

Sustainability – Related Disclosures

SECTION 1: Fund Specific Disclosures - Goodbody Dividend Income Cautious Fund (the “Fund”/“Financial Product”)

a) Summary

The Fund promotes Environmental/Social (E/S) characteristics, but does not have as its objective sustainable investment. Around 80% of the assets in the fund are aligned with E/S characteristics.

To respect the requirements of Article 8 of Regulation (EU) 2019/2088 (the “Sustainable Finance Disclosure Regulation” or the “SFDR”), the Fund promotes the following environmental and social characteristics (or “promotional characteristics”) as follows:

- (a) Emissions – Greenhouse Gases are defined as those gases which contribute to the trapping of heat in the Earth's atmosphere, and they include Carbon Dioxide (CO₂), Methane, and Nitrous Oxide.
- (b) Energy Consumption - This will include energy directly consumed through combustion in owned or controlled boilers, furnaces, vehicles, or through chemical production in owned or controlled process equipment. It also includes energy consumed as electricity.
- (c) Water Usage - Total amount of water used to support a company's operational processes. The factor represents the sum of all water withdrawn for process water and cooling water and all water retained by company facilities through recycling.
- (d) Gender Diversity - within the company workforce. The mix of male and female employees at the company expressed as a percentage.
- (e) Staff Satisfaction – Employee Turnover. The number of employees that left the company within the past year expressed as a percentage of the average total number of employees. High employee turnover may indicate that employees are unsatisfied with their work at the company or their compensation, or that conditions at the company are unsafe or unhealthy.
- (f) Health and Safety Policy/ Disclosure - Indicates whether the company has recognized its health and safety risks and responsibilities and is making any effort to improve the management of employee health and/or employee safety.
- (g) Human Rights Policy Disclosure - Indicates whether the company has implemented initiatives to ensure the protection of the rights of all people it works with.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund. The Environmental/Social characteristics and sustainability indicators are monitored on an ongoing basis. The ESG screen, used to give companies an ESG score, is updated regularly to ensure that companies are making progress on their commitments.

When concerns arise, we engage with companies to address them and to ensure that the company is on track to meet its ESG targets.

Our investment process ensures that the E/S characteristics promoted by the fund are met. We adhere to an exclusions policy and avoid investments that we deem as having a direct and material exposure to the development, manufacture, and sales of products/services in certain business activities. A quantitative screen is then used to provide us with an ESG score based on key metrics in each pillar of ESG combined with the company's level of disclosure. A qualitative analysis is carried out. The Sustainability Accounting Standards Board framework is used to determine what ESG issues are material to the business and research is undertaken on whether the company identifies these risks and what they do to manage them. If data is missing or questions arise around the company's management of ESG issues, we reach out and engage with them. We recognise that we have a responsibility to make considered use of voting rights. We use a voting agent for the equities held in our funds for which we have a fiduciary obligation to vote. We exercise voting rights to promote stronger ESG risk management. We continuously monitor investee/potential investee companies to ensure that interim targets and commitments are being met.

We acknowledge that there are limitations to the methodologies and data that are used. We rely on companies to regularly disclose high quality granular data in order to carry out our analysis. This data is not always readily available. Companies in Europe tend to be better at disclosing ESG data than those located in North America. Similarly, small/mid cap companies disclose less data than large cap companies. This is largely due to differing regulations across regions, and the number of resources available to a company. When this occurs, we reach out and engage with the company to request this data and to ensure that they know the importance of this data to us as investors.

We rely on standards and frameworks such as the Sustainability Accounting Standards Board (SASB) and the Task Force for Climate Related Financial Disclosures (TCFD) in order to determine material sustainability issues for a company. A wide variety of reporting frameworks are available to companies disclosing this data and they may decide to use different frameworks than we do. This can lead to inconsistencies between the data reported and the data that is required. In this situation, we engage with the company to request the data needed for our analysis.

b) No sustainable investment objective

The Fund promotes Environmental/Social (E/S) characteristics but does not have as its objective sustainable investment.

c) Environmental or social characteristics of the financial product

To respect the requirements of Article 8 of Regulation (EU) 2019/2088 (the “Sustainable Finance Disclosure Regulation” or the “SFDR”), the Fund promotes the following environmental and social characteristics (or “promotional characteristics”) as follows:

- (a) Emissions – Greenhouse Gases are defined as those gases which contribute to the trapping of heat in the Earth's atmosphere, and they include Carbon Dioxide (CO₂), Methane, and Nitrous Oxide.
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d) Investment strategy

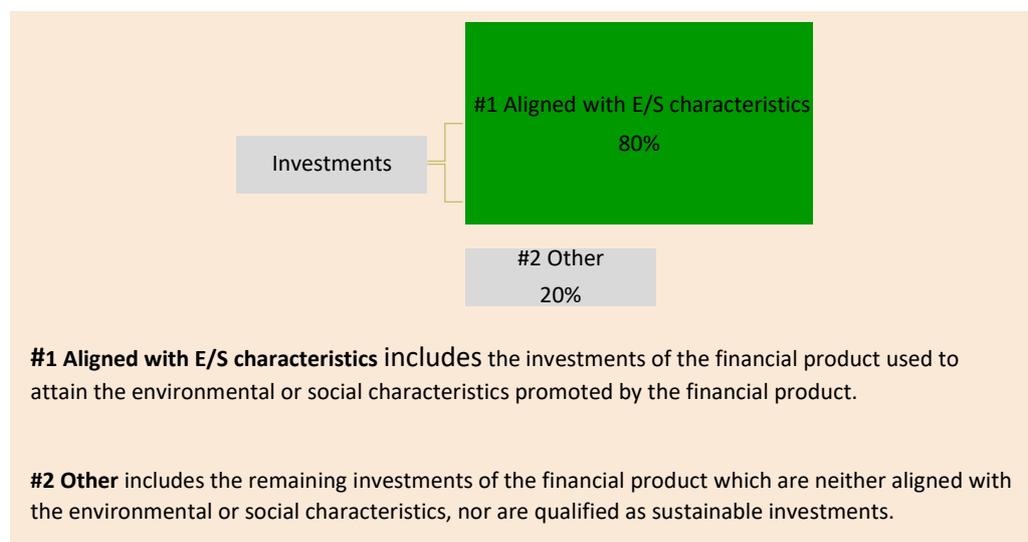
The financial product is a risk managed multi asset Fund which invest in high quality dividend paying stocks as well as other income generating assets such as bonds, REITS, alternatives and cash. The investment objective of the financial product is to deliver stable and consistent growth in capital and income over the medium to long term. The investment strategy encompasses a structured asset allocation framework which includes monthly asset allocation reviews and analysis by the Investment Manager of factors such as market volatility, economic forecasts for growth and inflation, and the outlook for corporate earnings. In addition, the Investment Manager undertakes reviews of risk and the trends in risk movement across different asset classes. The output is not prescriptive, but rather it is utilised to inform on an assessment on the appropriate asset positioning depending on market conditions. The Investment Manager holds monthly asset allocation meetings during which the Investment Manager reviews the outlook for the various asset classes in which the financial product may invest. The Investment Manager will determine an appropriate asset allocation depending upon its views on the outlook for investment markets which will be based on the Investment Manager's review of the analysis of economic growth forecasts for growth and inflation and the outlook for corporate earnings. The asset allocations and the investments held in the financial product are monitored and actively managed by the Investment Manager on an ongoing basis so as to add value for investors throughout the economic cycle.

Sustainability Risks, as defined by the Sustainable Finance Disclosure Regulation (SFDR) refer to 'an environmental, social, or governance event or condition, that if it occurs, could cause an actual or potential material negative impact on the value of the investments. Sustainability Risks are integrated into the Goodbody Asset Management investment decision making process which in our assessment is likely to be beneficial to the risk adjusted returns profile of the financial products we manage. We view a company's/issuers ability to manage environmental, social and governance (ESG) factors as a proxy for prudent risk management. It is our view that failure to address ESG issues properly could expose a company to potentially significant legal, regulatory, product, and reputational risks which could have a material impact on our investment in that company. By evaluating and understanding the ESG characteristics of underlying financial product holdings both in absolute terms and relative to appropriate sector peers, and monitoring trends in these characteristics over time, the Team integrates sustainability risks into the investment decision making process.

The Investment Manager's approach to the evaluation of governance in investee companies involves a combination of both qualitative and quantitative review. The information and data used is gathered from numerous sources including regular company reports and filings (e.g., annual reports, 10-K, Proxy filings), third party data providers (e.g., Bloomberg, MSCI) and sell side investment research.

e) Proportion of investments

Please find below a Table explaining the asset allocation to the Fund:



f) Monitoring of environmental or social characteristics

Environmental/Social characteristics and sustainability indicators are monitored on an ongoing basis. The ESG screen, used to give companies an ESG score, is updated regularly to ensure that companies are making progress on their commitments. When concerns arise, we engage with companies to address them and to ensure that the company is on track to meet its ESG targets.

g) Methodologies

Our investment process ensures that the E/S characteristics promoted by the fund are met. We adhere to an exclusions policy and avoid investments that we deem as having a direct and material exposure to the development, manufacture, and sales of products/services in certain business activities. A quantitative screen is then used to provide us with an ESG score based on key metrics in each pillar of ESG combined with the company's level of disclosure. A qualitative analysis is carried out. SASB is used to determine what ESG issues are material to the business and research is undertaken on whether the company identifies these risks and what they do to manage them. If data is missing or questions arise around the company's management of ESG issues, we reach out and engage with them. We recognise that we have a responsibility to make considered use of voting rights. We use a voting agent for the equities held in our funds for which we have a fiduciary obligation to vote. We exercise voting rights to promote stronger ESG risk management. We continuously monitor investee/potential investee companies to ensure that interim targets and commitments are being met.

h) Data sources and processing

The Investment Manager utilises a range of data inputs in the investment process, including an analysis of ESG factors. ESG data is used to help inform the investment opinion on the relative positioning of companies/issuers on important ESG factors. Sources of data include Bloomberg, MSCI and company specific filings.

The Investment Manager is licensed to use the MSCI ESG Manager – part of the MSCI EU Sustainable Finance Solution. The tool provides ESG data and an SFDR regulatory reporting solution. Coverage includes over 10,000 corporate equity and fixed income issuers with 175 sovereign issuers or countries, in addition to providing data in respect of principal adverse sustainability impact indicators covering the 18 mandatory indicators and 46 additional environmental and social impact opt-in indicators.

i) Limitations to methodologies and data

We acknowledge that there are limitations to the methodologies and data that are used. We rely on companies to regularly disclose high quality granular data in order to carry out our analysis. This data is not always readily available. Companies in Europe tend to be better at disclosing ESG data than those located in North America. Similarly, small/mid cap companies disclose less data than large cap companies. This is largely due to differing regulations across regions, and the number of resources available to a company. When this occurs, we reach out and engage with the company to request this data and to ensure that they know the importance of this data to us as investors.

We rely on standards and frameworks such as the Sustainability Accounting Standards Board (SASB) and the Task Force for Climate Related Financial Disclosures (TCFD) in order to determine material sustainability issues for a company. A wide variety of reporting frameworks are available to companies disclosing this data and they may decide to use different frameworks than we do. This can lead to inconsistencies between the data reported and the data that is required. In this situation, we engage with the company to request the data needed for our analysis.

Companies may use different ESG KPIs when disclosing ESG information. This can make it more difficult to directly compare performance on ESG factors. Our approach is to continuously monitor the ESG KPIs released by the company in order to track progress. If further clarification is necessary, we engage with the company to understand their methodology and why the metric that they have decided to use is more suitable to their business.

j) Due diligence

The approach to ESG integration involves a multistage framework. For global equities, REITS, and corporate credit this includes:

- (a) Use of a quantitative screening tool as part of initial investment due diligence. The screen summarises a selection of ESG data identified as relevant by the Investment Manager and allows for relative comparison of the investment candidate to both the broader investment universe and sector relevant peers. Importantly the screen will also identify if ESG disclosure information is missing, requiring additional follow up by the investment team.
- (b) Identification and consideration of the material ESG issues that are relevant to the specific sub sector of the company/ issuer. Using established industry frameworks for materiality (e.g., SASB Standards which identify the subset of environmental, social and governance issues most relevant to financial performance in various industries) allows the investment team to be very focused on what is most important for consideration in relation to ESG.
- (c) Engagement – when required the investment team will engage directly with companies/issuers to discuss important ESG considerations including (1) the appropriateness and breadth of disclosure and (2) management’s strategy in relation to ESG factors and (3) material ESG issues that impact the risk of the business and/or future growth opportunities. For further information on the Investment Manager’s engagement process please refer to the section headed “Engagement and Proxy Voting” below.
- (d) Ongoing monitoring – relevant ESG data is incorporated and tracked within the Investment Manager’s risk monitoring and reporting. This ensures that any notable changes in the ESG characteristics of the investments in the Fund is flagged, discussed, and prioritised for review likely resulting in further engagement with the relevant company/issuer in question. ESG data that is used within the screening part of the investment process is primarily sourced from Bloomberg. The data is used to build an assessment of each company’s ESG credentials relative to (1) the broader global equity market and (2) the specific sector in which the company operates. A mix of environmental, social and governance factors are considered (as set out above). Each company is ranked on its ESG metrics via decile. This ESG analysis compliments the traditional financial, competitive strategy and valuation work conducted by the Investment Manager and allows for informed decision making around the key risk and return characteristics of investment opportunities. Companies that feature unfavourably on the screen (i.e., high decile rankings relative to the broader market and/or sector) may be prioritised for company engagement activities if the other elements of the Investment Manager’s analysis indicate it is warranted. This engagement allows the Investment Manager to discuss specific ESG issues directly with companies and ensure possible risks are being managed appropriately. The screen output at the Fund level is monitored and reviewed regularly and serves as a ‘proof statement’ for the Investment Manager’s objective of investing in companies that have attractive relative ESG characteristics.
- (e) Dedicated ESG meetings of the investment team to discuss regulatory developments, broader industry trends in relation to ESG, top-down thematic topics and specific Fund or security level ESG issues that are likely to impact risk.

The Investment Manager’s approach to ESG integration for government bonds has been adapted to meet the specific requirements of the asset class. The approach draws on the ESG integration framework developed jointly by the CFA Institute and the PRI. The starting point is

a recognition that ESG data points can help to explain macro-economic performance and bond valuations. As part of the framework, data is sourced directly from independent bodies including the OECD, World Bank, and IMF. The data is presented via a country level dashboard and used as red-flag indicators that highlights sovereigns with poor or deteriorating ESG trends. This input is then combined with ESG specific security level research from Moody's to help inform the Investment Manager of the ESG credentials of individual countries.

k) Engagement policies

The financial product seeks to influence investee companies' and/or issuers' impact on sustainability matters through engagement and via proxy voting on material sustainability topics. Engagement – when required the investment team will engage directly with companies/issuers to discuss important ESG considerations including (1) the appropriateness and breadth of disclosure and (2) management's strategy in relation to ESG factors and (3) material ESG issues that impact the risk of the business and/or future growth opportunities.

l) Designated reference benchmark for product that promote environmental or social characteristics website section

The product does not use a designated index as a reference benchmark to meet E/S characteristics.