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

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.

Product name: Barings ASEAN Frontiers Fund

Legal entity identifier: 549300TGDLIOY1UPFB33

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ **It 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 will make a minimum of **sustainable investments with a social objective: ___%**	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

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

The Fund promotes positive or improving resource intensity, environmental footprint, employee satisfaction and societal impacts of products/services. The Fund will achieve this by investing at least 50% of its Net Asset Value in issuers which exhibit any of these characteristics.

The Investment Manager assesses the environmental ("E") characteristics of an issuer by reviewing an issuer's resource intensity and environmental footprint. The social ("S") characteristics are assessed by reviewing an issuer's employee satisfaction and societal impacts of its products/services. Further information regarding the ESG framework is outlined below.

The E and S evaluations are established using proprietary research based on issuer knowledge and regular management interaction. For all investment opportunities, a thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG cost of equity ("CoE") adjustment is assigned to each investment.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it.

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

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

The sustainability indicator used to measure the attainment of the environmental and social characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in equities of issuers that exhibit positive or improving resource intensity, environmental footprint, employee satisfaction or societal impacts of its products/services. Issuers defined as having such characteristics must be assessed as having a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold as defined further down.

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.

- ***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?***

  Not applicable.

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

  Not applicable.

  — *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.

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 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,** Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the ESG assessment. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's ESG assessment. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund.

☐ **No**

What investment strategy does this financial product follow?

The Fund will seek to achieve its investment objective by investing at least 70% of its Net Asset Value at any one time in equities and equity-related securities of issuers incorporated in, or exercising the predominant part of their economic activity in, countries which are members of the Association of South-East Asian Nations (ASEAN) or quoted or traded on the stock exchanges in those countries.

The members of ASEAN include (but not to be limited to) Singapore, Thailand, the Philippines, Malaysia, Indonesia and Vietnam.

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

The Fund will invest at least 50% of the Fund's Net Asset Value in equities of issuers that exhibit positive or improving ESG characteristics. Furthermore, the Fund may also invest up to 50% of its Net Asset Value in equities and equity related securities of issuers that exhibit less positive ESG characteristics.

The Fund may also invest up to 30% of its Net Asset Value, either directly or through depositary receipts, in equities and equity-related securities of issuers that are (i) incorporated, or (ii) exercising the predominant part of their economic activity, or (iii) quoted or traded on the stock exchanges, in (a) other markets in the Asia Pacific region including, but not limited to, Korea, Hong Kong, China, Taiwan, India, Australia, New Zealand, Pakistan, Sri Lanka and Bangladesh but excluding Japan, or (b) other markets which the Manager believes would have the potential to benefit from the economic growth and development from the Asia Pacific region excluding Japan, when and if they consider it appropriate. The Fund may also invest in cash and ancillary liquidities.

The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund.

With regard to investment in China, no more than 20% of the Net Asset Value of the Fund at any one time may be invested directly or indirectly in China A shares and B shares. It is anticipated that this exposure will be obtained either directly through investment in China A shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange via the Connect Schemes and/or through the QFI regime or indirectly through investment in other eligible collective investment schemes or participation notes.

The Fund may invest in various FDIs as detailed under the section headed “Investment Policy: General” for investment purposes or for efficient portfolio management in accordance with the requirements of the Central Bank. When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund adheres to the investment restrictions required to qualify as "equity fund" pursuant to section 2 paragraph 6 GITA and continuously invests more than 50% of its Net Asset Value in equity participations within the meaning of section 2 paragraph 8 GITA.

The Investment Manager believes that equity markets contain unrecognised growth potential and seeks to identify this through the analysis of an issuer's business model whilst incorporating wider ESG trends often referred to as fundamental analysis. ESG trends may evolve over time and may include environmental footprint, societal impact of products/services and effectiveness of supervisory/management boards. Equity investment teams at the Investment Manager share a common investment approach, best described as Growth at a Reasonable Price (“GARP”).

GARP seeks to identify reasonably priced growth issuers whose qualities are unrecognised by market participants by performing structured fundamental analysis with a disciplined investment process. Based on the region, country or sector bias of the Fund, analysis of potential growth issuers includes their future financial performance as well as their business model and management style, while focussing on long-term earnings growth of three to five years.

The Investment Manager's strategy favours issuers with sustainable or improving business franchises, profitability focused management and strong balance sheets that enable the issuer to execute its business strategy. The Investment Manager regards these issuers as higher quality as they provide transparency and allow investment professionals to forecast earnings with greater confidence. This is further strengthened through the incorporation of a dynamic and forward-looking approach to ESG analysis, with the aim to identify sustainable business practices. This empowers the Investment Manager to better assess both the potential risks facing the issuer and the opportunities presented to it, particularly those not apparent or included in traditional fundamental analysis, and facilitates in propagating better ESG practices. The Investment Manager believes that ESG integration, a focus on forward-looking dynamics and active engagement is key to unlocking long-term returns in equity investments.

Issuers that exhibit positive or improving ESG characteristics are assessed through the Investment Manager's proprietary research. Proprietary research is based on issuer knowledge and regular management interaction, which is the basis to assess each issuer against nine key ESG topics:

- Employee Satisfaction;
- Resource Intensity;
- Traceability and/or Security in Supply Chain;
- Effectiveness of Supervisory and/or Management Board;
- Credibility of Auditing Arrangements;
- Transparency and Accountability of Management;

- Environmental Footprint;
- Societal Impact of Products and/or Services; and
- Business Ethics.

This assessment is captured within a standardised framework, and is dynamic, monitoring the attitudes of investee issuers for improvements or deteriorations toward ESG topics and reflected in the scoring of an issuer's quality and its valuation. With respect to issuer valuations, the Investment Manager's approach allows for ESG research to directly affect the discount rate (Barings Cost of Equity) applied to its 5-year earnings and dividend forecast for the issuer. By explicitly quantifying the ESG impact on the valuation of investee issuers, ESG is integrated into decision-making, issuer selection and the management of the portfolio.

This approach enables the Investment Manager to rate issuers on the basis of their dynamic ESG behaviour rather than making a static judgement based on historical ESG practices and is consistent with forward looking analysis and the intention to reward progress and improvement. Before investing, the Investment Manager considers internal recommendations regarding growth, quality and valuation, all of which reflect ESG issues and opportunities, alongside external issuer-specific data. Once invested, the Investment Manager continues to monitor each issuer to ensure that the thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

Issuers defined as having positive or improving ESG characteristics must have a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold. The Investment Manager also requires that such issuers have good corporate governance, internally assessed with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with investee issuers. These formal engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG public disclosure, which in the opinion of the Investment Manager, is material to the sustainability of the issuer's business model, aiming to enhance the performance of investments.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

For all investment opportunities, thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG CoE adjustment is assigned to each investment.

1. Quality Score – The quality score is a rating from 1 to 5 (1 = strong, 5 = weak), which is an expression of our evaluation of an issuer's franchise, management, and balance sheet.
2. Management Score – The management score, which also carries a rating of 1 to 5 (1 = strong, 5 = weak), is an expression of our evaluation of the strength of the issuer's management and corporate governance. Issuers with sound management structures, diverse and accessible executive teams, and remuneration policies aligned with the long-term interests of minority shareholders would generally be assigned a stronger management score.
3. ESG CoE Adjustment - Finally, each of the nine ESG topics in the proprietary scorecard is rated as one of the following: Exemplary, Improving, Not Improving, or Unfavourable. The sum of the nine ratings corresponds with an ESG discount or premium, which is added to the CoE. The CoE is the rate of return required from the issuer by the Investment Manager. An Exemplary rating will result in an ESG reduction to the issuer's CoE. Conversely, an Unfavourable or Not Improving rating will result in an ESG addition to the issuer's CoE.

Pre- and post-trade checks are carried out on a daily basis to ensure the Fund continues to meet the minimum threshold of 50%.

Screening Criteria

Companies the fund invests in are classified as either:

- "Green" – by exhibiting "**Positive**" or "**Improving**" ESG characteristics; or
- "Brown" – by not meeting the criteria illustrated below

The below tables illustrates the criteria used to classify companies

Company Classification		Quality Score*	Management Score*	ESG CoE Adjustment
Green	Positive ESG	Less than 2	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	Less than 3	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	3	Less than or equal 2.5	Less than 1%
Company Classification		**Quality Score**	**Management Score**	**ESG CoE Adjustment**
Brown	Brown	More than 3		
Brown	Brown		More than 2.5	
Brown	Brown			More than 1%

* (1= strong, 5 = weak).

Investments with a Quality Score of more than 3 or Management Score of more than 2.5 or ESG CoE adjustment of more than 1% will always be considered as "brown".

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and/or S characteristics.

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

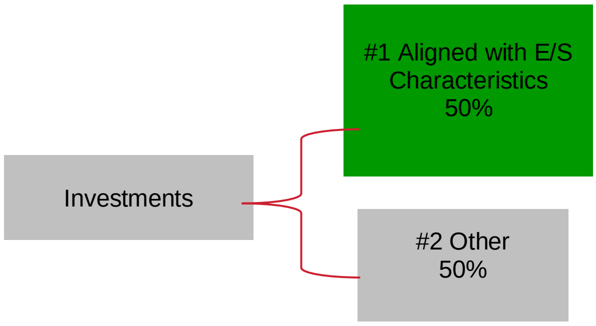
What is the policy to assess good governance practices of the investee companies?

The Investment Manager assesses the corporate governance of issuers, with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. An internal management score ranging from 1 (strong) to 5 (weak) is assigned. Issuers which have a management score of 5 are excluded from the Fund. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets (including cash, cash equivalents, hedging instruments and other assets) which are not aligned with the Fund's E and/or S characteristics and/or have no minimum environmental or social safeguards.



#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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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.

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

Not applicable.

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

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

As shown in the graphs below, 0% of the Fund's investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ **Yes:**

☐ In fossil gas ☐ In nuclear energy

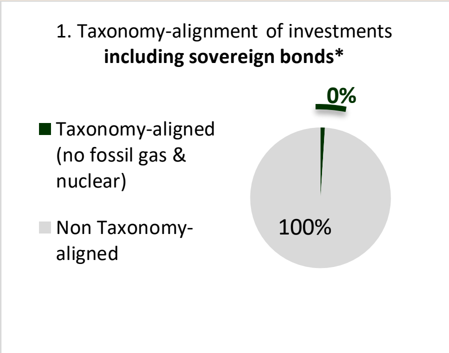
✓ **No**

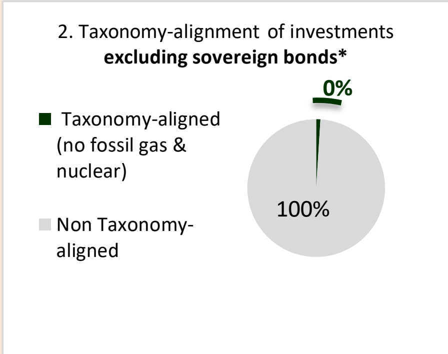
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas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

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.

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?

Not applicable.

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

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

Issuers which do not exhibit positive or improving E and / or S characteristics will be included in the Fund where the Investment Manager, after conducting proprietary fundamental analysis and taking into account portfolio construction considerations, identifies mispriced investment opportunities on a longer term basis, centred on the Investment Manager's understanding of the issuer's strategy and the potential to improve returns and grow earnings.

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

The investments included under "#2 Other" also includes cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focuses on the creditworthiness of these parties, which can be impacted by ESG risks.

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.

Not applicable.

- ***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:

Please see the relevant product page for the Fund at https://www.barings.com/en-ie/institutional/funds/public-equities/barings-asean-frontiers-fund

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

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.

Product name: Barings Asia Growth Fund **Legal entity identifier**: 549300J3CRJZ40LI0960

Environmental and/or social characteristics

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**

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.

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

The Fund promotes positive or improving resource intensity, environmental footprint, employee satisfaction and societal impacts of products/services. The Fund will achieve this by investing at least 50% of its Net Asset Value in issuers which exhibit any of these characteristics.

The Investment Manager assesses the environmental ("E") characteristics of an issuer by reviewing an issuer's resource intensity and environmental footprint. The social ("S") characteristics are assessed by reviewing an issuer's employee satisfaction and societal impacts of its products/services. Further information regarding the ESG framework is outlined below.

The E and S evaluations are established using proprietary research based on issuer knowledge and regular management interaction. For all investment opportunities, a thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG cost of equity ("CoE") adjustment is assigned to each investment.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it.

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

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

The sustainability indicator used to measure the attainment of the environmental and social characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in equities of issuers that exhibit positive or improving resource intensity, environmental footprint, employee satisfaction or societal impacts of its products/services. Issuers defined as having such characteristics must be assessed as having a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold as defined further down.

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.

- ***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?***

Not applicable.

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

Not applicable.

— *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.

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 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,** Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the ESG assessment. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's ESG assessment. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund.

☐ **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.

The Fund will seek to achieve its investment objective by investing at least 70% of its Net Asset Value in equities and equity-related securities of issuers incorporated in, or exercising the predominant part of their economic activity in the Asia Pacific region excluding Japan, or quoted or traded on the stock exchanges in those countries, including developed and emerging markets. For the remainder of its Net Asset Value, the Fund may invest outside the Asia Pacific region (excluding Japan) as well as in fixed income and cash and ancillary liquidities.

The Fund will invest at least 50% of the Fund's Net Asset Value in equities of issuers that exhibit positive or improving ESG characteristics. Furthermore, the Fund may also invest up to 50% of its Net Asset Value in equities and equity related securities of issuers that exhibit less positive ESG characteristics.

In order to implement the investment policy the Fund may gain exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities which will satisfy the criteria for transferable securities as set out in the Central Bank's UCITS Regulations. The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund. The Fund may invest in FDIs including futures, options, warrants and forward contracts for efficient portfolio management and for investment purposes.

With regard to investment in China, no more than 20% of the Net Asset Value of the Fund at any one time may be invested directly or indirectly in China A shares and B shares. It is anticipated that this exposure will be obtained either directly through investment in China A shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange via the Connect schemes and/or through the QFI regime or indirectly through investment in other eligible collective investment schemes or participation notes. Participation notes may be used to gain access to the equity markets in China and Vietnam.

When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund adheres to the investment restrictions required to qualify as "equity fund" pursuant to section 2 paragraph 6 GITA and continuously invests more than 50% of its Net Asset Value in equity participations within the meaning of section 2 paragraph 8 GITA.

The Investment Manager believes that equity markets contain unrecognised growth potential and seeks to identify this through the analysis of an issuer's business model whilst incorporating wider ESG trends often referred to as fundamental analysis. ESG trends may evolve over time and may include environmental footprint, societal impact of products/services and effectiveness of supervisory/management boards. Equity investment teams at the Investment Manager share a common investment approach, best described as Growth at a Reasonable Price ("GARP").

GARP seeks to identify reasonably priced growth issuers whose qualities are unrecognised by market participants by performing structured fundamental analysis with a disciplined investment process. Based on the region, country or sector bias of the Fund, analysis of potential growth issuers includes their future financial performance as well as their business model and management style, while focussing on long-term earnings growth of three to five years.

The Investment Manager's strategy favours issuers with sustainable or improving business franchises, profitability focused management and strong balance sheets that enable the issuer to execute its business strategy. The Investment Manager regards these issuers as higher quality as they provide transparency and allow investment professionals to forecast earnings with greater confidence. This is further strengthened through the incorporation of a dynamic and forward-looking approach to ESG analysis, with the aim to identify sustainable business practices. This empowers the Investment Manager to better assess both the potential risks facing the issuer and the opportunities presented to it, particularly those not apparent or included in traditional fundamental analysis, and facilitates in propagating better ESG practices. The Investment Manager believes that ESG integration, a focus on forward-looking dynamics and active engagement is key to unlocking long-term returns in equity investments.

Issuers that exhibit positive or improving ESG characteristics are assessed through the Investment Manager's proprietary research. Proprietary research is based on issuer knowledge and regular management interaction, which is the basis to assess each issuer against nine key ESG topics:

- Employee Satisfaction;
- Resource Intensity;
- Traceability and/or Security in Supply Chain;
- Effectiveness of Supervisory and/or Management Board;

- Credibility of Auditing Arrangements;
- Transparency and Accountability of Management;
- Environmental Footprint;
- Societal Impact of Products and/or Services; and
- Business Ethics.

This assessment is captured within a standardised framework, and is dynamic, monitoring the attitudes of investee issuers for improvements or deteriorations toward ESG topics and reflected in the scoring of an issuer's quality and its valuation. With respect to issuer valuations, the Investment Manager's approach allows for ESG research to directly affect the discount rate (Barings Cost of Equity) applied to its 5-year earnings and dividend forecast for the issuer. By explicitly quantifying the ESG impact on the valuation of investee issuers, ESG is integrated into decision-making, issuer selection and the management of the portfolio.

This approach enables the Investment Manager to rate issuers on the basis of their dynamic ESG behaviour rather than making a static judgement based on historical ESG practices and is consistent with forward looking analysis and the intention to reward progress and improvement. Before investing, the Investment Manager considers internal recommendations regarding growth, quality and valuation, all of which reflect ESG issues and opportunities, alongside external issuer-specific data. Once invested, the Investment Manager continues to monitor each issuer to ensure that the thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

Issuers defined as having positive or improving ESG characteristics must have a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold. The Investment Manager also requires that such issuers have good corporate governance, internally assessed with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with investee issuers. These formal engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG public disclosure, which in the opinion of the Investment Manager, is material to the sustainability of the issuer's business model, aiming to enhance the performance of investments.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

For all investment opportunities, thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG CoE adjustment is assigned to each investment.

1. Quality Score – The quality score is a rating from 1 to 5 (1 = strong, 5 = weak), which is an expression of our evaluation of an issuer's franchise, management, and balance sheet.
2. Management Score – The management score, which also carries a rating of 1 to 5 (1 = strong, 5 = weak), is an expression of our evaluation of the strength of the issuer's management and corporate governance. Issuers with sound management structures, diverse and accessible executive teams, and remuneration policies aligned with the long-term interests of minority shareholders would generally be assigned a stronger management score.
3. ESG CoE Adjustment - Finally, each of the nine ESG topics in the proprietary scorecard is rated as one of the following: Exemplary, Improving, Not Improving, or Unfavourable. The sum of the nine ratings corresponds with an ESG discount or premium, which is added to the CoE. The CoE is the rate of return required from the issuer by the Investment Manager. An Exemplary rating will result in an ESG reduction to the issuer's CoE. Conversely, an Unfavourable or Not Improving rating will result in an ESG addition to the issuer's CoE.

Pre- and post-trade checks are carried out on a daily basis to ensure the Fund continues to meet the minimum threshold of 50%.

Screening Criteria

Companies the fund invests in are classified as either:

- "Green" – by exhibiting "**Positive**" or "**Improving**" ESG characteristics; or
- "Brown" – by not meeting the criteria illustrated below

The below tables illustrates the criteria used to classify companies

Company Classification		Quality Score*	Management Score*	ESG CoE Adjustment
Green	Positive ESG	Less than 2	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	Less than 3	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	3	Less than or equal 2.5	Less than 1%
Company Classification		**Quality Score**	**Management Score**	**ESG CoE Adjustment**
Brown	Brown	More than 3		
Brown	Brown		More than 2.5	
Brown	Brown			More than 1%

* (1= strong, 5 = weak).

Investments with a Quality Score of more than 3 or Management Score of more than 2.5 or ESG CoE adjustment of more than 1% will always be considered as "brown".

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and / or S characteristics.

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

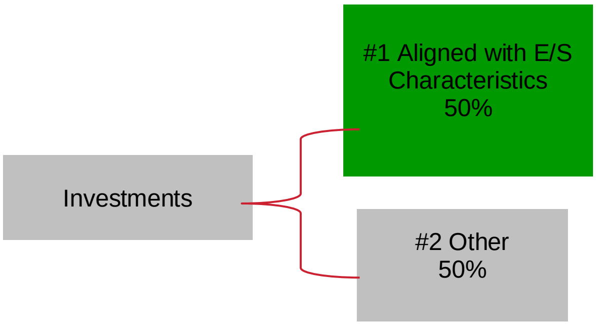
What is the policy to assess good governance practices of the investee companies?

The Investment Manager assesses the corporate governance of issuers, with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. An internal management score ranging from 1 (strong) to 5 (weak) is assigned. Issuers which have a management score of 5 are excluded from the Fund. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets (including cash, cash equivalents, hedging instruments and other assets) which are not aligned with the Fund's E and/or S characteristics and/or have no minimum environmental or social safeguards.



#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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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.

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

Not applicable.

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

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

As shown in the graphs below, 0% of the Fund’s investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[2]?

☐ **Yes:**

☐ In fossil gas ☐ In nuclear energy

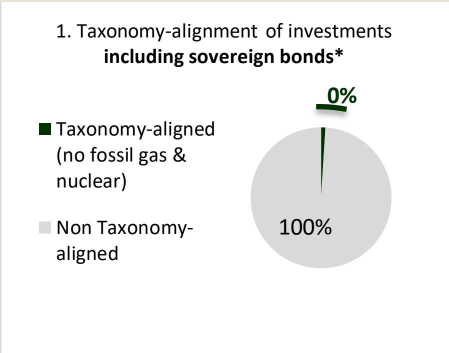
✓ **No**

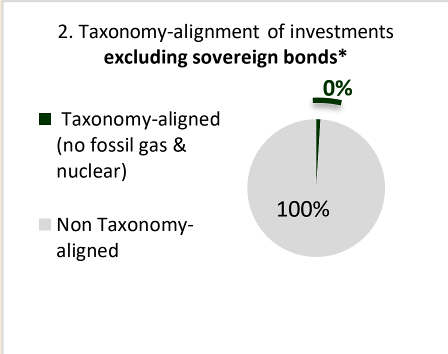
[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas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

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.

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.***

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

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

Not applicable.

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

Issuers which do not exhibit positive or improving E and / or S characteristics will be included in the Fund where the Investment Manager, after conducting proprietary fundamental analysis and taking into account portfolio construction considerations, identifies mispriced investment opportunities on a longer term basis, centred on the Investment Manager's understanding of the issuer's strategy and the potential to improve returns and grow earnings. The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

The investments included under "#2 Other" also includes cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focuses on the creditworthiness of these parties, which can be impacted by ESG risks.

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.

Not applicable.

- ***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:

Please see the relevant product page for the Fund at https://www.barings.com/en-ie/institutional/funds/public-equities/barings-asia-growth-fund

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

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.

Product name: Barings Australia Fund **Legal entity identifier**: 5493003HQJUX6CWNR787

Environmental and/or social characteristics

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**

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

The Fund promotes positive or improving resource intensity, environmental footprint, employee satisfaction and societal impacts of products/services. The Fund will achieve this by investing at least 50% of its Net Asset Value in issuers which exhibit any of these characteristics.

The Investment Manager assesses the environmental ("E") characteristics of an issuer by reviewing an issuer's resource intensity and environmental footprint. The social ("S") characteristics are assessed by reviewing an issuer's employee satisfaction and societal impacts of its products/services. Further information regarding the ESG framework is outlined below.

The E and S evaluations are established using proprietary research based on issuer knowledge and regular management interaction. For all investment opportunities, a thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG cost of equity ("CoE") adjustment is assigned to each investment.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it.

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

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

The sustainability indicator used to measure the attainment of the environmental and social characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in equities of issuers that exhibit positive or improving resource intensity, environmental footprint, employee satisfaction or societal impacts of its products/services. Issuers defined as having such characteristics must be assessed as having a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold as defined further down.

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.

- ***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?***

  Not applicable.

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

  Not applicable.

  — *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.

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 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,** Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the ESG assessment. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's ESG assessment. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund.

☐ **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.

The Fund will seek to achieve its investment objective by investing at least 70% of its Net Asset Value at any one time in equities and equity-related securities of issuers incorporated in, or exercising the predominant part of their economic activity in Australia, or quoted or traded on the stock exchanges in Australia.

The Fund will invest at least 50% of the Fund's total Net Asset Value in equities of issuers that exhibit positive or improving ESG characteristics. Furthermore, the Fund may also invest up to 50% of its Net Asset Value in equities and equity related securities of issuers that exhibit less positive ESG characteristics.

The Fund may also invest up to 30% of its Net Asset Value, either directly or through depositary receipts, in equities and equity-related securities of issuers that are (i) incorporated, or (ii) exercising the predominant part of their economic activity, or (iii) quoted or traded on the stock exchanges, in (a) markets other than Australia in the Asia Pacific region, or (b) other markets which the Manager believes would have the potential to benefit from the economic growth and development from the Asia Pacific region, when and if they consider it appropriate. The Fund may also invest in cash and ancillary liquidities.

The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund.

The Fund may invest in various FDIs for investment purposes or for efficient portfolio management in accordance with the requirements of the Central Bank. When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund adheres to the investment restrictions required to qualify as "equity fund" pursuant to section 2 paragraph 6 GITA and continuously invests more than 50% of its Net Asset Value in equity participations within the meaning of section 2 paragraph 8 GITA.

The Investment Manager believes that equity markets contain unrecognised growth potential and seeks to identify this through the analysis of an issuer's business model whilst incorporating wider ESG trends often referred to as fundamental analysis. ESG trends may evolve over time and may include environmental footprint, societal impact of products/services and effectiveness of supervisory/management boards. Equity investment teams at the Investment Manager share a common investment approach, best described as Growth at a Reasonable Price ("GARP").

GARP seeks to identify reasonably priced growth issuers whose qualities are unrecognised by market participants by performing structured fundamental analysis with a disciplined investment process. Based on the region, country or sector bias of the Fund, analysis of potential growth issuers includes their future financial performance as well as their business model and management style, while focussing on long-term earnings growth of three to five years.

The Investment Manager's strategy favours issuers with sustainable or improving business franchises, profitability focused management and strong balance sheets that enable the issuer to execute its business strategy. The Investment Manager regards these issuers as higher quality as they provide transparency and allow investment professionals to forecast earnings with greater confidence. This is further strengthened through the incorporation of a dynamic and forward-looking approach to ESG analysis, with the aim to identify sustainable business practices. This empowers the Investment Manager to better assess both the potential risks facing the issuer and the opportunities presented to it, particularly those not apparent or included in traditional fundamental analysis, and facilitates in propagating better ESG practices. The Investment Manager believes that ESG integration, a focus on forward-looking dynamics and active engagement is key to unlocking long-term returns in equity investments.

Issuers that exhibit positive or improving ESG characteristics are assessed through the Investment Manager's proprietary research. Proprietary research is based on issuer knowledge and regular management interaction, which is the basis to assess each issuer against nine key ESG topics:

- Employee Satisfaction;
- Resource Intensity;
- Traceability and/or Security in Supply Chain;
- Effectiveness of Supervisory and/or Management Board;
- Credibility of Auditing Arrangements;

- Transparency and Accountability of Management;
- Environmental Footprint;
- Societal Impact of Products and/or Services; and
- Business Ethics.

This assessment is captured within a standardised framework, and is dynamic, monitoring the attitudes of investee issuers for improvements or deteriorations toward ESG topics and reflected in the scoring of an issuer's quality and its valuation. With respect to issuer valuations, the Investment Manager's approach allows for ESG research to directly affect the discount rate (Barings Cost of Equity) applied to its 5-year earnings and dividend forecast for the issuer. By explicitly quantifying the ESG impact on the valuation of investee issuers, ESG is integrated into decision-making, issuer selection and the management of the portfolio.

This approach enables the Investment Manager to rate issuers on the basis of their dynamic ESG behaviour rather than making a static judgement based on historical ESG practices and is consistent with forward looking analysis and the intention to reward progress and improvement. Before investing, the Investment Manager considers internal recommendations regarding growth, quality and valuation, all of which reflect ESG issues and opportunities, alongside external issuer-specific data. Once invested, the Investment Manager continues to monitor each issuer to ensure that the thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

Issuers defined as having positive or improving ESG characteristics must have a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold. The Investment Manager also requires that such issuers have good corporate governance, internally assessed with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with investee issuers. These formal engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG public disclosure, which in the opinion of the Investment Manager, is material to the sustainability of the issuer's business model, aiming to enhance the performance of investments.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

For all investment opportunities, thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG CoE adjustment is assigned to each investment.

1. Quality Score – The quality score is a rating from 1 to 5 (1 = strong, 5 = weak), which is an expression of our evaluation of an issuer's franchise, management, and balance sheet.
2. Management Score – The management score, which also carries a rating of 1 to 5 (1 = strong, 5 = weak), is an expression of our evaluation of the strength of the issuer's management and corporate governance. Issuers with sound management structures, diverse and accessible executive teams, and remuneration policies aligned with the long-term interests of minority shareholders would generally be assigned a stronger management score.
3. ESG CoE Adjustment - Finally, each of the nine ESG topics in the proprietary scorecard is rated as one of the following: Exemplary, Improving, Not Improving, or Unfavourable. The sum of the nine ratings corresponds with an ESG discount or premium, which is added to the CoE. The CoE is the rate of return required from the issuer by the Investment Manager. An Exemplary rating will result in an ESG reduction to the issuer's CoE. Conversely, an Unfavourable or Not Improving rating will result in an ESG addition to the issuer's CoE.

Pre- and post-trade checks are carried out on a daily basis to ensure the Fund continues to meet the minimum threshold of 50%.

Screening Criteria

Companies the fund invests in are classified as either:

- "Green" – by exhibiting "**Positive**" or "**Improving**" ESG characteristics; or
- "Brown" – by not meeting the criteria illustrated below

The below tables illustrates the criteria used to classify companies

Company Classification		Quality Score*	Management Score*	ESG CoE Adjustment
Green	Positive ESG	Less than 2	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	Less than 3	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	3	Less than or equal 2.5	Less than 1%
Company Classification		**Quality Score**	**Management Score**	**ESG CoE Adjustment**
Brown	Brown	More than 3		
Brown	Brown		More than 2.5	
Brown	Brown			More than 1%

* (1= strong, 5 = weak).

Investments with a Quality Score of more than 3 or Management Score of more than 2.5 or ESG CoE adjustment of more than 1% will always be considered as "brown".

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and / or S characteristics.

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?

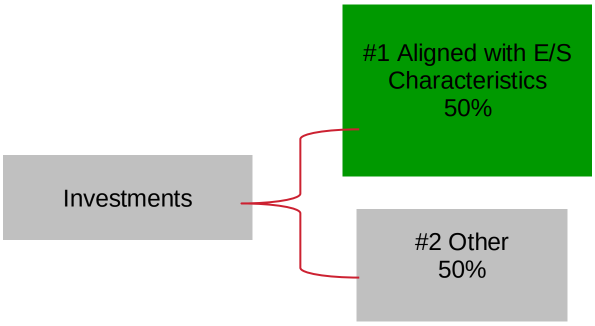
The Investment Manager assesses the corporate governance of issuers, with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. An internal management score ranging from 1 (strong) to 5 (weak) is assigned. Issuers which have a management score of 5 are excluded from the Fund. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets investments in specific assets.

(including cash, cash equivalents, hedging instruments and other assets) which are not aligned with the Fund's E and/or S characteristics and/or have no minimum environmental or social safeguards.



#**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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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.

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

Not applicable.

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

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

As shown in the graphs below, 0% of the Fund's investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[3]?

☐ **Yes:**

☐ In fossil gas ☐ In nuclear energy

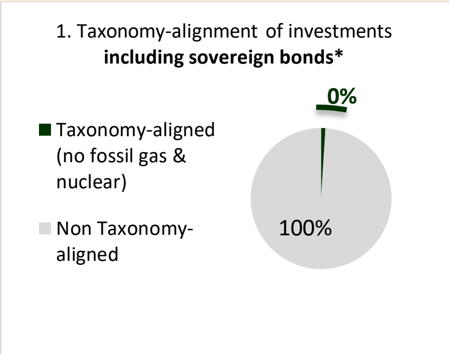
[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas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

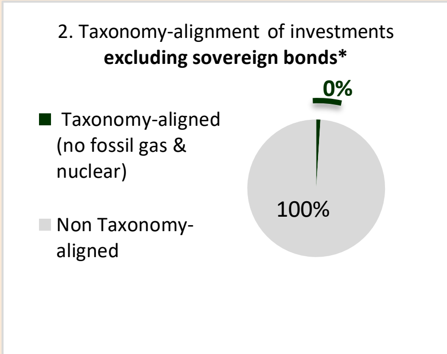
✓ **No**

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.

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?

Not applicable.

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

Not applicable.

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

What is the minimum share of socially sustainable investments?

Not applicable.

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

Issuers which do not exhibit positive or improving E and / or S characteristics will be included in the Fund where the Investment Manager, after conducting proprietary fundamental analysis and taking into account portfolio construction considerations, identifies mispriced investment opportunities on a longer term basis, centred on the Investment Manager's understanding of the issuer's strategy and the potential to improve returns and grow earnings.

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

The investments included under "#2 Other" also includes cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focuses on the creditworthiness of these parties, which can be impacted by ESG risks.

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.

Not applicable.

- ***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:

Please see the relevant product page for the Fund at https://www.barings.com/en-ie/institutional/funds/public-equities/barings-australia-fund

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: Barings Europa Fund **Legal entity identifier**: 549300CNMCZVRZ8L2R50

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**

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

The Fund promotes positive or improving resource intensity, environmental footprint, employee satisfaction and societal impacts of products/services. The Fund will achieve this by investing at least 50% of its Net Asset Value in issuers which exhibit any of these characteristics.

The Investment Manager assesses the environmental (“E”) characteristics of an issuer by reviewing an issuer’s resource intensity and environmental footprint. The social (“S”) characteristics are assessed by reviewing an issuer’s employee satisfaction and societal impacts of its products/services. Further information regarding the ESG framework is outlined below.

The E and S evaluations are established using proprietary research based on issuer knowledge and regular management interaction. For all investment opportunities, a thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG cost of equity (“CoE”) adjustment is assigned to each investment.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it.

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

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

The sustainability indicator used to measure the attainment of the environmental and social characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in equities of issuers that exhibit positive or improving resource intensity, environmental footprint, employee satisfaction or societal impacts of its products/services. Issuers defined as having such characteristics must be assessed as having a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold as defined further down.

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.

❍ ***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?***

Not applicable.

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

Not applicable.

— *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.

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 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,** Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the ESG assessment. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's ESG assessment. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund.

☐ **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.

The Fund will seek to achieve its investment objective by investing at least 70% of its Net Asset Value at any one time in equities and equity-related securities of issuers incorporated in, or exercising the predominant part of their economic activity in, any European country (including the United Kingdom), or quoted or traded on the stock exchanges in those countries. Within Europe the portfolio will be balanced according to the Manager's assessment of investment prospects for individual countries. There is no limit to the proportion of the Fund which may be invested in any one country. The Fund may also invest in cash and ancillary liquidities.

The Fund will invest at least 50% of the Fund's Net Asset Value in equities of issuers that exhibit positive or improving ESG characteristics. Furthermore, the Fund may also invest up to 50% of its Net Asset Value in equities and equity related securities of issuers that exhibit less positive ESG characteristics.

The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund.

The Fund may invest in various FDIs for investment purposes or for efficient portfolio management in accordance with the requirements of the Central Bank. When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund adheres to the investment restrictions required to qualify as "equity fund" pursuant to section 2 paragraph 6 GITA and continuously invests more than 50% of its Net Asset Value in equity participations within the meaning of section 2 paragraph 8 GITA.

The Investment Manager believes that equity markets contain unrecognised growth potential and seeks to identify this through the analysis of an issuer's business model whilst incorporating wider ESG trends often referred to as fundamental analysis. ESG trends may evolve over time and may include environmental footprint, societal impact of products/services and effectiveness of supervisory/management boards. Equity investment teams at the Investment Manager share a common investment approach, best described as Growth at a Reasonable Price ("GARP").

GARP seeks to identify reasonably priced growth issuers whose qualities are unrecognised by market participants by performing structured fundamental analysis with a disciplined investment process. Based on the region, country or sector bias of the Fund, analysis of potential growth issuers includes their future financial performance as well as their business model and management style, while focussing on long-term earnings growth of three to five years.

The Investment Manager's strategy favours issuers with sustainable or improving business franchises, profitability focused management and strong balance sheets that enable the issuer to execute its business strategy. The Investment Manager regards these issuers as higher quality as they provide transparency and allow investment professionals to forecast earnings with greater confidence. This is further strengthened through the incorporation of a dynamic and forward-looking approach to ESG analysis, with the aim to identify sustainable business practices. This empowers the Investment Manager to better assess both the potential risks facing the issuer and the opportunities presented to it, particularly those not apparent or included in traditional fundamental analysis, and facilitates in propagating better ESG practices. The Investment Manager believes that ESG integration, a focus on forward-looking dynamics and active engagement is key to unlocking long-term returns in equity investments.

Issuers that exhibit positive or improving ESG characteristics are assessed through the Investment Manager's proprietary research. Proprietary research is based on issuer knowledge and regular management interaction, which is the basis to assess each issuer against nine key ESG topics:

- Employee Satisfaction;
- Resource Intensity;
- Traceability and/or Security in Supply Chain;
- Effectiveness of Supervisory and/or Management Board;
- Credibility of Auditing Arrangements;
- Transparency and Accountability of Management;
- Environmental Footprint;

- Societal Impact of Products and/or Services; and
- Business Ethics.

This assessment is captured within a standardised framework, and is dynamic, monitoring the attitudes of investee issuers for improvements or deteriorations toward ESG topics and reflected in the scoring of an issuer's quality and its valuation. With respect to issuer valuations, the Investment Manager's approach allows for ESG research to directly affect the discount rate (Barings Cost of Equity) applied to its 5-year earnings and dividend forecast for the issuer. By explicitly quantifying the ESG impact on the valuation of investee issuers, ESG is integrated into decision-making, issuer selection and the management of the portfolio.

This approach enables the Investment Manager to rate issuers on the basis of their dynamic ESG behaviour rather than making a static judgement based on historical ESG practices and is consistent with forward looking analysis and the intention to reward progress and improvement. Before investing, the Investment Manager considers internal recommendations regarding growth, quality and valuation, all of which reflect ESG issues and opportunities, alongside external issuer-specific data. Once invested, the Investment Manager continues to monitor each issuer to ensure that the thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

Issuers defined as having positive or improving ESG characteristics must have a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold. The Investment Manager also requires that such issuers have good corporate governance, internally assessed with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with investee issuers. These formal engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG public disclosure, which in the opinion of the Investment Manager, is material to the sustainability of the issuer's business model, aiming to enhance the performance of investments.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

For all investment opportunities, thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG CoE adjustment is assigned to each investment.

1. Quality Score – The quality score is a rating from 1 to 5 (1 = strong, 5 = weak), which is an expression of our evaluation of an issuer's franchise, management, and balance sheet.
2. Management Score – The management score, which also carries a rating of 1 to 5 (1 = strong, 5 = weak), is an expression of our evaluation of the strength of the issuer's management and corporate governance. Issuers with sound management structures, diverse and accessible executive teams, and remuneration policies aligned with the long-term interests of minority shareholders would generally be assigned a stronger management score.
3. ESG CoE Adjustment - Finally, each of the nine ESG topics in the proprietary scorecard is rated as one of the following: Exemplary, Improving, Not Improving, or Unfavourable. The sum of the nine ratings corresponds with an ESG discount or premium, which is added to the CoE. The CoE is the rate of return required from the issuer by the Investment Manager. An Exemplary rating will result in an ESG reduction to the issuer's CoE. Conversely, an Unfavourable or Not Improving rating will result in an ESG addition to the issuer's CoE.

Pre- and post-trade checks are carried out on a daily basis to ensure the Fund continues to meet the minimum threshold of 50%.

Screening Criteria

Companies the fund invests in are classified as either:

- “Green” – by exhibiting “**Positive**” or “**Improving**” ESG characteristics; or
- “Brown” – by not meeting the criteria illustrated below

The below tables illustrates the criteria used to classify companies

Company Classification		Quality Score*	Management Score*	ESG CoE Adjustment
Green	Positive ESG	Less than 2	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	Less than 3	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	3	Less than or equal 2.5	Less than 1%
Company Classification		**Quality Score**	**Management Score**	**ESG CoE Adjustment**
Brown	Brown	More than 3		
Brown	Brown		More than 2.5	
Brown	Brown			More than 1%

* (1= strong, 5 = weak).

Investments with a Quality Score of more than 3 or Management Score of more than 2.5 or ESG CoE adjustment of more than 1% will always be considered as “brown”.

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and / or S characteristics.

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

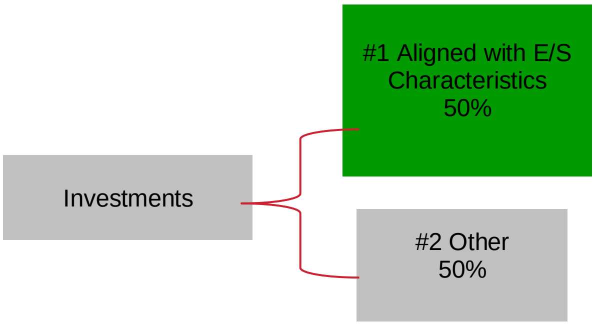
What is the policy to assess good governance practices of the investee companies?

The Investment Manager assesses the corporate governance of issuers, with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. An internal management score ranging from 1 (strong) to 5 (weak) is assigned. Issuers which have a management score of 5 are excluded from the Fund. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets (including cash, cash equivalents, hedging instruments and other assets) which are not aligned with the Fund's E and/or S characteristics and/or have no minimum environmental or social safeguards.



#**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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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.

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

Not applicable.

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

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

As shown in the graphs below, 0% of the Fund’s investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[4]?

Yes:

In fossil gas | In nuclear energy

[4] 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 objective – 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 Regulations (EU) 2022/1214.

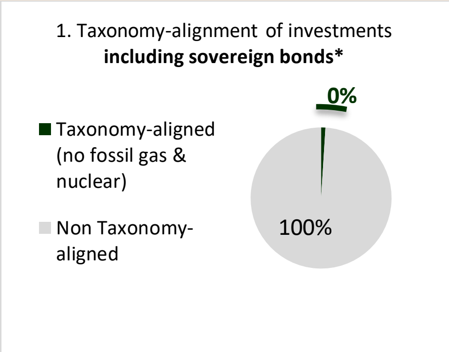
and waste management rules

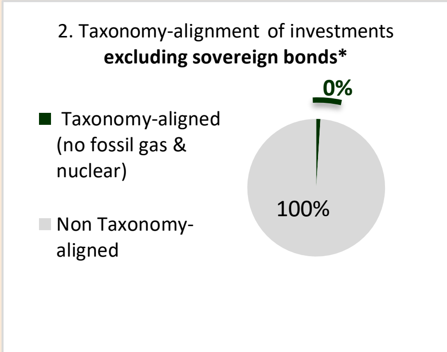
✓ **No**

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.

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?

Not applicable.

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

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

Issuers which do not exhibit positive or improving E and / or S characteristics will be included in the Fund where the Investment Manager, after conducting proprietary fundamental analysis and taking into account portfolio construction considerations, identifies mispriced investment opportunities on a longer term basis, centred on the Investment Manager's understanding of the issuer's strategy and the potential to improve returns and grow earnings.

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

The investments included under "#2 Other" also includes cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focuses on the creditworthiness of these parties, which can be impacted by ESG risks.

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.

Not applicable.

- ***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:

Please see the relevant product page for the Fund at https://www.barings.com/en-ie/institutional/funds/public-equities/barings-europa-fund

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: Barings Hong Kong China Fund

Legal entity identifier: 549300BT29YFG8CKKD32

Environmental and/or social characteristics

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**

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.

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

The Fund promotes positive or improving resource intensity, environmental footprint, employee satisfaction and societal impacts of products/services. The Fund will achieve this by investing at least 50% of its Net Asset Value in issuers which exhibit any of these characteristics.

The Investment Manager assesses the environmental ("E") characteristics of an issuer by reviewing an issuer's resource intensity and environmental footprint. The social ("S") characteristics are assessed by reviewing an issuer's employee satisfaction and societal impacts of its products/services. Further information regarding the ESG framework is outlined below.

The E and S evaluations are established using proprietary research based on issuer knowledge and regular management interaction. For all investment opportunities, a thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG cost of equity ("CoE") adjustment is assigned to each investment.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it.

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

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

The sustainability indicator used to measure the attainment of the environmental and social characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in equities of issuers that exhibit positive or improving resource intensity, environmental footprint, employee satisfaction or societal impacts of its products/services. Issuers defined as having such characteristics must be assessed as having a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold as defined further down.

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.

- ***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?***

  Not applicable.

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

  Not applicable.

  — *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.

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 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,** Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the ESG assessment. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's ESG assessment. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund

☐ **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.

The Fund will seek to achieve its investment objective by investing at least 70% of its Net Asset Value at any one time, either directly in equities or through equity-related securities (including depositary receipts) of issuers (i) incorporated, or (ii) exercising the predominant part of their economic activity, or (iii) quoted or traded on the stock exchanges in markets in Hong Kong or China.

The Fund will invest at least 50% of the Fund's Net Asset Value in equities of issuers that exhibit positive or improving ESG characteristics. Furthermore, the Fund may also invest up to 50% of its Net Asset Value in equities and equity related securities of issuers that exhibit less positive ESG characteristics.

The Investment Manager may also invest up to 30% of its Net Asset Value outside the fund's principal geographies (including but not limited to Taiwan), market sectors, currency or asset classes. With regard to investment in debt securities, the Fund does not have any specific restrictions or limits on the credit rating of the underlying debt securities. The Fund may also invest in cash and ancillary liquidities.

The portfolio will be balanced according to the Manager's assessment of investment prospects but may, depending upon underlying investment conditions, emphasise investment in issuers operating in those sectors of the Hong Kong or China economies that, in the Manager's opinion, provide the determinants for Hong Kong's or China's economic growth such as those involved in international trade, property and construction activity, engineering, electronics or the service sectors.

The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund.

With regard to investment in China, no more than 20% of the Net Asset Value of the Fund at any one time may be invested directly or indirectly in China A shares and B shares. It is anticipated that this exposure will be obtained either directly through investment in China A shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange via the Connect Schemes and/or through the QFI regime or indirectly through investment in other eligible collective investment schemes or participation notes.

The Fund may invest in various FDIs for investment purposes or for efficient portfolio management in accordance with the requirements of the Central Bank. When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund adheres to the investment restrictions required to qualify as "equity fund" pursuant to section 2 paragraph 6 GITA and continuously invests more than 50% of its Net Asset Value in equity participations within the meaning of section 2 paragraph 8 GITA.

The Investment Manager believes that equity markets contain unrecognised growth potential and seeks to identify this through the analysis of an issuer's business model whilst incorporating wider ESG trends often referred to as fundamental analysis. ESG trends may evolve over time and may include environmental footprint, societal impact of products/services and effectiveness of supervisory/management boards. Equity investment teams at the Investment Manager share a common investment approach, best described as Growth at a Reasonable Price ("GARP").

GARP seeks to identify reasonably priced growth issuers whose qualities are unrecognised by market participants by performing structured fundamental analysis with a disciplined investment process. Based on the region, country or sector bias of the Fund, analysis of potential growth issuers includes their future financial performance as well as their business model and management style, while focussing on long-term earnings growth of three to five years.

The Investment Manager's strategy favours issuers with sustainable or improving business franchises, profitability focused management and strong balance sheets that enable the issuer to execute its business strategy. The Investment Manager regards these issuers as higher quality as they provide transparency and allow investment professionals to forecast earnings with greater confidence. This is further strengthened through the incorporation of a dynamic and forward-looking approach to ESG analysis, with the aim to identify sustainable business practices. This empowers the Investment Manager to better assess both the potential risks facing the issuer and the opportunities presented to it, particularly those not apparent or included in traditional fundamental analysis, and facilitates in propagating better ESG practices. The Investment Manager believes that ESG integration, a focus on forward-looking dynamics and active engagement is key to unlocking long-term returns in equity investments.

Issuers that exhibit positive or improving ESG characteristics are assessed through the Investment Manager's proprietary research. Proprietary research is based on issuer knowledge and regular management interaction, which is the basis to assess each issuer against nine key ESG topics:

- Employee Satisfaction;
- Resource Intensity;
- Traceability and/or Security in Supply Chain;
- Effectiveness of Supervisory and/or Management Board;
- Credibility of Auditing Arrangements;
- Transparency and Accountability of Management;
- Environmental Footprint;
- Societal Impact of Products and/or Services; and
- Business Ethics.

This assessment is captured within a standardised framework, and is dynamic, monitoring the attitudes of investee issuers for improvements or deteriorations toward ESG topics and reflected in the scoring of an issuer's quality and its valuation. With respect to issuer valuations, the Investment Manager's approach allows for ESG research to directly affect the discount rate (Barings Cost of Equity) applied to its 5-year earnings and dividend forecast for the issuer. By explicitly quantifying the ESG impact on the valuation of investee issuers, ESG is integrated into decision-making, issuer selection and the management of the portfolio.

This approach enables the Investment Manager to rate issuers on the basis of their dynamic ESG behaviour rather than making a static judgement based on historical ESG practices and is consistent with forward looking analysis and the intention to reward progress and improvement. Before investing, the Investment Manager considers internal recommendations regarding growth, quality and valuation, all of which reflect ESG issues and opportunities, alongside external issuer-specific data. Once invested, the Investment Manager continues to monitor each issuer to ensure that the thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

Issuers defined as having positive or improving ESG characteristics must have a higher than average quality score, and not exceed a maximum adjustment to its Barings CoE threshold. The Investment Manager also requires that such issuers have good corporate governance, internally assessed with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with investee issuers. These formal engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG public disclosure, which in the opinion of the Investment Manager, is material to the sustainability of the issuer's business model, aiming to enhance the performance of investments.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

For all investment opportunities, thorough ESG assessment is conducted using a proprietary scorecard of nine ESG topics, and a quality score, management score, and ESG CoE adjustment is assigned to each investment.

1. Quality Score – The quality score is a rating from 1 to 5 (1 = strong, 5 = weak), which is an expression of our evaluation of an issuer's franchise, management, and balance sheet.
2. Management Score – The management score, which also carries a rating of 1 to 5 (1 = strong, 5 = weak), is an expression of our evaluation of the strength of the issuer's management and corporate governance. Issuers with sound management structures, diverse and accessible executive teams, and remuneration policies aligned with the

long-term interests of minority shareholders would generally be assigned a stronger management score.

3. ESG CoE Adjustment - Finally, each of the nine ESG topics in the proprietary scorecard is rated as one of the following: Exemplary, Improving, Not Improving, or Unfavourable. The sum of the nine ratings corresponds with an ESG discount or premium, which is added to the CoE. The CoE is the rate of return required from the issuer by the Investment Manager. An Exemplary rating will result in an ESG reduction to the issuer's CoE. Conversely, an Unfavourable or Not Improving rating will result in an ESG addition to the issuer's CoE.

Pre- and post-trade checks are carried out on a daily basis to ensure the Fund continues to meet the minimum threshold of 50%.

Screening Criteria

Companies the fund invests in are classified as either:

- "Green" – by exhibiting "**Positive**" or "**Improving**" ESG characteristics; or
- "Brown" – by not meeting the criteria illustrated below

The below tables illustrates the criteria used to classify companies

Company Classification		Quality Score*	Management Score*	ESG CoE Adjustment
Green	Positive ESG	Less than 2	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	Less than 3	Less than or equal 2.5	Less than or equal to 1%
Green	Improving ESG Characteristics	3	Less than or equal 2.5	Less than 1%
Company Classification		**Quality Score**	**Management Score**	**ESG CoE Adjustment**
Brown	Brown	More than 3		
Brown	Brown		More than 2.5	
Brown	Brown			More than 1%

* (1= strong, 5 = weak).

Investments with a Quality Score of more than 3 or Management Score of more than 2.5 or ESG CoE adjustment of more than 1% will always be considered as "brown".

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and / or S characteristics.

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

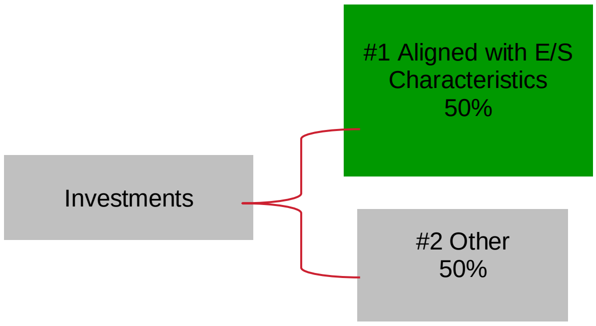
What is the policy to assess good governance practices of the investee companies?

The Investment Manager assesses the corporate governance of issuers, with respect to, but not limited to, sound management structures, employee relations, remuneration of staff and tax compliance. An internal management score ranging from 1 (strong) to 5 (weak) is assigned. Issuers which have a management score of 5 are excluded from the Fund. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets (including cash, cash equivalents, hedging instruments and other assets) which are not aligned with the Fund's E and/or S characteristics and/or have no minimum environmental or social safeguards.



#**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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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.

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

Not applicable.

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

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

As shown in the graphs below, 0% of the Fund’s investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[5]?

[5] 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 objective – 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 Regulations (EU) 2022/1214.

criteria include comprehensive safety and waste management rules

Yes:

In fossil gas

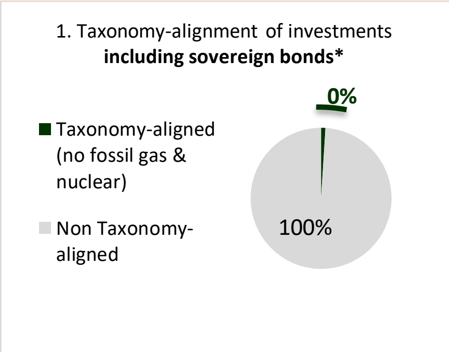
In nuclear energy

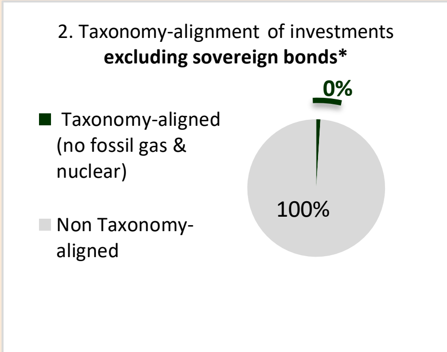
✓ **No**

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.

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?

Not applicable.

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

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

Issuers which do not exhibit positive or improving E and / or S characteristics will be included in the Fund where the Investment Manager, after conducting proprietary fundamental analysis and taking into account portfolio construction considerations, identifies mispriced investment opportunities on a longer term basis, centred on the Investment Manager's understanding of the issuer's strategy and the potential to improve returns and grow earnings.

The Investment Manager does not invest in issuers which have a quality score of 5 – the worst level on the Investment Manager's scale of 1 to 5 – and an ESG-related modification to the discount rate of +2% and will consider its holdings in issuers whose quality score and ESG-related modification to the discount rate has deteriorated to these levels.

The investments included under "#2 Other" also includes cash, cash equivalents and hedging instruments. Cash and cash equivalents do not affect the promoted environmental and / or social characteristics of the Fund. The assessment of issuers and of counterparties for cash and hedging instruments focuses on the creditworthiness of these parties, which can be impacted by ESG risks.

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.

Not applicable.

- ***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:

Please see the relevant product page for the Fund at https://www.barings.com/en-ie/institutional/funds/public-equities/barings-hong-kong-china-fund

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: Barings Global Bond Fund

Legal entity identifier: 5493001RC3G3PT80Y747

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**

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

The Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving environmental and/or social characteristics.

The Investment Manager derives a score for the environmental ("E") characteristics by reviewing an issuer's resource intensity and environmental footprint. The scores for the social ("S") characteristics are derived by reviewing an issuer's employee satisfaction and societal impacts of its products/services. Further information regarding the scoring framework is outlined below.

The E and S scores of an issuer are established by the Investment Manager's proprietary scoring framework, which incorporates a weighting system according to the business activities of the issuer. Within the scoring framework, issuers are assigned 'Current State" scores of 1 (excellent) to 5 (unfavourable), and "Outlook" scores of 1 (improving), 2 (stable) or 3 (deteriorating) for each of the E, S and G components. Overall ESG scores are produced for "Current State" and "Outlook" using weighted averages. These two scores determine if an issuer is deemed eligible for the 'positive or improving' classification.

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by it. The Fund will also invest at least 75% of the its Net Asset Value in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index ("HDI") and calculated as an average of the five year period as of two years prior to the investment period. With quantitative approaches to measuring E and S resilience and performance from sources such as the UN, World Bank, academic institutions. More detail regarding the methodology is outlined below.

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

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

The sustainability indicators used to measure the attainment of the environmental and social characteristics promoted by the Fund will be:

1. The percentage of the Fund's Net Asset Value invested in assets that exhibit positive or improving ESG characteristics; and
2. The percentage of the Fund's Net Asset Value in countries that exhibit strong or improving human development conditions, as measured by the United Nations HDI and calculated as an average of the five-year period as of two years prior to the investment period

This is approached in both a quantitative and qualitative manner.

Quantitative:

The Investment Manager uses and analyses a proprietary and diverse selection of indicators of a country's institutional, social and environmental resilience and performance, and value ones that indicate future trends. The Investment Manager does this by:

- Gathering various selected indicators pertaining to different ESG dimensions from reliable international sources (UN, World Bank, academic institutions).
- Carefully shortlisting indicators.
- Assessing how the country performs relative to peers and itself over time.

Qualitative:

The Investment Manager assesses the policy framework (i.e., country management, and predictability of policies for sustainable financial performance) by:

- Visiting countries to take stock of important aspects of political, social and environmental evolution, and macroeconomic factors. These are often material in driving a country's creditworthiness.
- Regularly informing its country analysis based on latest data release and policy changes in the ESG space.
- Conducting semi-annual ESG country rating discussions, informed both by indicators and qualitative assessments. These rating decisions are based on in-depth debates around governance, institutional, social and environmental developments. The diversity of the team's background, and its collective personal and historical knowledge of political systems across the world, provides the Investment Manager with a unique perspective.

As described above, the sustainability indicators used to measure the attainment of the E and S characteristics promoted by the Fund will be the percentage of the Fund's Net Asset Value invested in assets that exhibit positive or improving ESG characteristics. Issuers will be considered as being "positive" if they have an ESG current state score of three or better; and issuers will be considered as "improving" if they have an ESG current state score between three and four and an improving outlook score.

Issuers are assessed through the Investment Manager's proprietary ESG scoring framework. This is supported by internal sustainability analysis with the use of third-party issuer-specific ESG data, where available, through the Investment Manager's independent research and direct dialogue with issuer's management teams. The assessment considers an issuer's current ESG profile and outlook trajectory with a focus on the most material sources of ESG risks and opportunities of each issuer, reflecting their specific business activities. As an example the below table demonstrates how materiality of ESG factors varies between two industry sectors and how materiality influences the overall scoring. However, it should be noted that an issuer may fall within more than one industry, which can result in a deviation from these weights to more accurately reflect the E, S and G factors affecting the issuer.

Industry Sector	Environmental	Social	Governance
Utilities	55%	15%	30%
Financials	20%	40%	40%

When making the assessment for the resource intensity and environmental footprint of an issuer, the Investment Manager considers the issuer's carbon emissions, carbon intensity, exposure to high carbon industries, as well as water and land usage and waste management. The assessment for employee satisfaction and societal impacts of the issuer's products or services involves consideration of the issuer's relations with its employees, remuneration of staff, health and safety aspects and organisational diversity.

- ***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.

- ***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?***

  Not applicable.

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.

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

  Not applicable.

  — *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.

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?

x Yes, Barings' ESG integration process is designed to ensure that the Investment Manager assesses the sustainability risk factors that are material to the overall credit risk of an investment. Subject to the availability of data and materiality, the principal adverse sustainability indicators that are deemed mandatory as they relate to 'investments in companies' (as per Annex 1, Table 1 of the Regulatory Technical Standards) along with the principal adverse impact of 'Environmental Indicator 4. Investments in companies without carbon emission reduction initiatives' and 'Social Indicator 14. Number of identified cases of severe human rights issues and incidents' on sustainability factors, are considered as part of the pre-investment due diligence. The significance of indicators will vary according to the business activities of the issuer being evaluated. The consideration of the relevant indicators is incorporated into the Investment Manager's investment committee recommendations and ESG scores. Further information on consideration of principal adverse impacts may be found in the periodic reporting template that will be appended to the annual reports of the Fund.

No

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

What investment strategy does this financial product follow?

The Fund will invest primarily in an actively managed globally diversified portfolio which at least 80% of its Net Asset Value is invested in fixed income instruments. The fixed income instruments in which the Fund invests may include government bonds, covered bonds, global corporate bonds, notes, debentures, government obligations and sovereign issues, commercial paper, asset-backed securities ("ABS"), commercial and residential-mortgage backed securities ("CMBS" and "RMBS") and CoCos. No more than 10% of the Fund's Net Asset Value may be invested in CoCos.

The Fund may invest in Investment Grade and up to 20% of the Fund's Net Asset Value in Sub-Investment Grade fixed income instruments; up to 25% of its Net Asset Value in collateralised and/or securitised products such as covered bonds, ABS, CMBS and RMBS; and up to 10% of its Net Asset Value in securities issued and/or guaranteed by a single sovereign (including its government, a public or local government of that country) which is rated Sub-Investment Grade. The Fund's weighted-average portfolio duration is expected to be greater than 1 year at all times. The Fund may invest in money market instruments, pending investment of subscription monies or payment of redemption proceeds or for temporary defensive purposes, where the Investment Manager determines that such holdings are in the best interests of Unitholders.

"Sub-Investment Grade" also includes an eligible asset which is not rated by an internationally recognised rating agency, but is determined by the Investment Manager in its own assessment of having credit quality of "BB+" or lower from the ratings agency Standard & Poor's or Fitch, "Ba1" or lower from Moody's Investor Services, or the equivalent rating of another internationally recognised rating agency. In the event of split rating, the highest credit rating accredited to the relevant issue will be deemed the reference credit rating.

The Fund will invest at least 50% of the Fund's Net Asset Value in fixed income instruments of countries that exhibit positive or improving environmental, social and governance (ESG) characteristics. The Fund will also invest at least 75% of the Fund's Net Asset Value in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index (HDI) and calculated as the average of the five year period as of two years prior to the investment period. Further detail of the Investment Manager's ESG policy for the Fund is available on the Manager's website at www.barings.com.

The Fund may also invest in collective investment schemes in accordance with the requirements of the Central Bank up to a maximum of 10% of the Net Asset Value of the Fund.

The Fund may engage in transactions in FDI principally for investment purposes or for efficient portfolio management in accordance with the requirements of the Central Bank. When FDIs are used the Fund will be leveraged through the leverage inherent in the use of FDIs.

The Fund seeks diversification by market sector, industry and issuer. The Investment Manager will select individual investments based on an analysis of the value of the relevant investments as compared to other similar investments within the identified industry sectors and geographies which offer the best risk to reward opportunities. The Investment Manager determines where favourable value exists based on fundamental, bottom up analysis and assesses this value on a relative basis to other investment alternatives. The Investment Manager reviews country risk through macroeconomic health and political stability or unrest.

Although the Net Asset Value of the Fund is expressed in US Dollars, the relative attraction of investments denominated in other currencies is a major consideration of the Investment Manager.

Countries that exhibit positive or improving ESG characteristics are selected through the Investment Manager's proprietary research which is supported with the use of third party issuer-specific ESG data; the approach consists of a threefold analysis determining a government's capacity and willingness to provide for its population, its resilience to shocks and its ability to grow sustainably, using both a standard set of indicators and qualitative analysis. For each asset, the Investment Manager examines the scores of the indicators to determine a country's sustainability over time and considers relevant shocks that may have impacted the scoring. These indicators, as well as the Investment Manager's specialised country expertise, are placed into the capacity and willingness framework to determine the country's current sustainability as well as potential trends that should be considered from an ESG perspective. The frequency of update for each country depends on its significance in the portfolio and the benchmark, but ESG scores are reviewed for all countries under coverage at least twice a year by the Sovereign ESG Committee, which comprises all sovereign analysts on the Investment Manager's team. HDI scoring is calculated at least quarterly, where improvement is defined as having improved by more than five percentage points in the last ten years.

Issuers that exhibit positive or improving ESG characteristics are selected through the Investment Manager's proprietary ESG scoring methodology, which is supported with the use of third-party issuer-specific ESG data where coverage allows. When assessing an investment, the Investment Manager will utilise its access to management and financial sponsors in addition to information published by issuers and through access to third party ESG research providers, where coverage allows. This information and interaction enable due diligence to be undertaken on the ESG risk profile of an issuer. For each asset, the Investment Manager analyses an issuer's ESG profile over time and considers relevant shocks that may impact the scoring. Topics considered include environmental (resource intensity, environmental footprint) social (societal impacts of products and services, employee satisfaction) and governance (effectiveness of management boards, credibility of auditing arrangements and accountability of management, amongst others) to screen issuers where ESG standards are positive or improving. The Investment Manager undertakes ESG scoring of issuers that are owned or being monitored. ESG scores are compiled based on an analyst assessment and presented in investment underwriting memos. Issuers are assigned both an ESG current state score and an ESG outlook score for environmental, social, and governance categories. The ESG current state score assesses the current sustainability profile of the issuer relative to the investment universe. ESG outlook scores analyse the momentum of the issuer on ESG topics in comparison to expected ESG development in the market. Investee issuers will be considered as being "positive" if they have a better ESG current state score. Investee issuers will be considered as being "improving" if they have a moderate ESG current state score and an improving outlook score. The Investment Manager adopts an active management policy in relation to ESG topics and has a preference to focus on engagement to improve material issuer transparency and behaviour. Engagement activity may be focused on key ESG credit risk areas.

The Fund also promotes ESG by investing or seeking to positively influence practices to improve ESG characteristics described in further detail below. In particular, countries that exhibit positive or improving ESG characteristics are selected through the Investment Manager's proprietary research which is supported with the use of third party country and issuer-specific ESG data such as MSCI ESG, Sustainalytics and Bloomberg ESG, United Nations Human Development Index, Haver Analytics, the World Bank and the International Monetary Fund. In addition, the Investment Manager meets with the relevant issuers in the countries in which it seeks to invest to discuss a range of topics, including ESG issues, and may also carry out a thorough risk assessment of the relevant country.

For each asset, the Investment Manager examines the scores of the indicators to determine a country's sustainability over time and considers relevant shocks that may have impacted the scoring. Scoring indicators are used to determine whether investee countries exhibit positive or improving ESG characteristics and focus on government policies including environmental (carbon footprint, ecological footprint, waste management) social (guaranteed minimum income, poverty indices, education spending) and governance (government effectiveness, fragile states index, statistical capacity) assessments to screen countries where ESG standards are positive or improving. The approach consists of a threefold analysis determining a government's capacity and willingness to provide for:

- its population which is measured through the assessment of public opinions and surveys (such as the OECD satisfaction data, the World Values survey), the effective redistribution of resources (such as guaranteed minimum incomes thresholds, a commitment on educational spending) and whether a populations basic needs are met (examining data from the Global Multidimensional Poverty Index, the poverty headcount ratio);
- its resilience to shocks which is measured through the attainment of decreasing sensitivity to international shocks (such as the implementation of disaster risk reductions), participating in international efforts (i.e. a signatory to international conventions and protection of the environment to try and eliminate potential environmental disasters) and the domestic efforts at preserving the environment (through the assessment of internal policies and the execution of such policies); and
- its ability to grow sustainably which is measured by its stability to grow (examining data from the Fragile States Index, the Armed Conflict Location & Event Data project (ACLED)) and the assessment of governing with growth oriented policies.

These indicators, as well as the Investment Manager's specialised country expertise, are placed into the Barings sovereign ESG capacity and willingness framework (the "Framework") to determine the country's current sustainability as well as potential trends that should be considered from an ESG perspective. The Framework's focus is on ESG analysis specific to sovereign credits and forms the basis for analyst conversations around ESG ratings, as well as more in-depth case studies for particularly complex or timely credit decisions. Using the Framework, countries are assigned a current state ESG score assessing the current sustainability profile of the issuer and a trend score analysing momentum of a country's performance on environmental, social, and governance categories. Investee countries will be considered as being "positive" if they have a higher current state rating. Investee countries will be considered as being "improving" if they have a moderate current state rating and a higher trend score. Countries with the lowest current state rating cannot be purchased. The HDI measures the average achievement in key dimensions of human development. Countries with strong human development conditions represent countries with more developed governance, education, and healthcare resulting in higher overall human development scores. Countries with improving human development conditions represent countries with HDI scores which are trending upwards over time.

The Investment Manager also believes that it can use its influence to effect positive change and improve ESG disclosure through active engagement with issuers and has adopted an active management policy in relation to ESG topics. The Investment Manager has a preference to focus on engagement to improve issuer behaviour through arranging meetings with the issuers in which it is seeking to invest. The engagement process is built on robust analyst knowledge around the ESG challenges specific to each issuer covered. Each analyst is active in the ESG ratings strategy and aware of the steps necessary for sustainable growth paths in their respective covered countries. Engagement is therefore based on country specificities and analysts will conduct one-on-one calls with issuers in which they ask specific ESG-related questions around, for example, climate resilience, employment growth strategies and data availability and transparency. In addition, the Investment Manager has spearheaded more formal engagement with the Emerging Markets Investors Alliance with the goal of these individual and joint engagements to encourage issuers to consider policy improvements that are beneficial to long-term sustainability and resilience for the economy and the population.

In terms of reviewing the issuers in the portfolio from an ESG perspective on a regular basis, the frequency of update for each country depends on its significance in the portfolio and the Benchmark, but ESG scores are reviewed for all countries under coverage at least twice a year by the Investment Manager's Sovereign ESG Committee, which comprises all sovereign analysts within the Investment Manager. HDI scoring is calculated at least quarterly, where improvement is defined as having improved by more than five percentage points in the last ten years.

In identifying and implementing trade ideas based on the preferred allocations, the Investment Manager takes into consideration investment guidelines, benchmark and risk budget criteria. The Investment Manager will only buy a security if it satisfies the Fund portfolio's return objectives and risk parameters, and if a relative value assessment deems the security to be appropriately priced. Once a position is added, it is monitored daily for its fit in the Fund's portfolio. A decision to sell a security is typically prompted by one or more of the following:

- the original thesis has either changed materially or simply has not worked out as expected;
- valuations on a particular issue have improved or deteriorated to a level where trading into another issue improves the risk and / or return profile; or
- macro conditions dictate either adding or reducing exposure to certain sectors or issuers within the portfolio to express a broader market view.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Fund has implemented a binding constraint into its investment policy whereby at least 50% of its Net Asset Value will be invested in issuers which exhibit positive or improving E and / or S characteristics.

The Investment Manager undertakes ESG scoring of issuers that are owned or being monitored. Proprietary ESG scores are compiled based on an analyst assessment and reviewed by investment committees when applicable. When reviewing E characteristics to derive a score, the Investment Manager's consideration of factors uses a framework of scoring the resource intensity and environmental footprint of issuers. When reviewing S characteristics to derive a score, the Investment Manager's consideration of factors uses a framework of scoring the employee satisfaction and societal impacts of the products/services of the issuer. Issuers are assigned both an ESG current state score and an ESG outlook score. ESG scores are reassessed as material ESG developments occur, updated in line with issuer reporting cycles and updated/verified at least annually.

The 1–5 ESG current state scores are aggregated based on sector weightings to give an overall 1-5 ESG current state score. Issuers will be considered as being "positive" if they have an overall ESG current state score that is three or better on the scoring scale. Issuers will be considered as being "improving" if they have an overall ESG current state score between three and four and an improving Outlook Score.

The Investment Manager excludes issuers that are declined due to ESG risks identified through investment due diligence and/or in the in-house ESG scoring process, and excludes issuers with business involvement in controversial weapons pursuant to a Barings exclusion policy.

The Investment Manager will also invest at least 75% of the Fund's Net Asset Value in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index (HDI) and calculated as the average of the five year period as of two years prior to the investment period.

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

The Fund does not have a committed minimum rate to reduce the scope of investments prior to the application of the investment strategy. Rather the Fund will invest at least 50% of its Net Asset Value in issuers which exhibit positive or improving E and / or S characteristics.

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 undertakes initial and ongoing due diligence of the corporate governance structure of issuers. The Investment Manager assesses whether the governance structure is commensurate with the ownership structure of the issuer and analyses key governance risk factors on a case-by-case basis. Governance risks assessed as part of the Barings' ESG current state score for governance can include issuer ownership, the board and management structures, legal and tax compliance, quality of reporting and audits, employee retention and relations, and staff remuneration. If an issuer is rated 5 (unfavourable) under Barings' ESG current state score for governance it will be formally excluded for investment. The Investment Manager tracks and monitors governance controversies and can take engagement action when they occur.

An issuer with a low (but acceptable) governance score would also be tracked for commitments towards improvement over time as part of the internal ESG scoring process. Where the Investment Manager determines that a holding in the Fund's portfolio does not meet its good governance thresholds, the Investment Manager will engage with the relevant issuer in order to seek to bring it into compliance. If engagement with the relevant issuer is not deemed appropriate or engagement subsequently proves unsuccessful, the Investment Manager will consider its position and shall, if necessary and to the extent possible based upon market conditions and any specific investment considerations, attempt to divest the holding from the Fund.

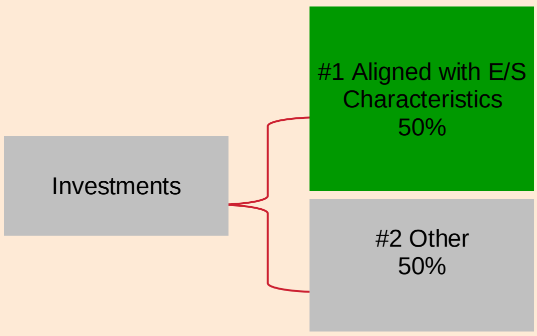
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental ("E") and/or social ("S") characteristics. The "Other" category will comprise of assets (including cash, cash equivalents, hedging instruments and other assets) which do not have an ESG current state score, which are not aligned with the Fund's E and/or S characteristics, and/or have no minimum environmental or social safeguards.

The Investment Manager will also invest at least 75% of the Fund's Net Asset Value in countries that exhibit strong or improving human development conditions, as measured by the United Nations Human Development Index (HDI) and calculated as the average of the five year period as of two years prior to the investment period.



#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 characteristic, have no minimum environmental or social safeguards, nor are qualified as sustainable investments.

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

Not applicable.

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

As shown in the graph below, 0% of the Fund's investments are sustainable investments with an environmental objective that align with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]?

☐ **Yes:**

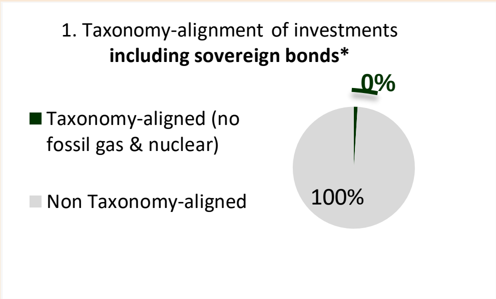
☐ In fossil gas ☐ In nuclear energy

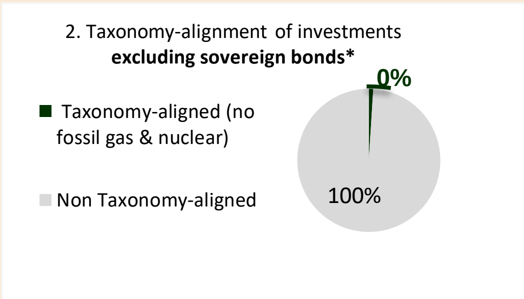
☒ **No**

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.

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?

Not applicable.

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

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

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

The '#2 Other' bucket comprises of two main types of holdings: 1) Issuers which have been approved by the Investment Manager, but which either have a weak ESG starting position with potential for improved ESG performance, or which have low ESG scores, but their valuations indicate that the investment offers a strong risk / reward profile for the Fund. 2) Cash, cash equivalents and derivative instruments which are used for liquidity management and hedging where internal ESG score cannot be determined. These types of holdings will not be classified as 'positive or improving.'

[6] 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 objective – 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 Regulations (EU) 2022/1214.

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?

No specific index is designated as a reference benchmark to determine whether the Fund is aligned with the environmental characteristics that it promotes.

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

- ***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:

Please see the relevant product page for the Fund at www.barings.com