

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Zurich Carbon Neutral World Equity Fund (the Fund)

Legal entity identifier: 635400OKRXWHZSXZF516

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



It made **sustainable investments with an environmental objective:** ____%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** ____%



No



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 36.19% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The investment objective of the Fund was to track, before fees and expenses, the return performance of the MSCI World Climate Paris Aligned Ex Select Business Involvement Screens Index (the Index) that provides exposure to companies that are working towards a climate neutral economy by seeking to align with the climate goals of the Paris Agreement on carbon reduction (the Paris Agreement) and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

In addition to seeking to achieve the investment objective of the Fund as set out above, the ICAV was also seeking to offset the estimated carbon footprint of the Fund's portfolio of investments (Carbon Offsetting). Through Carbon Offsetting, the ICAV made a further contribution by the Fund to the attainment of the climate goals of the Paris Agreement.

The level of tracking error for the Fund did not exceed 1.00% of the Net Asset Value of the Fund during the financial year, as expected in normal market conditions.

● **How did the sustainability indicators perform?**

Sustainability indicators	30.11.2024	30.11.2023
Exposure to Controversial Sectors (%)	0	0
Involvement in tobacco business (%)	0	0
Estimated scope 1+2 carbon footprint (t CO2e/\$M EVIC)	8.8	10
Exposure to companies with a low ESG rating / red flag controversies (%)	0	0
Carbon footprint Scope 1+2 (PAI 2) (tCO2e/€M)	8.9	8.92
Greenhouse gas intensity of investee companies Scope 1+2 (PAI 3) (tCO2e/€M)	47.49	40.27
Exposure to companies active in the fossil fuel sector (PAI 4) (%)	0.02	0.19
Share of non-renewable energy consumption and production (PAI 5) (%)	52.75	65.04
Activities negatively affecting biodiversity-sensitive areas (PAI 7) (%)	5.22	0
Violations of UN Global compact principles (PAI 10) (%)	0	0
Exposure to controversial weapons (PAI 14) (%)	0	0

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

In addition to seeking to achieve the investment objective of the Fund as set out above, the ICAV was also seeking to offset the estimated carbon footprint of the Fund's portfolio of investments (Carbon Offsetting). Through Carbon Offsetting, the ICAV made a further contribution by the Fund to the attainment of the climate goals of the Paris Agreement.

The Fund's estimated average carbon footprint is calculated by measuring during the financial year ending 30 November, the average scope 1 + 2 carbon footprint of the investee companies included in the Fund's portfolio as compared to the same metric for the companies comprising the MSCI World Index (the Parent Index). Notwithstanding that the Fund offers share classes with scope 1 + 2 and scope 1 + 2 + 3 Carbon Offsetting, only share classes with scope 1 + 2 Carbon Offsetting have launched on or before the end of the financial year.

During the financial year, the launched share classes of the Fund had an average scope 1 + 2 carbon footprint of 7.73 tons CO₂e/\$M enterprise value including cash (EVIC), which was 79.43% less than the Parent Index (37.60 tons CO₂e/\$M enterprise value including cash (EVIC)). The average scope 1 + 2 + 3 footprint per tons CO₂e/\$M enterprise value including cash (EVIC) has not been calculated as no classes of shares with scope 1 + 2 + 3 Carbon Offsetting had launched on or before the end of the financial year.

With respect to the scope 1 + 2 carbon footprint during the financial year, estimated relative to the value invested based on the emissions data provided by MSCI, 5'265 VER certificates had to be acquired and cancelled in the name of the ICAV on behalf of the Fund. The following portfolio of projects was selected to complete the Carbon Offsetting for the financial year ending 30 November 2024: 70% Trees for Global Benefits and 30% Delta Blue Carbon. As at 4 February 2025, the ICAV acting on behalf of the Fund has cancelled 3'685¹ VERs generated by the Trees for Global Benefits project and 1'580² VERs generated by the Delta Blue Carbon project.

● ***...and compared to previous periods?***

See above

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Index provided exposure to companies that are working towards a climate neutral economy by seeking to align with the climate goals of the Paris Agreement on carbon reduction and the recommendations of the TCFD. The Index is designed to exceed the minimum standards of the EU Paris Aligned Benchmark under Regulation (EU) 2016/1011 (as amended).

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

During the financial year, the Index excluded companies from the Parent Index which did not fulfil the following specific ESG criteria:

- were unrated by MSCI ESG Research;
- had any involvement in controversial weapons;

¹ Plan Vivo Certificates (PVCs) Serial Number ([Markit Registry](#)), Trees for Global Benefits: PV-PVC-UG-100000000000171-01012022-31122022-11790750-11797157-MER-0-A

² Verified Carbon Units (VCU) Serial Number ([Verra Registry](#)), Delta Blue Carbon - 1: 17166-814883696-814886441-VCS-VCU-394-VER-PK-14-2250-01012022-31122022-1

- were classified by MSCI in their ESG Business Involvement Screening Research as breaching certain thresholds in controversial activities, including, but not limited to, tobacco, conventional weapons, nuclear weapons, civilian firearms, thermal coal, adult entertainment and oil sands extraction; and/or
- had an MSCI ESG Controversies Score of 0 and/or fail to comply with the United Nations Global Compact principles

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

Investors should note that following the Reclassification, the Manager in conjunction with the Investment Manager, elected to consider PAIs on sustainability factors in the manner contemplated by Article 4(1)(a) of the SFDR.

Indicators for adverse impacts on sustainability factors were taken into account within the monitoring process. The Index incorporated the principal adverse sustainability impact metrics set out in section “How did this financial product consider principal adverse impacts on sustainability factors?”. Adverse impact indicators have been collected from the Investment Manager or an external data provider to evaluate the Fund’s attainment of its sustainable objective and evaluate if sustainable investments did not cause any significant harm.

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The investments in which the Fund was invested during the financial year were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Index applies a number of exclusions, including companies having faced very severe controversies pertaining to ESG issues, defined as companies with an MSCI ESG Controversy Score of 0, being the most severe controversy. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Investors should note that following the Reclassification, the Manager in conjunction with the Investment Manager, elected to consider PAIs on sustainability factors in the manner contemplated by Article 4(1)(a) of the SFDR.

The Manager in conjunction with the Investment Manager considered the following PAIs listed in Annex 1, Table 1 of the regulatory technical standards (RTS) supplementing SFDR:

1. Carbon footprint (PAI 2);
2. Greenhouse gas intensity of investee companies (PAI 3);
3. Exposure to companies active in the fossil fuel sector (PAI 4);
4. Share of non-renewable energy consumption and production (PAI 5);
5. Activities negatively affecting bio diversity-sensitive areas (PAI 7);
6. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises (PAI 10);
7. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
NVIDIA CORP	INFORMATION	6.62	US
MICROSOFT CORP	INFORMATION	5.89	US
TESLA INC	CONSUMER	3.47	US

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: Financial year end on 30 November 2024

APPLE INC	INFORMATION	2.96	US
AMAZON.COM INC	CONSUMER	2.65	US
INTL BUSINESS MACHINES CORP	INFORMATION	2.44	US
SAP SE	INFORMATION	2.38	DE
SALESFORCE INC	INFORMATION	2.36	US
SERVICENOW INC	INFORMATION	2.30	US
EQUINIX INC	REAL ESTATE	2.29	US
SCHNEIDER ELECTRIC SE	INDUSTRIALS	2.20	FR
SHERWIN WILLIAMS CO/THE	MATERIALS	2.17	US
DIGITAL REALTY TRUST INC	REAL ESTATE	1.79	US
ALPHABET INC CL C	COMMUNICATION	1.79	US
ORACLE CORP	INFORMATION	1.64	US

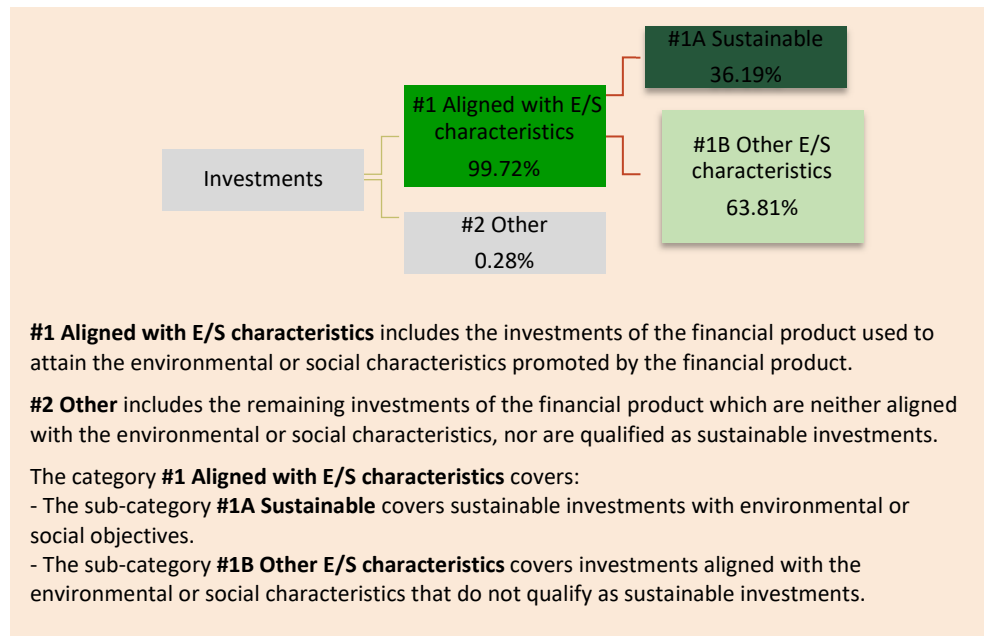


What was the proportion of sustainability-related investments?

36.19%

● What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



During the financial year, the Fund invested 99.72% of its net assets in the Index which is aligned with the promoted environmental characteristics. Within this category, 36.19% of the Fund's investments qualified as sustainable investments. Up to 0.28% of the Fund's investments were not aligned with these characteristics.

The Investment Manager aimed to invest in the underlying equity and equity related securities of the Index in similar weighting given to such constituents in the Index. During the financial year, 36.19 % of the Fund's assets were invested in sustainable investments with promoted Environmental/Social (E/S) characteristics that were not aligned with the EU Taxonomy.

The remaining proportion of the Fund's investments included companies generating a share of their revenue from products or services targeting one or more promoted Environmental/Social (E/S) characteristics which were used for diversification purposes as well as cash and liquid assets, such as short-term bank deposits and money market instruments which were used for efficient portfolio management purposes.

● **In which economic sectors were the investments made?**

Sector	Share (%)
INFORMATION TECHNOLOGY	34.16
INDUSTRIALS	15.96
FINANCIALS	11.96
REAL ESTATE	11.40
CONSUMER DISCRETIONARY	8.34
HEALTH CARE	6.82
COMMUNICATION SERVICES	4.76
MATERIALS	4.57
UTILITIES	1.45
CONSUMER STAPLES	0.52



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy³?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy

☒

No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

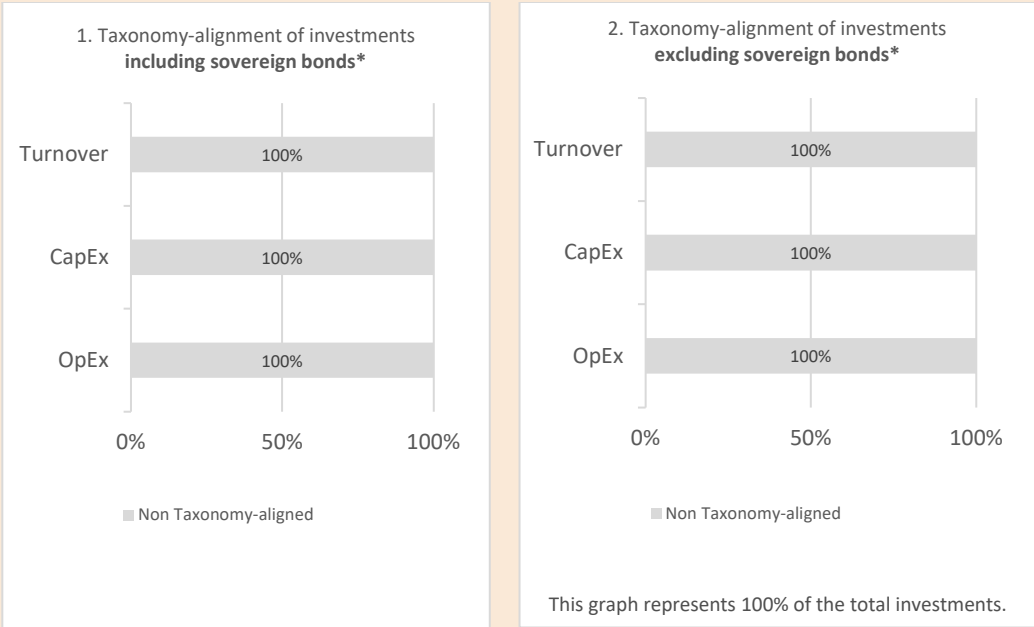
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:


- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What was the share of investments made in transitional and enabling activities?**
N/A
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
N/A

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

-  **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**
36.19%
-  **What was the share of socially sustainable investments?**
N/A



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The investments under “#2 Other” included companies which were constituents of the Index but which did not qualify as sustainable investments. The Index is rebalanced semi-annually as of the close of the last business day of May and November each year. Between these reviews or rebalances, securities which no longer met the criteria for inclusion in the Index could remain included in the Index until they were removed at the subsequent rebalancing or review.

Further, the investments under “#2 Other” also included cash and liquid assets, such as short-term bank deposits and money market instruments which were used for efficient portfolio management purposes. There were no minimum environmental or social safeguards for these investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The investment objective of the Fund was to track, before fees and expenses, the return performance of the Index which provides exposure to companies that are working towards a climate neutral economy by seeking to align with the climate goals of the Paris Agreement on carbon reduction and the recommendations of the TCFD on climate-related financial disclosures. The Index also excluded companies with very severe controversies (including governance controversies) using the MSCI ESG Controversies data, and companies that had an MSCI ESG Rating (which assesses, amongst other things, how well companies managed governance risks and opportunities) below a certain threshold or did not have an MSCI ESG Rating.

Investors should note that whilst the Fund and the Index sought to ensure compliance with such criteria at each rebalancing or review date, between these reviews or rebalances, securities which no longer met these criteria could remain included in the Index until they were removed at the subsequent rebalancing or review.

Investors should note that following the Reclassification, the Fund promotes environmental or social characteristics in accordance with Article 8 of SFDR. The Fund no longer has sustainable investment as its objective in accordance with Article 9 of SFDR.



How did this financial product perform compared to the reference benchmark?

● *How does the reference benchmark differ from a broad market index?*

The Index is based on the Parent Index and includes equities and equity-related securities of large and mid-cap issuers across 23 developed markets countries.

The Index follows a transparent and rules based optimized index methodology. The Index uses a wide variety of key climate metrics from the MSCI Climate Risk Centre in its construction and is designed with an aim to go beyond EU minimum standards

to meet the needs of institutional investors seeking to address climate change risks and opportunities in a holistic manner.

The Index excluded companies from the Parent Index which did not fulfil the following specific ESG criteria:

- were unrated by MSCI ESG Research;
- had any involvement in controversial weapons;
- were classified by MSCI in their ESG Business Involvement Screening Research as breaching certain thresholds in controversial activities, including, but not limited to, tobacco, conventional weapons, nuclear weapons, civilian firearms, thermal coal, adult entertainment and oil sands extraction;
- and/or had an MSCI ESG Controversies Score of 0 and/or fail to comply with the United Nations Global Compact principles

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Sustainability indicators	30.11.2024	30.11.2023
Exposure to Controversial Sectors (%)	0	0
Involvement in tobacco business (%)	0	0
Estimated scope 1+2 carbon footprint (t CO2e/\$M EVIC)	8.8	10
Exposure to companies with a low ESG rating / red flag controversies (%)	0	0
Carbon footprint Scope 1+2 (PAI 2) (tCO2e/€M)	8.9	8.92
Greenhouse gas intensity of investee companies Scope 1+2 (PAI 3) (tCO2e/€M)	47.49	40.27
Exposure to companies active in the fossil fuel sector (PAI 4) (%)	0.02	0.19
Share of non-renewable energy consumption and production (PAI 5) (%)	52.75	65.04
Activities negatively affection bio diversity-sensitive areas (PAI 7) (%)	5.22	0
Violations of UN Global compact principles (PAI 10) (%)	0	0
Exposure to controversial weapons (PAI 14) (%)	0	0

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **How did this financial product perform compared with the reference benchmark?**

The Fund’s performance compared with the Index during the financial year was as follows:

Zurich Carbon Neutral World Equity Fund	30.267%
MSCI World Climate Paris Aligned Ex Select Business Involvement Screens Index	30.346%

The level of tracking error for the Fund did not exceed 1.00% of the Net Asset Value of the Fund during the financial year, as expected in normal market conditions.

Please see section 4 (Information on the Index) of the Fund's supplement and www.msci.com for additional information about the methodology used for the calculation of the Index.

● **How did this financial product perform compared with the broad market index?**

The Fund’s performance compared with the Parent Index during the financial year was as follows:

Zurich Carbon Neutral World Equity Fund	30.267%
MSCI World Index (NTR)	27.106%