



■ ■ RÉPUBLIQUE FRANÇAISE

# GLOBAL RESPONSIBLE HIGH YIELD FUND

Responsible Investing for a Sustainable Future

## 2024 Q3 Impact Report

**SKY HARBOR**  
GLOBAL FUNDS  
*Responsible Investing for a Sustainable Future*

September 30, 2024

By accepting this presentation, you agree the information herein is: (i) proprietary to SKY Harbor; (ii) not to be used for any purpose other than for educational and marketing purposes; (iii) not an offer or solicitation to buy or sell securities; and (iv) subject to important disclosures and disclaimers contained throughout this presentation. Please refer to the prospectus and KIID of SKY Harbor Global Funds (see [www.skyharborglobalfunds.com](http://www.skyharborglobalfunds.com)) before making any final investment decisions.

Marketing Communications

Our socially responsible investment strategies seek to deliver **attractive financial returns** while encouraging issuers to **embrace Corporate Sustainability** that contribute to the **UN Sustainable Development Goals**



*“Corporate Sustainability is a company’s delivery of long-term value in financial, environmental, social and ethical terms.”*

*UN Global Compact*

While there are no assurances that investment objectives can be achieved, we believe Corporate Sustainability positions companies for enhanced resiliency and access to capital, leading to a lower propensity to default.

# THE EXTRA-FINANCIAL OBJECTIVE

We believe the integration of ESG risk mitigation and the identification of key characteristics that define well-conceived corporate sustainability strategies enhances our ability to meet our funds' financial objectives. ESG risk mitigation, however, does not guarantee optimal asset allocation. See "Important Disclosure and Disclaimers" in this presentation for additional information.

Our actively managed responsible investment strategies share an extra-financial objective to encourage issuers of below investment grade debt to embrace Corporate Sustainability, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises, and contribute to Sustainable Development through business activity that increasingly aligns with one or more of the 17 UN Sustainable Development Goals.

Over time, our actively managed strategies are expected to generally have heavier weighting for issuers with more positive E, S, G and HR<sup>rts</sup> metrics and momentum towards corporate sustainability. We intend to monitor such progress according to each of these four dimensions using specific Impact Indicators:

Environment: Direct and Indirect GHG emissions (Scope 1 & 2)

Social: Safety & Wellness Factor

Governance: Chief Sustainability Officer or Committee

Human Rights: CSR HR<sup>rts</sup> \*

\*Covering the three themes of governance & policies, due diligence, and remediation & grievance mechanisms

# CORPORATE SUSTAINABILITY BREADTH AND DEPTH INCREASING MODESTLY NOW THAT PENETRATION RATES ARE HIGHER

Based on our tracking of key E,S,G and HR<sup>rt</sup>s factors in our proprietary value rubric, we see some concepts more fully penetrated, but progress seems to have paused.

Category	High Yield Companies	% of Issuer Universe	Year-over-Year Growth	Commentary
G	Issuing a sustainability report and/or commentary	69%	1%	At ~70% and little growth seems like this is about the penetration rate across the universe given the roughly one-third of companies that are private at any given time
G	Integrating reporting standards (e.g. GRI, SASB)	57%	+8%	HY management is getting the message that standardized transparency is important for investors
G	Chief Sustainability Officer (or Board Ownership)	61%	+3%	Growth rate stalling at sustainability is generally integrated into the Board level and dedicated in some management teams
G	C-suite compensation tied to ESG or sustainability	22%	+5%	Big growth rate y/y, while uptake is increasing across the universe
E	Net Zero commitment	28%	+5%	Still low penetration, but an advanced topic that is growing. Given the low penetration, we saw even less with science based target pathways, but expect that will be a developing concept over the next several years.
E	Water Handling	60%	+12%	One of the higher growth rates along with waste handling where companies seem to still focus on improving environmental factors which are less controversial
S	DEI Policies and Strategies	70%	+2%	Seems penetrated as topics surrounding DEI have largely leveled out with little growth. Those companies that saw workforce benefits seem to have maintained programs.
HR	Human Rights Policies and Policies to Audit	68% 54%	+12% +23%	Largest growth rates amongst factors tracked as companies seem to have improved formalization of addressing human rights within policies and implement supply chain audits more frequently

Most factors showed modest or limited growth as the legal, regulatory and political climate surrounding ESG in the US has become more divisive and problematic for companies to navigate.

4 SKY Harbor proprietary Value Rubric scoring comparing number of issuers in the ICE BofA US HY Index ("H0A0") on May 15, 2023, and October 10, 2024, meeting described criteria. Not a complete list.

# ENGAGEMENT TRACKER

## Direct engagements

Engagement with companies to better understand risks and drive improvement on ESG behaviors

Topics: tailored to company's progress

Objective: engage with 35-50 companies annually

Trailing 12-month direct: 41

Primary Topic	4Q2023	1Q2024	2Q2024	3Q2024
Environmental	11	2	2	10
Social	4	2	1	14
Governance	4	2	2	9
Human Rights	2	4	0	9
<b>Impact Indicators</b>				
Environmental	10	1	2	8
Social	1	0	1	13
Governance	2	1	1	6
Human Rights	2	3	0	9
<b>Total Engagements</b>	15	5	2	20
Direct	14	5	2	20
Collective	1	0	0	0

## Collective engagements



Preparation for Q4 collective engagement

The goals remain to acquire more information AND to raise the bar by advocating for advancements in the respective categories.

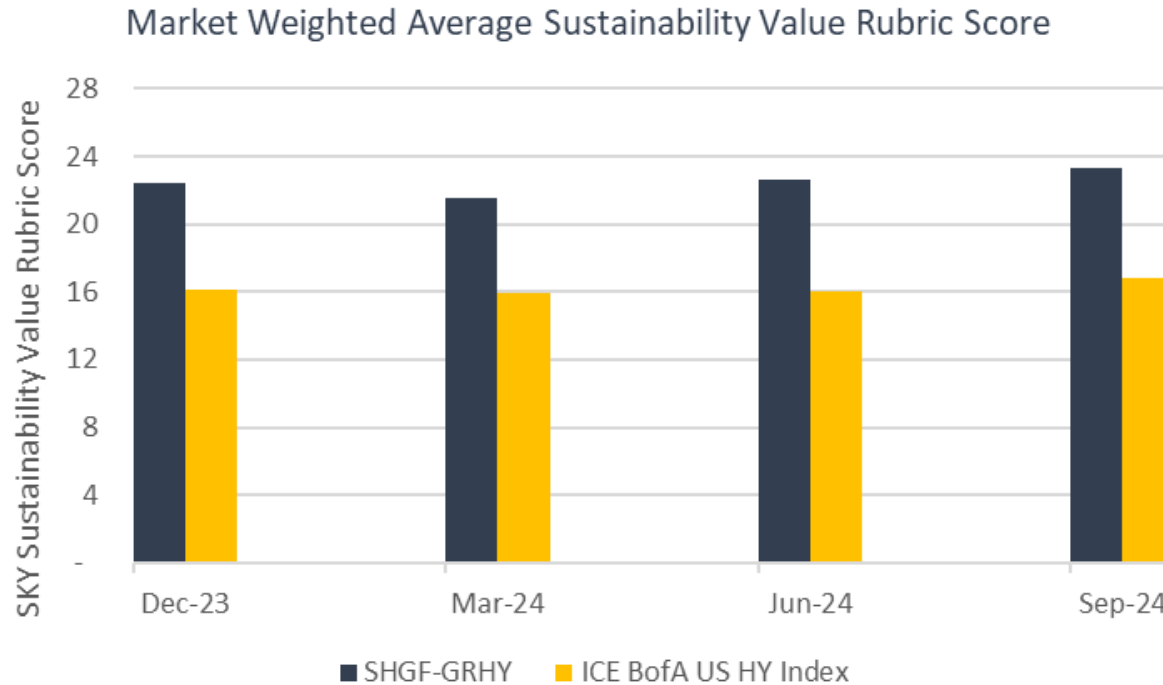
## **Q3 spotlight**

For the first time in a long time, several companies engaged cited regulatory/legal as reasons for a pause in the program. More specifically, we started hearing that companies were waiting further updates on the proposed SEC climate-change rules before moving forward or making changes in environmental programs or carbon reduction targets. Somewhat offsetting that was an acknowledgement of the need to move forward to meet California regulations with branches or business specific to California. Unfortunately, this foots with our latest rubric update where we saw considerably less growth in years past as the regulatory and legal environment for ESG in the United States has shifted considerably.

Source: SKY Harbor. For illustrative purposes only and not a recommendation or

6 offer to buy or sell; not a complete sample

# SUSTAINABILITY SCORE COMPARISON TO THE INVESTABLE UNIVERSE\*

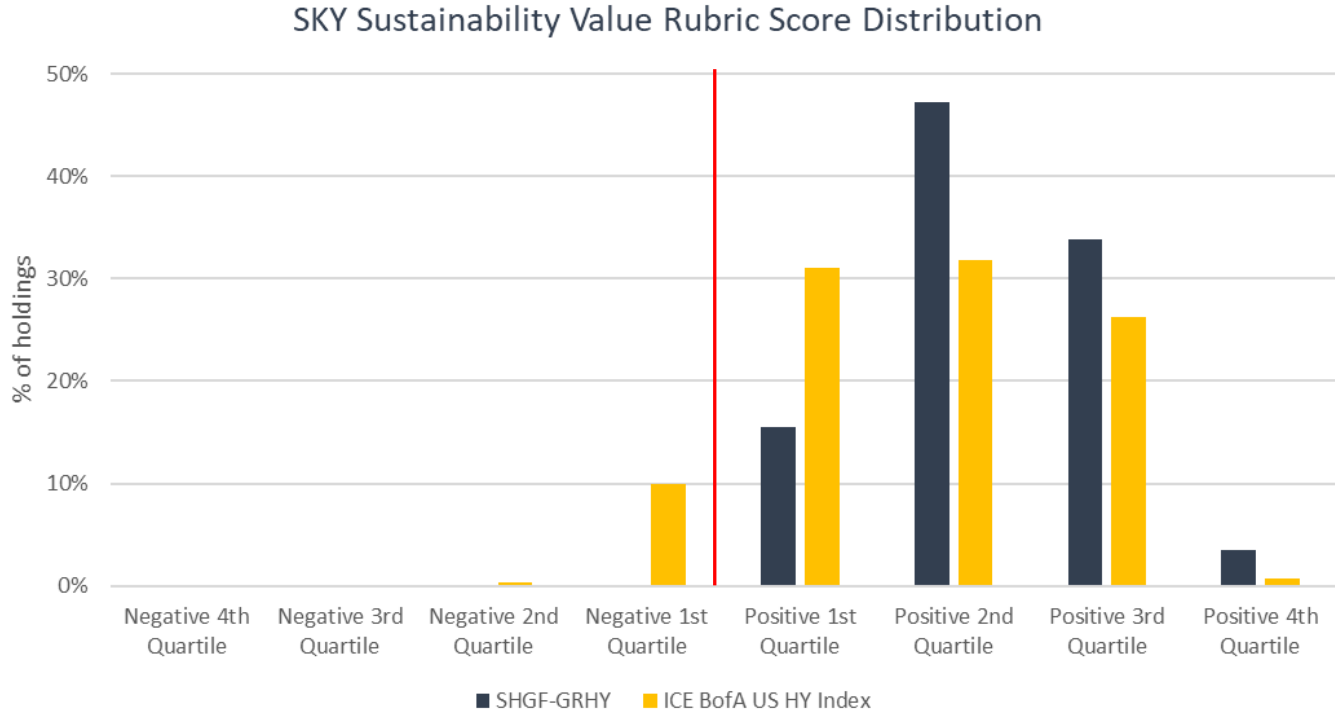


The Fund is benchmarked to the ICE BofA Global High Yield Index. Comparative data is the ICE BofA US High Yield Index

SKY Harbor, ICE BofA, as of September 30, 2024

\* As defined in the SHGF prospectus, the Investable Universe means the High Yield debt securities comprising the ICE BofA US High Yield Index  
"SHGF – GRHY" represents the SKY Harbor Global Funds – Global Responsible High Yield Fund

# SKY HARBOR SUSTAINABILITY FACTOR SCORECARD



Comparative data is the ICE BofA US High Yield Index  
SKY Harbor, ICE BofA, as of September 30, 2024



# LONG TERM ENGAGEMENT ACTIONS TO CONTINUALLY IMPROVE OUR INDICATOR SCORES

## Direct and Indirect GHG Emissions (Scope 1 & 2)

E

- Target companies with SBT and Paris Agreement alignment goals
- Advocate for companies to disclose carbon reduction targets
- Penalize companies failing to address high transition risk

## Chief Sustainability Officer or Committee

G

- Target companies with management teams dedicated to sustainability
- Advocate for companies to create C-level position to integrate sustainability across the business

## Safety & Wellness Factor

S

- Target companies with dedicated focus on safety and wellness and improving incident rates
- Advocate for companies to disclose incident rates and remediation actions

## CSR HR<sup>rts</sup>

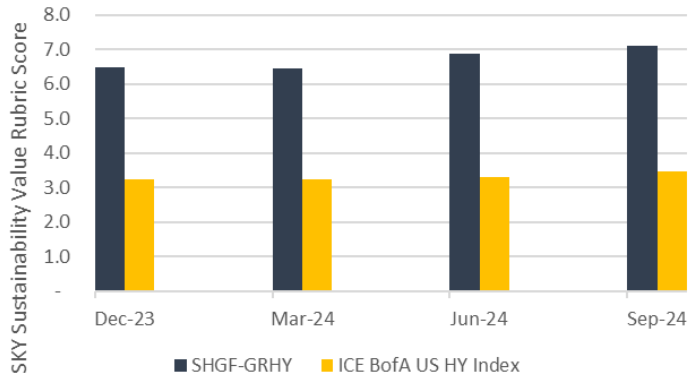
HR<sup>rts</sup>

- Target companies implementing the UN “Protect, Respect & Remedy” Framework set forth in Guiding Principles on Business and Human Rights
- Target companies with CSRs that highlight regular and consistent engagement across all stakeholders
- Target companies with robust code of conduct and employee relation policies
- Advocate for companies to join the UN Global Compact as an affirmation of dedication to human rights

# E, S, G AND HR OVERALL EVOLUTIONS OF THE FUND

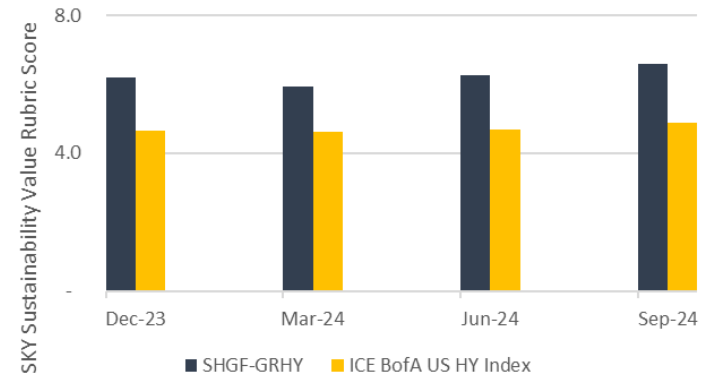
E

Environmental Sustainability Value Rubric Score



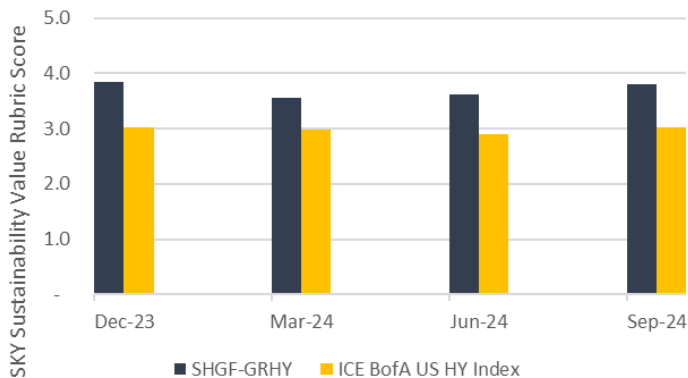
S

Social Sustainability Value Rubric Score



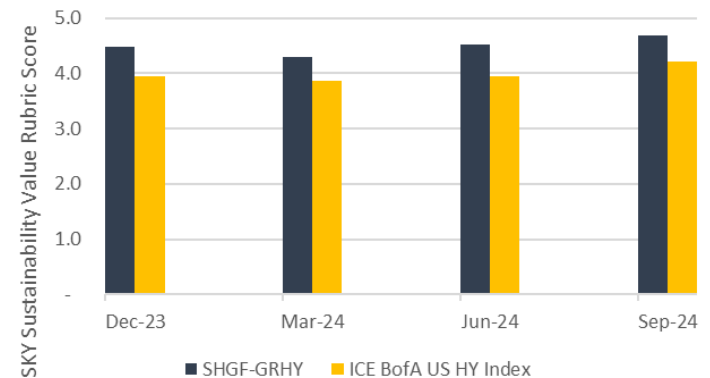
G

Governance Sustainability Value Rubric Score



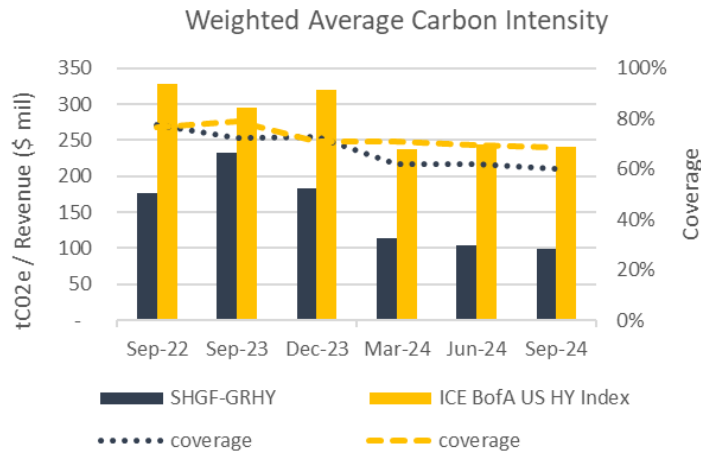
HR<sup>r</sup>ts

Human Rights Sustainability Value Rubric Score

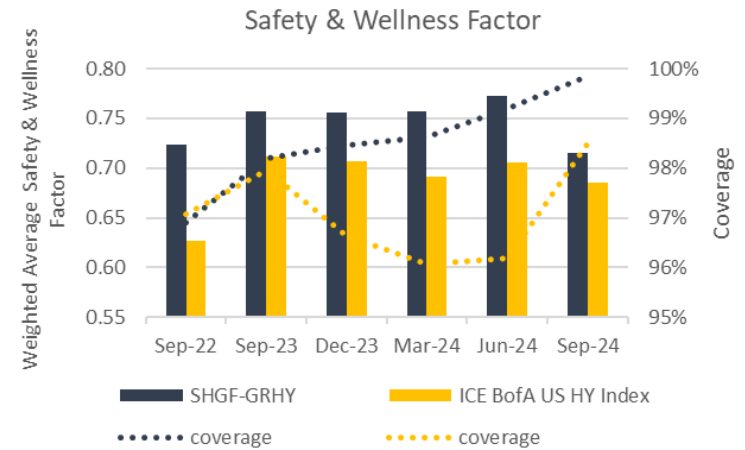


# KEY E,S,G, HR INDICATOR EVOLUTIONS

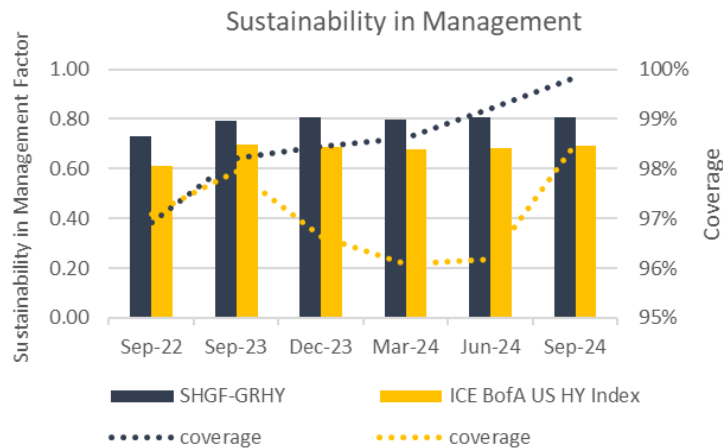
## E



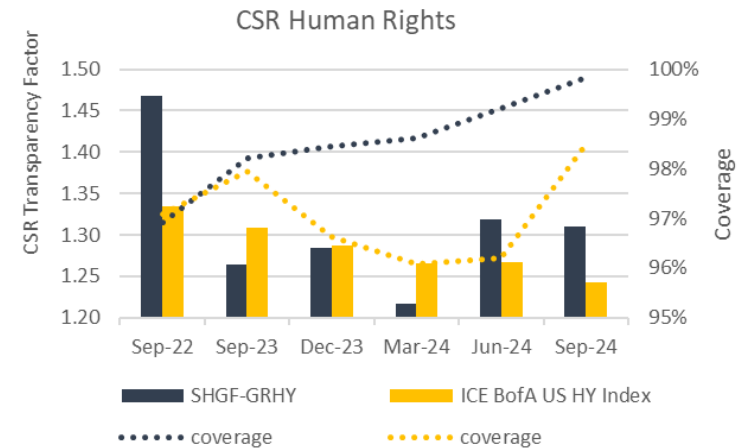
## S



## G



## HRrts



# KEY COMPLIANCE AND AVOIDANCE HIGHLIGHTS

**Goal: Exclude >20% of the Investment Universe through negative screening and minimum ESG scores**

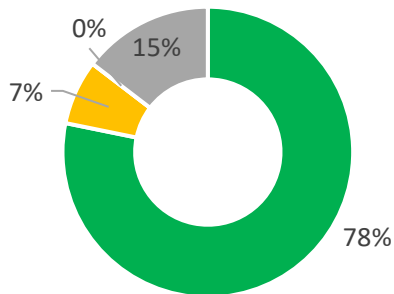
Exclusionary Screen	Market Weight (%)
Negative screening exclusions	17.69
Countries excluded (but not negatively screened and not below eligibility threshold)	1.31
ESG scores below eligibility threshold but not negatively screened and not an excluded country	3.37
<b>Total Investment Universe Exclusion</b>	<b>22.36</b>

**Goal: Avoid high-risk controversies**

**Goal: Own green/sustainable linked bonds when appropriate**

## ISS-ESG Norms-Based Controversy Portfolio Screening\*

No new controversies observed



### GREEN

- 1 No Allegation
- 2 Past Involvement
- 3 Involvement Beyond Scope
- 4 Undergoing Remediation
- 5 Under Observation

### AMBER

- 6 Fragmentary Information
- 7 Verified Failure to Respect Established Norms, Undergoing Remediation
- 8 Alleged Failure to Respect Established Norms
- 9 Imminent Failure to Respect Established Norms

### RED

- 10 Verified Failure to Respect Established Norms

### GREY

Not covered

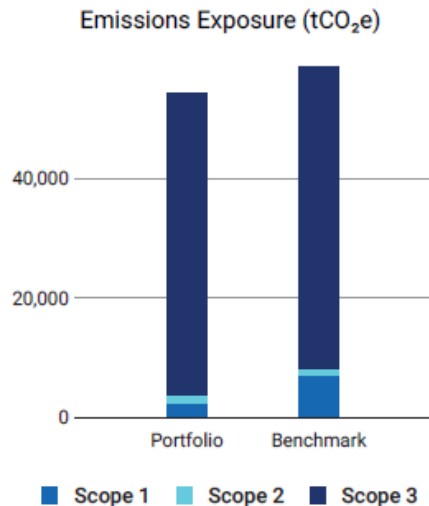
SKY Harbor retains ISS ESG to help screen for norms-based violations and performs the analysis internally

Comparative data is the ICE BofA US High Yield Index  
SKY Harbor, ICE BofA, ISS ESG as of September 30, 2024

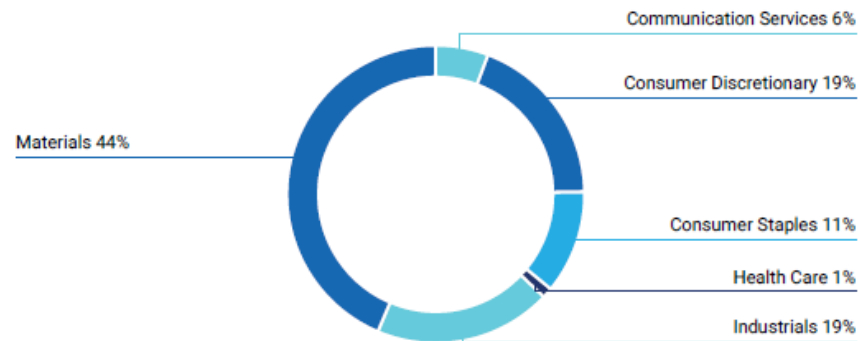
# CARBON EXPOSURE RELATIVE TO THE OVERALL HIGH YIELD MARKET

Disclosure Number/Weight	Emission Exposure tCO <sub>2</sub> e		Relative Emission Exposure			Climate Performance	
	Share of Disclosing Holdings	Scope 1 & 2	Incl. Scope 3	tCO <sub>2</sub> e/Invested	tCO <sub>2</sub> e/Revenue	Weighted Avg	
				Relative Carbon Footprint	Carbon Intensity	Weighted Avg Carbon Intensity	Carbon Risk Rating <sup>1</sup>
<b>Portfolio</b>	70.4% / 70.7%	3,294	54,128	57.73	71.33	80.26	46
<b>Benchmark</b>	66.4% / 71%	7,870	58,726	137.92	217.38	253.16	46
<b>Net Performance</b>	4 p.p. / -0.3 p.p.	58.1%	7.8%	58.1%	67.2%	68.3%	—

## Emission Exposure Analysis



## Sector Contributions to Emissions<sup>2</sup>



<sup>1</sup> Note: Carbon Risk Rating data is current as of the date of report generation.

<sup>2</sup> Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Source: SKY Harbor, SKY Harbor Global Funds Global Responsible High Yield, ISS ESG as of September 30, 2024

"Benchmark" is ICE BofA US High Yield Index for relative comparison only. The Fund is benchmarked to the ICE BofA Global High Yield Fund.

# PORTFOLIO SDS BUDGET ALIGNMENT

Portfolio and Benchmark Comparison to SDS Budget (Red = Overshoot)				
	2024	2030	2040	2050
<b>Portfolio</b>	-66.83%	-61.66%	-27.59%	+54.28%
<b>Benchmark</b>	+19.41%	+34.31%	+117.27%	+289.47%

## 2045

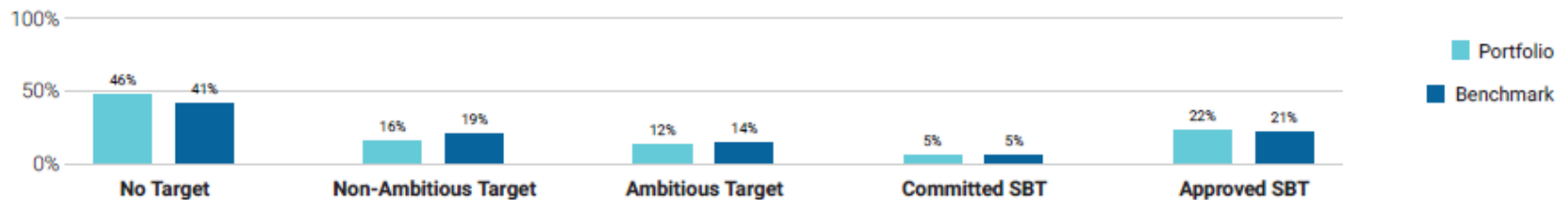
The portfolio exceeds its SDS budget in 2045.

## 1.8°C

The portfolio is associated with a potential temperature increase of 1.8°C by 2050.

### Climate Targets Assessment (% Portfolio Weight)

In order to transition, holdings need to commit to alignment with international climate goals and demonstrate future progress. Currently 39% of the portfolio's value is committed to such a goal. This includes ambitious targets set by the companies as well as committed and approved Science Based Targets (SBT). While commitments are not a guarantee to reach a goal, the 46% of the portfolio without a goal is unlikely to transition and should receive special attention from a climate risk conscious investor.



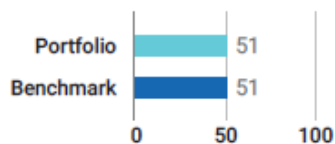
Source: SKY Harbor, SKY Harbor Global Funds Global Responsible High Yield, ISS ESG as of September 30, 2024  
 "Benchmark" is ICE BofA US High Yield Index for relative comparison only. The Fund is benchmarked to the ICE BofA Global High Yield Fund.

SDS refers to the Sustainable Development Scenario, an integrated scenario introduced in the IEA's World Energy Outlook that specifies a plausible pathway to concurrently achieve universal energy access, meeting the objectives of the Paris Agreement on climate change and significantly reducing air pollution by 2030.

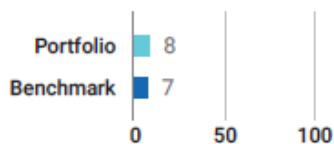
# NET ZERO ANALYSIS

SKY Harbor affirmed its net zero portfolio targets to have at least 20% of the portfolio in material sectors considered net zero, aligned or aligning by 2030. Given the low amount in the high yield universe that are aligning currently we need to continue to accelerate the rate of change over the next decade through individual and collective engagements, regulatory enhancements, corporate and social pressures.

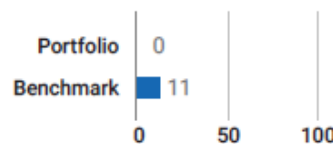
**Material GHG Disclosure (%)**



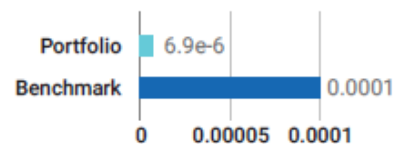
**Net Zero Alignment (%)**



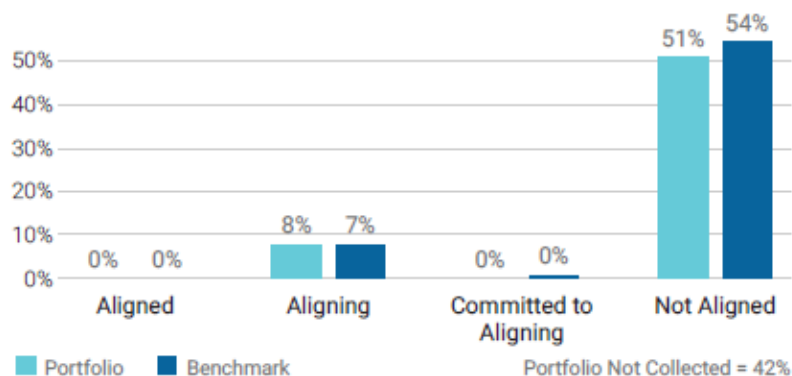
**Fossil Fuel Expansion (%)**



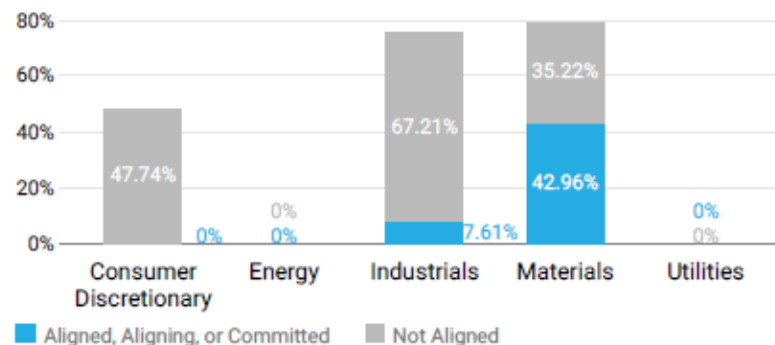
**Reserves Potential Emissions (GtCO<sub>2</sub>e)**



**Target Alignment Status**



**Alignment per High Impact Sector**



Source: SKY Harbor, SKY Harbor Global Funds Global Responsible High Yield, ISS ESG as of September 30, 2024

"Benchmark" is ICE BofA US High Yield Index for relative comparison only. The Fund is benchmarked to the ICE BofA Global High Yield Fund.

# DEFINED SUSTAINABLE INVESTMENTS

Defined Sustainable Investments	Portfolio	Minimum Commitment
<b><u>Environmental Sustainable Investments</u></b>		
Exceeds SKYSIS-E score baseline	16%	
Exceeds ISS SDG E score baseline	2%	
Labeled Green bonds	1%	
<b>Total Environmental Sustainable Investments</b>	<b>19%</b>	<b>5%</b>
<b><u>Social Sustainable Investments</u></b>		
Exceeds SKYSIS-S score baseline	5%	
Exceeds ISS SDG S or G score baseline	3%	
Labeled Social/Sustainability linked bonds	1%	
<b>Total Social Sustainable Investments</b>	<b>9%</b>	<b>5%</b>
<b>Total Defined Sustainable Investments</b>	<b>28%</b>	<b>15%</b>

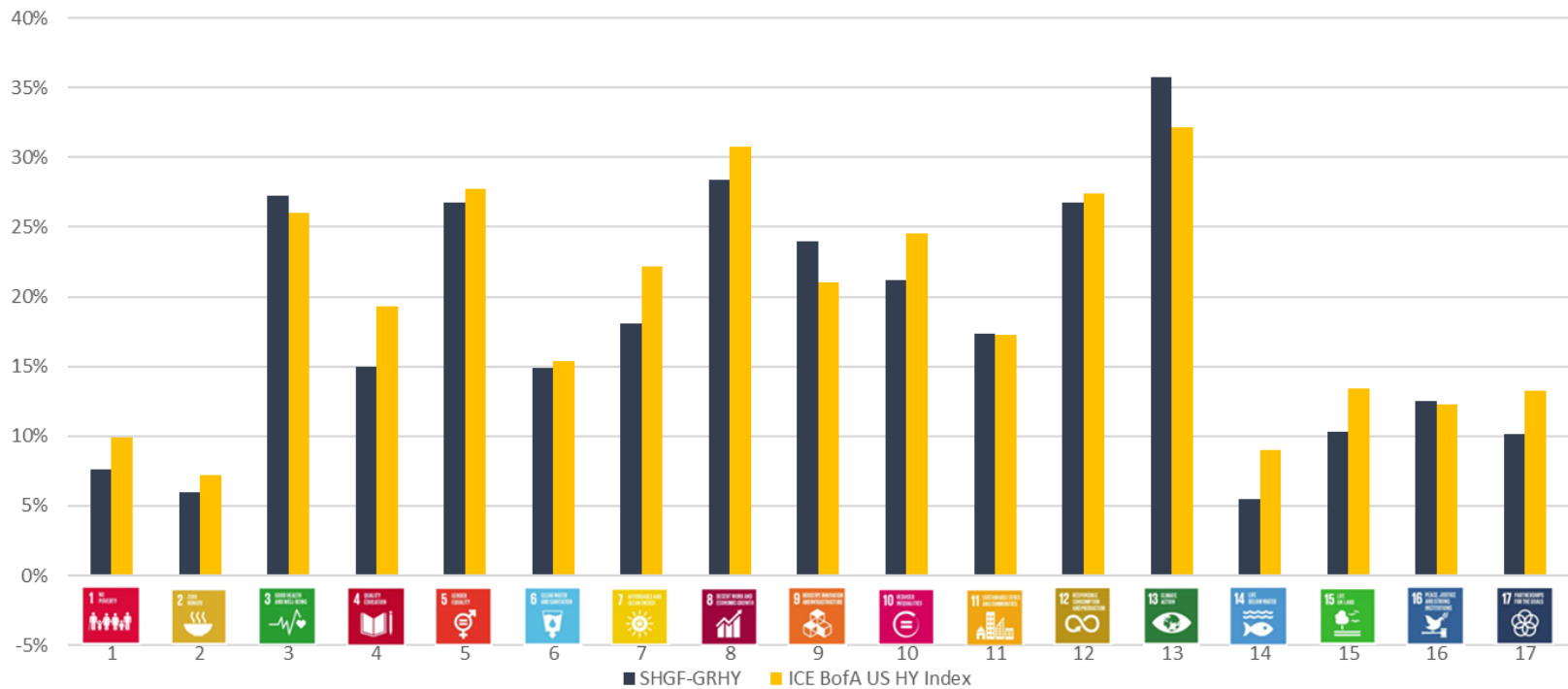
Every SHGF portfolio shall have a minimum proportion of 15% in SKY Harbor-defined Sustainable Investments with an environmental and/or social objective (although not qualifying as “environmentally sustainable” under the EU Taxonomy). The 15% minimum shall comprise a minimum proportion of 5% each in SKY Harbor-defined Environmental and Social Sustainable Investments, respectively.

This commitment highlights one of several features of our multi-faceted approach to socially responsible investing, which, among other criteria, employs a proprietary SKYSIS Scoring methodology that seeks to identify sustainably responsible companies that offer products and services having a direct nexus with identifiable SDG goals while also evaluating the positive or negative impacts of investee companies with respect to certain mandatory and optional Principal Adverse Indicators as set forth in the SFDR Regulatory Technical Standards.

Other SKY Harbor-defined Sustainable Investments criteria include labeled bonds issued expressly to achieve sustainable investments or sustainable contributions as well as bonds that meet top tier scores rated by ISS-ESG Solutions®, an independent ESG-oriented screening service. (See SHGF’s prospectus for a detailed description of the methodology; available at [www.skyharborglobalfunds.com](http://www.skyharborglobalfunds.com)).

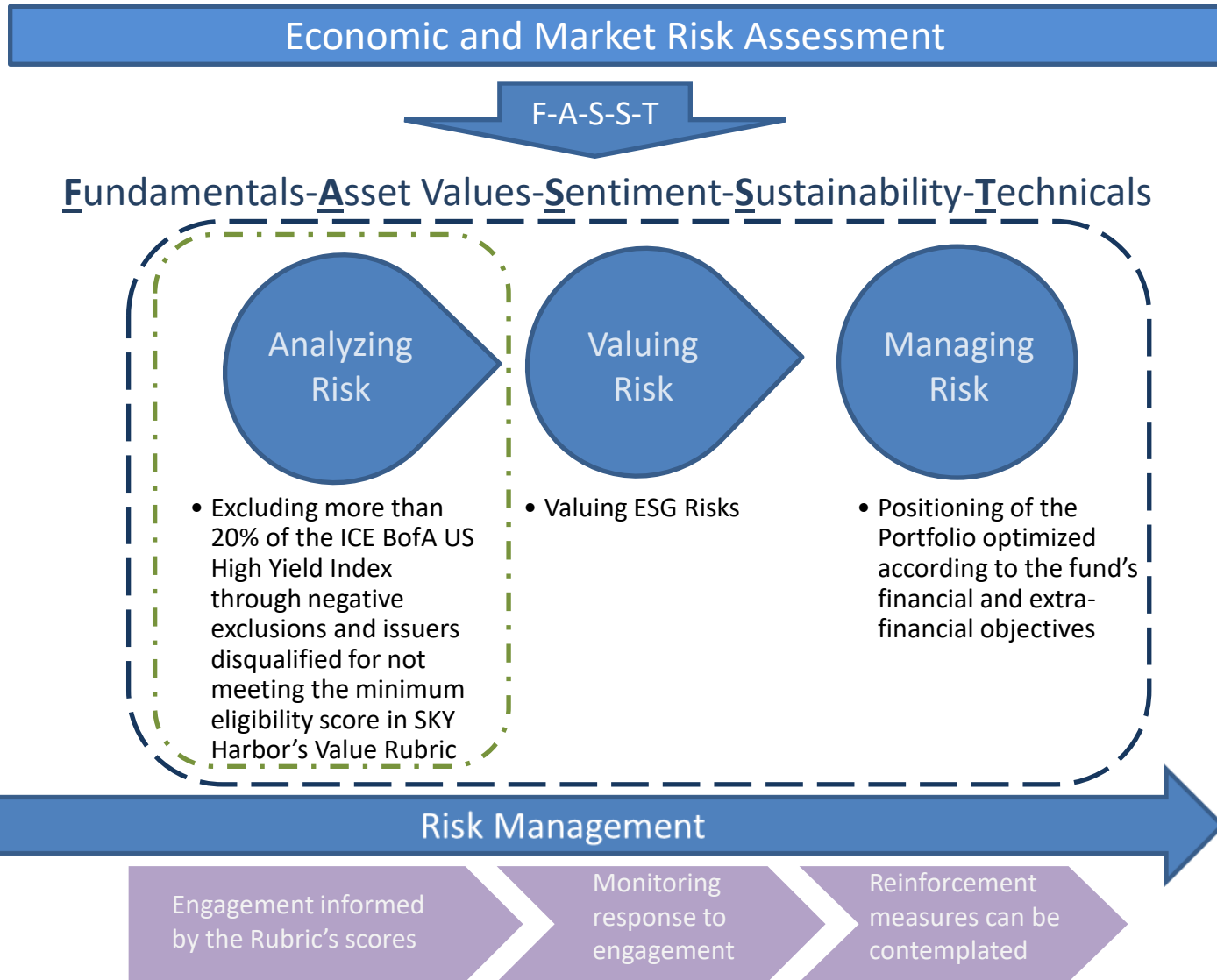


## Market Value Weighted Company Acknowledged SDG

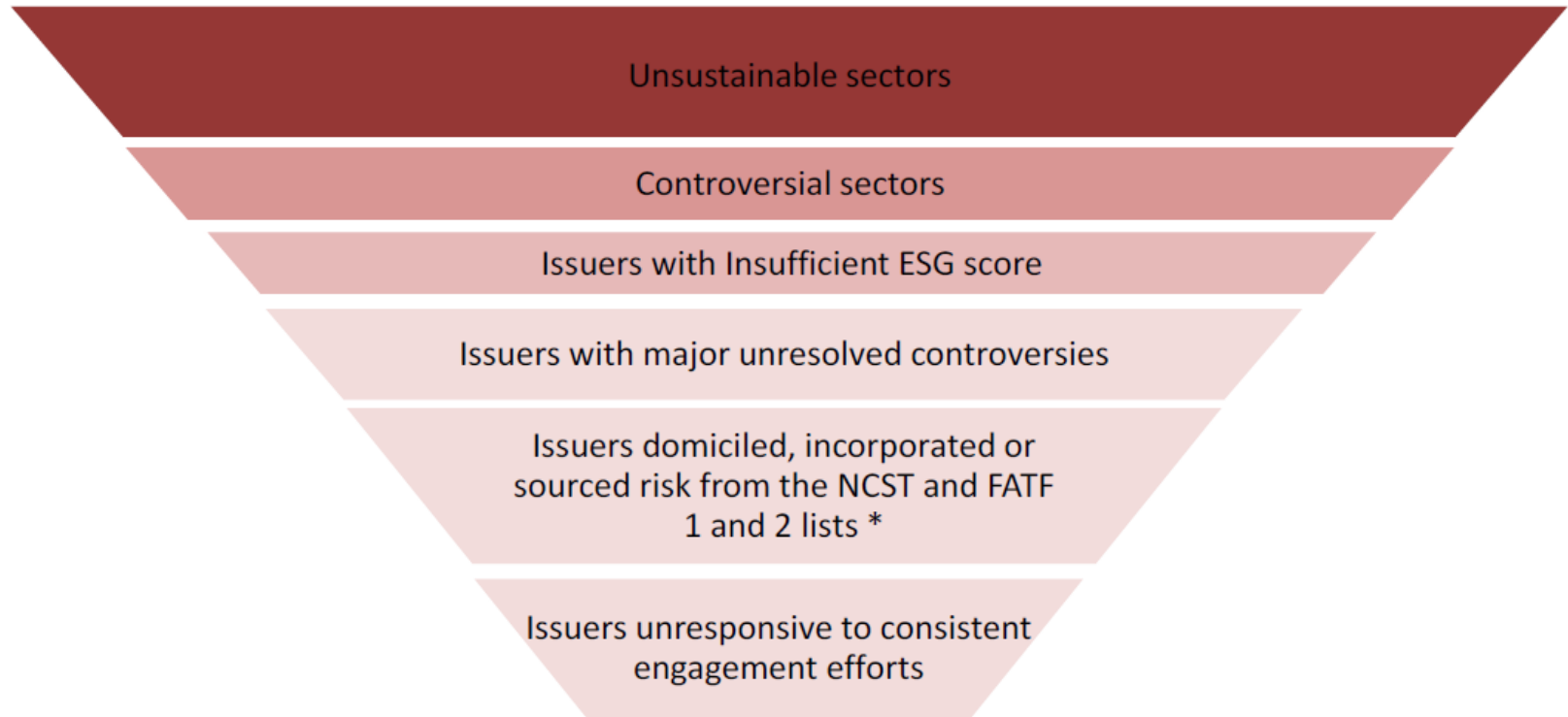


- 1. No Poverty
- 2. Zero Hunger
- 3. Good Health and Well-Being
- 4. Quality Education
- 5. Gender Equality
- 6. Clean Water and Sanitation
- 7. Affordable and Clean Energy
- 8. Decent Work and Economic Growth
- 9. Industry, Innovation and Infrastructure
- 10. Reduced Inequalities
- 11. Sustainable Cities and Communities
- 12. Responsible Consumption and Production
- 13. Climate Action
- 14. Life Below Water
- 15. Life on Land
- 16. Peace, Justice and Strong Institutions
- 17. Partnerships for the Goals

Comparative data is the ICE BofA US High Yield Index  
SKY Harbor, ICE BofA, as of September 30, 2024



## Below Investment Grade Debt Issuer Universe



## Sustainable Investment Universe

Note: The issuer Universe refers to the issuers comprising the ICE BofA US High Yield Index (ticker H0A0). Please see the disclaimers for more details.

\* Exclusion implemented as of April 2021  
Source: SKY Harbor

The Principal Adverse Impacts are more specifically categorized and described as follows:

E = High Transition Risk

S = Exploitive Business Models

G = Specified Unlawful Acts (e.g., bribery, corruption, tax evasion, product liability, failure of Board oversight).

HR<sup>ts</sup> = Endangers Human Rights (i.e., verified and unredeemed material violations of internationally proclaimed norms and conventions regarding human rights).

If an issuer has more than one Principal Adverse Impact, the analyst will assign the Principal Adverse Impact score to the category that is most severe.

Conversely, SKY Harbor uses a positive impact score to reward particularly commendable behaviors, initiatives or efforts. Analysts will assign a score to one of E, S, or G based on the dimension that is most aligned with the positive impact. In addition, SKY Harbor’s analysts monitor companies’ response to engagement efforts. An engagement score is included in the calculation of the total G score.

This Final score is computed as the sum of the E, S, G and HR<sup>ts</sup> underlying scores. Issuers with a Rubric score below SKY Harbor’s minimum threshold are excluded from the investible universe of the Fund.

**At least 20% of the issuers in the underlying universe of the sub-Funds (as defined by the ICE BofA US High Yield Index, HOA0) shall be excluded at all times as a result of the combination of negative exclusions and the failure to meet SKY Harbor’s minimum Value Rubric score criterion.**

Value Rubric's Sustainability Factors					
Environmental		Social	Governance	Human Rights	SDGs
Factors	Direct and Indirect GHG Emissions (Scope 1&2)	Safety & Wellness	Chief Sustainability Officer or Committee	CSR HRts Governance, Due Diligence & Remediation	Company announced SDGs
	TCFD Elements	Community Engagement / Commitments	DEI Ownership	Policy to respect HR	
	Net Zero Commitment	Sustainable Product Highlight	Board Diversity	Process to identify, prevent & account for their impact on HR's	
	Waste Handling	DEI Policies & Strategies	Board Independence	Process to remediate any adverse HR impact	
	Water Usage	DEI Collective Efforts	C-Suite Compensation	Adopted standards in transparency	
Principal Adverse Impacts	High Transition Risk	Exploitive Business Models	Specified Unlawful Acts	Endanger Human Life	
				Norms breaches	
Positive Impacts	Positive Environmental Momentum	Positive Social Momentum	Positive Governance Momentum		
Post-Engagement Response Factor			Engagement Response		
Total Score for each Dimension	E Score	S Score	G Score	HRts Score	SDG Score
Final Rubric Score	Total Score				

ESG (Impact) Indicator selected by SKY Harbor

Internal Score

External Score (Source: ISS ESG)

Note: The CSR HR<sup>ts</sup> Governance, Due Diligence & Remediation indicator is referred to as CSR HR<sup>ts</sup> throughout this document.

# ISS ESG CARBON DATA DEFINITIONS AND CALCULATION METHODOLOGIES

Total Analysis Value – is the aggregate value of positions that meet the minimum eligibility criteria (data availability for Adjusted Enterprise Value, scope 1&2 emissions and scope 1&2 emissions intensity / revenue millions)

Share Disclosed – calculates the % number of companies that report reliable emissions in the portfolio. The difference between total coverage% and share disclosed% is the modeled company %.

Total Coverage – total analysis value / total market value

Position Ownership Ratio – Aggregated position value / Adjusted Enterprise Value (total debt + market capitalization)

Scope 1 & 2 – reported as tCO<sub>2</sub>e

$$\sum_i^n \text{Position Ownership Ratio} \times \text{Position Scope 1\&2 Emissions}_i$$

Including Scope 3 – same as above including Scope 1-3

Relative Carbon Footprint – provides a measure of emission exposure per value of the portfolio invested reported as tCO<sub>2</sub>e per \$ analyzed

$$\frac{\text{Emission Exposure}}{\text{Total Analysis Value}}$$

Carbon Intensity – Relative emission exposure that measures emission share in tCO<sub>2</sub>e relative to the % holding of a company's revenue stream. Reported as tCO<sub>2</sub>e / M Revenue (currency)

$$\frac{(\sum_i^n \text{Position Ownership Ratio}_i \times \text{Position Scope 1\&2 Emissions}_i)}{(\sum_i^n \text{Position Ownership Ratio}_i \times \text{Position Revenue}_i)}$$

Weighted Average Carbon Intensity – Similar as above but eliminates the Adjusted Enterprise Value impact. Reported as tCO<sub>2</sub>e / M Revenue (currency)

$$\sum_i^n \text{Position Weight}_i \times \frac{\text{Position Scope 1 \& 2 Emissions}_i}{\text{Position Revenue}_i}$$

# IMPACT INDICATORS: DEFINITIONS AND METHODOLOGIES

The integration of the four components of the Sustainability Factors forms the foundation that further supports the Fund's extra-financial objectives.

**4 Impact Indicators (one for each of the E, S, G and HR<sup>ts</sup> dimensions)** have been designed to monitor the performance of the sub-Fund and to compare it to the high yield universe.

## **Environment:**

The Environmental Impact Indicator is the **Direct and Indirect GHG emissions (Scope 1 & 2)**.

Unit of measure: Score based on Tons of CO<sub>2</sub> equivalents per unit of revenue (in USD millions) using an equivalence table.

Source: ISS-ESG

Goal: to achieve at least 70% coverage of the sub-Funds that can be consistently measured by this indicator.

## **Social:**

The Social Impact Indicator is the **Safety & Wellness Factor**.

Unit of measure: Percentage based on Boolean indicator (disclosure of specific measures, protocols and/or principles to ensure the Safety and Wellness of the company's workforce).

Source: This indicator is proprietary to SKY Harbor.

Goal: to achieve at least 90% coverage of the sub-Funds that can be consistently measurable according to this indicator.

## **Governance:**

The Governance Impact Indicator is the presence of a **Chief Sustainability Officer or Committee**.

Unit of measure: Percentage based on Boolean indicator (existence of a Chief Sustainability Officer or committee).

Source: This indicator is proprietary to SKY Harbor.

Goal: to achieve at least 90% coverage of the sub-Funds that can be consistently measurable according to this indicator.

## **Human Rights:**

The Human Rights Impact Indicator is the company's governance, due diligence and remedial action policies specifically pertaining to human rights contained in its corporate social/sustainability report (**CSR HR<sup>ts</sup>**) or other publicly available manifestations of its commitment to implementing the United Nations "Protect, Respect and Remedy" Framework as set forth in the Guiding Principles on Business and Human Rights © 2011 United Nations.

Unit of measure: ordinal number value in the proprietary Value Rubric scoring methodology.

Source: Proprietary scoring system modeled after the assessment methodology of the Corporate Human Rights Benchmark Ltd. © April 2019.

Goal: to achieve at least 90% coverage of the sub-Funds that can be consistently measurable according to this indicator.

# IMPORTANT DISCLOSURES AND DISCLAIMERS

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# IMPORTANT DISCLOSURES (CONT.)

## SKY Harbor Capital Management GmbH Conflicts of Interest Policy Disclosure

SKY Harbor Capital Management GmbH (the “Company”) is licensed by Germany’s BaFin (ID # 129400) to provide certain financial services within the meaning of Section 32 of the German Banking Act. It acts as the Principal Distributor of SKY Harbor Global Funds (the “Fund”), a Luxembourg SICAV regulated as a UCITS by the Commission de Surveillance du Secteur Financier (the “CSSF”). The Company’s business is to promote the Fund to institutional investors directly or indirectly through regulated financial institutions by way of sub-distributor agreements. The Company where appropriate also promotes the investment management services of its parent company, SKY Harbor Capital Management, LLC, an independent SEC-registered investment adviser located in Greenwich, CT, USA, which also serves as the Fund’s Investment Manager. Because the Company neither manages discretionary client assets nor provides brokerage services, it neither takes possession of nor transacts in any assets belonging to clients or investors. The Company does not engage in proprietary trading but is permitted by BaFin to transact on a limited basis in Fund shares for its own account to facilitate the activation of dormant share classes.

a. The Company is committed to act at all times in accordance with its legal and fiduciary obligations in the best interest of the Fund’s investors. Accordingly, the Company has established policies reasonably designed to detect, prevent, manage, and if necessary disclose conflicts of interest between the Company and the Fund’s clients/investors or between one client/investor and another that may arise in the course of providing services. The Conflicts of Interest Policy and Procedures are regularly reviewed by the Compliance Department, senior management, Internal Audit, and at least annually by independent external auditors.

b. Within the scope of its business, the Company’s possible conflicts of interest may include:

- Incentive systems for company staff that encourage aggressive sales practices
- Misrepresentations or omissions of material information in communicating with current or prospective investors
- Favoring one investor over another in terms of service or selective disclosure of information because of the importance of that investor or sub-distributor relationship
- Employee use of material nonpublic information in personal securities transactions
- Impermissible gifts to or entertaining of investors or public officials
- Exercising more liberal discretion for an investor over another when granting permission to the Fund’s transfer agent/custodian/administrator to make accommodations for certain exceptions in transactions with the Fund
- Financial interest in Fund-Shares for which the Company acts as Principal Distributor
- Acting as Directors of the Fund and as MD/ Geschäftsführer of the Company at the same time

c. Measures to detect, prevent, and manage conflicts of interest mainly include:

- Mandatory periodic employee training in Compliance and Code of Ethics including Conflicts of Interest training
- Employee compensation practices designed to align investor interests not conditioned on AUM or sales metrics
- Appropriate rules and guidelines with business partners
- Continuous monitoring, pre-authorization and disclosure of all employees’ personal securities transactions
- Employees are discouraged from transacting in any securities issued by companies in which the Fund may invest
- Selective Disclosure governed by written confidentiality agreements supported by reasonable purposes
- Material information routinely made available to all investors through the Fund’s website and the Company’s periodic newsletter updates to ensure simultaneous access to information
- Requirement that all travel, gift, and entertainment expenses be documented and approved by the parent company
- Written rules of conduct govern disclosure and authorization of incentives, such as the receipt and acceptance of gifts and other benefits, political contributions, and outside business activities
- Periodic employee anti-bribery training
- Vetting and approval of all Marketing and Promotional literature by parent company’s Chief Compliance Officer
- Employees annually acknowledge compliance with global Compliance and other Policies and Procedures
- Annual internal audit performed by parent, SKY LLC
- Retention of independent auditor to perform the Company’s annual audit
- Director discretion in favoring any investor is subject to limitations imposed on the Fund transfer agent/custodian/administrator by the CSSF and relevant law and regulation
- Company’s ownership of Fund shares subject to outside auditor scrutiny
- Retention of external independent Director for the Board of the Fund

This communication is only directed at persons in the UK reasonably believed to be persons who (1) have professional experience in matters relating to investments, falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “Financial Promotion Order”) or (2) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Financial Promotion Order or (3) are persons to whom such a document may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons or will be engaged in only with relevant persons.



## IMPORTANT DISCLAIMERS (CONT.) AND CONTACT INFORMATION

This document constitutes marketing communications concerning SKY Harbor Global Funds, a Luxembourg UCITS authorized in accordance with Article 5 of Directive 2009/65/EC, as amended (the “Fund”). Lemanik Asset Management S.A. (the “manco”) is the appointed management company of the Fund and is responsible on a day-to-day basis under the supervision of the Board of Directors, for providing administration, marketing, distribution, investment management and advisory services in respect of all the Sub-Funds and has delegated part or all of such functions to third parties including but not limited to SKY Harbor Capital Management, LLC as investment manager and SKY Harbor Capital Management GmbH, as Principal Distributor. The manco has the right to terminate arrangements made for the marketing of the shares of this UCITS in accordance with Article 93 of Directive 2009/65/EC, as amended.

Investor rights to file complaints regarding the operation of the Fund is set forth in the Fund’s prospectus, which is available free of charge in English and French at [www.skyharborglobalfunds.com](http://www.skyharborglobalfunds.com), where the Fund’s Key Investor Information Documents may also be accessed free of charge in English, French, German (including Swiss German), Spanish, Italian, Portuguese, Swedish, Danish, Norwegian, and Dutch.

Additional information is available upon request to the Fund’s Investment Manager and/or its Principal Distributor:

Investment Manager:

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