Statement of Commitment

Sustainable and Responsible Investing has been a long-standing and essential part of the strategic positioning and behaviour of KBI Global Investors. We have been involved in SRI since the mid-1980s and welcome the European SRI Transparency Code.

This is our first statement of commitment and it covers the period 31 December 2015 to 31st December 2016. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our web site.

Compliance with the Transparency Code

KBI Global Investors is committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. KBI Global Investors meets the full recommendations of the European SRI Transparency Code.

February 2018

Section 1. Basic Details

<u>The Fund Management Company</u>

1a Provide the name of the fund management company managing the fund(s) to which this code applies.

KBI Global Investors Ltd.

Provide general information about The Fund Management Company managing the fund(s) to which this code applies (e.g. name, address, website…).

KBI Global Investors Ltd. is an Irish domiciled and incorporated institutional asset manager and is regulated by the Central Bank of Ireland. KBI Global Investors is headquartered in Dublin, Ireland with sales offices in Boston and New York. KBI Global Investors has a global client base with mandates in the UK, Europe, North America and Asia.

Established in 1980 as the Investment Management division of Ulster Bank Ltd, KBI Global Investors, the collective term for KBI Global Investors Ltd, and its wholly owned subsidiary, KBI Global Investors (North America) Ltd, has been managing assets for institutional clients for some 35 years – public and corporate pension schemes, sub-advisory investors, faith based investors, foundations and endowments, wealth managers, private banks and investment intermediaries included.

On 1st September 2016 Amundi Asset Management, the largest European asset manager and 10th largest global asset manager acquired a majority stake (87.5%) in KBI Global Investors, with employees taking a minority stake (12.5%). Amundi Asset Management is, in turn, 100% owned by Amundi, which is listed on the French Stock Exchange.

The name of the company was changed to KBI Global Investors, the collective term for KBI Global Investors Ltd, and its wholly owned subsidiary, KBI Global Investors (North America) Ltd. KBI Global Investors operates autonomously within the Amundi group.

KBI Global Investors' headquarters is:
3rd Floor, 2 Harbourmaster Place, IFSC
Dublin 1, Ireland

Our website is www.kbiglobalinvestors.com

1b Describe the general approach of the fund management company with regards to how it takes environmental, social and governance (ESG) criteria into consideration.

General Approach to ESG criteria

We do not believe that Responsible Investing is a static process. In contrast, it constantly evolves to take account of changing investor preferences, and societal norms. We are continuously striving to enhance our RI policies, practices and products and we expect change to continue to be a constant feature of RI in the years ahead.

We have two sets of investment products, i.e. Global Equity Strategies and Natural Resource equity strategies.

KBI Global Investors has been a pioneer in ***Natural Resource equity*** thematic investing since 2000, investing in companies providing solutions to sustainability challenges related to the provision of food, energy, water and the mitigation and adaptation to the impacts of climate change.

Our suite of ***Global Equity Strategies*** is based on our belief that dividends, profits and governance are highly correlated over time and that a rich source of alpha (excess return and risk reduction) can be found through analysing the dividend pattern of companies and how the dividend is being financed. Many investors see dividends as purely income and don't recognise that they can be an excellent way of identifying companies with strong governance, stable and growing earnings and efficient capital management. Payout tends to get underpriced as a result. This source of alpha is broadly ignored by many investors. We combine these divided criteria with a matrix of other factors, including broader ESG scores, in our investment process.

We incorporate RI factors into the investment process of both sets of strategies because we believe that companies with strong governance and whose products and services enhance social or environmental goals should meaningfully outperform over time. Such companies are more likely to have long, durable, sustainable business models.

All portfolios managed by the firm do not invest in companies which **manufacture** (or own at least 20% of another company which manufactures) landmines, cluster bombs, biological and chemical weapons.

Additional SRI screening is specific to the various strategies that we manage. Some of our strategies exclude investment in companies engaged in certain controversial industries or practices and exclude investment in companies with SRI (ESG) ratings (as determined by a leading external ESG specialist, MSCI ESG Research, see section 2b for more detail on our use of MSCI ESG Research ratings) below a set minimum level. The controversial industries or practices are as follows: tobacco production, weapons manufacturing, involvement with abortion or contraception, adult entertainment, predatory lenders, certain stem cell research, gambling, animal testing for non-pharmaceutical purposes, improper promotion of breast milk substitutes, and thermal coal ownership.

Other strategies, including the Agribusiness strategy which is the focus of this Transparency code submission, are SRI Thematic in nature and operate a variety of positive screening in that they invest only in investments relevant to the particular SRI Theme.

On a separate account basis, SRI screening is available for clients who wish to avoid stocks based on ethical criteria. We have provided customised screening strategies for clients since the mid 1980s.

• Is the fund management company approach towards ESG criteria aligned or inspired by its corporate social responsibility approach? Yes/No. If yes, insert a link to the company's CSR policy. If not, explain why not.

Yes. Although we do not have a formal written policy on CSR, we regard our ESG investment philosophy and practice as being very much aligned with our CSR approach. Our Natural Resources strategies focus on supporting solutions to global problems (scarcity of clean water, clean energy and food), while our CSR activities take the same approach but on a very local scale, for example working with a school and a youth club in a disadvantaged area to provide direct, in-person assistance with various activities, and helping, in a very practical way, with the provision of accommodation and meals for the parents of very sick children in a nearby children's hospital. In this way we "think global" for our ESG investing principles, and "act local" in terms of our CSR commitments.

• Has the fund management company signed the Principles for Responsible Investment?
If yes, please insert the link to the answer to the PRI questionnaire. If not, explain why not.

Yes, we have been a signatory since 2007. The firm is pleased to be a part of the network of investors who support and promote the long term benefits of sustainable investment within the context of their individual investment processes and fiduciary duties. Our Responsible Investing Transparency report, submitted annually to the UNPRI, is at this link https://reporting.unpri.org/surveys/PRI-Reporting-Framework-2016/4940910f-b725-433e-84ca-573cb8533111/79894dbc337a40828d895f9402aa63de/html/2/?lang=&a=1

Is the fund Manager a signatory or a member of other international and/or national initiatives supporting SRI practices? Please answer if you deem this information to be useful.

We are members of or signatories to the following initiatives:

- The United Nations Principles for Responsible Investment (UNPRI)
- The Institutional Investors Group on Climate Change (IIGCC)
- The Carbon Disclosure Project
- CDP Water Initiative
- The UK Stewardship Code

- The US Social Investment Forum
- CERES Investor Network
- Boston Area Sustainable Investment Consortium
- SIF Ireland

Our involvement in each organisation varies depending on the nature of the organisation but we are generally quite active. For example, our Head of Responsible Investing is on the steering group for the CDP in Ireland, and we participate in many collaborative engagements under the auspices of the PRI and IIGCC.

• Has the fund management company established an ESG engagement policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the policy. If not, explain why not.

Yes, we have a formal Engagement policy. The information below is public and taken from our website at this link http://www.kbiglobalinvestors.com/responsible-investing/engagement-policy.1651.html

We carry out both direct and collaborative Engagement.

There are many reasons for commencing Engagement, including but not limited to concerns re board structure and governance, excessive or inappropriately-structured executive compensation, management's intention or ability to deliver shareholder expectations, disclosure of environmental information, and breaches of best practice with regard to stakeholder management. However, while any of these factors may lead to commencement of Engagement, we have decided to particularly focus on companies relating to which we have particular ESG-related concerns, or which do not publish adequate environmental information or which are 'laggards' with regard to a commitment to address climate change issues.

Direct (bilateral) Engagement commences with an approach to the company by the relevant Portfolio Manager(s), outlining our concerns. This will almost always be an in-person meeting or a direct phone call with the appropriate personnel at the company in question, though on rare occasions the Engagement could commence with a letter or email. We outline our concern and ask the company to respond, either at the time or (more usually) at a later date having had time to consider the issue. We consider the company's response, and either close the Engagement if a satisfactory response has been obtained or pursue it further, usually via escalation to the Company Chairperson or designated independent/lead director, as appropriate. The process continues until closed. Engagement can finish either because we have obtained a satisfactory result or because we feel a satisfactory outcome is unlikely, in which case we will consider divestment, if we judge it to be in the best interests of our clients. We integrate the Engagement with our Proxy Voting, as appropriate and when required. We may or may not publicise our direct Engagement activity depending on our judgement on whether or not this may be counterproductive.

Collaborative Engagement:

As a specialist boutique asset manager with focused resources, we endeavour to leverage relationships to engage in collective engagement when appropriate. To that end, we are members of or signatories to the initiatives below, and take an active role in those most relevant to us.

- The United Nations Principles for Responsible Investment (UNPRI)
- The Institutional Investors Group on Climate Change (IIGCC)
- The Carbon Disclosure Project
- CDP Water Initiative

These industry bodies in many cases provide valuable input through peer discussion of relevant issues as well as specific research on certain topics.

• Has the fund management company established a voting policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the policy. If not, explain why not.

Yes we have a proxy voting policy which is available at this link: http://www.kbiglobalinvestors.com/responsible-investing/kbi-global-investors-proxy-voting-policy.1589.html

It is our policy to use proxy voting for all portfolios and for all votes, other than where we are not given this authority by our client, or in countries where voting is impossible or exceptionally difficult for logistical reasons. (For the last calendar quarter at the time of writing, we voted in excess of 98% of all ballots). We have taken the decision to use the services of an outsourced provider, Institutional Shareholder Services (ISS), the leading provider of proxy voting advice and administrative services, to assist us with this activity given their expertise in this area and the resources that they can devote to this issue. ISS make voting recommendations to us, based on a pre-agreed set of policy guidelines which are reviewed annually. We have adopted the “Sustainability” set of voting guidelines, developed specifically to at least meet the UNPRI principles. They have a particular focus on transparency and reporting, and we generally support shareholder initiatives insofar as they request enhanced transparency on ESG issues.

We typically follow the ISS recommendation but the final decision is ours in every case and our Proxy Voting Committee can overrule the ISS recommendation. We report quarterly, on our public website, on proxy voting activity. The report includes a summary of voting activity, such as the percentage of all votes where we voted against management, but also has full details of every ballot voted including the management recommendation, our voting instruction and our voting rationale. The most recent version of this report is available at this link: http://www.kbiglobalinvestors.com/_fileupload/17_Q4_Voting_Statistics.pdf

• Describe how the fund management company or the group contributes to the promotion and the development of SRI.

This firm is a signatory to or member of several organisations and initiatives to promote SRI, including the UNPRI, the USSIF, CDP, Institutional Investors Group on Climate Change, CERES Investor Network on Climate Risk, and others.

Members of staff play an active role in several of these groups, including membership of national steering groups, speaking at annual conferences, membership of specific policy working groups, etc.

1c Describe/List your SRI products and the specific resources allocated to your SRI activities.

Products: We have five Natural Resource equity strategies, a Global Equity ESG strategy, and an Emerging Market ESG equity strategy, which are described below.

Our Natural Resource Equity Strategies, with their strong focus on providing solutions to major environmental and societal problems, have obvious ESG features and as well as being ESG-thematic, also explicitly integrate ESG into their investment processes. We integrate ESG factors into the investment process because we believe that companies with strong governance whose products and services enhance social or environmental goals should meaningfully outperform. Such companies are more likely to have long, durable, sustainable business models. Or to put it in more technical terms, when using a discounted cash flow valuation calculation, the assumptions behind the terminal value calculation are more likely to be robust.

We currently have four Natural Resource Equity products, all with the same ESG philosophy and processes:

- Water,
- Energy Solutions,
- Agribusiness
- Global Natural Resources (a blend of the three other strategies).
- Global Sustainable Infrastructure (launched 2017)

Our Global Equity strategies have a strong emphasis on the Social and Governance elements of sustainable investing, both of which we believe to be long-term sources of alpha and are embedded into our investment thesis. The demographic of an ageing population is an important Social trend and one that we give a great deal of focus to. We also identify the payment of a dividend as an important element of the social contract and the strongest way to recognise the shareholder covenant. Our research also shows that high quality companies with high payout commitments demonstrate a higher level of corporate Governance. Simply put, we believe that shareholder (rather than management) interests are given a higher priority when compared to low or non-dividend payers. The products listed below screen out controversial industries and companies with poor ESG scores, and incorporate ESG scores/ratings into the portfolio construction process. The systematic nature of the investment process and their intrinsic focus on value creation for shareholders allows for a seamless integration of ESG screens and scoring without compromising the integrity of the existing global equity investment process.

- Global ESG equity strategy
- Global Emerging Markets ESG equity strategy

Resources:

All ESG issues are under the remit of our internal Responsible Investing Committee, which is jointly chaired by two executive directors of the firm (including the CIO) and includes six other high level staff such as the Head of Responsible Investing, Head of Compliance, and product specialists. It has responsibility for deciding all ESG policies, and also oversees operational issues relating to the implementation of ESG factors.

With regard to external sources of ESG research, we should first note that ESG is an integral part of our investment process, and Portfolio Managers rate, from an ESG perspective, each company that they actually or potentially invest in. The external suppliers are used as a valuable and important input to that rating, but only as an input. The final decision on the ESG rating of companies is very much made by the Portfolio Managers and not by the external supplier.

Externally, we employ the services of two leading industry research companies in this area; Institutional Shareholders Services (ISS), and MSCI ESG Research Inc. ISS is the leading provider of corporate governance research, proxy advisory and voting services. ISS carry out all stock-specific governance research on our behalf and provide us with voting recommendations, based on criteria discussed at annual review meetings with ISS. MSCI ESG Research provides us with in-depth research, ratings and analysis of the environmental, social and governance-related business practices of companies in which we invest or consider investing and provide an overall quantitative score for each company, taking into account all ESG factors. This research is also used, where required, to exclude companies from our portfolios where those companies are involved with certain sectors. For example, we do not invest in any companies which are involved with the manufacture of cluster bombs or land mines or chemical/biological weapons. Other controversial activities can be excluded by client request on a separate account basis.

In addition, we are members of various industry bodies and initiatives, including the United Nations Principles of Responsible Investing, the UK Social Investment Forum (UKSIF), the Carbon Disclosure Project, the CDP Water Initiative, the CERES Investor Network and the UK Stewardship Code (Tier 1 status). These industry bodies in many cases provide valuable input through peer discussion of relevant issues as well as specific research on certain topics.

• Briefly describe the SRI fund range (number, assets under management, strategies...)

See also the answer to the previous question and to question 1e below.

Global Equity Strategies:

Strategy	**AUM in EUR as at 31/12/2017**
Emerging Markets ESG	€21,716,974
Global ESG	€67,043,719
Total	**€88,760,963**

Natural Resource Strategies:

Strategy	**AUM in EUR as at 31/12/2017**
Water	€569,559,546
Agribusiness	€9,575,527
Energy Solutions	€39,391,949
Global Resource Solutions	€69,845,261
Global Sustainable Infrastructure	€8,758,885
Total	**€697,131,169**

• **Describe/Detail the resources allocated by the fund management company (organisation, ESG research internal/external, dedicated portfolio management team…) and indicate where this information is available.**

All ESG issues are under the remit of our internal Responsible Investing Committee, which is jointly chaired by two executive directors of the firm (including the CIO) and includes six other high level staff such as the Head of Responsible Investing, Head of Compliance, and product specialists. It has responsibility for deciding all ESG policies, and also oversees operational issues relating to the implementation of ESG factors.

With regard to external sources of ESG research, we should first note that ESG is an integral part of our investment process, and Portfolio Managers rate, from an ESG perspective, each company that they actually or potentially invest in. The external suppliers are used as a valuable and important input to that rating, but only as an input. The final decision on the ESG rating of companies is very much made by the Portfolio Managers and not by the external supplier.

Externally, we employ the services of two leading industry research companies in this area; Institutional Shareholders Services (ISS), and MSCI ESG Research Inc. ISS is the leading provider of corporate governance research, proxy advisory and voting services. ISS carry out all stock-specific governance research on our behalf and provide us with voting recommendations, based on criteria discussed at annual review meetings with ISS. MSCI ESG Research provides us with in-depth research, ratings and analysis of the environmental, social and governance-related business practices of companies in which we invest or consider investing and provide an overall quantitative score for each company, taking into account all ESG factors. This research is also used, where required, to implement negative ESG/SRI screens.

We do not have a 'dedicated' ESG portfolio management team as we believe that an integrated approach is preferable to having a separate team. Our Portfolio Managers integrate ESG analysis into their overall analysis of any security, based on their in-depth knowledge of the company and, as noted above, with the help of external research inputs.

In addition, we are members of or signatories to various industry bodies and initiatives, including the United Nations Principles of Responsible Investing, the US Social Investment Forum (USSIF), the Carbon Disclosure Project, the CDP Water Initiative, the CERES Investors Group on Climate Change, and the UK Stewardship Code. These industry bodies in many cases provide valuable input through peer discussion of relevant issues as well as specific research on certain topics.

This information is available to interested parties via our marketing materials, and in particular our publication, "Our Commitment to Responsible Investing" which is available at this link.
http://www.kbiglobalinvestors.com/responsible-investing/kbi-global-investors-commitment-to-responsible-investing-.1579.html

1d Describe the content, frequency and resources allocated/used by the fund management company to inform investors about the ESG criteria taken into account.

At a firm level, we produce an annual Responsible Investing report where we update our clients on our responsible investing developments and initiatives at the firm, our proxy voting and engagement activities over the year which includes our collaborative engagement activities, which is mainly via our membership in various global Responsible Investing initiatives.

At a portfolio level, we produce a quarterly client report where our Global ESG characteristics, scores and commentary are integrated into our standard client report.

For pooled vehicles, we produce a commentary on our firm's responsible investing developments and initiatives in the Fund's Annual Audited Financial Statements, as well as commentary on the individual ESG strategies.

As noted elsewhere, our website has a Responsible Investing section where various policies and disclosures are available, see http://www.kbiglobalinvestors.com/about-us/responsible-investing.1292.html

The SRI Fund(s)

1e Provide the name of the fund(s) to which this Code applies and its main characteristics.
Describe the main characteristics of the fund(s): geographical focus, asset class, SRI strategy used (use the classification provided by Eurosif/EFAMA).

The name of the fund is the KBI Institutional Agri Fund, an open-ended umbrella type Irish Collective Asset-Management Vehicle ("ICAV") with limited liability and segregated liability between Funds registered with and authorised by the Central Bank of Ireland to carry on business as an ICAV, pursuant to Part 2 of the Irish Collective Asset-management Vehicles Act, 2015 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as amended).

There are a number of share classes with differing currencies and share classes. The ISINs for the various share classes are IE00B39JG996, IE00B39JGB12, IE00B3M1NT16, IE00B6560Y83, IE00B2RCGG07.

The inception of this fund was on June 11th 2008, with additional share classes being launched since then.

More detail on each share class including Key Investor Information Documents (KIIDs) is available at this link: http://www.kbiglobalinvestors.com/ucits-key-investor-information-documents-kiids-other-languages/key-investors-information-documents-kiids.467.html

The fund invests only in long-only listed Agribusiness-related equities in developed and emerging markets.

Under the Eurosif classification scheme, we believe that this fund is classified as both Sustainability Themed and ESG Integration, as both those factors are certainly key to the fund.

Agribusiness is defined as all manufacturers, service providers and operators of products and services across the agribusiness value chain that are focused on increasing crop yields and involved in storing, transporting and processing of agricultural products.

Each theme is broken down into different sectors consisting of a group of interrelated companies that operate in a similar segments or end markets of the theme.

We segment companies providing agricultural solutions into three sectors:

- Farmers and Producers
- Infrastructure and Processing.
- Inputs

As these trends are long term in nature and are expected to support share prices beyond the next business cycle, theme definition is only adjusted when we see new trends emerging or losing strength. Having defined the themes, we ensure that the companies that make up each theme will be exposed to the drivers of the theme in as pure a fashion as possible. In order to achieve this objective, our PMs evaluate candidate companies they have identified from a wide variety of sources from a revenue perspective. In order to qualify for inclusion in each theme, companies must meet one of the following revenue criteria:

- Pure Plays – Minimum 50% Revenue from the relevant theme

- Market Leaders – Minimum 10% of revenues from the theme and a market leader in the sector

It invests in both Developed and Emerging Market securities.

Vehicles available include separately managed accounts and a UCITS fund.

1f What is this fund trying to achieve through taking into account ESG criteria?

• For instance, financing a specific sector, reducing risks, support better CSR practices, develop new value creation opportunities, other objectives.

• If part of the fund(s) assets is invested in unlisted organisations with high social, community or impact investing relevance, please specify.

This fund, as well of course as seeking to provide satisfactory financial returns, is seeking to achieve a number of environmental and social objectives. The fund invests in companies that are providing solutions in one or more of four categories: increasing supply, decreasing demand and waste, improving and testing quality, and building and fixing infrastructure.

Companies in our agribusiness fund provide products, technologies and services designed to:

1. Meet the world's increased demand for food
2. Use inputs more efficiently
3. Improve access to food

Environmental

- Products and technologies that facilitate the more efficient integration and implementation of inputs
- Products and technologies that minimise pollution from runoff
- Irrigation products that use water more efficiently
- Technologies that facilitate adaptation to climate change to grow crops on marginal land.

Social

- Technologies for increasing crop yields to provide food for a growing population
- Infrastructure to store and transport produce, thus facilitating increased access to food
- Infrastructure, technology and services assuring food quality
- Produce designed to improve nutrition

Section 2. Approach to ESG Evaluation of Companies

2a What fundamental principles underlie the ESG research methodology?

Describe the principles, standards or norms on which the ESG analysis is based for each of the environmental, social/societal and governance dimensions. Include brief comments about how stakeholders are consulted, as appropriate.

We do not believe that ESG investing is a static process. In contrast, it constantly evolves to take account of changing investor preferences, and societal norms. We are continuously striving to enhance our ESG policies, practices and products and we expect change to continue to be a constant feature of ESG investing in the years ahead.

In general, ESG can be incorporated into the investment process in three ways. *Screening* involves excluding stocks that 'fail' ESG criteria. A *Thematic* ESG approach means investing in certain industries or sectors that have strong ESG credentials throughout the sector. *Integration* is where ESG information about a company is directly built into the investment process. Our Agribusiness fund uses all three ESG investment methods, and so our ESG research process is an absolutely integral part of the investment process.

Our fundamental belief/principle is that companies with good governance and whose products and services enhance social or environmental goals are likely to materially outperform. This directly benefits investors while also producing gains for society and the environment.

When conducting ESG research, at the highest level we are seeking to answer the questions below.

Governance: does the board of the company sufficiently represent the interests of shareholders, particularly minority shareholders? If not, can it be changed?

Environmental and Social: do the company's products enhance society's environmental and/or social/sustainable goals?

These are of course broad principles, and each question can be and is broken down into more elements, but these are the fundamental principles that underlie our ESG research. We invest in a small number of companies, which we know very well. We therefore form our own assessment of the ESG credentials of the companies in which we invest. That assessment uses inputs from a variety of sources, such as external ESG research providers, but the ultimate judgement on the investee company is our own.

We do not *automatically* include or exclude any stock because it passes or fails any external entity's tests or norms, with the exception that we will not invest in any company which is involved in the production of landmines or cluster bomb munitions, and we use the services of MSCI ESG Research for that purpose.

Stakeholder consultation, given our relatively small size as investors, is generally carried out via our membership of various Responsible Investing organisations and initiatives. We are signatories to the UN Principles for Responsible Investing (since 2008), and members of organisations such as the Institutional Investors Group on Climate Change, the US Social Investment Forum, the Investor Network on Climate Risk (part of CERES), and CDP (formerly the Carbon Disclosure Project). Through our involvement in these groups, including involvement in project groups and steering committees, we liaise with civil society in various ways on many policy issues.

More detail on our approach to Responsible Investing is available at http://www.kbiglobalinvestors.com/responsible-investing/kbi-global-investors-commitment-to-responsible-investing-.1579.html

2b What internal and external resources are used to carry out this research?
Describe the general information used to carry out the ESG research: internal analysis, ESG rating agencies, other external sources of information.

We do not have a 'dedicated' ESG portfolio management team as we believe that an integrated approach is preferable to having a separate team. Our Portfolio Managers integrate ESG analysis into their overall analysis of any security, based on their in-depth knowledge of the company and, as noted above, with the help of external research inputs. Our Portfolio Managers assign an overall ESG score/rating to each stock in which they invest and to stocks which are under active consideration for inclusion in the portfolio.

Externally, we employ the services of two leading industry research companies in this area; Institutional Shareholders Services (ISS), and MSCI ESG Research.

MSCI ESG Research provides us with in-depth research, ratings and analysis of the environmental, social and governance-related business practices of all companies in which we invest or consider investing and provide an overall quantitative score for each company, taking into account all ESG factors. This research is also used to exclude companies from our portfolios where those companies are involved with certain controversial sectors. MSCI ESG Research is the leading provider of ESG ratings, worldwide, and has excellent coverage, providing a rating for every stock in the MSCI World and MSCI Emerging Market indices. It also has an extremely comprehensive database of relevant data, and a large team of specialised analysts.

This firm is also part of the Amundi Group (although we operate independently) and we have access to the considerable ESG resources of the Group.

2c Which ESG analysis criteria are used?
Indicate what the main criteria for each of the environmental, social/societal and governance dimensions are. Specify if these criteria differ according to sectors, the geographical zones, the type of company,… If appropriate, provide an example.

The firm has been a pioneer in Natural Resource Thematic Investing since 2000, investing in companies providing solutions to sustainability challenges related to the provision of food, energy, water and the mitigation and adaptation to the impacts of climate change.

Environmental factors are therefore foundational for the Agribusiness fund as are the Social factors of an increasing global population and changing world demographics. Governance is a key consideration in evaluation of company management and management structures. In addition to the thematic ESG focus which is such an important driver of the fund, we integrate ESG factors into our investment process. We use ESG 'scores' for two of the four pillars which comprise our probability model within our key proprietary valuation model.

Our Portfolio Managers use a proprietary model to calculate the likelihood of a stock price reaching their upside, or optimistic, price target, and in parallel the likelihood of the stock price reaching their downside, or pessimistic, price target.

Four factors are built into that model and two of those four are ESG factors, as below:

Environmental and Social: do the company's products enhance society's environmental and/or social/ sustainable goals?

Governance: does the board of the company sufficiently represent the interests of shareholders, particularly minority shareholders? If not, can it be changed?

As explained elsewhere in this document, each of these questions has various sub-strands, and there will be slightly different approaches taken when assessing different stocks in different sectors and (to a small extent) different geographies, but the questions above are the essence of how we carry out ESG analysis.

As an example, when looking at a company which has developed a new technology for (say) improving crop yields, we would assess whether it is truly enhancing society's environmental goals. The answer is likely to be a 'yes' if this technology is more reliable, and/or cheaper, and/or more energy efficient or has less emissions or other polluting by-products, than existing technologies. Conversely, if the technology is not particularly different to existing technologies, and offers no particular, new, benefit to society, we will give it a lower score and will therefore be less likely to invest in the stock. Or if we do invest, it will likely have a lower weight, or need to have more attractive non-ESG characteristics, than a stock which offers a genuine benefit to society.

2d What is your ESG analysis and evaluation methodology (how the investment universe is built, rating system,…)?
Describe the ESG evaluation/rating system and how it is built by explaining how the various ESG criteria are articulated. If appropriate, provide an example.

The strategy invests only in companies providing solutions in one or more of four categories: increasing supply, decreasing demand and waste, improving and testing quality, and building and fixing infrastructure.

Having defined the theme (Agribusiness), we ensure that the companies that make up that universe will be exposed to the drivers of the theme in as pure a fashion as possible. In order to achieve this objective, our PMs evaluate candidate companies they have identified from a wide variety of sources from a revenue perspective. In order to qualify for inclusion in the universe, companies must meet one of the following revenue criteria:

• Pure Plays – Minimum 50% Revenue from the relevant theme

• Market Leaders – Minimum 10% of revenues from the theme and a market leader in the sector

Our Portfolio Managers use a proprietary model to calculate the likelihood of a stock price reaching their upside, or optimistic, price target, and in parallel the likelihood of the stock price reaching their downside, or pessimistic, price target.

Four factors are built into that model and two of those four are ESG factors, as below:

Environmental and Social: do the company's products enhance society's environmental and/or social/ sustainable goals?

Governance: does the board of the company sufficiently represent the interests of shareholders, particularly minority shareholders? If not, can it be changed?

As explained elsewhere in this document, each of these questions has various sub-strands, and there will be slightly different approaches taken when assessing different stocks in different sectors and (to a small extent) different geographies, but the questions above are the essence of how we carry out ESG analysis.

Also as mentioned elsewhere in this document, in conducting our ESG analysis we use various external inputs, such as those available from our service providers MSCI ESG Research, Institutional Shareholder Services, and relevant organisations such as CDP (formerly the Carbon Disclosure Project).

As an example, when looking at a company which has developed a new technology, we would assess whether it is truly enhancing society's environmental goals. The answer is likely to be a 'yes' if this technology is more reliable, and/or cheaper, and/or more energy efficient or has less emissions or other polluting by-products, than existing technologies, provided that the company's Governance performance was also acceptable.

In making that assessment we would for example examine CDP reports to check the company's track record on carbon emissions, analyse the company's own Sustainability Report for details on all its sustainability activities, check the MSCI ESG ratings report on the company for any material issues of concern across E, S and G, as well as (most importantly) carrying out our own detailed research on all the ESG factors based on our own detailed knowledge of the company.

Conversely, if the technology is not particularly different to existing technologies, and offers no particular, new, benefit to society, we will give it a lower score and will therefore be less likely to invest in the stock. Or if we do invest, it will likely have a lower weight, or need to have more attractive non-ESG characteristics, than a stock which offers a genuine benefit to society.

2e How frequently is the ESG evaluation reviewed?

Please briefly explain the methodology update process and who is involved. If appropriate, explain if the methodology has changed in the past 12 months and the nature of the key changes.

All ESG issues, including the ESG evaluation of securities, are the responsibility of the firm's Responsible Investing Committee, which is a high-level group with representation from across the business, and with three of the firm's five executive directors, two of whom co-chair the committee. This committee meets monthly and reviews all policies at least annually. ESG is a fast-evolving field, where continuous learning is the norm, and in practice our policies are usually amended at the time of review.

In the case of the ESG evaluation of securities, the investment team is also closely involved in the review, led by the firm's Chief Investment Officer and the Head of Responsible Investing (who is part of the investment team). Specific proposals for amendments may come – at the time of the formal annual review or at any regular monthly meeting - from individual members of the Responsible Investment committee on their own initiative, or from individual investment team members who believe that the process could be improved in certain ways based on their detailed knowledge of, and involvement with, the process, or from the CIO after discussion with the investment team. In any case, the Responsible Investment Committee has final responsibility for the development of the process. Changes may be made because they are expected to improve the investment outcome per se, or because of technological, policy or other developments in civil society which require responsible investors to adapt accordingly. For example, revelations with regard to aggressive tax planning by multinational corporations, or organised attempts by some auto manufacturers to distort emissions data, could lead us to review how best to integrate data on these issues into our investment process.

Within the past 12 months there have been minor changes to the process but no significant changes.

Section 3. Fund Management

3a How do you take into account ESG criteria when defining the universe of eligible investments?

If appropriate, describe the eligibility threshold and the resulting level of selectivity.

The strategy invests only in companies providing solutions in one or more of four categories: increasing supply, decreasing demand and waste, improving and testing quality, and building and fixing infrastructure. Having defined the theme (Agribusiness), we ensure that the companies that make up that universe will be exposed to the drivers of the theme in as pure a fashion as possible. In order to achieve this objective, our PMs evaluate candidate companies they have identified from a wide variety of sources from a revenue perspective. In order to qualify for inclusion in the universe, companies must meet one of the following revenue criteria:

• Pure Plays – Minimum 50% Revenue from the relevant theme

• Market Leaders – Minimum 10% of revenues from the theme and a market leader in the sector

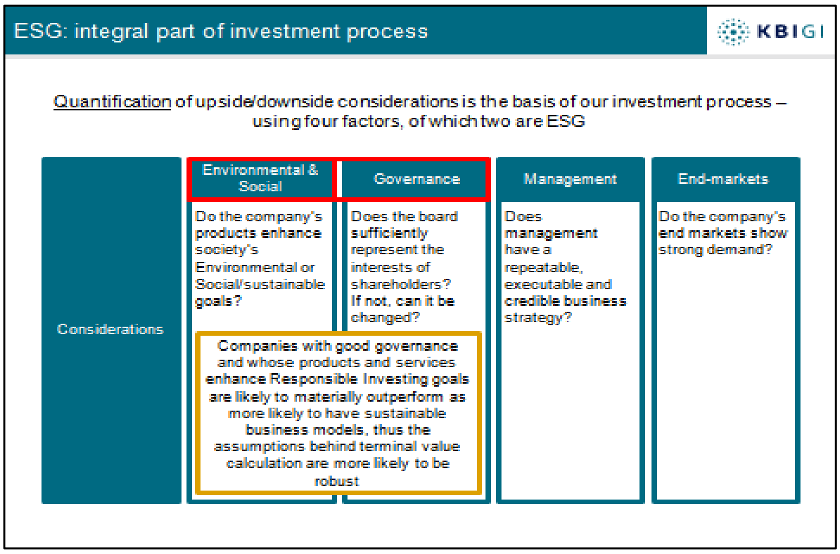
3b How do you take ESG criteria into account into the portfolio construction?
Describe how you link ESG selection with the financial analysis or with portfolio management.
More precisely, describe how the results of the analysis of each of the dimensions (E, S and G) are integrated into the investment / divestment process. If applicable, state where you provide information on divestments occurred in the past year on the basis of ESG criteria? If appropriate, explain how potential ESG weightings are defined and describe your treatment of companies that are not subjected to an ESG analysis.

Our Portfolio Managers use a proprietary model to calculate the likelihood of a stock price reaching their upside, or optimistic, price target, and in parallel the likelihood of the stock price reaching their downside, or pessimistic, price target.

Four factors are built into that model and two of those four are ESG factors, as below:

Environmental and Social: do the company's products enhance society's environmental and/or social/ sustainable goals?

Governance: does the board of the company sufficiently represent the interests of shareholders, particularly minority shareholders? If not, can it be changed?



As explained elsewhere in this document, each of these questions has various sub-strands, and there will be slightly different approaches taken when assessing different stocks in different sectors and (to some extent) different geographies, but the questions above are the essence of how we carry out ESG analysis. All stocks being considered for investment are assessed in this way (no exceptions).

It is important to note that we do not use a "screening" system within our investment process (with the exception that we exclude investments in companies that manufacture landmines or cluster bomb munitions). We operate an "integrated" ESG approach – we do not necessarily exclude investments, automatically, because they score less well under our ESG rating system. But poor-scoring investments are less likely to be included in the portfolio, and/or will need to have a particularly compelling non-ESG investment case, in order to be in the portfolio.

As an example, when looking at a company which has developed a new technology, we would assess whether it is truly enhancing society's environmental goals. The answer is likely to a 'yes' if this technology is more reliable, and/or cheaper, and/or more energy efficient or has less emissions or other polluting by-products, than existing technologies. Conversely, if the technology is not particularly different to existing technologies, and offers no particular, new, benefit to society, we will give it a lower score and will therefore be less likely to invest in the stock. Or if we do invest, it will likely have a lower weight, or need to have more attractive non-ESG characteristics, than a stock which offers a genuine benefit to society. The stock might still be selected for the portfolio if it has particularly attractive valuation characteristics, or if investing in this particular company is the only practical way to get exposure to a particular driver or investment characteristic, as could happen if other, competing, companies are unlisted for example. While our assessment of the ESG credentials of the company is very important (comprising two of the four pillars of our proprietary valuation model), ESG is not the only factor considered when making the decision to buy, or sell, a security.

A material change to our view of the ESG credentials of a company we hold may of course lead to a decision to sell the security. As an example, we sold our full holding of a food producing stock due to concerns about executive compensation. Our changed Governance assessment meant that the company was no longer attractive as an investment and we took the decision to fully divest.

3c Does (do) the fund(s) have a specific ESG engagement policy?
Please explain what you mean by engagement. Describe how you select the companies/ themes for engagement activities and the impact on the portfolio management of the fund(s). Who undertakes engagement on behalf of the fund (internal and/or service providers)?

Please see response related to engagement in question 1b.

3d Does (do) the fund(s) have a specific voting policy integrating ESG criteria?

As we have a relatively small number of strategies, and this firm has strong ESG principles that underlie our activity right across the business, we do not have a specific voting policy for this fund. The voting policy for this fund is as per the voting policy for the firm, outlined below and available at this link http://www.kbiglobalinvestors.com/responsible-investing/kbi-global-investors-proxy-voting-policy.1589.html

It is our policy to use proxy voting for all portfolios and for all votes, other than where we are not given this authority by our client, or in countries where voting is impossible or exceptionally difficult for logistical reasons. (For the last calendar quarter at the time of writing, we voted in excess of 98% of all ballots). We have taken the decision to use the services of an outsourced provider, Institutional Shareholder Services (ISS), the leading provider of proxy voting advice and administrative services, to assist us with this activity given their expertise in this area and the resources that they can devote to this issue. ISS make voting recommendations to us, based on a pre-agreed set of policy guidelines which are reviewed annually. We have adopted the "Sustainability" set of voting guidelines, developed specifically to at least meet the UNPRI principles. They have a particular focus on transparency and reporting, and we generally support shareholder initiatives insofar as they request enhanced transparency on ESG issues.

We typically follow the ISS recommendation but the final decision is ours in every case and our Proxy Voting Committee can overrule the ISS recommendation. We report quarterly, on our public website, on proxy voting activity. The report includes a summary of voting activity, such as the percentage of all votes where we voted against management, but also has full details of every ballot voted including the management recommendation, our voting rationale and our voting instruction. This report is available at this link: http://www.kbiglobalinvestors.com/_fileupload/17_Q4_Voting_Statistics.pdf

3e Does (do) the fund(s) engage in securities lending activities?

Yes

If yes,

- **(i) is a policy to recall the securities in place in order to exercise the voting rights?**
- **(ii) does the counterparty selection process integrate ESG criteria?**

- (i) Yes we have a policy which enables the recall of securities in order to exercise voting rights.
- (ii) Our counterparty criteria do not currently integrate ESG criteria.

3f Does (do) the fund(s) use derivative instruments?
If yes describe,
(i) their nature
(ii) the objective(s)
(iii) the potential limits in terms of exposure
(iv) if appropriate, their impact on the SRI quality of the fund

We do not use derivative instruments.

3g Is a share of the fund(s) invested in unlisted entities pursuing strong social goals?
If yes, please provide a brief description of the objective(s) of this investment, in no more than one or two sentences.

We do not invest in unlisted entities.

Section 4. Controls and ESG

4a What internal/external control procedures are in place to ensure the compliance of the portfolio with the ESG rules defined in section 3 of this Code?
State who is carrying out the controls, their frequency and within which timeframe the fund(s) have to comply should a breach be detected.

Internal controls:
Any stock which it is proposed to admit to the universe must first be approved by two designated members of the Responsible Investing Committee. This approval is only given after the Portfolio Manager who is requesting the inclusion of the stock has provided detailed background information explaining why the company is eligible for investment as per the fund's ESG criteria. The Responsible Investing committee reviews and ratifies all such decisions.

Portfolio Managers can only invest in stocks which have previously been added to the universe using the procedure outlined above. If a Portfolio Manager attempted to add a stock to the universe which has not been previously been approved, our Portfolio Modelling application will not allow the addition of that stock to the portfolio model, and so it cannot be purchased.

Should a breach be detected (i.e. should a security be held in the fund that should not be in it), an instruction to sell the security would be given immediately when the breach is detected and verified, but the timing of the sale of the security could vary somewhat depending on the holding size and liquidity conditions, in investors' best interests. For large-cap liquid holdings we would expect the breach to be rectified in full within a business day, while less liquid holdings could take somewhat longer to sell, in order to minimise adverse market impact.

External assurance:
KBIGI's management of conflicts and voting activities are reviewed periodically as part of the firm's Compliance Monitoring program and will be subject to review by the firm's auditors. A SOC 1 (Type 1) report is prepared annually, and this report encompasses ESG controls, including the design and implementation of the controls, which are reviewed by an Independent Service Auditor. It is also envisaged that our Responsible Investing activity, or significant parts of it, will be reviewed by Internal Audit during 2017, however at time of writing this cannot be confirmed due to our recent change of ownership which means that the Internal Audit Plan for 2017 is under review.

4b Please list all public media and documents used to inform investors about the SRI approach to the fund, and include URLs. This should include a link to the detailed, no more than 6 months old, list of holdings of the fund(s).

- **Prospectus**
  http://www.kbiglobalinvestors.com/europe-products/regulatory-information.462.html
- **(Semi-) Annual report**
  http://www.kbiglobalinvestors.com/europe-products/regulatory-information.462.html
- **Addendums**
- **KIID**
  http://www.kbiglobalinvestors.com/europe-products/regulatory-information.462.html
- **Fund Fact Sheet**
  http://www.kbiglobalinvestors.com/_fileupload/Factsheets0417/KBI%20AGRI%20EUR%20Q4%202017%20Factsheet.pdf
- **Dedicated SRI Web page(s) at company / fund level (if applicable)**
  http://www.kbiglobalinvestors.com/about-us/responsible-investing.1292.html
- **Engagement/voting policy/votes (if applicable)**
  http://www.kbiglobalinvestors.com/_fileupload/Proxy%20Voting%20Policy%20nov%202016.pdf
  http://www.kbiglobalinvestors.com/_fileupload/KBIGI%20Engagement%20Policy%20Dec%202017(1).pdf
  http://www.kbiglobalinvestors.com/_fileupload/17_Q4_Voting_Statistics.pdf
- **Link to Web page of ESG Analysis provider(s) (if applicable)**
  https://www.msci.com/research/esg-research
- **URL to the research findings that are available to investors (if appropriate)**
  http://www.kbiglobalinvestors.com/_fileupload/KBIGI%20Future%20of%20Natural%20Resources%20Exposure.pdf
- **Detailed fund holdings (no more than 6 months old)**
  KBAGR holdings as of 31/12/2017 attached
- **CSR Policy of the Company l (if applicable)**
- **Other (please list):**
  Investment Manager's Responsible Investment Activities in the Audited Financial Statements for the Qualifying Investor Fund
  http://www.kbiglobalinvestors.com/_fileupload/RegulatoryDocuments/KBI%20QIF/KBI%20QIF%20Signed%20FS.pdf

Additional

If applicable, specify what the amount of donations and the percentage of management fees that the fund gave to charities in the last year.

Not applicable.