

All potential new holdings are subject to a compliance check prior to investment and, once acquired, are monitored on a quarterly basis. If notified that a holding has caused a passive breach, the Investment Manager will sell the relevant holding within 30 days unless the Investment Manager's Portfolio Risk Analytics Committee grants an extension in the interest of unitholders. The Investment Manager monitors the financial product's carbon intensity on a monthly basis and seeks to ensure that any breaches of the carbon intensity target are rectified by the end of the following month.

Industry and conduct-based exclusions

This financial product shall not invest in issuers that have been identified by the Investment Manager as having:

(i) corporate involvement in the end manufacture of controversial weapons or manufacture of core essential components intended to be used in controversial weapons;

(ii) direct involvement in entities which derive more than 10% of their annual revenues from the manufacture of tobacco products;

(iii) direct involvement in entities which derive more than 10% of their annual revenues from the mining or extraction of thermal coal and/or the production of energy from thermal coal, subject to an allowance for entities which the Investment Manager deems to have a credible transition plan to reduce their reliance or exposure to thermal coal in favour of less carbon intensive forms of energy such as renewable energy;

(iv) direct involvement in entities which derive more than 10% of their annual revenues from the extraction of conventional or non-conventional forms of oil and gas; and

(v) breached, or to be at severe risk of breaching, certain recognised norms and/or international standards relating to respect for human rights, labour relations, protection from severe environmental harm, and fraud and/or gross corruption standards.

Weighted Average Carbon Intensity target

This financial product has a carbon intensity target. Carbon intensity is based on the emissions by issuers of greenhouse gases (tons CO_2e) that contribute to global warming and environmental pollution. In order to determine the carbon footprint relative to the size of a financial product and allow comparison between portfolios of different sizes, the volume of carbon emissions per unit of sale (per US$ 1 million) generated by issuers over a specified timeframe is calculated according to each security's weight in a portfolio. This measure is known as the "Weighted Average Carbon Intensity" of a portfolio.

The Investment Manager seeks to maintain a Weighted Average Carbon Intensity for this financial product which is at least 40% below that of the reference index. The reference index for comparative sustainability measurements for this financial product is the ICE BofA Global High Yield Constrained Index (HW0C).

ESG scoring thresholds

This financial product shall not invest in issuers that are considered to manage sustainability risks poorly. To that end, the Investment Manager shall ensure the following:

(i) At least 90% of the fund's portfolio (by value) will represent issuers that have received an ESG score either provided by an independent ESG data provider or generated by the Investment Manager's research team.

(ii) Each issuer represented in the portfolio that has received an ESG score will have received an ESG score of less than 40 (where 0-10 is considered "negligible" risk, 10-20 is considered "low" risk, 20-30 is considered "medium" risk, 30-40 is considered "high" risk, and 40 and over is considered "severe" risk).

(iii) The scored portion of the portfolio will have a weighted average ESG score that is less than 30 (i.e. "medium" risk or lower).

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

This financial product does not have a committed minimum rate to reduce the scope of investments although the Investment Manager recognises that the binding elements of the investment strategy may reduce the scope of its available investment opportunities.

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

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

The Investment Manager considers good corporate governance practices to be fundamental to the ongoing success and resilience of the businesses it invests in. The Investment Manager will ensure that issuers within the portfolio follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance, and expects issuers to demonstrate good governance practices through their alignment with international frameworks such as the International Corporate Governance Network Principles, the UN Global Compact Principles, and national governance standards.

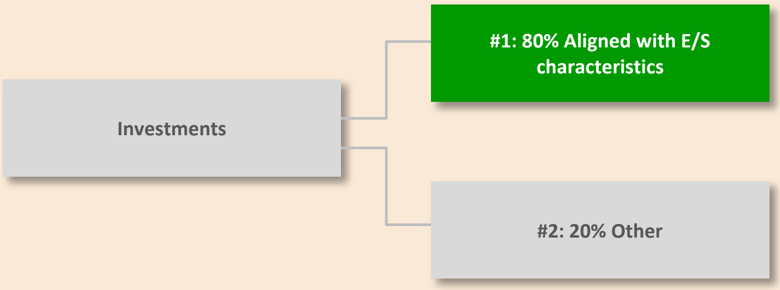
When available, the Investment Manager sources data from external service providers to assess companies' governance and alignment with principles, standards or conventions. The Investment Manager has appointed an internal ESG Eligibility Committee to determine whether the financial product may proceed with an investment (or remain invested) in a company deemed to have severely breached, or to be at high risk of breaching, these principles, standards or conventions.

Further details of the Investment Manager's policy to assess good governance practices of borrowers can be found in the section of the Responsible Investment Policy titled "*Responsible Investment Governance and Resourcing at Muzinich*".

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The proportion of investments used to meet the environmental and social characteristics of this financial product will, in principle, comprise 100% of the positions within this financial product. Notwithstanding this, the Investment Manager anticipates investing in certain "Other" investments such as cash or cash equivalent holdings, money market instruments and certain hedging instruments including derivatives to which the environmental and social characteristics of this financial product cannot be reasonably applied. Such investments are held for a number of reasons, including, but not limited to, risk management, and/or to ensure adequate liquidity, hedging and collateral cover.



#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*?**

This financial product will typically not hold derivatives however in the event that it does for hedging or other purposes, those derivatives will not be used to attain the environmental and social characteristics promoted by this financial product. The Investment Manager considers the availability of relevant sustainability data to be too poor, and the relationships between the derivative to the underlying security to be too weak, to include derivatives in the scope of the environmental and social characteristics of this financial product.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

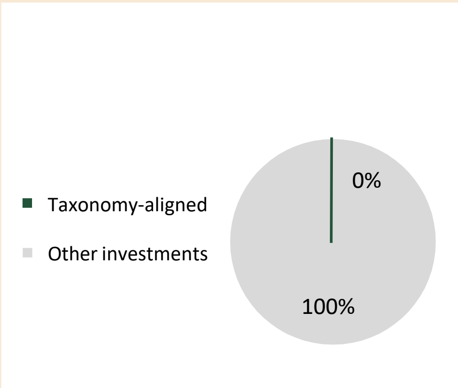
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

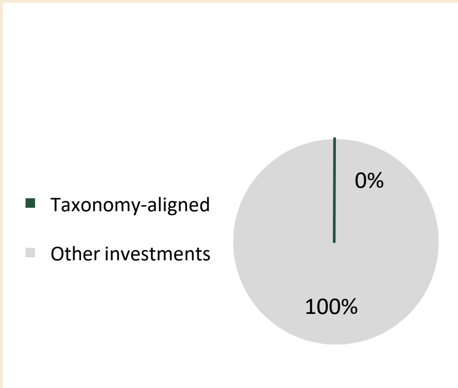
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

This financial product has not committed to making sustainable investments, and the minimum proportion of its investments that contribute to environmentally sustainable economic activities within the meaning of the EU Taxonomy is therefore 0%. It is nevertheless possible that this financial product may incidentally make sustainable investments which contribute to climate change mitigation and/or climate change adaptation owing to the activities of the issuers which may form part of the portfolio.

Details of the investments made by this financial product (and their extent of Taxonomy-alignment, if any) will be included in its annual report.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

This financial product has not committed to making investments in transitional and enabling activities, and the minimum share of investments that are in transitional and enabling activities is therefore 0%.

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

This financial product has not committed to making sustainable investments with an environmental objective that are not aligned with the EU Taxonomy, and the minimum share of such investments is therefore 0%.

What is the minimum share of socially sustainable investments?

This financial product has not committed to making socially sustainable investments, and the minimum share of such investments is therefore 0%.

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

The investments included under "#2 Other" represent cash and cash equivalents, money market instruments and certain hedging instruments including derivatives. Such investments are held for a number of reasons, including, but not limited to, risk management, and/or to ensure adequate liquidity, hedging and collateral cover. The Investment Manager believes that these holdings do not relate directly to a specific issuer and therefore do not relate to the management of sustainability risks and/or PAIs. The Investment Manager therefore does not believe that it would be possible to make a reasonable determination on considerations relating to minimum environmental or social safeguards, in part due to the lack of relevant data relating to such instruments.

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?

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

No. The Investment Manager uses a reference index for this financial product for comparative sustainability measurements. The Investment Manager has not chosen a specific Low Carbon Benchmark or Climate Transition Benchmark as it does not believe an appropriate index of companies which suitably represent the investable universe for the financial product currently exists.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website: www.muzinich.com