

Key Information and Investment Disclosure Statement  
As of November 30, 2023

**FUND FACTS**

<b>Classification:</b>	Fixed Income Fund-of-Funds	<b>NAVPU:</b>	USD 95.93
<b>Launch Date:</b>	March 28, 2022	<b>Total Fund NAV (Mn):</b>	USD 0.25
<b>Minimum Investment:</b>	USD 100.00	<b>Dealing Day:</b>	Daily up to 2:00PM
<b>Additional Investment:</b>	No minimum	<b>Redemption Settlement:</b>	T+5 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES**

<b>Trustee Fees: 0.0414%*</b> 0.5% per annum - BPI Wealth	<b>External Auditor Fees: 0.0000%</b> None	<b>External Auditor Fees: 0.0000%**</b> Isla Lipana	<b>Other Fees: 0.0276%***</b> Index Licensing Fees
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\*Billings received for November 2023 divided by the average daily NAV for the same month valued at USD 0.30 Mn

\*\*Billing is received at the last quarter of the year

\*\*\*Based on latest billings received from provider/s

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a fund-of-funds, seeks to achieve for its Participants capital appreciation and income by investing in a diversified portfolio of global fixed income collective investment schemes which integrate environmental, social, and governance criteria in its investment process, including the incorporation of sustainability goals and facilitation of flow of funds towards green economic activities, climate change mitigation and adaptation projects, and other positive environmental and social impact initiatives. The Fund aims to outperform its benchmark which is the Bloomberg Barclays Global Aggregate Bond Index (Unhedged).

**CLIENT SUITABILITY**

A client profiling process shall be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

The BPI Sustainable Global Bond Fund-of-Funds is for investors who:

- Are at least classified as moderately aggressive based on their risk profile.
- Have an investment horizon of at least five (5) years.

Participation in the Fund shall be open to Participants with legal capacity to contract and who are not considered US persons under the US securities and tax laws, subject to the other conditions, rules or provisions stated in the Plan Rules and those established by the Trustee. No beneficial owner shall hold more than 10% of the Fund. Any investor who owns more than 10% shall be asked to redeem the amount (or its equivalent number of units) in excess of 10% within thirty (30) calendar days.

**KEY RISKS AND RISK MANAGEMENT**

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

<b>Market/Price Risk:</b>	Investors are exposed to adverse changes in the prices of foreign currency denominated fixed income instruments of the target funds due to a rise in interest rates as a result of adverse market conditions, unfavorable developments in the political and economic conditions of countries where the underlying securities of the target funds are issued or traded, or other issuer-specific factors.
<b>Liquidity Risk:</b>	Investors are exposed to the risk of loss due to the inability of the target funds to convert security holdings to cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price due to limited participants in the market, low trading volumes, market disruptions, among others.
<b>Interest Rate Risk:</b>	Investors are exposed to adverse changes in the prices of fixed income securities of the target funds due to a rise in interest rates, which generally causes fixed income security prices to decline. Factors/ events that may lead to a rise in interest rates include adverse market conditions, issuer-specific factors/events and/or negative developments in political and economic conditions.
<b>Country Risk</b>	Investors are exposed to the risk of loss arising from negative developments in the political, economic and social conditions of the focus countries of the underlying securities of the target funds, which may adversely affect the value of the Fund.
<b>FX Risk:</b>	Investors are exposed to the risk of loss from a decline in the market value of the target fund when the underlying securities of the target funds are translated to USD.

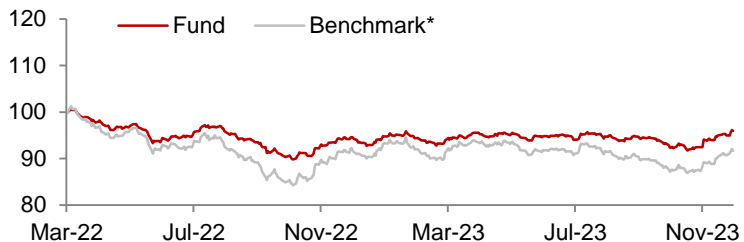
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES SHALL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**
- **THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

## FUND PERFORMANCE AND STATISTICS AS OF NOVEMBER 30, 2023

(Purely for reference purposes and is not a guarantee of future results)

### NAVPU GRAPH <sup>1</sup>



\*50% MSCI AC World Index + 50% Bloomberg Barclays Global Aggregate Bond Index (Unhedged)

### CUMULATIVE PERFORMANCE (%) <sup>1 2</sup>

	1 mo	3 mos	6 mos	1YR	3YRS	S.I. <sup>3</sup>
Fund	3.80	1.07	1.19	2.73	-	-4.07
Benchmark	5.04	0.76	0.06	2.03	-	-8.32

### ANNUALIZED PERFORMANCE (%) <sup>1 2</sup>

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. <sup>3</sup>
Fund	2.73	-	-	-	-	-2.45
Benchmark	2.03	-	-	-	-	-5.05

### CALENDAR YEAR PERFORMANCE (%) <sup>1 2</sup>

	YTD	2022 <sup>3</sup>	2021	2020	2019	2018
Fund	3.25	-7.09	-	-	-	-
Benchmark	1.45	-9.63	-	-	-	-

### PORTFOLIO COMPOSITION

Allocation	% of Fund		
Bond funds	98.20		
Cash	10.37		
Time deposits and money market	-		
Other receivables - net of liabilities <sup>8</sup>	-8.57		
Allocation by Sector	Allocation by Region		
Corporate Bonds	34.01	North America	45.98
Government Debt	33.82	Europe	30.21
Securitized Debt	22.21	Asia Pacific/Other EM	17.87
Emerging Market Debt	6.58	Other countries	2.79
Loans	0.23	Cash and Equivalents <sup>7</sup>	3.15
Cash and Equivalents <sup>7</sup>	3.15		

### OTHER FUND FACTS

**Fund Currency:** US Dollar

**Benchmark:** Bloomberg Barclays Global Aggregate Bond Index (Unhedged)

**Fixed Income Benchmark's Weighted Average Duration (Yrs): 6.65**

### SELECT SUSTAINABILITY CHARACTERISTICS <sup>1</sup>

	Carbon Footprint <sup>2</sup>	Relative to Benchmark (%)	Carbon Intensity <sup>3</sup>	Relative to Benchmark (%)
Fund	23	-70	49	-74
Benchmark	74		186	

<sup>1</sup> The values presented consider direct emissions controlled by the companies (where the target funds are invested in) through their operations, products and services, and indirect emissions generated by production of energy that the said companies consume. The Fund-of-Funds' portfolio values for each metric is derived from the weighted average of the Fund-of-Funds' exposure to the respective target funds. Data contained herein is based solely on information provided by the target fund managers (as of the specified reporting date) which BPI Wealth considers reliable. BPI Wealth does not make any representation or warranty, express or implied, as to the information's accuracy, timeliness or completeness for any purpose. Any information herein is subject to change without notice, and BPI Wealth is not under any obligation to update or keep current the information contained herein. This sustainability disclosure does not guarantee or purport that the Fund-of-Funds will have the same target funds, underlying securities, or characteristics moving forward.

<sup>2</sup> In tons CO<sub>2</sub>e/USD1Mn invested, measures the portfolio's exposure to climate risk using various metrics such as, but not limited to, carbon emissions and carbon intensity.

<sup>3</sup> In tons CO<sub>2</sub>e/USD1Mn revenue, measures how efficient the portfolio is in terms of carbon emissions per unit of output.

### NAVPU over the past 12 months

<b>Highest</b>	96.17
<b>Lowest</b>	91.75

### STATISTICS

Effective Duration	5.80
Volatility, Past 1 Year (%) <sup>4</sup>	5.01
Sharpe Ratio <sup>5</sup>	-0.47
Information Ratio <sup>6</sup>	0.11
Portfolio Weighted Yield to Maturity (%)	5.99
Current Number of Holdings	5

<sup>1</sup> Differences in the returns of the fund and its benchmark may be affected by factors such as composition/allocation, fees, tenor, duration, and dividend disposition, among other factors.

<sup>2</sup> Returns are net of fees.

<sup>3</sup> Since Inception.

<sup>4</sup> Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>5</sup> Used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

<sup>6</sup> Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

<sup>7</sup> Includes the cash held by the underlying funds

<sup>8</sup> Includes accrued income, investment securities purchased, accrued expenses, etc.

\*Declaration of Trust is available upon request through branch of account.

### TOP HOLDINGS

Name	% of Holdings
PIMCO Global Bond ESG Fund	39.74
Wellington Global Impact Bond Fund	26.55
PIMCO Global Investment Grade Credit ESG Fund	21.78
PIMCO Emerging Markets Bond ESG Fund	5.76
NB Short Duration High Yield Bond Fund	4.36

## RELATED PARTY TRANSACTIONS\*

The Fund has no transactions and outstanding investments with entities related to BPI Wealth- A Trust Corporation (“BPI Wealth”).

\* Related party in accordance with BPI Wealth’s internal policy.

## OUTLOOK AND STRATEGY

**Market Review.** Global fixed income markets rallied in November. The US Federal Reserve kept rates unchanged in November. Officials reflected a less hawkish tone while agreeing to proceed carefully on future monetary policy. Officials also remained data dependent as current inflation remained above target despite recent moderation and further evidence will be required for the FOMC to be confident that inflation is on the path back to target. While Federal Reserve Chair Jerome Powell cautioned against premature speculation of rate cuts, markets priced in aggressive rate cut expectations in 2024 amid declining inflation trend and resilient economy. October year-on-year CPI posted lower than expected and lower than September’s annual figure.

US 2-year, 10-year and 30-year Treasury Yields declined by 41, 61 and 60 basis points, ending the month at 4.68%, 4.33% and 4.50%, respectively. Riskier fixed income assets outperformed government bonds amid the shift in investor sentiment. Credit spreads tightened across sectors with spreads of global investment grade, global high yield and emerging-market fixed income declining by 21, 59 and 29 basis points, respectively.

**Fund Performance.** The fund returned 3.80%, lagging the benchmark by 124 basis points. Duration positioning detracted from performance.

**Fund Strategy.** We expect major structural trends in sustainability, such as increasing market share of electric vehicles and record installation of wind turbines and solar panels, to continue. The ongoing Russia-Ukraine war, has resulted in the world, particularly Europe, determined to reduce their reliance on traditional sources of energy such as oil in gas, requiring large investments in renewable energy in the coming years. In addition we continue to see support for green technologies through government policies across the globe. We believe that strong ESG companies are likely to generate positive financial performance over time as investing in sustainability can deliver higher growth and returns through innovation, higher operational efficiency and better risk management.

## LIST OF PROSPECTIVE INVESTMENTS

The following are among the Fund’s approved investment outlets, wherein the Trustee intends to invest depending on strategy, availability, or other market-driven circumstances:

- a) Primarily in more than one collective investment scheme managed using a sustainable investment strategy aligned with sustainability metrics or frameworks such as the European Union Sustainable Finance Disclosure Regulation (SFDR), United Nations Sustainable Development Goals (SDG), and other globally recognized fund rating agencies or companies, that are approved or registered and supervised by regulatory authorities that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s the investment objectives and policies of which are generally consistent with those of the Fund; provided further that such combined investment in collective investment schemes should not fall below ninety percent (90%) of the net asset value of the Fund. The Target Fund must be recognized as a collective investment scheme in its home jurisdiction by a regulatory authority or any regulatory authority acceptable to the BSP to supervise this CIS.
- b) Deposit products;
- c) Money market instruments;
- d) Short-term tradable fixed-income instruments issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund; and, any such other instruments as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Section 414-Q of the Manual of Regulations for Non-Bank Financial Institutions;
- e) Such other investments suitable to the nature, classification, and strategy of the Fund, as allowed by prevailing regulations.
- f) The principal investments of the Fund will be denominated in, but not limited to, the following major currencies: U.S. Dollar, Euro, British Pound, Canadian Dollar, Australian Dollar, Swiss Franc, Danish Kroner, and Japanese Yen.

*BPI Wealth is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send us a message through [bpwealth@bpi.com.ph](mailto:bpwealth@bpi.com.ph) or by visiting [www.bpi.com.ph/contactus](http://www.bpi.com.ph/contactus). You may also call our 24-hour BPI Contact Center at (+632) 889 10000.*

*BPI Wealth as Trustee/Investment Manager is regulated by the Bangko Sentral ng Pilipinas. <https://www.bsp.gov.ph>*

## FOREIGN FUND MANAGERS OF TARGET FUNDS

[PIMCO](#)

[Wellington Management](#)

[Neuberger Berman](#)

## INVESTMENT OBJECTIVES OF TARGET FUNDS

Name	Domicile	Regulator	SFDR	Theme	Objective
PIMCO Global Bond ESG Fund	Ireland	Ireland	Article 8	Global ESG	Seeks to maximize total return, consistent with the preservation of capital, prudent investment management and sustainable investing.
Wellington Global Impact Bond Fund	Ireland	Ireland	Article 9	Impact Investing	Seeks long-term returns by investing primarily in investment grade rated global fixed income securities issued by organisations whose core business, in the opinion of the investment manager, aims to address some of the world's major social and environmental challenges.
PIMCO Investment Grade Credit ESG Fund	Ireland	Ireland	Article 8	Global ESG	Seeks to maximize total return by investing primarily in investment grade global corporate instruments, while focusing on environmental-, social-, and governance oriented (ESG) principles.
PIMCO Emerging Markets Bond ESG Fund	Ireland	Ireland	Article 8	Emerging Markets ESG	Seeks to maximize total return, consistent with the preservation of capital, prudent investment management and sustainable investing by investing primarily in fixed-income securities from issuers in, or economically tied to, emerging or developing countries, while focusing on environmental, social and governance (ESG) factors.
NB Short Duration High Yield Bond Fund	Ireland	Ireland	Article 8	Global ESG	Seeks to generate high current income from investments in investing in short-duration, high-yield fixed income securities issued by corporations and governments either based in or predominantly conducting business in the US which meet the Sustainable Investment Criteria as described in the prospectus supplement.

## SPECIFIC RISKS IN INVESTING IN A FUND-OF-FUNDS

- The performance of the underlying Target Fund/s on an individual or collective basis impacts the performance of the BPI Sustainable Global Bond Fund-of-Funds.
- The BPI Sustainable Global Bond Fund-of-Funds incurs trust fee payable to the Trustee on top of the management fee/s charged by the Target Fund/s. Said fees and other expenses are already included in the computation of the Net Asset Value per Unit, which is the price at which investors subscribe and redeem units of the Fund.
- **DUE TO THE FUND-OF-FUNDS STRUCTURE OR LAYERED INVESTMENT STRUCTURE OF THE FUND, PARTICIPANTS MAY BE SUBJECTED TO HIGHER FEES WITH THE ADDITION OF FEES AND EXPENSES IMPOSED BY THE TARGET FUNDS. PARTICIPANTS ARE ADVISED TO CONSIDER THESE FEES AND EXPENSES BEFORE INVESTING.**