

## **Baring International Fund Managers (Ireland) Limited—Principal Adverse Impact Statement**

This is the principal adverse impact statement of Baring International Fund Managers (Ireland) Limited (“the Company”) and has been published in accordance with the requirements of the EU Sustainable Finance Disclosure Regulation (“SFDR”)<sup>1</sup>.

The Company delegates the responsibility to identify and prioritise the principal adverse impact of investment decisions to Baring Asset Management Limited and Barings LLC (“the Investment Managers”). The Company and the Investment Managers form part of the wider Barings Group (“Barings”).

The integration and the analysis of environmental, social and governance (“ESG”) information as well as the principal adverse impact of investment decisions on sustainability factors into the investment process gives a more holistic understanding of the complex issues, risks, opportunities and value drivers that may affect the Company’s portfolios over time.

The principal adverse impact of investment decisions on sustainability factors may be identified by employing external market research providers, using internal financial analysis, using publicly available information or directly engaging with the management of investee companies.

The Company’s investment decisions may have an adverse impact on sustainability factors, such as environmental matters, social and employee matters and anti-corruption and anti-bribery matters. Where adverse impact of investment decisions is identified, the Investment Managers may engage with investee companies. The Investment Managers’ approach to engaging with investee companies is briefly described below.

Barings applies the United Nations’ Principles of Responsible Investment (“PRI”). Engagements involve interactions between the investor and current or potential investees on ESG issues. Engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG disclosure. Barings European Public Equities Team is subject to the requirements of the EU Shareholder Rights Directive. Please find their ESG Integration and Active Engagement policy [here](#).

Barings has been a signatory to the United Nations’ Principles of Responsible Investment (“PRI”) initiative since January 2014. The PRI, launched in 2006 by United Nations Environment Programme Finance Initiative and the United Nations Global Compact, is the world’s leading proponent of responsible investment. The PRI has defined six principles that seek to detail the necessary actions of a responsible investor. In becoming a signatory, Barings has publically committed to adopting and implementing these six principles. The PRI requires accountability and transparency on the part of its signatories, and Barings provides annual reports on our ESG assessment initiatives to the PRI and is assessed on these submissions.

Barings, as of 2018, is also a signatory to the United Nations Global Compact, signalling our support of their ten principles and the United Nations Sustainable Development Goals (“UN SDGs”). The United Nations Global Compact is the world’s largest voluntary corporate sustainability initiative, established to encourage businesses to align their strategies and operations with universal principles on human rights, labour, the environment and anti-corruption, as well as to advance societal goals through the UN SDGs. The ten principles that the Global Compact promotes are derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.