

# ALMA PLATINUM IV – ALMA SELWOOD EURO HIGH-GRADE

Legal Entity Identifier: 22210098STN4DNUK9C56

## SUMMARY

The Sub-Fund is classified as a product that promotes environmental and social characteristics according to Article 8 of the Regulation (EU) 2019/2088, however it does not have as its objective sustainable investment. The Investment Manager will invest a minimum of 80% of assets that meet the environmental and social characteristics. For the purpose of promoting these characteristics, the Investment Manager promotes investment in Green bonds and applies a sector exclusion list.

## NO SUSTAINABLE INVESTMENT OBJECTIVE

This Sub-Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.

## ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE SUB-FUND

The environmental and or social characteristics of this Sub-Fund include:

### Investment in Green bonds:

The Sub-Fund promotes environmental characteristics. The Sub-Fund promotes these environmental characteristics by investing a portion of the NAV (minimum 35%) in Green Bonds issued by governments and supra-nationals ("Green Bonds").

The International Capital Market Association Green Bonds Principles (the "Green Bond Principles") explicitly recognise several broad categories of eligibility for green projects, which contribute to environmental objectives.

Further details on Green Bond Principles are available at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-140621.pdf>

### Sector exclusions:

The Investment Manager also applies a sector exclusion for all cash bonds investment which is a large portion of the fund assets.

It will not invest in bonds issued by:

- Any country on the following list from the FATF:
  - o High-Risk Jurisdictions subject to a Call for Action;
  - o Jurisdictions under Increased Monitoring;
- Any country with score 70 or below (or unrated) on the Sustainable Development report;
- Any country with score 50 or below on the Corruption Perception Index.

## INVESTMENT STRATEGY

The Investment Objective of the Sub-Fund is capital appreciation primarily through investments in European investment grade credit instruments. To achieve the Investment Objective, Selwood Asset Management (France) SAS (the "Investment Manager") aims to provide exposure to a diversified long portfolio of investment grade, European corporate issuers through investments mainly in senior tranches of CDS index-related instruments. Furthermore, the Investment Manager seeks to limit downside risk by investing in deep out-of-the-money payer options on CDS indices referencing investment grade European entities. The Sub-Fund mainly invests in Europe but may also invest a portion of its assets globally.

Derivative instruments (including both exchange-traded and over-the-counter derivatives, such as swaps, futures and options) may be used by the Sub-Fund for investment and hedging purposes. Derivatives are typically unfunded instruments. As the Sub-Fund is investing predominantly using such unfunded derivatives, a significant proportion of the assets of the Sub-Fund is invested in cash bonds, including government bonds. The Sub-Fund may also hold cash on an ancillary basis.

As part of the cash bonds allocation, the Sub-Fund will seek to invest a minimum of 35% of its Net Asset Value in Green Bonds (other than immediately before or after a large subscription or redemption). Green Bonds are any type of bond instrument where the proceeds or an equivalent amount will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Green Projects and which are aligned with the four core components of the Green Bonds Principles.

## PROPORTION OF INVESTMENTS

The minimum proportion of the investments used to attain the environmental and social characteristics promoted by the Fund is 80% of the net asset value. The Sub-Fund also allocates at least 35% of its net asset value to Green Bonds issued by governments and supranational entities.

## MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The Sub-Fund targets a minimum allocation of 35% of its NAV to Green Bonds (other than immediately before and after a large subscription or redemption).

The Investment Manager also applies a sector exclusion for all cash bonds investment which is a large portion of the fund assets.

It will not invest in bonds issued by:

- Any country on the following list from the FATF:
  - o High-Risk Jurisdictions subject to a Call for Action;
  - o Jurisdictions under Increased Monitoring;
- Any country with score 70 or below (or unrated) on the Sustainable Development report;
- Any country with score 50 or below on the Corruption Perception Index.

Controls have been implemented by both the Investment Manager and the Management Company to ensure those restrictions are respected on an ongoing basis. As those limits (Green Bonds and country listing by FATF, Sustainable Development Report and Corruption Perception Index) are easily available, no particular issue is expected in term of interpretation or availability of the data,

## METHODOLOGIES FOR ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

As part of the investment process, the Investment Manager applies a methodology that combines minimum allocation targets, exclusion criteria and sustainability indicators in order to measure and promote the environmental characteristics of the Sub-Fund. A minimum of 35% of the Sub-Fund's NAV is allocated to Green Bonds issued by core EU sovereigns and supranationals, in line with the ICMA Green Bond Principles. These Green Bonds are selected based on their alignment with recognised environmental objectives and the use of proceeds for eligible green projects.

In addition to the allocation target, the methodology includes the monitoring of sustainability indicators such as total annualised avoided emissions, avoided emissions per million invested, and contributions to the United Nations Sustainable Development Goals for cash investments. For avoidance of a doubt, derivatives are excluded from the analysis.

Good governance screening is also applied to ensure that no investments are made in issuers that fail to respect basic governance standards.

Together, these methodological rules ensure that the environmental characteristics promoted by the Sub-Fund are systematically integrated into investment decisions.

## DATA SOURCES AND PROCESSING

To implement this methodology, the Investment Manager relies on a combination of issuer disclosures and independent external data.

For the Green Bond allocation, the primary sources are the annual post-issuance reports (such as assurance report or impact reports) published by the issuers, which include details of the projects financed, amounts allocated and expected environmental impacts. These reports are complemented by information from specialised ESG data providers (SP Global Trucost in particular), which supply quantitative indicators such as avoided emissions.

Independent Second Party Opinions, carried out by established external firms such as Vigeo Eiris, Sustainalytics or ISS ESG, provide

additional assurance on the credibility of the Green Bond frameworks and their alignment with the Green Bond Principles.

Prior to investment, the Investment Manager reviews the issuer's methodology for fund allocation and subsequently monitors it on at least an annual basis, or more frequently if changes occur.

This combination of issuer reports, external ESG data and second-party validation provides a robust basis for measuring and monitoring the environmental characteristics promoted by the Sub-Fund.

## LIMITATIONS TO METHODOLOGIES AND DATA

As indicated above, the data used (for Green Bonds identification and for country exclusions) are freely available from various sources. The methodologies used do not give rise to any particular interpretation and therefore there is no anticipation of particular limitations to methodologies and/or data.

## DUE DILIGENCE

The Investment Manager conducts both financial and sustainability due diligence prior to and during the life of an investment to ensure that the characteristics promoted by the Sub-Fund are respected. For Green Bonds, due diligence includes reviewing the issuer's Green Bond Framework, the Second Party Opinion provided by an independent third party, and the annual post-issuance reports describing the projects financed, the amounts allocated and the expected environmental impacts. The Investment Manager also verifies that the use of proceeds is aligned with the ICMA Green Bond Principles and with the Sub-Fund's minimum 35% Green Bond allocation.

In addition, due diligence involves monitoring key sustainability indicators such as avoided emissions, avoided emissions per million invested, and alignment with the United Nations Sustainable Development Goals, using data from both issuers and external ESG providers. Governance filters are applied to ensure that issuers meet basic good governance practices, in line with the Sub-Fund's exclusion list. For cash bond investments, the same process is followed to ensure consistency – see sector exclusion. Derivatives are excluded from this sustainability analysis.

This multi-layered due diligence process – combining issuer disclosure, independent external opinions, ESG data provider analysis and internal assessment – is designed to ensure that investments are aligned with the environmental characteristics promoted by the Sub-Fund and to identify any material sustainability risks.

## ENGAGEMENT POLICIES

The Green Bonds in which the Sub-Fund invests are not issued by investee companies, so, this question is not applicable. However, for completeness, the Second Party Opinion\* of the Green Bonds ordinarily assesses the governance structure of the Green Bond framework and the Investment Manager will review and have regard to the Second Party Opinions.

Further details on the Green Bond Principles can be found at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-140621.pdf>

*\*The Second Party Opinion (or Assurance Report) is an assessment or audit of the Green Bond in question which is performed by an independent party to assess the relevant Green Bond's compliance with the Green Bond Principles*

## DESIGNATED REFERENCE BENCHMARK

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product.

Last updated on 01 September 2025