PGF MANAGEMENT COMPANY (IRELAND) LIMITED

INTEGRATION OF SUSTAINABILITY RISKS POLICY AND PRINCIPAL ADVERSE IMPACTS STATEMENT

PGF Management Company (Ireland) Limited (**PGF**) is a Dublin-based alternative investment fund manager that is authorised and regulated by the Central Bank of Ireland. PGF acts as alternative investment fund manager for M&G (South Africa) Global Funds ICAV (the **ICAV**).

The ICAV is an umbrella fund with variable capital and segregated liability between sub-funds (each a **Fund**) and is an Irish collective asset-management vehicle created with limited liability and variable capital, which may have closed-ended, limited liquidity and open-ended funds.

This document describes the policies of PGF and the ICAV on the integration of sustainability risks in their investment decision-making process pursuant to Article 3 of 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 amended (**SFDR**). This document also includes a statement in respect of principal adverse impacts of investment decisions on sustainability factors pursuant to Article 4 SFDR.

At the time applicable provisions of SFDR become effective for the PGF and the ICAV on 10 March 2021, the Regulatory Technical Standards on content, methodologies and presentation of disclosures pursuant to Articles 2a, 4(6) and (7), Article 8(3), Article 9(5), Article 10(2) and Article 11(4) of the SFDR (**Level 2 SFDR**) published by the three European Supervisory Authorities (EBA, EIOPA and ESMA) will have not yet come into effect. PGF will continue to monitor developments relating to the Level 2 SFDR and, once effective, will update this document to ensure compliance with Level 2 SFDR.

1 INTEGRATION OF SUSTAINABILITY RISKS POLICY EFFECTIVE 10 MARCH 2021

Sustainability risk means 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 factors mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

While the Funds do not actively promote sustainability factors and do not maximise portfolio alignment with sustainability factors, each Fund remains exposed to sustainability risks. Such sustainability risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximise the long-term risk-adjusted returns.

The impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk, region and asset class. In general, where a sustainability risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value. For that reason, an assessment of the likely impact is conducted at the portfolio level of each Fund.

As an example, sustainability risks have been assessed as likely to have the following impacts on the returns from these types of investment if held by a Fund:

- Where a Fund invests in or has exposure to debt securities, sustainability risks could affect those investments in the context of an issuer's cashflow and their ability to meet their debt obligations. They may also affect the credit quality of those issuers. In some instances, sustainability risks may affect the credit quality of the issuer through their impact on tax revenues, trade balance or foreign investment. Failure to effectively manage these risks can lead to deterioration in financial outcomes as well as a negative impact on society and the environment.

- Where a Fund invests in or has exposure to currencies, sustainability risks could also affect the value of currencies.

- Where a Fund invests in or has exposure to equity securities, sustainability risks may affect the price or value of a stock, result in the need to raise capital or impact the issuer's ability to pay a dividend.

- Where a Fund invests in or has exposure to asset backed securities, sustainability risks could affect an issuer's cashflow and their ability to meet their debt obligations, depending on the underlying collateral of the security. Sustainability risks may also affect the credit quality of those issues.

- Where a Fund invests in or has exposure to property and property-related assets, sustainability risks can influence market fundamentals including obsolescence, rate of depreciation, voids, operational costs and liquidity. Physical risks resulting from climate change, for example the risk of significant damage due to increasingly erratic and potentially catastrophic weather phenomena such as heavy rain leading to landslides and flooding, heatwaves and prolonged sub-zero temperatures, may have a significant impact on the value of the property securities. As the frequency of extreme weather events increases, the exposure of such investments to these events will also increase.

In each case, the assessment of the potential impact of Sustainability Risk on a Fund's return will depend on the type of securities held by a Fund.

2 PRINCIPAL ADVERSE IMPACTS STATEMENT EFFECTIVE 10 MARCH 2021

Sustainability factors mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainability risk means 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.

Principal adverse impacts are those impacts of investment decisions and advice that result in negative effects on sustainability factors.

Details of PGF's policies on the integration of sustainability risks in its investment decision-making process can be found in the Policy above and details of other environmental, social and governance factors and considerations taken into account as part of the investment strategies of the Funds, where applicable, are set out in the prospectus for the ICAV or the supplement for the relevant Fund.

Taking due account, however, of the nature and scale of its activities and the wide and varied range of financial products it makes available, PGF, in accordance with Article 4.1(b) of the SFDR, has elected for the time being not to consider (in the manner specifically contemplated by Article 4.1(a) of the SFDR) the principal adverse impacts of investment decisions of the Funds on sustainability factors. PGF considers this a pragmatic and economical approach to compliance with PGF's obligations under the SFDR.

To the extent that appropriate and accurate data becomes more widely available/accessible and the regulatory landscape stabilises, PGF may in the future look to consider the principal adverse impacts of its investment decisions on sustainability factors where PGF considers that the results of such an assessment would prove meaningful to investors in the financial products it makes available.

3 REMUNERATION POLICY

The directors of PGF receive a fixed fee only and do not receive performance-based or variable remuneration and the structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks. As such, the remuneration policy of PGF does not promote the taking of sustainability risks. The details of PGF's remuneration policy are available on request.