

Thornburg Global Investment plc

Integration of Sustainability Risks

Objective and Scope

This Sustainable Risk Policy (the “Policy”) provides an overview of the approach to sustainability risks taken by Thornburg Global Investment Plc (the “Company”) in respect of each sub-fund of the Company (each a “Sub-Fund” and together the “Sub-Funds”).

A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment (“Sustainability Risk”).

The Company has delegated the day-to-day investment decision making for each Fund to Thornburg Investment Management, Inc. (the “Investment Manager”) and accordingly relies on the Investment Manager to consider how to integrate sustainability risks as appropriate into the investment process for each Sub-Fund.

Approach to Sustainability Risk Integration

Following the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended from time to time (“SFDR”), the Company classifies its Sub-Funds in accordance with SFDR, and further discloses (a) the manner in which Sustainability Risks are integrated into investment decisions; and (b) the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Sub-Funds.

Sustainability Risks are integrated into investment decisions with respect to each Sub-Fund irrespective of the classification of the Sub-Fund under the SFDR.

The Company has classified the following Sub-Funds as Article 8 financial product pursuant to the SFDR:

- Thornburg International Equity Fund;
- Thornburg Global Opportunities Fund;
- Thornburg Equity Income Builder Fund;
- Thornburg Global Growth Equity Fund;
- Thornburg Limited Term Income Fund;
- Thornburg Strategic Income Fund (each an “Article 8 Sub-Fund” and together the “Article 8 Sub-Funds”).

The Investment Manager believes that consideration of these factors can provide an important input into its investment process, and it therefore takes into account both qualitative and quantitative material Sustainability Risks as a part of its research process. The Investment Manager’s bottom-up investment approach includes proprietary investment research, which is supplemented with public information, third party research, and third party environmental, social, and governance (“ESG”) data and reports. The Investment Manager sources Sustainability Risk, governance information and data from in-house analysis, direct engagement and interaction with companies and other issuers, and from third parties.

While it is expected that each of the Sub-Funds may be exposed to a various range of Sustainability Risks resulting from each of their individual investment strategy and exposures to specific sectors, issuers or asset classes, it is not anticipated that the Sustainability Risks to which each Sub-Fund are exposed would cause a material impact on their respective returns, given the level of diversification of the Sub-Funds and the Investment Manager’s active consideration of Sustainability Risks in its investment process, as described above. However, if significant Sustainability Risks do arise for each Fund, notwithstanding the efforts of the Investment Manager this could cause an actual or potential material negative impact on the value of an investment.

Article 8 Sub-Funds

Each of the Article 8 Sub-Funds do not have an objective of making sustainable investments, but do promote some characteristics including, among others, environmental or social characteristics, or a combination of those characteristics. The Article 8 Sub-Funds accomplish this through a combination of binding elements such as exclusions, and the use of ESG data from third party data sets to inform investment decisions.

Unless otherwise indicated in the relevant Supplement for a Fund, investments underlying a particular Article 8 Sub-Fund do not take into account the European criteria for environmentally sustainable economic activities.

To assess good governance practices, the Investment Manager uses an exclusion list of issuers that violate principles of the United Nations Global Compact.

Each Article 8 Sub-Fund does not have a sustainable investment objective and does not seek alignment with the EU Taxonomy in relation to the “do no significant harm” principles. The Article 8 Sub-Funds may have investments that are not aligned with environmental and/or social characteristics, and there could be instances where the Investment Manager is unable to assess whether target companies follow good governance practices.

Further details of the Investment Manager’s Sustainable Risk Policy and related investment approach, including further details on how each of the Article 8 Sub-Funds are managed in accordance with SFDR, can be found at <https://www.thornburg.com/investments/ucits-funds/>.