

# GLOBAL EVOLUTION

2024/2025

## CORPORATE SUSTAINABILITY REPORT



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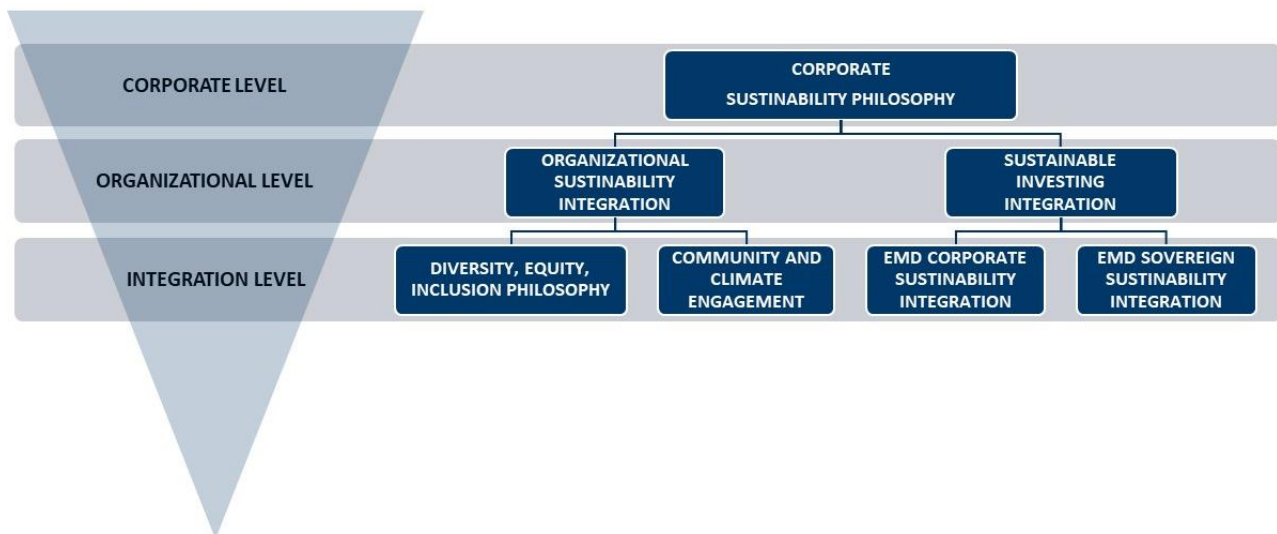
## Global Evolution Sustainability Vision and Strategy

At Global Evolution, we see investments in emerging markets as a catalyst for attractive financial returns and meaningful societal progress. These markets represent some of the world's fastest-growing economies, offering immense potential for innovation, economic development, and social transformation. Yet, they also come with unique socio-economic challenges requiring sharp attention to sustainability considerations.

As an asset manager in the emerging and frontier markets space, the integration of sustainability-related drivers into our investment process is an important part of achieving our investment objectives to the benefit of our clients and shareholders. We continuously strive to improve and be at the forefront of integrating environmental, social and governance (ESG) dimensions into our investment process. As a specialized boutique investment manager focused on emerging and frontier markets, we are uniquely positioned to navigate these countries' complexities, mitigate risks, and seize sustainable development opportunities where it is needed the most.

Beyond our role as an asset manager, we are committed to embedding sustainability within our own operations. From reducing our environmental footprint to fostering a diverse and inclusive workplace, we recognize that responsible business practices start from within. We continuously work to improve our internal ESG performance, ensuring that our corporate culture reflects the same principles we advocate in our investment strategies.

**Figure 1: Global Evolution corporate sustainability framework**



Source: Proprietary by Global Evolution Asset Management A/S

Figure 1 illustrates our dual approach to sustainability integration. We are committed to driving our 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 into our investments and our organizational activities, the progress we have made, and the challenges that lie ahead.

Morten Bugge  
CEO

Torben Schytt  
CFO, COO

July 30, 2025  
Kolding, Denmark



**Global**Evolution

## Sustainability focus 2024-2025

Global Evolution has been committed to sustainability since our founding in 2007, and our journey continues to evolve. We strive to enhance our sustainability efforts both within our investment process and across our corporate activities. Our ambition is to remain at the forefront of sustainability integration.

Throughout this report, we provide an overview of the current status and ongoing enhancements in our operations and investment processes. Table 1 highlights our key sustainability ambitions, notable achievements in 2024, and strategic plans for 2025, focusing on the integration of sustainability into both our investment approach and broader organizational activities.

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

Area	Ambitions	Achievements in 2024	Plans for 2025
<b>Sustainability integration into investment process</b>	<ul style="list-style-type: none"> <li>• Ensure high quality and depth of ESG integration</li> <li>• Drive meaningful impact through active engagement</li> <li>• Proactively respond to evolving client demand for investment products</li> <li>• Deliver attractive investment results that integrate ESG best practices</li> </ul>	<ul style="list-style-type: none"> <li>• Introduced a new focus on Nature and biodiversity through the Taskforce on Nature-related Financial Disclosures (TNFD).</li> <li>• Achieved the highest rating from the Principles for Responsible Investment (PRI) in both governance and strategy categories.</li> <li>• Strengthened engagement efforts with companies and governments to advance sustainability goals.</li> <li>• Finetuned the ESG framework for corporate investments.</li> </ul>	<ul style="list-style-type: none"> <li>• Launch new expanded Sustainability Committee for increased ESG and sustainability oversight</li> <li>• Improve ESG data availability and quality for corporate debt investments through new data provider</li> <li>• Strengthen data-based ESG analysis to improve corporate analysis.</li> <li>• Enhance the holistic framework between sovereign and corporate ESG approaches in a blended portfolio context.</li> </ul>
<b>Sustainability integration into organizational activities</b>	<ul style="list-style-type: none"> <li>• Foster a diverse, equitable, and inclusive workplace</li> <li>• Proactively address and mitigate carbon footprint</li> <li>• Exceed regulatory requirements for ESG reporting and disclosures, including SFDR</li> <li>• Ensure strong governance and accountability in sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Introduced a code of conduct for leaders with integration into remuneration policy</li> <li>• Gained insights from workplace assessment and employee engagement surveys</li> <li>• Implemented a new training platform for employee development in collaboration with Conning.</li> <li>• All corporate debt products reached Article 8 status under SFDR Level II requirements in addition to sovereign products</li> <li>• Established new Workplace, Culture &amp; DEI Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Take appropriate steps to address identified attention areas in workplace and employee engagement surveys.</li> <li>• Continue to strengthen sustainability integration into policies, processes, and activities.</li> <li>• Optimize our reporting on SFDR and related EU sustainable finance regulation</li> </ul>

Source: Proprietary by Global Evolution Asset Management A/S





## Supporting Global Principles

We uphold global principles and standards by actively participating in key international initiatives and signatory commitments related to responsible investing. Our long-standing commitment to the Principles for Responsible Investment (PRI) dates back more than a decade. Furthermore, we are committed to supporting the UN Global Compact (UNGC), and this report also serves as the annual communication of progress to the UNGC.

Since 2021, we have aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and in 2024, we began incorporating the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD) in an integrated TCFD and TNFD report. These frameworks guide our efforts to address climate- and nature-related risks and opportunities in our investment strategies. Additionally, we actively support The Emerging Markets Investor Alliance (EMIA), a key organization we partner with to engage directly with sovereign authorities in collaboration with other asset managers.

Through these initiatives, we demonstrate our strong commitment to aligning with global best practices and advancing responsible investing across all facets of our operations.

**Table 2: Overview of commitment to global principles and standards**

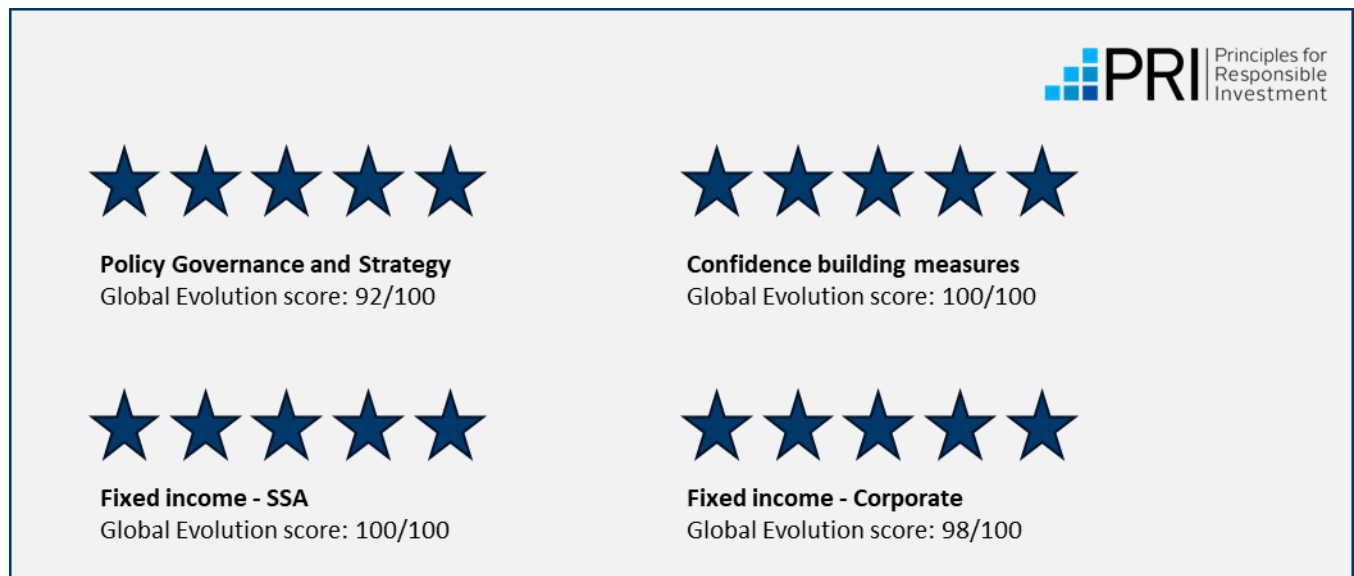
	Supporter since	Description	Further details
 <b>United Nations Global Compact</b>	2013	The United Nations Global Compact ("UNGC") is a voluntary initiative that supports global companies that are committed to responsible business practices in the areas of human rights, labor, the environment, and corruption.	Page 18
 <b>PRI</b> Principles for Responsible Investment	2011	Principles 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.	Page 6
 <b>TCFD</b> TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES	2021	The Task Force on Climate-related Financial Disclosures (TCFD) has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes. The task force was dissolved Nov 2023, while recommendations for disclosure remain the same.	Page 9
 <b>Taskforce on Nature Financial Disclosure</b>	2024	The Taskforce on Nature-related Financial Disclosures (TNFD) has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities.	Page 10
 <b>Emerging Markets Investors Alliance</b> <small>Actionable Intelligence for Responsible Investing</small>	2016	The Emerging Markets Investors Alliance is a not-for-profit organization that enables institutional emerging market investors to support good governance, promote sustainable development, and improve investment performance in the governments and companies in which they invest.	Page 11

## Upholding principles of responsible investment

At Global Evolution we are proud to uphold the Principles for Responsible Investment (PRI) as a cornerstone of our investment strategy. As a PRI signatory, we are committed to integrating environmental, social, and governance (ESG) considerations into our investment practices, fostering long-term value creation for our clients, stakeholders, and society at large.

In 2024, Global Evolution achieved 5 stars across all areas assessed including both our corporate and sovereign strategies as well as Global Evolution's overall Policy Governance & Strategy and Confidence Building Measures.<sup>1</sup>

**Figure 2: Global Evolution PRI Scorecard**



This top-tier assessment reflects our deep-rooted commitment to responsible investment and the consistent efforts of our teams to embed ESG considerations across all stages of the investment process. We view this outcome not only as a validation of our practices but also as a motivation to further strengthen our processes, enhance transparency, and continue advancing our responsible investment approach in the years ahead.

<sup>1</sup> The Principles of Responsible Investment (PRI) is the largest global reporting project on responsible investments, developed for investors. Signatories report on their responsible investment activities annually, which forms the basis of the PRI assessment. The results of the 2024 PRI assessment were made available on November 25, 2023 and is based on 2023 data. All signatories pay a fee calculated based on signatories' latest AUM to support the PRI's operations, development of guidance, and ongoing efforts to promote responsible investment practices globally.

## Sustainability considerations in Emerging Markets Investments

Global Evolution 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. We treat emerging and frontier markets as an ever-developing landscape constantly looking for new and evolving stories to identify sovereign and corporate investments delivering high risk-adjusted returns. 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.

Our investment approach is aligned with our view that investors can contribute to sustainable development in frontier and emerging markets. The UN estimates an annual funding gap of US\$ 4 trillion for frontier and emerging markets to meet the SDGs by 2030.<sup>2</sup> Closing this funding gap requires significant financing. Second, we have conducted extensive research into the relationship between sovereign debt investing and ESG indicators. Our research finds a clear correlation between the sovereign funding costs and ESG dynamics. By not integrating ESG dynamics into investment decisions, we would sacrifice essential information.

### Sustainability commitment in our investment process

Environmental, social, and governance (ESG) considerations are part of Global Evolution's DNA. Since Global Evolution's inception, ESG-related considerations have been an important part of the sovereign investment process. Institutional strength, socio-economic status, and natural resources are particularly important for emerging markets investing. Over time, our approach has evolved to become more systematic and data-driven, allowing for deeper, more nuanced analysis. In 2021, we launched our EM corporate debt fund, and we have since then been building our ESG capacity to inform our corporate investments.

Integrating Environmental, Social, and Governance (ESG) factors into investment decisions ensures a more comprehensive evaluation that extends beyond traditional credit risk assessments. ESG considerations play a crucial role in shaping the risk-return profile of both sovereign and corporate bonds. Failing to account for these dynamics could lead to overlooking important insights that can significantly impact investment outcomes.

Our ESG approach is focused on *negative screening*, *ESG integration*, and *engagement* as described in the following sections.

#### Negative screening

Our negative screening process excludes countries and companies with exceptionally poor ESG performance. Our investment approach prioritizes issuers with the potential for meaningful improvement, even when starting from a low baseline.

For sovereign investments, we conduct quarterly screenings using a combination of quantitative models, qualitative assessments, and sanctions checks. Countries with weak environmental regulations, extremely ineffective governments, or severe human rights issues may be excluded, as well as those with relevant sanctions.

For corporate investments, we apply three exclusion levels: sanctions, controversial sectors, and high ESG risk. Companies under applicable sanctions, those involved in controversial production activities including

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<sup>2</sup> UNTAD (2023). *World Investment Report 2023*.

weapons, tobacco, pornography, or with significant coal or tar sands revenues, and those deemed high risk with negative outlook in our internal ESG framework are excluded.

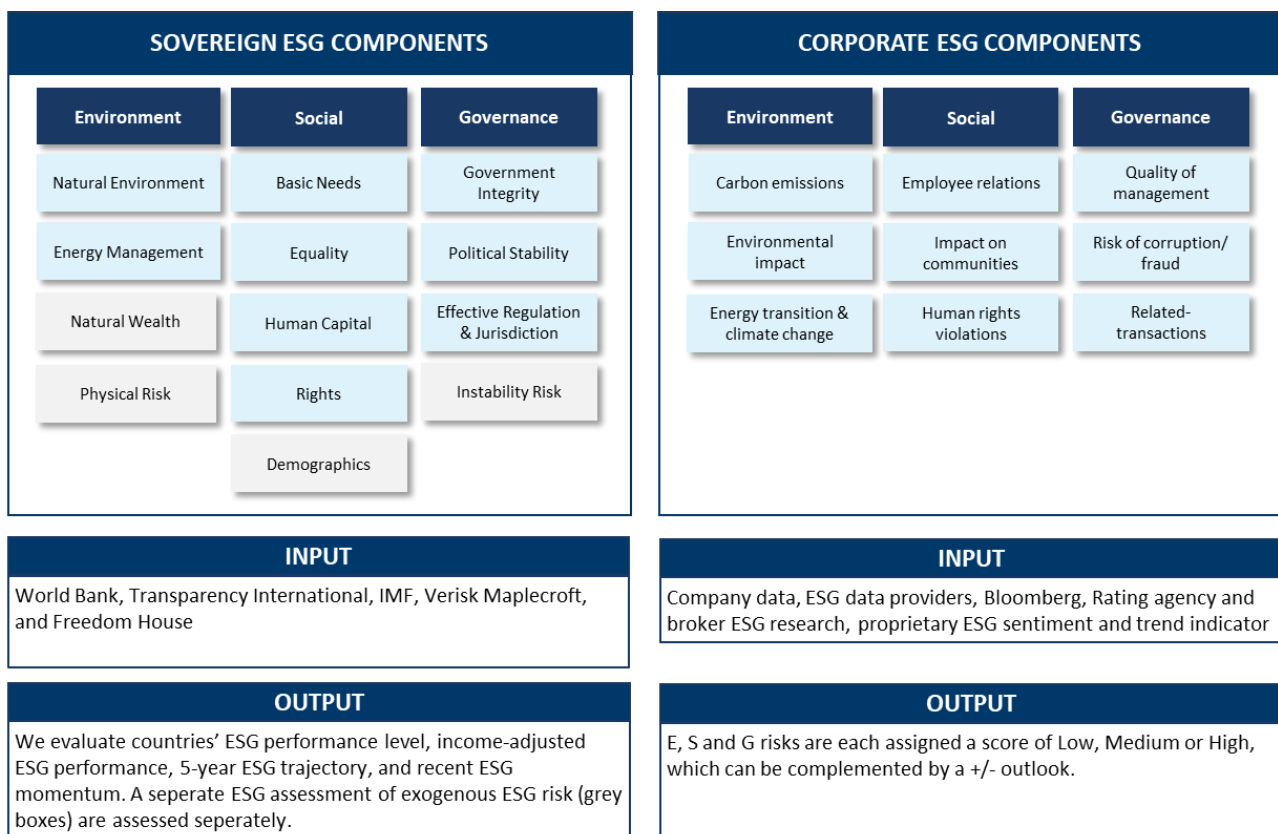
### ESG integration

At Global Evolution, we incorporate environmental, social, and governance (ESG) considerations into the investment process. By embedding ESG analysis into our decision-making, we enhance our ability to identify and manage risks as well as capturing opportunities that contribute to long-term value creation. We identify the best investment opportunities through a combination of quantitative and qualitative data.

### ESG Ratings

In our investment process, we include insights from our extensive sovereign and corporate analytical ESG frameworks, which are designed to give detailed information of countries and companies' ESG metrics considered relevant to guide and shape portfolio managers' understanding of investment risks and opportunities. The key components are outlined in figure 3.

**Figure 3: Global Evolution Proprietary ESG ratings**



Source: Global Evolution

Our sovereign and corporate ESG frameworks evaluate both current levels and trajectories of ESG performance. This dual focus is particularly important in emerging markets, where levels may be low but the potential for improvement is high, contributing to both the sustainability of the countries and the financial returns of our investments.

Granular sovereign and corporate ESG data and ratings are available in an internal ESG platform for portfolio managers and analysts, enabling them to integrate sustainability considerations into investment decisions, monitor ESG risks effectively, and identify investment opportunities. We continuously review and update the data availability on the platform, and add new variables as they become available through third-party data providers.



During 2025, we will work to enhance the holistic framework between sovereign and corporate ESG approaches in a corporate-sovereign blended portfolio context to better capture the interdependencies between sovereign and corporate characteristics.

#### *Sourcing ESG data*

Data availability and quality remain key challenges in emerging markets. Unlike developed countries, where stricter regulation drive ESG disclosure, many emerging market corporations lack the resources or incentives to collect and report such data. Additionally, the absence of standardized reporting frameworks increases the risk of inaccuracies, particularly in corporate metrics. To overcome this challenge, we integrate multiple data sources, including ESG data providers, Bloomberg, rating agencies, and broker ESG research to build a more comprehensive and reliable sustainability framework. We continually seek to improve data coverage and accuracy for corporate issuers. In 2024, we made the decision to change our data provider for greater coverage on a variety of ESG indicators. During 2025, we will explore the new data provider's diverse data offerings and integrate key data into our internal ESG platform.

Sovereign metrics benefit from international organizations collaborating with governments or NGOs, ensuring greater consistency. However, data is often based on estimates, subjective interpretations, and update frequency often does not reflect rapid changes in political developments.

#### *Qualitative country and country deep-dives*

While our ESG assessment frameworks provide valuable insights into risk levels, we acknowledge the challenges of data availability and timeliness. To address limitations, we rely on in-house qualitative analysis as a key component of our risk assessment process. This approach allows us to look beyond the numbers to understand underlying idiosyncratic characteristics and gain a deeper understanding of recent developments that may not yet be reflected in quantitative data. By examining the underlying factors shaping the ESG conditions and trajectories of corporate and sovereign issuers, our qualitative assessments ensure that our investment decisions are informed by the most current and nuanced perspectives on both risks and opportunities.

#### *Climate change and carbon emissions*

We recognize that carbon and climate-related risks and opportunities can impact valuation of sovereign and corporate bonds with the potential to influence economic stability, creditworthiness, and long-term growth prospects, making climate and carbon-related considerations important for investments. To understand risk, we have a variety of tools in place to assess physical and transition risks related to individual issuers and portfolios. In our risk assessment, we are mindful of the imperative for a just transition, where the global shift to a low-carbon economy should not compromise economic growth or shared prosperity in emerging markets that already bear a disproportionate burden from climate change impacts they have contributed little to in the first place.

Since 2021, we have published climate-related disclosures in alignment with Taskforce on Climate Related Disclosures (TCFD) recommendations to follow global best practices to enhance transparency and provide stakeholders with a clear understanding of Global Evolution's approach to identifying, managing, and integrating climate and carbon-related risks and opportunities into its investment strategies.

We continue our work to expand our toolbox, especially for our climate-related analysis of our corporate investments where poor data coverage is a key challenge. Starting from 2025, we will source climate and data from our new data provider and explore how we can leverage data for enhanced, in-depth climate risk and opportunity analysis.

### *Nature and biodiversity*

Natural resources are vital to livelihoods, economies, and societal progress. Emerging markets, rich in these resources, can leverage nature-focused initiatives for development. However, biodiversity loss and ecosystem degradation threaten socio-economic progress, which can have material impacts for issuers' sustainable development, credit worthiness and bond spreads.

In 2024 we published our first nature and biodiversity report under the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). Through this new commitment, we are strengthening our focus on biodiversity and ecosystem health, that are vital to emerging markets' development. Following the TNFD recommendations, we analyzed and mapped our investments' nature-related dependencies and impacts based on the principles of double materiality. We have conducted the assessment for our sovereign and corporate investments respectively, to help identify areas of our investments that may have high concentrations of higher-risk dependencies and impacts.

The publication of our first TNFD report marks an important milestone in enhancing our understanding of nature-related risks and opportunities. We are committed to continuously refining our approach while exploring new data and tools to strengthen our analysis and decision-making.

### *Human rights*

Human rights are fundamental to fostering a peaceful, prosperous, and sustainable world, and many of the Sustainable Development Goals (SDGs) are deeply rooted in human rights principles. By conducting thorough due diligence, we work to identify risks and opportunities, ensuring that our investments uphold critical values aligned with international standards and contribute to inclusive, sustainable development that leaves no one behind.

As a member of the UN Global Compact (UNGC), we are committed to supporting and respecting internationally proclaimed human rights, ensuring we are not complicit in any human rights abuses. We rely on external data providers and our own qualitative analysis to assess how issuers take into account human rights and address human rights.

### *Principle adverse indicators*

As required under the Sustainable Finance Disclosure Regulation (SFDR), Global Evolution takes mandatory and chosen voluntary principle adverse indicators (PAIs) into account in all investments as all our products as of 2024 are managed under article 8. All our sovereign products have been managed under article 8 since 2022, while our corporate products reached article 8 status in 2024. Hence from 2025, our annual SFDR-related reporting will include both sovereign and corporate PAI reporting.

More information can be found in our Principle Adverse Indicator Statement, available for download on our website at this [link](#).

### *Quantitative models*

By integrating fundamental macroeconomic, financial and ESG factors into our valuation models, we estimate signals for valuations of sovereign credit spreads and currencies. Importantly, the approach we have developed integrates ESG factors directly into our valuation models. We believe and can econometrically document that such approach adds value in terms of estimating more accurate trade signals to inform our investment process.

### *Portfolio monitoring*

We monitor ESG risks at a portfolio and fund levels to gain aggregate insights into how our investments are exposed to sustainability-related risks. Importantly, portfolio-level environmental indicators represent aggregated data from individual issuers' metrics. While these aggregates provide a high-level view of

potential exposures, understanding the unique characteristics and risk profiles of individual issuers is often of even greater importance. Nonetheless, portfolio-level aggregates serve as a useful tool for identifying potential overexposures to specific ESG risks. From this, they may act as a starting point for deeper analysis, enabling us to pinpoint areas requiring further investigation and proactive management.

For our sovereign investments, portfolio data is available in our internal ESG platform, while corporate investment portfolio data is sourced through our external ESG data provider. Looking ahead to 2025, we plan to enhance our internal capabilities by incorporating corporate portfolio-level data into our ESG platform, streamlining access to key sustainability metrics and improving overall data accessibility for portfolio managers and analysts. This initiative will further strengthen our ability to monitor and manage ESG risks and opportunities across both sovereign and corporate investments."

### Engagement

As fixed income investors in emerging markets, we can provide crucial financing for governments and companies in the world's less developed countries and raise awareness of global best practices with our focused ESG engagement. We are not prescriptive on issuers' expenditure; however, we do engage in mutually respectful discussion around which initiatives and policies related to the environment, citizens' and employees' wellbeing, and governance practices could provide long-term benefits for all stakeholders.

We take the opportunity to convey our views on key ESG risks and opportunities in various settings. We engage directly with sovereign policy makers and companies individually or as part of small groups and as an active member of the Emerging Markets Investor Alliance (EMIA). Through EMIA, we collaborate with other asset managers on building advocacy campaigns targeted specific issuers.

### Example of sovereign engagement

*Background:* During the summer of 2024, Kenya faced widespread protests over a proposed Finance Bill aimed at increasing tax revenue to meet lender demands, including from the IMF. The bill faced strong resistance, especially from younger populations, due to concerns over rising living costs and broader dissatisfaction with governance, corruption, and inefficiency.

*Engagement:* In discussions government officials in the fall, we were informed that the government acknowledged public concerns and was working to revise the bill to balance fiscal needs with social fairness. They also emphasized efforts to create a more transparent procurement system to improve accountability and public spending efficiency.

*Comment:* Since our meeting, the government has submitted a revised finance bill with greater balance between fiscal responsibility and social fairness. The revised bill reflects the government's responsiveness to public feedback, fostering trust and inclusivity. However, with a worsening budget deficit limiting resources for essential public services, the administration will face challenges in meeting public demands. Hence, we continue to monitor the developments, recognizing the risk of further instability.

### Example of corporate engagement

*Background:* PEMEX, Mexico's state-owned oil and gas company, is working through several ESG challenges. While the company has made efforts to improve its performance, particularly in health and safety and environmental sustainability, it still faces criticism from various stakeholders. PEMEX has been noted for its relatively high GHG emissions and ongoing health and safety incidents. Issues such as oil theft have also posed significant challenges for the company.

*Engagement:* During 2024, we engaged with PEMEX through meetings and correspondence. We expressed our concerns and the opportunity to attract more investors through strengthened ESG practices. PEMEX acknowledged its challenges and expressed commitment to stricter safety audits, better risk management, and significant investment in environmental and safety projects.

*Comment:* While we acknowledge the significant challenges the company faces, we were encouraged by the progress PEMEX has made in addressing some of its ESG issues, particularly around environmental sustainability and health and safety. We are cautiously optimistic about the ESG trajectory, however we recognize that improvements are in early stages and we will continue to monitor their implementation closely.

## Organizational Sustainability

Beyond our role as an asset manager, we are committed to embedding sustainability within our own operations. From reducing our environmental footprint to fostering a diverse and inclusive workplace, we recognize that responsible business practices start from within. We continuously work to improve our internal ESG performance, ensuring that our corporate culture reflects the same principles we advocate in our investment strategies.

In 2024, Global Evolution became part of Generali's ecosystem, as Conning Holdings Limited and its affiliates, including Global Evolution, was acquired by Generali. The integration into the Generali ecosystem has enabled greater access to resources, learning, and participation in broader sustainability efforts.

### Carbon emissions

We are not only concerned with carbon emissions at the issuer and portfolio level but also through our own corporate activities. We engage in ongoing efforts to measure, reduce, and compensate for our carbon footprint.

Since 2022, we have been calculating our company carbon footprint, including historical data going back to 2019. The carbon footprint has been reviewed by a qualified independent third party in line with the requirements of The CarbonNeutral Protocol and the GHG Protocol Scope 2 Guidance. Table 3 provides an overview of 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).

**Table 3: Global Evolution carbon emissions**

Metric	Carbon emissions 2024	Carbon emissions 2023	Unit
Scope 1	50	64.8	Tons Co2 equivalent
Scope 2	42.5	38	Tons Co2 equivalent
Scope 3	217.8	230.4	Tons Co2 equivalent
Total carbon footprint	310.3	333.2	Tons Co2 equivalent

Source: Global Evolution based on third-party provided estimates<sup>3</sup>

Our head office building in Kolding is equipped with photovoltaic solar panels, harnessing clean energy to reduce our carbon footprint and support our sustainability commitments. These solar panels contribute to our on-site energy production. Additionally, to further enhance our environmental impact, we source 100% certified renewable energy from an external provider for our head office.

In our head office's parking basement, the majority of parking spaces are equipped with electric vehicle (EV) chargers, making it easier and more convenient for employees to transition to electric vehicles. This initiative is part of our broader commitment to reducing our carbon footprint and supporting the adoption of clean energy solutions.

We are committed to reducing our carbon footprint; however, completely eliminating emissions is not feasible at this time. As an emerging markets asset manager, our processes inherently involve carbon-

<sup>3</sup>Detailed breakdown can be provided upon request to [marketing@globalevolution.com](mailto:marketing@globalevolution.com)

intensive activities, particularly due to the need for thorough due diligence on issuers. This process requires frequent business travel to engage directly with government officials, company representatives, and local stakeholders to ensure informed investment decisions. While we strive to adopt more sustainable practices – such as leveraging virtual meetings where feasible and optimizing travel efficiency – certain in-person engagements remain essential to maintaining the depth and integrity of our analysis.

As we cannot entirely eliminate our carbon emissions, our parent company Conning and its subsidiaries, including Global Evolution, has since 2020 been certified carbon neutral using high-quality instruments.<sup>4</sup> Through these efforts, Global Evolution contributed to several high-quality carbon offset projects, such as clean cooking, renewable energy, and afforestation, as outlined in table 4.

**Table 4: Carbon Offset Projects**

Project name	Country	Project type
Bondhu Chula Stoves	Bangladesh	Clean Cooking
Clean Power Portfolio	Global South	Renewable Energy
Ecofiltro Clean Water and Cooking	Guatemala	Clean Water
Guanare Afforestation	Uruguay	Afforestation/Reforestation/Restoration
Orinoco River Basic REDD+	Colombia	Forest Conservation (REDD+)
Reforestation and Community Development	Ghana	Afforestation/Reforestation/Restoration

## Human capital

### Health, safety, and well-being

Our employees' health, safety, and well-being are among our top priorities. We offer employee benefits such as health insurance and employee incentive plans. 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 have a whistleblower scheme in place, covering harassment issues that may be hard to report through normal channels.

In 2024, Global Evolution conducted the triennial workplace assessment in our head office in Denmark as required under Danish legislation, and an employee engagement survey, organized by our parent company Generali, across all our offices. Both surveys are instrumental in identifying areas related to the physical and psychological working environment and found the basis for action plans outlining appropriate steps to enhance workplace well-being.

### 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. Our employees also have access to a Corporate Learning Center, a dynamic learning platform (CLC), through our parent company Conning Holding Limited. 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

<sup>4</sup> 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. The current certification contract is active through August 31, 2025.

setting, business writing, technology, performance reviews, and others. The platform is dynamic, and topics are regularly added. Following our integration into the Generali ecosystem, new opportunities have emerged for employees to explore career growth, collaboration, and professional development within a larger and diverse organization.

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.

### **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 members' perspectives and collaborate across regions and business areas to bring diversity of thought which helps us be more effective for our clients and business operations. 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. A company-wide DEI Policy outlines our vision, values and goals as well as the roles and responsibilities of managers and employees in implementing and promoting the policy.

Several steps were taken during 2024 to advance our DEI agenda. In early 2024, the Workplace, Culture & DEI Committee (WCD) was formed, merging existing committees. Led by the Head of Legal & Compliance and including an Executive Management member, the Committee has strong leadership support. WCD ambassadors from all offices provide diverse perspectives and experiences that can enrich our work environment and enhance our performance and innovation. An additional purpose of this committee is to identify and prevent risks and hazards that may affect the health, safety, and well-being of the employees. For 2025, the focus of the Committee is on creating an annual activity plan based on ambassador input.

Furthermore, in 2024 the Leadership team (Executive Management and Senior Management) 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. During 2023 and 2024, all leaders have been participating in a comprehensive leadership training program, covering 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.

Lastly, relevant updates to the non-financial performance criteria have been made to reflect the company's work with the new Conduct of Conduct for leaders and D&I Policy and thus the "S" in ESG and offer the opportunity to include these as a basis for the KPIs.

### **Workforce composition**

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 aim to offer fair and equal work opportunities for everyone, despite their race, color, religion, gender, national origin, age, disability, or sexual orientation. 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 believe that 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 5 shows the composition of our full-time employees in 2024 compared to 2023.

**Table 5: Workforce composition**

Metric	2024	2023	Metric
Male	72%	74%	% of employees
Female	28%	26%	% of employees
Age	43.28	42.05	Average age of employees
Non-Danish Background	34%	38%	% of employees

Source: Global Evolution Asset Management A/S calculation.

## Community engagement

At our company head office, we support the local community life through sponsorships of local clubs and associations. We aim to buy locally, when possible (e.g. furniture and employee gifts), and we have made deals with local businesses for employee discounts for mutual benefit.

In addition, we play a leading role in fostering public-private partnerships by collaborating with academic institutions in Denmark. Our engagement includes research partnerships with universities, the integration of university students into our departments to develop local talent, and the delivery of guest lectures. Furthermore, we provide mentorship and advisory services to entrepreneurs and small business owners. These initiatives are key to successful local engagement.

Through these and other opportunities that arise, we aim to build social 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 is a core sustainability focus area for Global Evolution.

## 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.

In their oversight and stewardship, these business areas help and support the 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 Head of Research is responsible for implementing Global Evolutions 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 firms' ESG objectives and upholding the firm's policies and procedures.

#### **Anti money laundering, bribery, and corruption**

Global Evolution has implemented and currently maintains anti-money laundering policies and procedures that are designed to be compliant with applicable anti-money laundering regulation of its jurisdiction.

Global Evolution undertakes appropriate customer due diligence efforts, including enhanced scrutiny with respect to politically exposed persons, and screening of any country, territory, individual and/or entity prohibited pursuant to applicable economic sanctions programs, including, all applicable sanctions regimes promulgated or administered by United Nations and the European Union. Where a client enters a relationship with the US subsidiary, US OFAC sanctions will also apply.

Global Evolution has a designated AML Officer within the Legal & Compliance Team with a direct reporting line to the Board of Directors. The AML program is independently tested by personal within Compliance. Employees are expected to complete the online AML/CFT training upon employment and on an annual basis.

Global Evolution does not receive any incentives or fees from its third parties. Global Evolution's Code of Ethics clearly outlines the company's rules on anti-corruption and processes for receiving gifts, which are not to exceed USD 250 without pre-approval.

## UN Global Compact

This report serves as our annual Communication on Progress to the UN Global Compact, demonstrating our ongoing commitment to its Ten Principles in the areas of human rights, labor, environment, and anti-corruption. Additionally, we confirm our dedication to advancing the broader United Nations Sustainable Development Goals (SDGs), contributing to a more sustainable and inclusive global economy.

Through this report, we have highlighted key achievements, challenges, and future goals as we strive to uphold responsible business practices.

To our stakeholders,

I am pleased to confirm that Global Evolution reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, and Anti-Corruption.

In this annual Communication on Progress, we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals.

Yours sincerely,

Morten Bugge,

CEO, Global Evolution



**United Nations**  
Global Compact

**Table 6: UNGC overview**

UNGC Principle	Page
<i>Human Rights</i>	
1. Businesses should support and respect the protection of internationally proclaimed human rights;	10 and 14
2. and make sure that they are not complicit in human rights abuses.	
<i>Labor rights</i>	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	10 and 14
4. the elimination of all forms of forced and compulsory labor;	
5. the effective abolition of child labor;	
6. and the elimination of discrimination in respect of employment and occupation.	
<i>Environment</i>	
7. Businesses should support a precautionary approach to environmental challenges;	9 and 13
8. undertake initiatives to promote greater environmental responsibility;	
9. and encourage the development and diffusion of environmentally friendly technologies.	
<i>Corruption</i>	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	17

## Disclaimer & Important Disclosures

Global Evolution Asset Management A/S (“GEAM”) is incorporated in Denmark and authorized and regulated by the Danish FSA (Finanstilsynet). 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>.

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