

GLOBAL EVOLUTION

2024 CORPORATE SUSTAINABILITY REPORT



GlobalEvolution

Contents

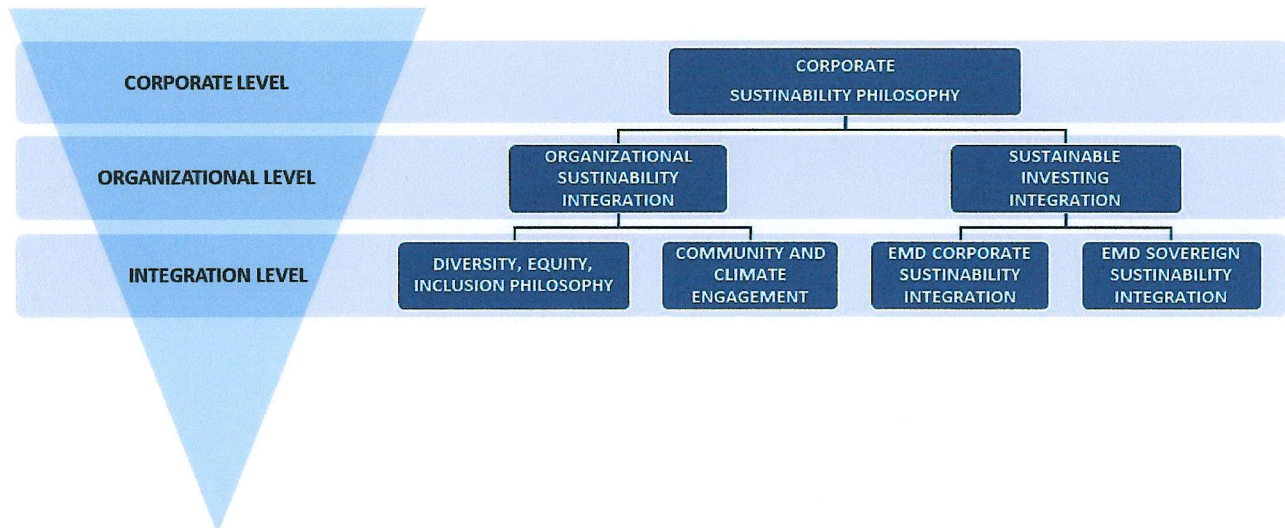
GLOBAL EVOLUTION SUSTAINABILITY VISION, STRATEGY, AND PROGRESS.....	3
STRATEGIC FOCUS.....	4
SUPPORTING GLOBAL PRINCIPLES.....	5
SUSTAINABLE INVESTING IN EMERGING MARKETS	5
ESG INTEGRATION IN OUR CORPORATE DEBT INVESTMENT PROCESS	5
ENGAGEMENT	8
ORGANIZATIONAL SUSTAINABILITY INTEGRATION.....	9
GREENHOUSE GAS EMISSIONS.....	9
HUMAN CAPITAL.....	10
HEALTH, SAFETY, AND WELLBEING	10
TALENT, EDUCATION, AND TRAINING.....	10
DIVERSITY, EQUITY, AND INCLUSION (DEI).....	10
GOVERNANCE AND COMPLIANCE.....	11
COMMUNITY ENGAGEMENT	12
SUSTAINABILITY PLANS FOR THE COMING YEAR.....	12

GLOBAL EVOLUTION SUSTAINABILITY VISION, STRATEGY, AND PROGRESS

Sustainability is a cornerstone in our business philosophy. The mutually reinforcing pillars of macro-economic and socio-economic development is the very bedrock of sovereign and corporate development in emerging and frontier markets. These essential drivers of creditworthiness are well-known in Development Economics and Development Finance.

As an asset manager in the emerging and frontier markets space, the integration of socio-economic drivers into our investment process is important to achieve our investment objectives to the benefit of our clients and shareholders. Consequently, since we were founded in 2007, we have made successive strides to not only continually improve but also be at the forefront of integration into our investment process of socio-economic environmental, social, and governance (ESG) dimensions of development in emerging and frontier markets.

Figure 1. Global Evolution corporate sustainability framework



Source: Proprietary by Global Evolution Asset Management A/S

The success of integrating ESG into our investment process cannot be sustained without a dual internal process where we invest in our colleagues, our community, and the climate. Issues related to sustaining a talented, productive, and thriving team rely on promoting diversity, equity and inclusive (DEI) as one aspect of our corporate culture. At our head office we engage with our local community. On a global basis, both for our offices, as well as through our parent affiliates, we carefully consider our climate-related carbon footprint through our business operations.

Organizational sustainability integration is an important aspect of our daily work at Global Evolution. We acknowledge the potential gains for our colleagues, clients, and shareholders using our all-encompassing corporate sustainability philosophy, which entails both an outward focus through sustainable investing integration into our investing process, (currently in all countries, and soon to be fully integrated for all companies), and an inward focus on organizational sustainability integration that drives and sustains our human capital.

Our long-standing approach to corporate sustainability through the dual pillars described above is illustrated in Figure 1, and we are committed to driving this sustainability agenda forward to the benefit of the countries and companies we invest in, and with the purpose of achieving attractive investment results for our clients and shareholders. In this year's sustainability report we outline our approach to sustainability integration both at the organizational and investing levels, and this report will focus on ESG integration for investments in companies in emerging and frontier markets. During 2024, we aim to refine our combined approach to ESG integration in blended strategies that include both corporate and sovereign investments, with a holistic approach featuring more prominently.


Morten Bugge
CEO


Torben Schytt
CFO, COO

May 22, 2024
Kolding, Denmark

STRATEGIC FOCUS

Global Evolution is on a continuous sustainability journey which we started when we were founded in 2007. We aim to strengthen our sustainability efforts both in our investment process and in our corporate activities, as illustrated in Figure 1. Our ambition is to remain at the forefront of sustainability integration. To underpin this ambition, we describe our tangible and concrete ambitions in Table 1.

- Our **ambitions** trace directly back to our philosophy and vision described above.
- Our **achievements** the past year are driven mainly by our corporate ESG integration efforts.
- Our **plans** for 2024 highlight our further ESG integration efforts in our blended debt investment process.

Throughout this report, we describe the status and continued improvements in our operations and investment process.

Table 1. Global Evolution sustainability ambitions, achievements, and planned efforts

Area	Ambitions	Achievements in 2023	Plans for 2024
Sustainable investing	<ul style="list-style-type: none"> • Ensure high-quality ESG integration. • Create impact through engagement with issuers. • Respond effectively to client demand for sustainable investment products. • Achieve attractive investment results that integrates ESG aspects in a manner that is on the global forefront of best practice. 	<ul style="list-style-type: none"> • Strengthened our sovereign ESG engagement framework and process with an extensive engagement framework and engagement reporting setup to further underpin our investment process and to cater for client demand for information on sovereign engagement. • Development of an advanced ESG portfolio monitoring tool. • Developed our ESG framework for the corporate debt investment process with a qualitative approach described in depth in the section below. • Developed an elaborate proprietary ESG portal for the analysis of companies to make data easily available for deployment in the investment process. 	<ul style="list-style-type: none"> • To develop an elaborate our proprietary ESG portal for the analysis of companies to make data easily available for deployment the investment process. • Enhance the holistic framework between sovereign and corporate ESG approaches in a blended portfolio context.
Corporate sustainability	<ul style="list-style-type: none"> • Ensure DEI-related developments to the benefit of our colleagues and our company's culture. • Respond to carbon footprint related issues in a timely manner. • Ensure reporting and disclosures to the full extent and beyond of the SFDR and taxonomy regulations. 	<ul style="list-style-type: none"> • Attained once again the highest possible rating for sustainability related corporate integration by the PRI. For companies in emerging and frontier markets, we mapped and estimated carbon emissions. • Adhere to the SFDR Level II requirements for sovereign and corporate debt portfolios. • Contributed to Group-related (including parent affiliates) DEI Council work and strategies. • Developed and launched a Workplace, Culture, and DEI (WCD) committee recognizing that our people are our most asset, and we want to support their well-being, development and engagement and manage our many social events. 	<ul style="list-style-type: none"> • To implement a new training platform for employee development in collaboration with Conning. • To optimize our reporting on SFDR, EU taxonomy and related EU sustainable finance regulation • To continue the improvement of quality of ESG-related data and insights reported to clients.

Source: Proprietary by Global Evolution Asset Management A/S

SUPPORTING GLOBAL PRINCIPLES

To support global principles and standards, we are a member and signatory of key international initiatives related to responsible investing. Specifically, our long-standing commitment to the Principles for Responsible Investment¹ (PRI) dates back more than a decade. Furthermore, we are committed to supporting the UN Global Compact² (UNGC) and this report also serves as the annual communication of progress to the UNGC. Additionally, in recent years we have supported the Task Force for Climate-related Change³ (TCFD) and The Emerging Markets Investor Alliance (EMIA). EMIA is a key organization which we partner with and support in the direct engagement with sovereign authorities.

SUSTAINABLE INVESTING IN EMERGING MARKETS

Global Evolution, in partnership with our clients, is committed to leaving a legacy of impact in frontier and emerging markets by contributing to their sustainable development paths through fixed income investments. Fixed income investing boosts productivity, reduces poverty levels, and improves living standards from better access to electricity, healthcare, water, transportation, and education. Our mission is to generate attractive returns for our clients whilst contributing to sustainability in the countries and companies where we invest.

Global Evolution believes there is greater value to be found in the less advanced countries of the world that comprise the emerging and frontier markets. We treat emerging and frontier markets as an ever-developing landscape constantly looking for new and evolving stories to identify sovereign and company investments delivering high risk-adjusted return. We strive to deliver alpha by being ahead of the curve in identifying these global evolving stories and assisting early-stage market development where necessary. We identify the best investment opportunities through a combination of top-down and bottom-up fundamental analysis.

ESG INTEGRATION IN OUR CORPORATE DEBT INVESTMENT PROCESS

Our ESG approach for corporates is based on a negative screening approach and a positive screening/integration approach where E, S, and G indicators are directly integrated into the investment process (figure 2).

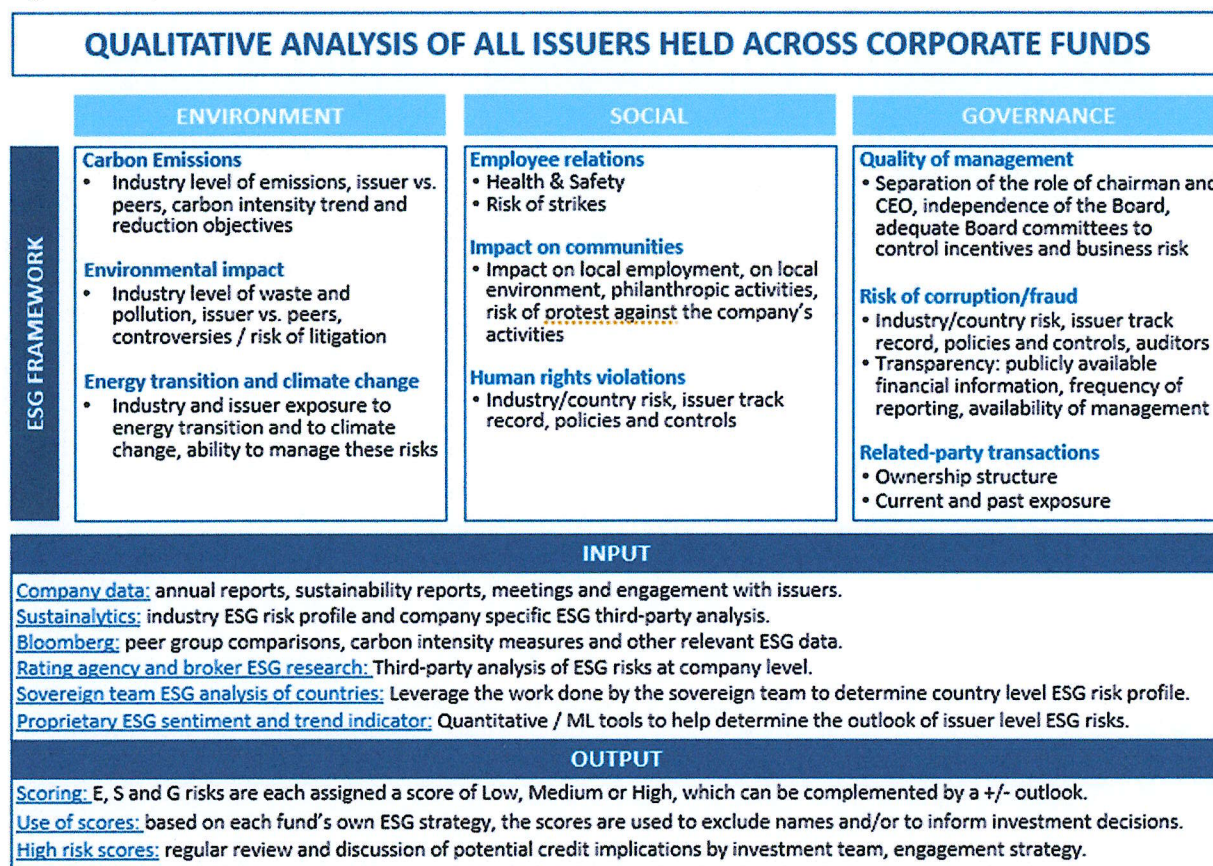
- **NEGATIVE SCREENING:** Our negative screening analysis excludes countries and companies with exceptionally poor ESG levels. By design, we only exclude a small part of our defined universe, as our investment philosophy favors issuers with opportunities for improvements, even when improving from very low levels. The investment universe is constructed after an initial top-down screening process where we exclude companies based on their sustainability risk vulnerability such as controversial business exposures and UN Global Compact compliance. Global Evolution's ESG research and Risk team monitors this information regularly and compiles a propriety risk dashboard for the investment team of all the investee companies.
- **POSITIVE SCREENING/INTEGRATION:** The investment team undertakes qualitative analysis which integrates individual E, S, and G indicators into the investment process. The Investment team may leverage any of the following types of information and resources to support ESG monitoring activities: Company disclosed information (e.g., company's quarterly financials, earnings calls, general sustainability-related disclosures); Non-company-disclosed information (such as news articles or sector data); Third-party research and data; Engagement with company management or specific due diligence visits.

¹Principles for Responsible Investment ("PRI") is a group of signatories who have agreed to adopt and adhere to specific principles for responsible investment. PRI assesses signatories' adherence to rate them. To be included in the Assessment Report, signatories report on their responsible investment activities by responding to asset-specific modules in the Reporting Framework. Each module houses a variety of indicators that address specific topics of responsible investment. Signatories' answers are then assessed, and results are compiled into an Assessment Report. Additional information regarding the assessment can be found here: www.unpri.org/signatories/reporting-and-assessment

²The United Nations Global Compact ("UNGC") is a voluntary initiative that supports global companies that are committed to responsible business practices in the areas of human rights, labor, the environment, and corruption. More information and a list of participants can be found here: <https://unglobalcompact.org/what-is-gc/participants>

³The Task Force on Climate-related Financial Disclosures ("TCFD") is an advisory body set up by the G20 to address concerns around insufficient disclosure of climate-related risks and opportunities for businesses. More information about the TCFD and its supporters can be found here: <https://www.fsb-tcfd.org/support-tcfd/>.

Figure 2. Corporate ESG framework



Source: Proprietary by Global Evolution Asset Management A/S

Within this qualitative screening phase, our corporate investments are subject to three levels of exclusion, including sanctions, sectors, and high-risk assessment.

- First, companies under EU, UNGC principles, OECD, US/OFAC, and UK sanctions/violations – or those at high risk of being subjected to sanctions/violations – are excluded.
- Second, we exclude companies that derive any of their revenues from controversial sectors (weapons, tobacco, pornography) or more than 25% of revenues from coal mining or Tar sands.

ESG Risk	Outlook	Score
High	Negative	9
High	Stable	8
High	Positive	7
Medium	Negative	6
Medium	Stable	5
Medium	Positive	4
Low	Negative	3
Low	Stable	2
Low	Positive	1

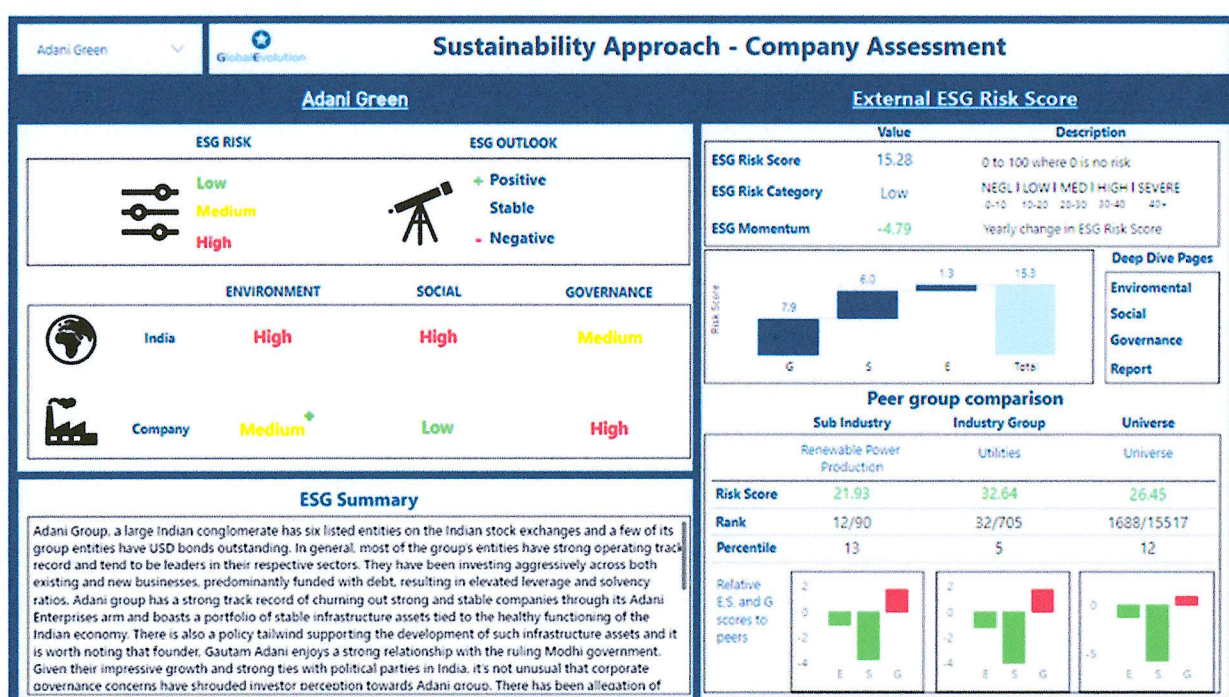
Lastly, companies are excluded when our qualitative ESG due diligence identifies a company to be as high risk and with a negative outlook for one of the E, S, or G indicators. Our qualitative due diligence process for investee companies helps us to rate the credit for each of their ESG credentials based on their own disclosures combined with our own in-depth research. In addition, we also formulate an outlook on each of these criteria to understand their potential progress related to ESG matters. We provide a score of high, medium, or low risk for each of the E, S, and G indicators and our outlook is positive, stable, or negative.

If our due diligence finds a company to have a High E, S, or G risk together with a deteriorating outlook, the investment team will not invest in that company. Only one of the E, S, or G risk need to be High with a deteriorating outlook for us to not invest in that credit.

In the unlikely event of a breach or positive trend reversal, the investment team will engage with the investee company and determine the next steps in terms of reduction or removal of the investment. In addition, as part of the credit fundamental research process and the investment teams' engagements with the issuers, we incorporate an assessment of sustainability related risks and opportunities into the credit investment process to determine impacts on credit fundamentals, implications for valuation and spread, and any material aspects that may affect the valuation technicals of the bonds (company example in figure 3).

Our Risk Team is responsible for monitoring and implementing the list, along with any product guideline specific lists, into the internal investment guideline system, which enables an automated pre- and post-trade compliance check. The system detects if a buy of a restricted security is attempted and whether the product is holding a security that, in accordance with the internal Exclusion List and the investment guidelines/prospectus, is not permitted. In the unlikely event of a breach of Exclusion List, the Risk and Investment team will notify the client and remove the position from the fund as soon as it is possible given market conditions.

Figure 3. Sustainability approach: company assessment



Source: Proprietary by Global Evolution

The extent to which the ESG characteristics of the product are attained through the investment strategy is monitored on a regular basis and is reported through periodic product reporting. Examples of environmental, social, and governance characteristics considered by the financial product in the investment team's qualitative due diligence on investee companies are stated below.

The qualitative identification of sustainability risk emerges from on-the-ground, bottom-up due diligence meetings, and visits to the companies in the emerging markets universe where an in-depth analysis is conducted, including relevant ESG related issues, which are subsequently discussed and documented (figure 4 for ESG indicators).

While the purpose of the framework is to exclude companies that operate primarily in certain industries, we recognize that some companies may be on a transition path and an immediate exclusion may not be in the best interests of shareholders. Our investment team and ESG research teams have developed an assessment framework for companies based on objective, evidence-based criteria to ensure that any company where hard data is overwritten can be justified.

Figure 4. ESG indicators: Corporates

Topic	Risk	Factors
Environment	Carbon Emissions:	Industry level assessment of carbon emissions
		Issuer absolute level of Scope 1 & 2 emissions
		Measures of carbon intensity vs. peers and carbon intensity trend
		Carbon intensity reduction targets
	Environmental impact:	Industry level assessment of environmental risk
		Issuer absolute level of waste and pollution
Social	Employee relations:	Health & Safety
		Risk of strikes
	Impact on communities:	Operational disruptions caused by protests/boycotts
Governance	Quality of management:	Board structure and independence
	Risk of corruption / fraud:	Government intervention, corporate governance

Source: Proprietary by Global Evolution Asset Management A/S

ENGAGEMENT

Investing in Emerging Markets Corporate universe requires thorough understanding of the macro environment the investee companies operate in. In Global Evolution, our sovereign investment team undertakes sovereign engagement which supports the investment process for the corporate investment team to better understand the potential policy risks investee companies may face. Global Evolution engagement policies incorporate both sovereign and corporate engagement to encourage sustainable and responsible investment.

CORPORATE ENGAGEMENT

Global Evolution aims to positively impact the companies in which we invest. We provide development finance to companies in the world's poorest countries. As corporate debt investors, we can provide not only crucial funding for this sector but also raise awareness for global best practices with ESG focused engagement.

We believe engagement with the companies of emerging countries deliver better outcomes and encourage companies to act in a manner which we believe will be beneficial to improve their management of ESG issues. Our engagement with companies can be divided into three settings: direct engagement in small meetings (individually or as part of a small group), direct engagement in a public forum, and indirect engagement via intermediaries.

DIRECT ENGAGEMENT

Many company engagements occur in investor groups often hosted by investment banks or advisory companies. Direct engagements with companies on a bilateral basis are infrequent given the efficiencies that companies can achieve by meeting with groups of investors instead. When bilateral meetings do arise, they allow us to spend more time on matters that are of specific interest to us.

Interactions usually involve issuers visiting investors on issuance or non-issuance roadshows, investors visiting issuer companies, or regular earnings updates presented by the company's senior management. Interactions have in recent years become increasingly virtual. The importance of ESG advocacy among the debt investor community makes these meetings an increasingly important forum to discuss ESG issues. It provides a platform for companies to clarify their strategy and the relationship between ESG factors, their business model, and financial performance.

Engagements in public forums usually occur during an earnings update call, a business update call (such as to announce a major acquisition), or during a capital raising exercise for the company. As these meetings are made public, they can include both equity and debt investors. Depending on the jurisdictions and the nature and size of the business activities, most companies conduct quarterly performance updates which include the opportunity for investors to ask questions.

INDIRECT ENGAGEMENT

Investment banks frequently seek out investors' opinions on behalf of issuers, either in direct relation to an issuance or to solicit investor feedback in relation to a proposed issuance. This engagement channel, as well as direct engagement with issuers in small group meetings, represents most of our engagement with issuers. We conduct country-specific engagement with regards to E, S, and G indicators in addition to the company specific research for all investee companies that we invest in. A source of research is external providers, especially global investment banks which deliver both country specific research, macroeconomic and sector, and bottom-up company fundamental research and regular earning updates.

The research process contains proprietary systems for collecting, grouping, and analyzing all relevant market data and research. We also subscribe to independent external research providers and rating agencies to get a broader set of country and company specific information. Further, Global Evolution can pursue engagement directly, via ongoing individual relationships with investee companies whose bonds may be purchased or already held or indirectly, via the community of like-minded EM investors and international financial institutions such as the International Monetary Fund ("IMF") and the World Bank.

ORGANIZATIONAL SUSTAINABILITY INTEGRATION

A dual internal process where we invest in emerging and frontier market sovereign and corporate bonds and currencies and simultaneously invest in our colleagues, our community, and the climate is the backbone of our DNA.

Greenhouse gas emissions

We are not only concerned with carbon emissions at the issuer and portfolio level but also because of our own corporate activities. Our head office building in Kolding is equipped with photovoltaic solar panels, and renewable energy is sourced outside peak hours. In 2022, our Conning and its subsidiaries, including Global Evolution, were certified carbon neutral using high-quality instruments⁴. Through these efforts, Global Evolution contributed to the following projects in 2023, as we did in 2022:

- Gas Distribution Leak Reduction, Bangladesh
- Kulera REDD+ and Cookstoves, Malawi
- Water Filtration and Improved Cookstoves, Guatemala
- Industrial Process Emissions Reductions, USA
- Renewable Energy Portfolio, Global

Figure 5. Carbon Emission for Global Evolution 2023⁵

	Scope 1		Scope 2		Scope 3	
	tCO ₂ e	%	tCO ₂ e	%	tCO ₂ e	%
Denmark	50	15	5,9	4	158,9	8
UK	5,1	2	16,3	0	18,4	1
USA	1,3	0	0,9	2	22,8	1
Luxembourg	5	1	8,3	2	4,8	0
Singapore	3,4	1	6,6	8	25,5	1
	64,8		38		230,4	

Source: Proprietary by Global Evolution based on third-party provided estimation

Our corporate carbon footprint has again been reviewed by a qualified independent third party in line with the requirements of The *CarbonNeutral* Protocol. Figure 5 illustrates the calculated estimates of Global Evolution's Scope 1 (direct emissions), Scope 2 (emissions from energy usage), and elements of Scope 3 (emissions from within the company's value chain, such as business travel, waste, and employee commutes).

⁴ CarbonNeutral® company certification: Conning Holdings Limited (CHL) and its subsidiaries (together, "Conning") are certified as carbon neutral through the use of high-quality instruments, in accordance with The CarbonNeutral Protocol (<https://www.carbonneutral.com/the-carbonneutral-protocol>) and the GHG Protocol Scope 2 Guidance. All credits adhere to standards approved by the International Carbon Reduction and Offset Alliance (ICROA). To achieve this certification, Conning works with Climate Impact Partners, a specialist in carbon market solutions for climate action. As part of this certification, the firm's global operations complete an independent assessment of their greenhouse gas emissions.

⁵Detailed breakdown can be provided upon request to marketing@globalevolution.com

Since 2020, through our third-party validated CO₂ removal project with Goodwings, Global Evolution has been offsetting carbon emissions from employee travel and plans to continue to do so on an annual basis. For past years, travel carbon offsets were achieved through a forest plantation project in Uruguay. Also, in 2023, electric vehicle chargers have been installed to encourage employees to use electric transportation.

HUMAN CAPITAL

HEALTH, SAFETY, AND WELLBEING

Our employees' health, safety, and well-being are our top priorities. We offer employee benefits such as health insurance and employee incentive plans to all our staff. We have set up platforms for all employees to access practical resources to enhance their physical, mental, and emotional health at work. We do not allow any form of harassment or discrimination and we plan to broaden the whistleblower scheme to cover more harassment issues that may be hard to report through normal channels.

TALENT, EDUCATION, AND TRAINING

Global Evolution is a company that values knowledge. We want to find, keep, and grow talent. We look for talent and recruit university students to join our departments and create talent, and we want to enhance the abilities and knowledge of our staff with continuous training and education opportunities. As part of our work to keep and grow talent, Global Evolution helps its employees to achieve higher education and industry certifications.

We also provide regular training as part of our yearly compliance plan. Compliance training is scheduled and conducted periodically to address specific needs and to ensure that the staff are aware of all applicable laws, including new or updated guidelines from the regulatory jurisdiction. Moreover, when the employee begins working, they receive training on the firm's compliance program.

In 2023, our parent company Conning Holdings Limited is implementing a new Corporate Learning Center (CLC). The CLC is a dynamic learning platform, available to all Global Evolution employees. The CLC provides employees access to over 350 courses in various formats designed to support employee development. The Corporate Learning Center covers a variety of development topics, e.g., leadership, communication, finance, goal setting, business writing, technology, performance reviews, and others. The platform is dynamic, and topics are regularly added.

DIVERSITY, EQUITY, AND INCLUSION (DEI)

Global Evolution values and promotes diversity in our organization. We aim to create a culture of inclusion, where our staff reflects the diversity of society, and our employees feel valued and supported. To achieve an inclusive workplace, we act with fairness and respect towards each other and recognize that everyone has a role to play in fostering inclusion. We include all team member's perspectives and collaborate across regions and business areas to bring diversity of thought which helps us be more effective for our clients and customers. An inclusive culture is crucial to our employees and clients who are at the center of our business. We do not tolerate any unfair treatment or discrimination. All members of the organization have a responsibility to behave fairly and professionally and respect individual differences.

Global Evolution is a member of Conning Holding's Limited (CHL) Diversity, Equity, and Inclusion (DEI) Council which is comprised of employees that represent all regions, business areas, including Global Evolution, and underrepresented groups. The Council's current priorities include recruitment and hiring, organizational climate, training, and development, as well as performance management. In addition to the CHL DEI Council, and because of the efforts of our strategic journey, we have put even more emphasis on the People Agenda, which also includes DEI.

We recognize that our people are our greatest asset, and we want to support their well-being, development, and engagement and manage our many social events. Therefore, we have set up a special Workplace, Culture, and DEI committee (WCD committee). One of the main goals of the new WCD committee is to foster a culture of diversity, equity, and inclusion in our company. We believe that having diverse perspectives and experiences can enrich our work environment and enhance our performance and innovation. An additional purpose of the work in this committee is to identify and prevent risks and hazards that may affect the health, safety, and well-being of the employees.

In 2023, the Board of Directors approved a company-wide DEI Policy in order to put even more focus on the DEI agenda. The policy outlines our vision, values, and goals for fostering a diverse, equitable, and inclusive workplace, as well as the roles and responsibilities of managers and employees in implementing and promoting the policy. The policy is aligned

with our strategy, culture, and values and demonstrates our commitment to creating a work environment where everyone can thrive and contribute to our mission and vision.

As part of our efforts to support the development and engagement of our leaders, we have launched a comprehensive leadership training program in 2023 and 2024. The program covers various topics such as self-awareness, emotional intelligence, coaching, feedback, conflict management, team building, diversity, equity, and inclusion. The program is designed to help our leaders acquire the knowledge, skills, and attitudes that are essential for leading effectively in a global and diverse environment.

Furthermore, in 2024 the Leadership team (Executive Management and Senior Management) has developed and decided on a Code of Conduct for leaders. This code sets up the requirements and expectations for our leaders and how they shall be ambassadors for an inclusive and non-discriminatory working environment. The code covers topics such as ethical behavior, respect, communication, feedback, collaboration, diversity, equity, inclusion, and accountability. The code also outlines the consequences of breaching the code and the process for reporting and resolving any issues or concerns. The code is communicated to all employees and is regularly reviewed and updated to reflect our values and best practices.

Following the long-standing principles and rules in Denmark for equal opportunity, Global Evolution is firmly committed to recruiting based on individual merit and not discriminating. We strive for an international culture that leads to diverse ideas in our teams, where we want to achieve a balanced mix of genders and a variety of nationalities with relevant but different educational backgrounds. We think a high level of diversity ensures a broad range of experiences, approaches, and perspectives and results in improved decision-making over time. Generally, we aim to attract and keep the right people with the necessary skills, talent, and qualities (Table 2 shows the composition of our full-time employees in 2022). The average age of our employees is 38.5 years and 33.9% of us have a non-Danish background.

Besides these focuses and efforts, we are constantly looking into how to support our people's experience with IT systems by providing information in our personal handbook for employees. This handbook is being updated and contains useful guidance and resources on various topics related to working at Global Evolution, such as our vision, mission, values, policies, procedures, benefits, and career development opportunities. The handbook is available on the company intranet and can be accessed anytime by our employees.

Table 2. Workforce

Office	Female	Male	Total
Denmark	8	34	42
Luxembourg	2	6	8
USA	3	0	3
Singapore	3	1	4
UK	1	7	8
	17	48	65

Source: Global Evolution Asset Management A/S calculation.

We aim to offer fair and equal work opportunities for everyone, no matter their race, color, religion, gender, national origin, age, disability, or sexual orientation. We achieve this by constantly striving to create and sustain a workforce that mirrors the varied diversity of our investments in debt from emerging and frontier markets.

In addition to our head office in Denmark, we have offices in New York, London, Luxembourg, and Singapore. This has allowed us access to a more diverse and multicultural talent pool which gives us an understanding and appreciation of multiple cultures and regions and supports our aim of creating a diverse workplace.

GOVERNANCE AND COMPLIANCE

Compliance is essential for Global Evolution's business success and sustainable future. We integrate sustainability both in our internal operations and our external investments, and we need a strong compliance culture to safeguard and control the interests of our clients and shareholders. Therefore, we have significant oversight and reporting requirements for risk management, IT, operations, and investment management, to make sure that we follow the laws and regulations in the relevant jurisdictions where we do our business activities.

The main connection to sustainability is the one related to the sustainability of business and this is naturally connected to the inward and outward sustainability that this report mentions above. In their oversight and stewardship, these business areas help and support the sustainable management of our investments and our company for the benefit of our clients and shareholders. Also, we believe that good governance and ethical business conduct are essential to gain the trust of our clients and stakeholders and to sustain successful investment activities. Global Evolutions ESG governance framework is structured as follows:

- The Executive Management is responsible for ensuring that ESG-related policies are in place and approved by the Board of Directors.
- The Research Director is responsible for implementing our ESG policies throughout the investment process.
- The Middle Office ensures the implementation of all ESG restrictions on funds and mandates, and Legal & Compliance monitors compliance with the ESG governance framework.
- All employees at Global Evolution are responsible for carrying out the firm's ESG objectives and upholding the firm's policies and procedures.

COMMUNITY ENGAGEMENT

At our company head office, we are directly involved in local community development by hiring mainly local contractors and consultants, with a requirement that they must support local community initiatives, e.g., as a concrete example it has been agreed with our accountant, lawyer, interior designer, phone company etc. that they all use part of their earnings on supporting a local sports club or charities—giving back to the local community.

We also lead public-private partnerships when we work with academics at universities in Denmark as part of our research, and when we enroll university students in our departments to locally build and identify talent, also by giving university lectures and advise entrepreneurs and small business owners on business and strategy development. These initiatives are key to successful local engagement.

Through these and other opportunities that arise, we aim to build social and political capital through local community engagement with the emphasis on supporting and promoting the local community from which our company can thrive. Ultimately, the interdependencies between the ecosystem of community and our company's operating terms is essential to foster sustainable development and consequently enhance shareholder value. Consequently, Company-Community Engagement (CCE) is a core sustainability focus area for Global Evolution.

Sustainability is a key part of Global Evolution's identity. We focus on sustainability in two ways: by investing in countries and companies in emerging and frontier markets that are sustainable, and by ensuring our own organization is sustainable and supports our human capital. These are the two areas that we prioritize to perform well and provide appealing investment outcomes to our clients.

SUSTAINABILITY PLANS FOR THE COMING YEAR

This year's sustainability report has outlined our corporate approach to sustainability integration both at the organizational and investing levels. A prominent focus has been on ESG integration for our investments in companies in emerging and frontier markets, while, next year, we aim to feature our combined approach to ESG integration in strategies with both corporate and sovereign investments with a holistic sovereign-corporate approach featuring more prominently.

Disclaimer & Important Disclosures

Global Evolution Asset Management A/S (“GEAM”) is incorporated in Denmark and authorized and regulated by the Finanstilsynet of Denmark (the “Danish FSA”). GEAM DK is located at Buen 11, 2nd Floor, Kolding 6000, Denmark.

GEAM has a United Kingdom branch (“Global Evolution Asset Management A/S (London Branch)”) located at Level 8, 24 Monument Street, London, EC3R 8AJ, United Kingdom. This branch is authorized and regulated by the Financial Conduct Authority under FCA # 954331. In Canada, while GEAM has no physical place of business, it has filed to claim the international dealer exemption and international adviser exemption in Alberta, British Columbia, Ontario, Quebec and Saskatchewan.

In the United States, investment advisory services are offered through Global Evolution USA, LLC (“Global Evolution USA”), a Securities and Exchange Commission (“SEC”) registered investment advisor. Global Evolution USA is located at: 250 Park Avenue, 15th floor, New York, NY. Global Evolution USA is a wholly owned subsidiary of Global Evolution Financial ApS, the holding company of GEAM. Portfolio management and investment advisory services are provided to GE USA clients by GEAM. GEAM is exempt from SEC registration as a “participating affiliate” of Global Evolution USA as that term is used in relief granted by the staff of the SEC allowing U.S. registered investment advisers to use investment advisory resources of non-U.S. investment adviser affiliates subject to the regulatory supervision of the U.S. registered investment adviser. Registration with the SEC does not imply any level of skill or expertise. Prior to making any investment, an investor should read all disclosure and other documents associated with such investment including Global Evolution’s Form ADV which can be found at <https://adviserinfo.sec.gov>.

In Singapore, Global Evolution Fund Management Singapore Pte. Ltd (“Global Evolution Singapore”) has a Capital Markets Services license issued by the Monetary Authority of Singapore for fund management activities. It is located at Level 39, Marina Bay Financial Centre Tower 2, 10 Marina Boulevard, Singapore 018983.

GEAM, Global Evolution USA, and Global Evolution Singapore, together with their holding companies, Global Evolution Financial Aps and Global Evolution Holding Aps, make up the Global Evolution group affiliates (“Global Evolution”).

Global Evolution, Conning, Inc., Goodwin Capital Advisers, Inc., Conning Investment Products, Inc., a FINRA-registered broker-dealer, Conning Asset Management Limited, Conning Asia Pacific Limited, Octagon Credit Investors, LLC, and Pearlmark Real Estate, L.L.C. and its subsidiaries are all direct or indirect subsidiaries of Conning Holdings Limited (collectively, “Conning”) which is one of the family of companies whose controlling shareholder is Generali Investments Holding S.p.A. (“GIH”) a company headquartered in Italy. Assicurazioni Generali S.p.A. is the ultimate controlling parent of all GIH subsidiaries. Conning has investment centers in Asia, Europe and North America.

Conning, Inc., Conning Investment Products, Inc., Goodwin Capital Advisers, Inc., Octagon Credit Investors, LLC, PREP Investment Advisers, L.L.C. and Global Evolution USA, LLC are registered with the SEC under the Investment Advisers Act of 1940 and have noticed other jurisdictions they are conducting securities advisory business when required by law. In any other jurisdictions where they have not provided notice and are not exempt or excluded from those laws, they cannot transact business as an investment adviser and may not be able to respond to individual inquiries if the response could potentially lead to a transaction in securities.

Conning, Inc. is also registered with the National Futures Association. Conning Investment Products, Inc. is also registered with the Ontario Securities Commission. Conning Asset Management Limited is Authorized and regulated by the United Kingdom’s Financial Conduct Authority (FCA#189316); Conning Asia Pacific Limited is regulated by Hong Kong’s Securities and Futures Commission for Types 1, 4 and 9 regulated activities; Global Evolution Asset Management A/S is regulated by Finanstilsynet (the Danish FSA) (FSA #8193); Global Evolution Asset Management A/S (London Branch) is regulated by the United Kingdom’s Financial Conduct Authority (FCA# 954331); and Global Evolution Manco S.A. is regulated by The Commission de Surveillance du Secteur Financier (the Luxembourg FSA) (CSSF# S00001031). Conning primarily provides asset management services for third-party assets.

This publication is for informational purposes and is not intended as an offer to purchase any security. Nothing contained in this communication constitutes or forms part of any offer to sell or buy an investment, or any solicitation of such an offer in any jurisdiction in which such offer or solicitation would be unlawful.

All investments entail risk, and you could lose all or a substantial amount of your investment. **Past performance is not indicative of future results which may differ materially from past performance.** The strategies presented herein invest in foreign securities which involve volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging and frontier markets. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, and credit.

While reasonable care has been taken to ensure that the information herein is factually correct, Global Evolution makes no representation or guarantee as to its accuracy or completeness. The information herein is subject to change without notice. Certain information contained herein has been provided by third party sources which are believed to be reliable, but accuracy and completeness cannot be guaranteed. Global Evolution does not guarantee the accuracy of information obtained from third party/other sources.

The information herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations.

Legal Disclaimer ©2024 Global Evolution.

This document is copyrighted with all rights reserved. No part of this document may be distributed, reproduced, transcribed, transmitted, stored in an electronic retrieval system, or translated into any language in any form by any means without the prior written permission of Global Evolution, as applicable.