

SFDR Article 8 Characteristics Card

(the “Characteristics Card”)

The objective of this Characteristics Card is to provide investors and shareholders of the Fund with all relevant information in accordance with the Sustainable Finance Disclosure Regulation (Regulation EU/2019/2088) article 10 and article 8 requirements in a transparent and structured manner.

HI CIFC SUSTAINABLE GLOBAL BOND FUND (the “Fund”)

1. DEFINITIONS

In this Characteristics Card the following words and phrases have the meanings set forth below:

“Environmental Objectives”: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; the protection and restoration of biodiversity and ecosystems.

“ESG” Environmental, social and governance.

“Investment Manager” Hedge Invest SGR P.A.

“Sub Investment Manager” CIFC Asset Management LLC (or “CIFC”).

“Management Company” Carne Global Fund Managers (Ireland) Limited.

“ICMA” International Capital Market Association.

“PRI” Principles for Responsible Investment.

“SFDR” the Sustainable Finance Disclosure Regulation (Regulation EU/2019/2088) as amended and as may be further amended from time to time.

“RTS” Regulatory Technical Standards under SFDR.

“Sustainability Risk” an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment.

2. BACKGROUND

The EU has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This Characteristics Card has been prepared for the purpose of meeting the specific financial product level disclosure requirements in SFDR and, specifically, the disclosure requirements applicable to the Fund promoting ESG Characteristics under Article 8 of SFDR.

Financial market participants have been advised to comply with the specific disclosure obligations in SFDR initially with a "high-level, principles-based approach" in mind.

The Fund therefore seeks to comply on a best-efforts basis with the relevant disclosure obligations and issues this Characteristics Card as a means of achieving this objective.

It is expected that this Characteristics Card will be reviewed and updated once the relevant RTS come into effect in July 2022.

3. ARTICLE 8 CLASSIFICATION

The Fund has been categorised in order to meet the provisions set out in Article 8 of Regulation (EU) 2019/2088 (“SFDR”) for products which promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, as further described below.

The Management Company, the Investment Manager and the Sub Investment Manager reserve the right to reassess this classification at any time and shall keep this classification under review pending the effective date of the RTS expected to be July 2022.

If the Management Company and the Investment Manager determine at any future point that the Fund does not meet the criteria to qualify as Article 8 Fund, this Characteristics Card shall be updated or withdrawn as appropriate, in accordance with the revised classification of the Fund.

	SFDR Level 1 Requirement Per Article 10 of SFDR	Description of Requirement	Text
1	Article 6 SFDR	The manner in which sustainability risks are integrated into their investment decisions and the results of the assessment of the likely impacts of sustainability risks on returns	<p>In managing the assets of the Fund (in particular with respect to the Fund's exposure to green bonds and SL bonds), the Sub Investment Manager takes account of any sustainability risks arising and the potential financial impact of such risks on the return of an Investment. A sustainability risk is an environmental, social or governance (“ESG”) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the Fund (sustainability risks are referred to in this document as “ESG risks”).</p> <p>The Sub Investment Manager believes that consideration of ESG risks as part of the investment process is a necessary aspect of evaluating the risk associated with the relevant security and, accordingly, the return to the Fund.</p> <p>By taking ESG risks into consideration during its investment decision making process, the intention of the Sub Investment Manager is to manage such ESG risks in a way that ESG risks do not have a material impact on the performance of the Fund over and above the general risk factors set out in the risk factors section of the Prospectus and therefore the potential impact on the return of the Fund is limited.</p> <p>In line with this approach, to the extent that the Sub Investment Manager concludes that there is an ESG risk associated with an investment which could cause an actual or a potential material negative impact on the value of the Fund, the Sub Investment</p>

			<p>Manager will assess the likelihood of that ESG risk occurring against the potential pecuniary advantage to the Fund of making the Investment.</p> <p>If the potential pecuniary advantage is assessed to outweigh the actual or potential material negative impact which could be caused by the ESG risk, then the Sub Investment Manager may still make the Investment.</p> <p>The consideration of ESG risks and any impact on the value of the Fund is part of the ongoing assessment and management of the Fund's investments carried out by the Sub Investment Manager for the full life cycle of the Fund.</p>
2	Article 10(1)(a) of SFDR	Environmental and/or social Characteristics of the financial product and information on how those Characteristics are met	<p>The Fund's investments will target at least a 30% exposure to labelled and unlabelled "green" bonds or sustainability-linked bonds ("SL bonds"), or other Debt and Debt-Related Securities that promote environmental or social characteristics (or a combination of both) as identified by the International Capital Market Association (the "ICMA "). Green bonds are any type of bond instrument, as recognised by the ICMA's green bond principles, where the proceeds or an equivalent amount will be exclusively applied to finance or re-finance new and/or existing eligible green projects, which contribute to environmental objectives such as climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation and pollution prevention and control. SL bonds are any type of bond instrument, as recognised by the ICMA's sustainability-linked bond principles, for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined sustainability or environmental, social and governance objectives. Issuers of SL bonds commit to future improvements in sustainability outcomes within a defined timeline (as set out in the bond documentation) and set KPIs that are material to the issuer's sustainability strategy and which are quantifiable on a consistent basis, are externally verifiable and are able to be benchmarked.</p> <p>The ICMA principles (for both green bonds and SL bonds) provide guidelines that recommend structuring features, disclosure and reporting with a view to driving the provision of information needed to increase capital allocation to sustainable products. Issuers should maintain readily available and up-to-date information on projects to which the bond proceeds have been allocated, as well as a brief description of those projects, the amounts allocated and their expected impact. Issuers should use qualitative performance indicators and, where feasible, quantitative performance measures and disclosure of the key underlying methodology use in any quantitative determination.</p> <p>The green bonds and SL bonds in which the Fund invests may be labelled or unlabelled. Labelled bonds are typically verified by a third party, which certifies that the bond will</p>

			fund projects that include environmental benefits or the sustainability targets of the issuer, as applicable. Unlabelled bonds are issued without such formal certification.
3	Article 10(1)(b) of SFDR	Monitoring of environmental or social Characteristics	<p>CIFC is a signatory and advocate of the United Nations Supported PRI. For reference, the Sub Investment Manager maintains other policies and documentation related to sustainability, including the CIFC Asset Management Corporate Social Responsibility Policy available at www.cifc.com. Also, for additional information on PRI please see: http://www.unpri.org/pri/about-the-pri.</p> <p>The Fund will typically target investment in labelled green and SL bonds. The Sub Investment Manager will typically rely upon third party verification that the bond will fund projects that include environmental benefits or the sustainability targets of the issuer, as applicable, and described in this disclosure.</p> <p>With respect to the rest of the Fund's portfolio, sustainability risks, as part of CIFC's broader risk management processes, certain procedures are intended to be implemented to identify, measure, manage, and monitor sustainability risks. These processes include, but are not limited to: (i) the review of sustainability risks provided by a third party (such as RepRisk) that are potentially likely to cause a material negative impact on the value of our clients' investments, should such risks occur; (ii) the measurement of such risks by a third party (such as RepRisk) by considering the likelihood of events contemplated by certain risks occurring and the potential severity of impact to the value of the Fund's clients' investments should events contemplated by such risks occur; (iii) the integration of sustainability risks into overall risk management processes and the recognition that sustainability risks are, as a group, one of many potential risks that may, depending on the specific investment opportunity, be relevant to a determination of risk; and (iv) the periodic monitoring of existing client portfolios and taking corrective action where necessary and appropriate.</p>
		Methodologies	
		Data sources and processing	