

## Website disclosures: **Tabula EUR Ultrashort IG Bond Paris-Aligned Climate UCITS ETF**

<b>SFDR Classification</b>	Article 9
<b>Reference benchmark</b>	Solactive ISS Paris-Aligned Select 0-1 Year Euro Corporate IG Index.

### a) Summary

<b>No significant harm to the sustainable investment objective</b>	<p>The reference benchmark excludes issuers deemed in violation of social norms (e.g. the UN Global Compact), involved with controversial weapons, fossil fuels (revenue thresholds) or tobacco or causing significant environmental harm. The Investment Manager replicates the reference benchmark as far as possible and practical and also ensures that the same exclusions are applied to the actual holdings of the Sub-Fund.</p> <p><b>This Sub-Fund considers Principal Adverse Impacts (PAIs) on sustainability factors.</b></p>	
<b>Sustainable investment objective of the financial product</b>	<p>The Sub-Fund aims to reduce carbon emissions in Euro ultrashort investment grade bond allocations in alignment with the Paris Agreement. It achieves this by tracking the performance of the reference benchmark, which meets the criteria for an EU Paris-aligned Benchmark (PAB)</p>	
<b>Investment strategy</b>	<p>The Sub-Fund invests in a portfolio of fixed income securities that reflects the composition of the reference benchmark as far as practicable. The Sub-Fund may use optimisation techniques to select securities but intends to invest only in bonds that allow the portfolio to meet the sustainability and ESG-related selection criteria described in the reference benchmark methodology. In addition, the Investment Manager performs monthly checks to ensure that the Sub-Fund is maintaining its commitment to a 90% allocation to sustainable investments. The Sub-Fund may also hold a small percentage of government or government-related bonds and cash for the purpose of efficient cash management.</p>	
<b>Proportion of investments</b>	Minimum share of sustainable investments with an environmental objective	90%
	Minimum share of sustainable investments with an environmental objective <i>not</i> aligned with EU Taxonomy	90%
	Minimum share of sustainable investments with an environmental objective aligned with the EU Taxonomy	0%
<b>Monitoring of sustainable investment objective</b>	<p>The reference benchmark is rebalanced monthly to ensure alignment with its objective. The Investment Manager also checks on a monthly basis that the Sub-Fund is meeting its targets for GHG emissions (50% lower than the broad Euro investment grade bond market and a 7% year-on-year reduction) and that any issuers excluded from the reference benchmark are also excluded from the Sub-Fund.</p>	
<b>Methodologies</b>	<p>The Sub-Fund tracks a reference benchmark designed specifically to attain the sustainable investment objective. The reference benchmark methodology is available at <a href="http://www.tabulaim.com">www.tabulaim.com</a>.</p>	
<b>Data sources and processing</b>	<p>The reference benchmark administrator uses data sourced from ISS ESG. The Investment Manager uses additional data from MSCI ESG Research to perform additional checks, including monitoring some PAIs.</p>	
<b>Limitations to methodologies and data</b>	<p>The Sub-Fund is designed to track the performance of the reference benchmark. As such, it relies on the ESG and climate data provided to the benchmark administrator (Solactive), and the accuracy of the administrator in applying the reference benchmark methodology. Estimates may be used in the calculation of the reference benchmark.</p>	
<b>Due diligence</b>	<p>The Investment Manager has conducted due diligence on ISS ESG, which was selected by the benchmark administrator as the data provider for the reference benchmark, and on MSCI ESG Research, which is an additional data provider for the Investment Manager.</p>	
<b>Engagement policies</b>	<p>The Investment Manager actively participates in collaborative engagement on climate via the IIGCC and Climate Action 100+.</p>	
<b>Attainment of the sustainable investment objective</b>	<p>The Investment Manager checks on a monthly basis that the Sub-Fund is meeting its GHG emissions targets, exclusions and minimum allocation of 90% to sustainable investments. Monthly data on GHG emissions, plus annual periodic reports as required under SFDR, will be published at <a href="http://www.tabulaim.com">www.tabulaim.com</a>.</p>	

## b) No significant harm to the sustainable investment objective

The Sub-Fund incorporates a range of measures designed to ensure that it excludes issuers causing significant harm to any environmental or social sustainable investment objective:

**GHG emissions (Principal Adverse Impact #1):** reduces the weighted average GHG emissions of the Sub-Fund by 50 % relative to the parent index, and by 7% per annum

**Exposure to companies active in the fossil fuel sector (Principal Adverse Impact #4):** excludes issuers with revenues from oil, gas, coal and energy intensive electricity above the thresholds specified in the PAB rules.

**Violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises (Principal Adverse Impact #10):** excludes issuers verified as failing to respect established norms such as the UN Global Compact (UNGC) principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.

**Significant environmental harm:** excludes issuers deemed to have significant negative impact on any of UN Sustainable Development Goals 12-15 (Responsible Consumption & Production, Climate Action, Life below Water, Life on Land).

**Exposure to controversial weapons (Principal Adverse Impact #14):** excludes issuers with alleged or verified involvement in controversial weapons, including chemical weapons, biological weapons, nuclear weapons, depleted uranium, cluster munitions and anti-personnel mines.

**Exposure to additional harmful business activities:** excludes issuers involved with adult entertainment, alcohol, recreational cannabis, civilian firearms, conventional weapons, gambling, nuclear weapons, thermal coal or tobacco, subject to certain revenue thresholds.

Note that these measures are built into the methodology of the reference benchmark and applied using data provided by ISS ESG. Please refer to the reference benchmark methodology for more information. The Investment Manager takes them into account by a) replicating the reference benchmark as far as possible and practical and b) ensuring that the same constraints are applied to the actual holdings of the Sub-Fund.

This Sub-Fund considers the Principle Adverse Indicators (PAIs), including the 14 mandatory PAIs plus one optional climate-related PAI (Investments in companies without carbon emission reduction initiatives). The measures above show how some PAIs are formally considered in the investment process. The remaining PAIs are not incorporated in the index methodology and therefore cannot be considered in the day-to-day investment process. However, the Investment Manager monitors these PAIs on a quarterly basis using MSCI data. It also considers these PAIs in annual reviews with index providers, to assess whether the quality and availability of data is sufficient to incorporate them into the reference benchmark methodology. Disclosures pursuant to Article 11(2) of Regulation (EU) 2019/2088 will be published at [www.tabulaim.com](http://www.tabulaim.com).

## b) Sustainable investment objective of the financial product

The sustainable investment objective of the Sub-Fund is to reduce carbon emissions in Euro investment grade bond allocations in alignment with the Paris Agreement. It achieves this by tracking the performance of the **Solactive ISS Paris-Aligned Select 0-1 Year Euro Corporate IG Index**. This is a reference benchmark meeting the criteria for an EU Paris-aligned Benchmark (PAB) described in regulation (EU) 2020/1818. The methodology for the reference benchmark is available at [www.tabulaim.com](http://www.tabulaim.com).

Bonds are selected and weighted so as to deliver a portfolio with 50% lower GHG emissions than the broad Euro investment grade market and a 7% year-on-year reduction in GHG emissions.

## c) Investment strategy

The Sub-Fund invests in a portfolio of fixed income securities that reflects the composition of the reference benchmark as far as practicable.

The reference benchmark is designed to provide diversified exposure to EUR-denominated ultrashort investment grade bonds, with reduced carbon emissions relative to the broad Euro ultrashort investment grade universe. It targets 50% lower GHG emissions than the Euro ultrashort investment grade market (as represented by Solactive 0-1 Year Euro Corporate IG Index) and reduces its GHG emissions by 7% per annum. It excludes issuers in violation of social norms (e.g. the UN Global Compact), involved with controversial weapons, fossil fuels (revenue thresholds) or tobacco or causing significant environmental harm.

The Sub-Fund may use optimisation techniques to select securities. However, it is intended that the Sub-Fund will only invest in bonds of issuers that meet the sustainability and ESG-related selection criteria described in the reference benchmark methodology.

In addition, the Investment Manager performs monthly checks to ensure that the Sub-Fund is maintaining its commitment to a 90% allocation to sustainable investments.

The Sub-Fund may also hold a small percentage of government or government-related bonds and cash for the purpose of efficient cash management.

## d) Proportion of investments

The Sub-Fund aims to track a Paris-aligned Benchmark (PAB) and is therefore deemed to be making sustainable investments. The Sub-Fund will allocate a minimum of 90% of assets to a portfolio of bonds that replicates the reference benchmark as far as possible and practical, allowing up to 10% of assets to be used for liquidity or hedging purposes, where necessary

Alignment with the EU Taxonomy is not currently in the criteria for PABs and is not incorporated in the reference benchmark methodology. As a result, to ensure that the fund closely tracks the reference benchmark, the Investment Manager cannot currently commit to a specific minimum percentage alignment with the EU Taxonomy.

The asset allocation is summarised as follows:

Minimum share of sustainable investments with an environmental objective	<b>90%</b>
Minimum share of sustainable investments with an environmental objective <i>not</i> aligned with EU Taxonomy	<b>90%</b>
Minimum share of sustainable investments with an environmental objective aligned with the EU Taxonomy	<b>0%</b>
Minimum share of investments in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy	<b>0%</b>
Minimum share of investments in transitional and enabling activities	<b>0%</b>
Are derivatives or other indirect exposures used to attain the sustainable investment objective?	<b>No</b>
Minimum share of sustainable investments with a social objective	<b>0%</b>

The Sub-Fund may hold government and government-related bonds and a small Cash Component for the purposes of liquidity and efficient portfolio management. It may also invest in FX forwards for currency hedging purposes. No minimum environmental or social safeguards are applied to these assets.

### e) Monitoring of sustainable investment objective

The reference benchmark is rebalanced monthly by its benchmark administrator (Solactive). At each rebalance, bonds are selected and weighted so as to meet the GHG reduction targets and additional ESG criteria described above, using ESG and climate data from ISS ESG as of three days prior to rebalance.

The Investment Manager also checks on a monthly basis that the Sub-Fund is meeting its targets for GHG emissions (50% lower than the broad Euro investment grade market and a 7% year-on-year reduction) and that any issuers excluded from the reference benchmark are also excluded from the Sub-Fund.

Data relating to the GHG emissions of both the reference benchmark and the Sub-Fund is published monthly at [www.tabulaim.com](http://www.tabulaim.com)

In addition, the Investment Manager checks on a monthly basis that the Sub-Fund is maintaining a minimum allocation of 70% to sustainable investments.

### f) Methodologies

The Sub-Fund tracks a reference benchmark designed specifically to attain the sustainable investment objective. The reference benchmark is administered by Solactive and the methodology is available at [www.tabulaim.com](http://www.tabulaim.com).

### g) Data sources and processing

The reference benchmark uses ESG and climate data provided by ISS ESG. The Investment Manager also uses ISS ESG and MSCI data to perform additional checks, as follows:

- Ensuring that the actual holdings of the Sub-Fund meet the Sub-Funds sustainable investment objective, including GHG reduction targets and exclusions
- Monitoring the PAIs

### h) Limitations to methodologies and data

#### Reference benchmark

The Sub-Fund is designed to track the performance of the reference benchmark. As such, it relies on the ESG and climate data provided to the benchmark administrator (Solactive), and the accuracy of the administrator in applying the reference benchmark methodology.

Estimates may be used in the calculation of the reference benchmark. In particular, GHG emissions, where not reported, may be estimated. Further information is available in the reference benchmark methodology, available at [www.tabulaim.com](http://www.tabulaim.com).

### i) Due diligence

The Investment Manager has conducted due diligence on ISS ESG, which was selected by the benchmark administrator as the data provider for the reference benchmark, and on MSCI ESG Research, which was selected by the Investment Manager as an additional data provider. Factors considered included the following:

- Availability of data for the Sub-Fund's investment universe (note that coverage of fixed income issuers is typically poorer than for equity issuers)

- Detailed review of metrics required under SFDR, including the PAIs and EU Taxonomy Alignment
- Data sourcing and calculations, including estimation methodologies for GHG emissions

The Investment Manager endeavours to review its benchmark administrators and data providers on a regular basis and engages where necessary to improve both the quality of benchmarks and the metrics used to calculate those benchmarks.

## **j) Engagement policies**

Engagement is not formally part of the Sub-Fund's sustainable investment objective. However, the Investment Manager does engage on climate via its membership of the Institutional Investors Group on Climate Change and Climate Action 100+. Tabula is actively involved with collaborative engagements via both these organisations and aims to further the objectives of both the Paris Agreement and the Task Force on Climate-Related Financial Disclosures. Engagement targets can include both investee companies and companies that are in the broader investment universe but currently excluded from the Sub-Fund.

## **k) Attainment of the sustainable investment objective**

The Investment Manager checks on a monthly basis that the Sub-Fund is meeting its targets for GHG emissions (50% lower than the broad Euro investment grade market and a 7% year-on-year reduction) and that any issuers excluded from the reference benchmark are also excluded from the Sub-Fund. In addition, the Investment Manager checks on a monthly basis that the Sub-Fund is maintaining a minimum allocation of 90% to sustainable investments.

Monthly data on GHG emissions, plus annual periodic reports, as required under SFDR, will be published at [www.tabulaim.com](http://www.tabulaim.com).