

# **Harvest Global Funds**

**Société d'Investissement à Capital Variable (SICAV)**

**R.C.S. Luxembourg B 212314**

**ANNUAL REPORT AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2022**

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Subscriptions are only valid if made on the basis of the current prospectus,  
accompanied by the latest annual report or semi-annual report if published thereafter.*

# Harvest Global Funds

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# Harvest Global Funds

## MANAGEMENT AND ADMINISTRATION

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### Board of Directors of the Company

**Kerry Wai-Ling Chow**

Chief Operating Officer  
Harvest Global Investments Limited  
Hong Kong

**Gast Juncker**

Partner  
Elvinger Hoss Prussen  
société anonyme  
Luxembourg  
Grand Duchy of Luxembourg

**Sebastien Gervais Emmanuel Gandon**

Head of Sales Europe  
Harvest Global Investments Limited  
Hong Kong

**Romain Emmanuel Marie Denis**

Executive Director – Managing Director  
FundRock Management Company S.A.  
Luxembourg

**Registered Office**

106, route d’Arlon  
L-8210 Mamer  
Grand Duchy of Luxembourg

**Investment Manager**

Harvest Global Investments Limited  
31/F One Exchange Square  
8 Connaught Place, Central  
Hong Kong

**Management Company**

FundRock Management Company S.A.  
33, rue de Gasperich  
L-5826 Hesperange  
Grand Duchy of Luxembourg

### Members of the Board of Directors of the Management Company

**Michel Marcel Vareika**

Chairman  
Independent Non-Executive Director  
Luxembourg

**Romain Emmanuel Marie Denis**

Executive Director – Managing Director  
FundRock Management Company S.A.  
Grand Duchy of Luxembourg

**Thibault Gregoire**

Executive Director – Chief Financial Officer  
FundRock Management Company S.A.  
Luxembourg

**Xavier Parain**

Executive Director – Head of FundRock  
FundRock Management Company S.A.  
Luxembourg

### Conducting Officers of the Management Company

**Romain Emmanuel Marie Denis**

Executive Director – Managing Director

**Xavier Parain** (appointed on 24 January 2022)

Executive Director – Head of FundRock

**Emmanuel Nantas**

Director – Compliance

**Franck Caramelle**

Head of Alternatives Investments

**Khalil Haddad** (appointed on 24 January 2022)

Valuation Manager

# Harvest Global Funds

## MANAGEMENT AND ADMINISTRATION (CONTINUED)

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### Depository Bank

HSBC Continental Europe, Luxembourg  
(Until 31 October 2022)  
16, boulevard d'Avranches  
L-1160 Luxembourg  
Grand Duchy of Luxembourg

(From 1 November 2022)  
18, Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

### Auditor

PricewaterhouseCoopers, Société coopérative  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

### Administration, Registrar and Transfer Agent

HSBC Continental Europe, Luxembourg  
(Until 31 October 2022)  
16, boulevard d'Avranches  
L-1160 Luxembourg  
Grand Duchy of Luxembourg

(From 1 November 2022)  
18, Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

### Domiciliary, Corporate Agent

(From 1 November 2022)  
Lemanik Asset Management S.A.  
106, route d'Arlon  
L-8210 Mamer  
Grand Duchy of Luxembourg

### Legal Advisers as to Matters of of Luxembourg Law

Elvinger Hoss Prussen  
société anonyme  
2, Place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

### Global Distributor

Harvest Global Investments Limited  
31/F One Exchange Square  
8, Connaught Place, Central  
Hong Kong

# Harvest Global Funds

## DIRECTORS' REPORT

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### 1. Introduction

Harvest Global Funds (the “Company”) is an umbrella investment company with variable capital (société d’investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg.

The Board of Directors of the Company (the “Board”) submits its report and the audited financial statements for the year ended 31 December 2022 as set out below.

### 2. Activities during the year

During the year, the Company followed the normal activities of an open-ended UCITS investment company. The total net assets of the Company were USD 85,940,098 at year end. The Investment Manager's Report that follows gives an overview of the performance of the different Sub-Funds.

The Directors may from time to time close Sub-Funds as well as launch further Sub-Funds with different investment objectives, and make changes to the Sub-Funds, subject to the approval of the Commission de Surveillance du Secteur Financier ("CSSF").

The Company’s prospectus (the “Prospectus”) was updated and approved by the Commission de Surveillance du Secteur Financier ("CSSF"). The updates include the insertion of a new Sub-Fund denominated “Harvest Asia Sustainable Balanced Fund”; change of the denomination of the sub-fund “Harvest China A-shares Equity Fund” into “Harvest China A-shares Sustainable Absolute Fund”; upgrade of all existing Sub-Funds of the Company in order to classify them as Article 8 financial products under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”) and insertion of the related ESG information in their investment policies; the insertion of information relating to the appointment, by the Investment Manager (as defined in the Prospectus), of Harvest Fund Management Co., Ltd., as investment advisor for the Sub-Fund “Harvest China A-Shares Sustainable Absolute Fund”; change of the names of some Sub-Funds, from “Harvest China Evolution Equity Fund” to “Harvest China Sustainable Equity Fund”, from “Harvest China Bonds Fund” to “Harvest China Sustainable Bonds Fund”, from “Harvest Asian Bond Fund” to “Harvest Asian Sustainable Bond Fund”; the Change of Corporate and Domiciliary Agent and the Change of Registered Office, and other matters as necessary.

### 3. Activities after the year end

#### Update of the Company’s prospectus

The Company’s prospectus was updated in draft form and is subject to the approval of the Commission de Surveillance du Secteur Financier ("CSSF"). The updates include the insertion of the SFDR-RTS appendices in order to comply with the SFDR RTS that will be applicable as from 1st January 2023; the change of the names of all Sub-Funds of the Company to reflect more precisely the ESG policy pursued by the Sub-Funds and in light of the latest regulatory developments in the context of the SFDR Regulation and the SFDR-RTS.

#### Change of Management Company

The Board intends to appoint Lemanik Asset Management S.A ("Lemanik"), a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 106, route d’Arlon, L-8210 Mamer, Grand Duchy of Luxembourg, and registered with the RCS under number B44870, as the management company of the Company in replacement of FundRock Management Company S.A. ("FundRock").

# Harvest Global Funds

## **DIRECTORS' REPORT (CONTINUED)**

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### 4. Corporate governance

The Board is responsible for ensuring that a high level of corporate governance is applicable and considers that the Company has complied with good governance practices in the Luxembourg funds industry. The Company is governed by the UCITS Directive(s), Luxembourg law and its Articles of Incorporation.

### 5. Annual General Meeting

The next Annual General Meeting of the Company will be held on 28 April 2023 at the registered office of the Company to consider matters relating to the year ended on 31 December 2022.

### 6. Impact of the Covid-19

During 2022 the Fund applied the valuation rules set out in its articles of incorporation and prospectus to deal with the fallout of the COVID 19 outbreak. The Board continues to monitor the situation but considered that no exceptional valuation rules not covered by the current documentation.

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The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT

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### Harvest Asian Sustainable Bond Fund

#### Market Overview

Asian bonds experienced one of the worst years in history amid aggressive central bank tightening in 2022. JP Morgan Asia Credit Index (JACI) tumbled 11.0% in the year with credit spreads widening by 83 basis points.

Inflationary pressure in the U.S. intensified swiftly since the beginning of the year, exacerbated by a commodity shock triggered by the Russia-Ukraine war and supply chain disruption owing to China's stringent pandemic prevention measures in the spring. The U.S. CPI soared to as high as 9.1% year-on-year in June before cooling down to around 6.5% year-on-year in December. To push the consumer price inflation to a policy target of 2%, the U.S. Federal Reserve tightened monetary policy aggressively and hiked a total of 425 basis points between March and December. The sharp liquidity tightening aided the strength of U.S. dollar, fuelled the rally of Treasury yields, and raised the recession outlooks in the U.S. In the last quarter of the year, the UK fiscal budget saga and the Bank of Japan's surprisingly tweak of its yield curve control policy added to the market turbulence. The 2-year and 10-year U.S. Treasury yields jumped 369 basis points and 236 basis points, respectively, throughout the year.

Asian bonds were under pressure amid rising yields and China's adherence to strict COVID and property market policies for most of the year. However, since early November, in response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China had rapidly pivoted to a COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government shifted its stance to support "necessary" financing of property developers. Vice Premier Liu He also called the sector as "a pillar of the national economy". The dramatic turnaround of China's COVID and property market policies triggered a year-end rally of USD-denominated Asian bonds, narrowing the full-year losses.

#### Investment Strategy & Outlook

With U.S. inflation waning in the second half of 2022, the U.S. has approached its terminal rate of this rate hike cycle. By the end of 2022, Fed policymakers expected additional 75 basis points of interest rate increases in 2023. This is in sharp contrast to the 425-basis-point rate hikes in 2022. The question is how long the Fed will keep monetary policy at a restrictive level and if a recession is inevitable. Meanwhile, it is worth watching if China's post-COVID reopening will boost global demand and bring up global inflation. We expect U.S. inflation to continue to fall in the first half of 2023 due to the monetary policy tightening and the year-ago high base effect. Uncertainty is in the second half of 2023 when the U.S. inflation has a chance to be sticky between 3%-4%.

After almost three years' COVID curbs, the release of pent-up consumer demand in couple with the property market stabilization will lend support to China's economic recovery. The policy pivots are not only expected to drive China's GDP growth to around 5% in 2023, but would also help fend off mounting global recession risks for other Asian emerging markets. Having said that, credit spreads of high quality Asian bonds have already tightened after the market rally at the turn of the year. Investors should be selective in 2023 and be wary of the mounting recession outlooks in the developed markets.

The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT (CONTINUED)

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### Harvest China Sustainable Equity Fund

#### Market Overview

Chinese equities experienced one of the worst years in history amid strict COVID curbs and aggressive U.S. monetary policy tightening. However, with China moving towards a full reopening and U.S. inflationary pressure abating, the Chinese equity market recovered some losses at the end of the year. The MSCI China Index fell 21.9% (in USD) over the year.

Global equity markets went into negative territory due to concerns over more aggressive monetary policy tightening in the U.S. and spillover effects – both a commodity shock and geological implications – from the Russia-Ukraine war. Four-decade-high inflationary pressures in the U.S. forced the Federal Reserve to tighten monetary policy aggressively, lifting up rates by a total of 375 basis points between March and December. The sharp liquidity tightening aided the strength of U.S. dollar and fuelled the rally of Treasury yields, intensifying the renminbi depreciation and the market downturn of global equity markets. Apart from external headwinds, Chinese equities had their own fights, including fast spreading waves of Omicron and China's Zero COVID response. Strict pandemic-prevention measures had hurt consumer spending, and hindered China's ability to achieve an annual GDP growth target of around 5.5%. Pessimism prevailed for most of the year amid stringent COVID restrictions in Shanghai in the spring and rising bond default rates among privately-owned property developers. However, since early November, the dramatic turnaround of China's COVID and property market policies soon induced a V-shaped market rebound. In response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China rapidly pivoted to COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government rolled out measures to enhance developers' ability to obtain credit and refinance. Vice Premier Liu He also called the sector as "a pillar of the national economy". Regarding geopolitics, the Xi-Biden meeting underscored cooperation and soothed tensions between the world's two largest economies. In addition, Chinese internet companies' U.S. delisting risks subsided as the U.S. audit watchdog confirmed that it received complete access to inspect U.S.-listed Chinese companies.

#### Investment Strategy & Outlook

Market sentiment turns positive again after China came through the COVID disruption, the property market deleveraging and regulatory overhaul across sectors in the past several years. At the turn of the year, all major risks considered by global investors when investing in China have been shifting towards a positive direction.

After almost three years' COVID curbs, the release of pent-up consumer demand in couple with the property market stabilization will lend support to China's economic recovery. The policy pivots are not only expected to drive China's GDP growth to around 5% in 2023, but would also help fend off mounting global recession risks for other Asian emerging markets. Higher growth and lower inflation outlooks make Chinese assets more attractive in relative to developed markets, where recession risks loom large. The rebound of the Chinese equity market since year-end 2022 has been primarily driven by multiple expansion. However, market valuations are still below the five-year average and have room to grow. Having said that, earnings recovery, particularly in the domestic consumption-related sectors, will become the main source of share price movements for most of 2023.

The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT (CONTINUED)

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### Harvest China Sustainable Bonds Fund

#### Market Overview

Harvest China Sustainable Bonds Fund dropped 6.5% (in USD) in 2022 while the benchmark fell 5.2% (in USD). The negative returns and volatility of China's onshore renminbi bonds in USD terms were primarily owing to the 8.5% depreciation of the Chinese currency against the greenback over the course of the year.

The Chinese currency performance was weak amid a risk-off sentiment for most of the year, driven by China's adherence to the stringent dynamic Zero COVID policy and heightened default risks facing privately-owned property developers. However, since early November, in response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China had rapidly pivoted to a COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government shifted its stance to support "necessary" financing of property developers. Vice Premier Liu He also called the sector as "a pillar of the national economy". The dramatic turnaround of China's COVID and property market policies triggered fears that a potentially sharp recovery of the macroeconomic environment would make China's monetary policy no longer accommodative.

The Chinese government bond yields largely remained stable with the 2-year yield dropping 2 basis points to 2.34% by December-end from 2.36% as at year-end 2021. Yield of 10-year Chinese government bonds ticked up six basis points to 2.84%. The magnitude of the yield movement in China was minimal compared to the yield spike in the U.S., where the Federal Reserve hiked 425 basis points in 2022. Meanwhile, as inflation in the U.S. appeared to have peaked out in the fourth quarter, the U.S. dollar weakened near the end of the year. On the back of China's rapid shift to a full opening, renminbi gathered strength at the end of the year and offset the adverse impact from upward yield movement of benchmark renminbi bonds.

#### Investment Strategy & Outlook

Despite the post-COVID reopening, China has vowed to keep liquidity "reasonably" ample and "appropriately" expand fiscal spending in 2023 in contrast to a view that China has to tighten. In fact, we expect China's inflation to remain in check due to softening global demand and the absence of massive stimulus program in China. With inflation under control, China may have room to deliver modest benchmark rate cuts early in 2023 to foster growth. China's prudent monetary policy approach would help limit the volatility of onshore renminbi bonds, making the market a stable income source. Meanwhile, a reopening-driven renminbi appreciation will also contribute positively to the market performance in USD terms.

The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT (CONTINUED)

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### Harvest Asia Sustainable Balanced Fund

#### Market Overview

Asia's financial markets experienced one of the worst years in history amid China's strict COVID curbs and aggressive U.S. monetary policy tightening. However, with China moving towards a full reopening and U.S. inflationary pressure abating, the Asia ex Japan market managed to recover some losses at the end of the year. The MSCI AC Asia ex Japan Index tumbled 19.7% in the year, while JP Morgan Asia Credit Index (JACI) fell 11.0% with credit spreads widening by 83 basis points.

Global equity markets went into negative territory due to concerns over aggressive monetary policy tightening in the U.S. and spillover effects – both a commodity shock and geological implications – from the Russia-Ukraine war. Four-decade-high inflationary pressures in the U.S. forced the Federal Reserve to tighten monetary policy aggressively, lifting up rates by a total of 425 basis points between March and December. The sharp liquidity tightening aided the strength of U.S. dollar and fuelled the rally of Treasury yields, intensifying the market downturn of Asian equity and fixed income markets.

Apart from external headwinds, pessimism prevailed for most of the year in Chinese equities amid stringent COVID restrictions in Shanghai in the spring and rising bond default rates among privately-owned property developers. However, since early November, the dramatic turnaround of China's COVID and property market policies soon induced a V-shaped market rebound. In response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China rapidly pivoted to COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government rolled out measures to enhance developers' ability to obtain credit and refinance. Vice Premier Liu He also called the sector as "a pillar of the national economy". Regarding geopolitics, the Xi-Biden meeting underscored cooperation and soothed tensions between the world's two largest economies. In addition, Chinese internet companies' U.S. delisting risks subsided as the U.S. audit watchdog confirmed that it received complete access to inspect U.S.-listed Chinese companies.

Interest rate-sensitive Taiwan and South Korea underperformed the broad Asian markets. In contrast, Southeast Asia and India outperformed and benefited from multinational enterprises' demand for a diversified supply chain outside China.

#### Investment Strategy & Outlook

With U.S. inflation waning in the second half of 2022, the U.S. has approached its terminal rate of the current rate hike cycle. By the end of 2022, Fed policymakers expected additional 75 basis points of interest rate increases in 2023. This is in sharp contrast to the 425-basis-point rate hikes in 2022. The question is how long the Fed will keep monetary policy at a restrictive level and if a recession is inevitable. Meanwhile, it is worth watching if China's post-COVID reopening will boost global demand and bring up global inflation. We expect U.S. inflation to continue to fall in the first half of 2023 due to the tight liquidity condition and the year-ago high base effect. Uncertainty is in the second half of 2023 when the U.S. inflation has a chance to be sticky between 3%-4%.

The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT (CONTINUED)

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### Harvest Asia Sustainable Balanced Fund (continued)

#### Investment Strategy & Outlook (continued)

After almost three years' COVID curbs, the release of pent-up consumer demand in couple with the property market stabilization will lend support to China's economic recovery. The policy pivots are not only expected to drive China's GDP growth to around 5% in 2023, but would also help fend off mounting global recession risks for other Asian emerging markets. Higher growth and lower inflation outlooks make Chinese assets more attractive in relative to developed markets, where recession risks loom large. The rebound of the Chinese equity market since year-end 2022 has been primarily driven by multiple expansion. However, market valuations are still below the five-year average and have room to grow. Having said that, earnings recovery, particularly in the domestic consumption-related sectors, will become the main source of share price movements for most of 2023.

Apart from the short-term catalysts, Asia ex China markets enjoy tailwinds from the long-term trend of global supply chain diversification from China. We have seen multinational enterprises accelerating to shift their manufacturing capacity to Vietnam and other Asian countries in search of lower labour costs and lower exposure to geopolitical risks. A new, parallel supply chain is taking shape outside China and is going to benefit Asian emerging and frontier markets in the years to come.

### Harvest China A-Shares Sustainable Absolute Fund

#### Market Overview

Chinese equities experienced one of the worst years in history amid strict COVID curbs and aggressive U.S. monetary policy tightening. However, with China moving towards a full reopening and U.S. inflationary pressure abating, China's A-share market recovered some losses, but not as much as offshore Chinese equities, at the end of the year. The MSCI China A Index fell 25.9% (in USD) over the year.

Global equity markets went into negative territory due to concerns over aggressive monetary policy tightening in the U.S. and spillover effects – both a commodity shock and geological implications – from the Russia-Ukraine war. Four-decade-high inflationary pressures in the U.S. forced the Federal Reserve to tighten monetary policy aggressively, lifting up rates by a total of 425 basis points between March and December. The sharp liquidity tightening aided the strength of U.S. dollar and fuelled the rally of Treasury yields, intensifying the renminbi depreciation and the market downturn of global equity markets. Apart from external headwinds, Chinese equities had their own fights, including fast spreading waves of Omicron and China's Zero COVID response. Strict pandemic-prevention measures had hurt consumer spending, and hindered China's ability to achieve an annual GDP growth target of around 5.5%. Pessimism prevailed for most of the year amid stringent COVID restrictions in Shanghai in the spring and rising bond default rates among privately-owned property developers. However, since early November, the dramatic turnaround of China's COVID and property market policies soon induced a V-shaped market rebound. In response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China rapidly pivoted to COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government rolled out measures to enhance developers' ability to obtain credit and refinance. Vice Premier Liu He also called the sector as "a pillar of the national economy". Regarding geopolitics, the Xi-Biden meeting underscored cooperation and soothed tensions between the world's two largest economies. Nevertheless, renminbi depreciated 8.5% in 2022 against the USD, contributing negatively to the performance of China's A-shares in USD terms.

The figures stated in this report are historical and not necessarily indicative of future performance.

# Harvest Global Funds

## INVESTMENT MANAGER'S REPORT (CONTINUED)

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### Harvest China A-Shares Sustainable Absolute Fund (continued)

#### Investment Strategy & Outlook

Market sentiment has improved after China came through the COVID disruption, the property market deleveraging and regulatory overhaul across sectors in the past several years. At the turn of the year, all major risks considered by global investors when investing in China have been shifting towards a positive direction.

After almost three years' COVID curbs, the release of pent-up consumer demand in couple with the property market stabilization will lend support to China's economic recovery. The policy pivots are not only expected to drive China's GDP growth to around 5% in 2023, but would also help fend off mounting global recession risks for other Asian emerging markets. Higher growth and lower inflation outlooks make Chinese assets more attractive in relative to developed markets, where recession risks loom large. The rebound of the Chinese equity market since year-end 2022 has been primarily driven by multiple expansion. However, market valuations are still below the five-year average and have room to grow. Having said that, earnings recovery, particularly in the domestic consumption-related sectors, will become the main source of share price movements for most of 2023.

The figures stated in this report are historical and not necessarily indicative of future performance.



## Audit report

To the Shareholders of  
**Harvest Global Funds**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Harvest Global Funds (the “Fund”) and of each of its sub-funds as at 31 December 2022, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### *What we have audited*

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2022;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the schedule of investments as at 31 December 2022; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

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### Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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T : +352 494848 1, F : +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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#### **Responsibilities of the Board of Directors of the Fund for the financial statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

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#### **Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 26 April 2023

Régis Malcourant

# Harvest Global Funds

## STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2022

|   |        |                   | Harvest Asian<br>Sustainable<br>Bond Fund <sup>†</sup> | Harvest China<br>Sustainable<br>Equity Fund <sup>**</sup> | Harvest China<br>Sustainable<br>Bonds Fund <sup>***</sup> | Harvest Asia<br>Sustainable<br>Balanced<br>Fund <sup>#</sup> | Harvest China<br>A-Shares<br>Sustainable<br>Absolute<br>Fund <sup>##</sup> |
|---|--------|-------------------|--|---|---|--|--|
|   | Notes  | Combined<br>USD   | USD  | USD   | USD   | USD  | USD  |
| <b>Assets</b>   |        |                   |  |   |   |  |  |
| Investments in securities at cost                             |        | 85,478,479        | 4,835,566  | 8,145,569   | 60,341,345  | 7,581,407  | 4,574,592  |
| Unrealised (depreciation)                                     |        | (3,425,959)       | (237,936)  | (352,794)   | (2,032,616)   | (259,678)  | (542,935)  |
| <b>Investments in securities at market value</b>              | 2.d    | <b>82,052,520</b> | <b>4,597,630</b>                                       | <b>7,792,775</b>  | <b>58,308,729</b>   | <b>7,321,729</b>   | <b>4,031,657</b>   |
| Cash at bank and broker                                       | 3      | 4,837,829         | 345,371  | 289,268   | 3,905,849   | 166,876  | 130,465  |
| Unrealised appreciation on future contracts                   | 2.e,11 | 60,601            | 1,734  | -   | 58,867  | -  | -  |
| Receivable resulting from sale of securities                  |        | 567,036           | -  | 110,876   | 298,424   | -  | 157,736  |
| Unrealised appreciation on forward foreign exchange contracts | 2.f,12 | 325,364           | -  | -   | 325,364   | -  | -  |
| Interest receivable   |        | 1,240,933         | 52,645   | -   | 1,166,539   | 21,749   | -  |
| Dividends receivable  | 2.g    | 1,822             | -  | -   | -   | 614  | 1,208  |
| Formation Expenses, net amortisation                          |        | 25,363            | 9,952  | 15,411  | -   | -  | -  |
| Other assets  |        | 129,653           | 18,809   | 96,975  | -   | -  | 13,869   |
| <b>Total Assets</b>   |        | <b>89,241,121</b> | <b>5,026,141</b>                                       | <b>8,305,305</b>  | <b>64,063,772</b>   | <b>7,510,968</b>   | <b>4,334,935</b>   |
| <b>Liabilities</b>  |        |                   |  |   |   |  |  |
| Payable resulting from purchase of securities                 |        | 197,200           | -  | 55,450  | -   | -  | 141,750  |
| Due to shareholders   |        | 2,991,434         | -  | 163,870   | 2,827,564   | -  | -  |
| Formation Expenses  |        | 8,375             | -  | -   | -   | 8,375  | -  |
| Other liabilities   |        | 104,014           | 2,203  | 9,016   | 86,008  | 4,026  | 2,761  |
| <b>Total Liabilities</b>                                      |        | <b>3,301,023</b>  | <b>2,203</b>   | <b>228,336</b>  | <b>2,913,572</b>  | <b>12,401</b>  | <b>144,511</b>   |
| <b>Net Assets</b>   |        | <b>85,940,098</b> | <b>5,023,938</b>                                       | <b>8,076,969</b>  | <b>61,150,200</b>   | <b>7,498,567</b>   | <b>4,190,424</b>   |

\* Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022.

\*\* Harvest China Evolution Equity Fund changed name to Harvest China Sustainable Equity Fund as at 31 August 2022.

\*\*\* Harvest China Bonds Fund changed name to Harvest China Sustainable Bonds Fund as at 31 August 2022.

# Launched on 27 April 2022.

## Launched on 24 May 2022.

The accompanying notes form an integral part of these financial statements.

# Harvest Global Funds

## STATEMENT OF OPERATIONS FOR THE PERIOD ENDED 31 DECEMBER 2022

|  | Notes  | Combined<br>USD     | Harvest Asian<br>Sustainable<br>Bond Fund <sup>†</sup><br>USD | Harvest China<br>Sustainable<br>Equity Fund <sup>**</sup><br>USD | Harvest China<br>Sustainable<br>Bonds Fund <sup>***</sup><br>USD | Harvest Asia<br>Sustainable<br>Balanced<br>Fund <sup>#</sup><br>USD | Harvest China<br>A-Shares<br>Sustainable<br>Absolute<br>Fund <sup>##</sup><br>USD |
|--|--------|---------------------|---|--|--|---|---|
| <b>Income</b>  |        |                     |   |  |  |   |   |
| Interest on bonds  | 2.g    | 3,551,303           | 219,661   | -  | 3,254,233  | 77,409  | -   |
| Dividend income  | 2.g    | 229,541             | -   | 108,070  | 38   | 64,879  | 56,554  |
| Interest income from bank deposits                       | 2.g    | 11,267              | 1,031   | 1,502  | 6,803  | 980   | 951   |
| Other income   |        | 370,707             | 47,134  | 36,334   | 276,197  | 6,900   | 4,142   |
| <b>Total Income</b>                                      |        | <b>4,162,818</b>    | <b>267,826</b>  | <b>145,906</b>   | <b>3,537,271</b>   | <b>150,168</b>  | <b>61,647</b>   |
| <b>Expenses</b>  |        |                     |   |  |  |   |   |
| Investment Management fees                               | 4      | 56,196              | 131   | 31,534   | 19,300   | 7   | 5,224   |
| Depository and custody fees                              | 6      | 127,614             | 17,773  | 24,431   | 60,572   | 10,970  | 13,868  |
| Administration and transfer agency fees                  | 5      | 380,678             | 105,031   | 108,097  | 117,049  | 30,048  | 20,453  |
| Management Company fees                                  | 10     | 141,169             | 7,776   | 19,252   | 102,729  | 8,234   | 3,178   |
| Directors' fee and expenses                              | 9      | 50,171              | 2,165   | 4,977  | 41,137   | 1,164   | 728   |
| Subscription tax   | 7      | 11,268              | 487   | 1,068  | 8,943  | 346   | 424   |
| Formation expenses                                       | 2.i    | 12,077              | 3,702   | -  | -  | 8,375   | -   |
| Bank charges and interest                                |        | 624                 | 50  | 175  | 337  | 31  | 31  |
| Accounting and professional fees                         |        | 67,489              | 11,233  | 12,822   | 39,558   | 2,518   | 1,358   |
| Other expenses   | 14     | 141,094             | -   | -  | 105,085  | 25,210  | 10,799  |
| <b>Total Expenses</b>                                    |        | <b>988,380</b>      | <b>148,348</b>  | <b>202,356</b>   | <b>494,710</b>   | <b>86,903</b>   | <b>56,063</b>   |
| <b>Net Profit/(Loss) from Investments</b>                |        | <b>3,174,438</b>    | <b>119,478</b>  | <b>(56,450)</b>  | <b>3,042,561</b>   | <b>63,265</b>   | <b>5,584</b>  |
| Net gain/(loss) realised on:                             |        |                     |   |  |  |   |   |
| - Investment portfolio                                   | 2.d    | (9,548,337)         | (872,003)   | 504,989  | (8,524,608)  | (402,461)   | (254,254)   |
| - Future transactions                                    | 2.e,11 | 496,103             | 2,751   | -  | 493,352  | -   | -   |
| - Foreign exchange transactions                          | 2.c    | (293,374)           | (7,272)   | (27,273)   | (229,250)  | (2,402)   | (27,177)  |
| <b>Net Realised (Loss)/Gain</b>                          |        | <b>(9,345,608)</b>  | <b>(876,524)</b>  | <b>477,716</b>   | <b>(8,260,506)</b>   | <b>(404,863)</b>  | <b>(281,431)</b>  |
| Net change in unrealised appreciation/(depreciation) on: |        |                     |   |  |  |   |   |
| - Investment portfolio                                   | 2.d    | (6,514,914)         | (119,772)   | (3,399,776)  | (2,192,753)  | (259,678)   | (542,935)   |
| - Forward foreign exchange contracts                     | 2.f,12 | 179,402             | -   | -  | 179,402  | -   | -   |
| - Future transactions                                    | 2.e,11 | 60,601              | 1,734   | -  | 58,867   | -   | -   |
| - Foreign exchange transactions                          | 2.c    | (1,156,807)         | 1,465   | 6,286  | (1,173,607)  | (157)   | 9,206   |
| <b>Net Change in Unrealised Depreciation</b>             |        | <b>(7,431,718)</b>  | <b>(116,573)</b>  | <b>(3,393,490)</b>   | <b>(3,128,091)</b>   | <b>(259,835)</b>  | <b>(533,729)</b>  |
| <b>Decrease in Net Assets as a Result from Operation</b> |        | <b>(13,602,888)</b> | <b>(873,619)</b>  | <b>(2,972,224)</b>   | <b>(8,346,036)</b>   | <b>(601,433)</b>  | <b>(809,576)</b>  |

\* Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022.

\*\* Harvest China Evolution Equity Fund changed name to Harvest China Sustainable Equity Fund as at 31 August 2022.

\*\*\* Harvest China Bonds Fund changed name to Harvest China Sustainable Bonds Fund as at 31 August 2022.

# Launched on 27 April 2022.

## Launched on 24 May 2022.

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# Harvest Global Funds

## STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 31 DECEMBER 2022

|   | Combined<br>USD   | Harvest Asian<br>Sustainable<br>Bond Fund <sup>†</sup><br>USD | Harvest China<br>Sustainable<br>Equity Fund <sup>**</sup><br>USD | Harvest China<br>Sustainable<br>Bonds Fund <sup>***</sup><br>USD | Harvest Asia<br>Sustainable<br>Balanced<br>Fund <sup>#</sup><br>USD | Harvest China<br>A-Shares<br>Sustainable<br>Absolute<br>Fund <sup>##</sup><br>USD |
|---|-------------------|---|--|--|---|---|
| Net Assets at the Beginning of the Year                                   | 121,683,461       | 5,371,474   | 17,729,484   | 98,582,503   | -   | -   |
| Decrease in Net Assets as a Result of Operations                          | (13,602,888)      | (873,619)   | (2,972,224)  | (8,346,036)  | (601,433)   | (809,576)   |
| Capital transactions  |                   |   |  |  |   |   |
| Subscriptions received  | 37,194,273        | 4,920,089   | 8,579,972  | 10,594,212   | 8,100,000   | 5,000,000   |
| Redemption paid   | (59,334,748)      | (4,394,006)   | (15,260,263)   | (39,680,479)   | -   | -   |
| Net (Decrease)/Increase in Net Assets as a Result of Capital Transactions | (22,140,475)      | 526,083   | (6,680,291)  | (29,086,267)   | 8,100,000   | 5,000,000   |
| Total (Decrease)/Increase in Net Assets in the Year                       | (35,743,363)      | (347,536)   | (9,652,515)  | (37,432,303)   | 7,498,567   | 4,190,424   |
| <b>Net Assets at the End of the Year</b>                                  | <b>85,940,098</b> | <b>5,023,938</b>  | <b>8,076,969</b>   | <b>61,150,200</b>  | <b>7,498,567</b>  | <b>4,190,424</b>  |

\* Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022.

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# Launched on 27 April 2022.

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# Harvest Global Funds

## STATISTICAL INFORMATION

|                                     |                                 | Harvest Asian<br>Sustainable Bond<br>Fund <sup>*</sup> | Harvest China<br>Sustainable<br>Equity Fund <sup>**</sup> | Harvest China<br>Sustainable<br>Bonds Fund <sup>***</sup> | Harvest Asia<br>Sustainable<br>Balanced Fund <sup>#</sup> | Harvest China<br>A-Shares<br>Sustainable<br>Absolute<br>Fund <sup>##</sup> |
|-------------------------------------|---------------------------------|--|---|---|---|--|
| <b>Net Asset Value in USD</b>       |                                 |  |   |   |   |  |
| <b>31 December 2022</b>             |                                 | 5,023,938  | 8,076,969   | 61,150,200  | 7,498,567   | 4,190,424  |
| <b>31 December 2021</b>             |                                 | 5,371,474  | 17,729,484  | 98,582,503  | -   | -  |
| <b>31 December 2020</b>             |                                 | 10,706,502   | 29,705,132  | 43,725,098  | -   | -  |
| <b>Number of Shares Outstanding</b> |                                 |  |   |   |   |  |
| <b>31 December 2022</b>             | Class I Accumulation Shares EUR | -  | 400,000.00  | 77,839.84   | -   | -  |
|                                     | Class I Accumulation Shares USD | 142,008.92   | 286,693.83  | 110,807.92  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 10,000.00   | 86.47   | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 100.00  | -   | 100,000.00   |
|                                     | Class S Accumulation Shares USD | 418,160.10   | -   | 5,408,788.19  | -   | 396,552.58   |
|                                     | Class Minerva-R Shares USD      | -  | -   | -   | 810,000.00  | -  |
| <b>31 December 2021</b>             | Class I Accumulation Shares EUR | -  | -   | 86.47   | -   | -  |
|                                     | Class I Accumulation Shares USD | 100.00   | 923,666.61  | 469,219.98  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 10,000.00   | 86.47   | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 100.00  | -   | -  |
|                                     | Class S Accumulation Shares USD | 535,421.86   | -   | 7,984,087.85  | -   | -  |
| <b>31 December 2020</b>             | Class I Accumulation Shares EUR | -  | -   | 8,802.47  | -   | -  |
|                                     | Class I Accumulation Shares USD | 100.00   | 1,297,885.30  | 100.00  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 10,000.00   | 86.47   | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 100.00  | -   | -  |
|                                     | Class S Accumulation Shares USD | 1,015,115.75   | -   | 3,853,540.08  | -   | -  |
| <b>Net Asset Value per Share</b>    |                                 |  |   |   |   |  |
| <b>31 December 2022</b>             | Class I Accumulation Shares EUR | -  | 9.426   | 11.632  | -   | -  |
|                                     | Class I Accumulation Shares USD | 10.651   | 13.675  | 10.722  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 12.542  | 11.393  | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 10.520  | -   | 8.029  |
|                                     | Class S Accumulation Shares USD | 8.397  | -   | 10.907  | -   | 8.542  |
|                                     | Class Minerva-R Shares USD      | -  | -   | -   | 9.257   | -  |
| <b>31 December 2021</b>             | Class I Accumulation Shares EUR | -  | -   | 11.752  | -   | -  |
|                                     | Class I Accumulation Shares USD | 9.979  | 18.992  | 11.523  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 16.480  | 11.566  | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 11.358  | -   | -  |
|                                     | Class S Accumulation Shares USD | 10.030   | -   | 11.670  | -   | -  |
| <b>31 December 2020</b>             | Class I Accumulation Shares EUR | -  | -   | 10.602  | -   | -  |
|                                     | Class I Accumulation Shares USD | 10.496   | 22.715  | 11.232  | -   | -  |
|                                     | Class R Accumulation Shares EUR | -  | 18.199  | 10.469  | -   | -  |
|                                     | Class R Accumulation Shares USD | -  | -   | 11.109  | -   | -  |
|                                     | Class S Accumulation Shares USD | 10.546   | -   | 11.316  | -   | -  |

\* Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022.

\*\* Harvest China Evolution Equity Fund changed name to Harvest China Sustainable Equity Fund as at 31 August 2022.

\*\*\* Harvest China Bonds Fund changed name to Harvest China Sustainable Bonds Fund as at 31 August 2022.

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# Harvest Global Funds

## SCHEDULE OF INVESTMENTS

### HARVEST ASIAN SUSTAINABLE BOND FUND 31 DECEMBER 2022

| Face Value  | Description   | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|---|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |   |                     |  |
| <b>Bonds</b>  |   |                     |  |
| <b>Canada</b>   |   |                     |  |
| 200,000   | Nexen 5.875% 10/03/2035                               | 196,960             | 3.92   |
|   |   | 196,960             | 3.92   |
| <b>China</b>  |   |                     |  |
| 200,000   | Alibaba Group Holding 3.25% 09/02/2061                | 120,571             | 2.40   |
| 200,000   | Baidu 3.875% 29/09/2023                               | 197,684             | 3.93   |
| 200,000   | China Development Bank 2.875% 28/09/2030              | 186,431             | 3.71   |
| 200,000   | Eastern Creation Ii Investment Holdings 1% 10/09/2023 | 194,523             | 3.87   |
| 200,000   | Meituan Dianping 3.05% 28/10/2030                     | 154,018             | 3.07   |
| 200,000   | SF Holding Investment 2021 3% 17/11/2028              | 174,546             | 3.47   |
| 200,000   | Tencent Holdings 3.94% 22/04/2061                     | 140,264             | 2.79   |
| 200,000   | Tingyi 1.625% 24/09/2025                              | 179,746             | 3.58   |
|   |   | 1,347,783           | 26.82  |
| <b>Hong Kong</b>  |   |                     |  |
| 200,000   | Cathay Pacific Financing 4.875% 17/08/2026            | 191,418             | 3.81   |
| 200,000   | Elect Global Investments Ltd 4.85% Perp               | 163,000             | 3.25   |
| 200,000   | FWD Group 6.375% VRN Perp                             | 163,988             | 3.26   |
| 200,000   | ICBCIL Finance Co Ltd 2.7% 27/01/2027                 | 182,008             | 3.62   |
| 200,000   | King Power Capital Ltd 5.625% 03/11/2024              | 201,188             | 4.00   |
| 200,000   | Vanke Real Estate Hong Kong 3.975% 09/11/2027         | 174,152             | 3.47   |
| 200,000   | Vigorous Champion International 2.95% 25/02/2031      | 155,348             | 3.09   |
|   |   | 1,231,102           | 24.50  |
| <b>India</b>  |   |                     |  |
| 200,000   | Export Import Bank of India 3.375% 05/08/2026         | 187,255             | 3.73   |
| 200,000   | Indian Railway Finance 3.835% 13/12/2027              | 185,569             | 3.69   |
|   |   | 372,824             | 7.42   |
| <b>Indonesia</b>  |   |                     |  |
| 200,000   | Bank Mandiri Persero 2% 19/04/2026                    | 178,570             | 3.55   |
| 200,000   | Indonesia (Govt) 5.45% 20/09/2052                     | 197,300             | 3.93   |
| 200,000   | Pertamina Persero 4.15% 25/02/2060                    | 143,596             | 2.86   |
|   |   | 519,466             | 10.34  |
| <b>Malaysia</b>   |   |                     |  |
| 200,000   | Petronas Capital 3.5% 18/03/2025                      | 194,672             | 3.88   |
|   |   | 194,672             | 3.88   |
| <b>Philippines</b>  |   |                     |  |
| 200,000   | Philippine Government International 3.229% 29/03/2027 | 192,218             | 3.83   |
|   |   | 192,218             | 3.83   |

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## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST ASIAN SUSTAINABLE BOND FUND 31 DECEMBER 2022

| Face Value  | Description                                    | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|--|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |  |                     |  |
| <b>Bonds (continued)</b>  |  |                     |  |
| <b>Singapore</b>  |  |                     |  |
| 200,000   | United Overseas Bank Ltd 3.863% VRN 07/10/2032 | 184,441             | 3.67   |
|   |  | 184,441             | 3.67   |
| <b>South Korea</b>  |  |                     |  |
| 200,000   | Korean Air Lines 4.75% 23/09/2025              | 198,038             | 3.94   |
|   |  | 198,038             | 3.94   |
| <b>Thailand</b>   |  |                     |  |
| 200,000   | GC Treasury Center Co Ltd 5.2% 30/03/2052      | 160,126             | 3.19   |
|   |  | 160,126             | 3.19   |
|   | <b>Total Bonds</b>                             | <b>4,597,630</b>    | <b>91.51</b>                                       |
|   | <b>Total Investment</b>                        | <b>4,597,630</b>    | <b>91.51</b>                                       |
|   | <b>Other Net Assets and Liabilities</b>        | <b>426,308</b>      | <b>8.49</b>  |
|   | <b>Total Net Assets</b>                        | <b>5,023,938</b>    | <b>100.00</b>                                      |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST CHINA SUSTAINABLE EQUITY FUND 31 DECEMBER 2022

| Number of<br>Shares   | Description                              | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|--|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |  |                     |  |
| <b>Shares</b>   |  |                     |  |
| <b>China</b>  |  |                     |  |
| 276,000   | Air China                                | 245,967             | 3.05   |
| 69,200  | Alibaba Group Holding                    | 765,330             | 9.48   |
| 26,700  | Anhui Jinhe Industrial                   | 125,792             | 1.56   |
| 17,150  | Baidu                                    | 306,107             | 3.79   |
| 9,000   | BYD                                      | 222,271             | 2.75   |
| 280,000   | China Construction Bank                  | 175,570             | 2.17   |
| 20,000  | China Mengniu Dairy                      | 90,785              | 1.12   |
| 57,000  | Country Garden Services Holdings         | 142,087             | 1.76   |
| 15,631  | Dada Nexus                               | 111,293             | 1.38   |
| 75,000  | Geely Automobiles                        | 109,635             | 1.36   |
| 10,400  | Guangzhou Tinci Materials Technology "A" | 66,124              | 0.82   |
| 3,061   | Huazhu Group                             | 131,531             | 1.63   |
| 39,000  | Innovent Biologics                       | 167,530             | 2.07   |
| 2,095   | JD.Com                                   | 119,604             | 1.48   |
| 6,600   | Konfoong Materials International         | 66,208              | 0.82   |
| 10,100  | Kuaishou Technology                      | 92,017              | 1.14   |
| 7,189   | Li Auto                                  | 140,114             | 1.74   |
| 27,918  | Luxshare Precision Industry              | 128,495             | 1.59   |
| 19,100  | Meituan Dianping                         | 427,868             | 5.30   |
| 16,200  | Ming Yang Smart Energy Group             | 59,321              | 0.73   |
| 1,407   | NetEase                                  | 102,922             | 1.27   |
| 2,154   | Pinduoduo                                | 177,511             | 2.20   |
| 27,000  | Ping An Insurance 'H'                    | 178,820             | 2.21   |
| 12,600  | Shanghai International Airport           | 105,409             | 1.31   |
| 7,000   | Shenzhen Inovance Technology "A"         | 70,525              | 0.87   |
| 12,200  | Sunny Optical                            | 145,253             | 1.80   |
| 17,600  | Tencent Holdings                         | 753,776             | 9.33   |
| 3,679   | Trip.Com                                 | 127,772             | 1.58   |
| 9,200   | Wanhua Chemical Group                    | 123,564             | 1.53   |
| 6,300   | WuXi AppTec                              | 73,975              | 0.92   |
| 36,000  | WuXi Biologics Cayman                    | 276,280             | 3.42   |
| 15,500  | Yangzhou Yangjie Electronic Technology   | 118,188             | 1.46   |
| 5,300   | Yunnan Energy New Material               | 100,871             | 1.25   |
| 148,000   | Zijin Mining Group "H"                   | 200,785             | 2.49   |
|   |  | 6,249,300           | 77.38  |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST CHINA SUSTAINABLE EQUITY FUND 31 DECEMBER 2022

| Number of<br>Shares   | Description                             | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|---|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |   |                     |  |
| <b>Shares (continued)</b>   |   |                     |  |
| <b>Hong Kong</b>  |   |                     |  |
| 28,200  | AIA Group                               | 313,872             | 3.89   |
| 4,800   | BeiGene                                 | 82,599              | 1.02   |
| 126,000   | Cathay Pacific                          | 137,655             | 1.70   |
| 35,000  | China Mobile                            | 232,253             | 2.88   |
| 82,500  | China OS Land & Investment              | 217,924             | 2.70   |
| 14,000  | China Resources Beer Holdings           | 97,928              | 1.21   |
| 90,000  | China State Construction International  | 101,210             | 1.25   |
| 2,100   | HK Exchanges & Clearing                 | 90,801              | 1.12   |
| 21,500  | Li Ning                                 | 186,780             | 2.31   |
|   |   | 1,461,022           | 18.08  |
| <b>United States</b>  |   |                     |  |
| 1,475   | Yum China Holdings                      | 82,453              | 1.02   |
|   |   | 82,453              | 1.02   |
|   | <b>Total Shares</b>                     | <b>7,792,775</b>    | <b>96.48</b>                                       |
|   | <b>Total Investment</b>                 | <b>7,792,775</b>    | <b>96.48</b>                                       |
|   | <b>Other Net Assets and Liabilities</b> | <b>284,194</b>      | <b>3.52</b>  |
|   | <b>Total Net Assets</b>                 | <b>8,076,969</b>    | <b>100.00</b>                                      |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST CHINA SUSTAINABLE BONDS FUND

31 DECEMBER 2022

| Face Value  | Description  | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|--|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |  |                     |  |
| <b>Bonds</b>  |  |                     |  |
| <b>China</b>  |  |                     |  |
| 20,000,000  | Agricultural Bank of China 3.48% VRN Perp              | 2,884,199           | 4.72   |
| 10,000,000  | Agricultural Dvlpmnt Bnk of China 3.92% 18/06/2051     | 1,589,946           | 2.60   |
| 2,100,000   | Alibaba Group Holding 3.25% 09/02/2061                 | 1,265,993           | 2.07   |
| 800,000   | Baidu 4.375% 29/03/2028                                | 755,267             | 1.24   |
| 10,000,000  | Beijing State owned Capital Operation 4.03% 29/04/2031 | 1,492,058           | 2.44   |
| 10,000,000  | CCB Life Insurance 4.3% 01/02/2031 STEP                | 1,463,634           | 2.39   |
| 20,000,000  | China Communications Const Co Ltd 3.6% VRN Perp        | 2,879,415           | 4.71   |
| 20,000,000  | China Communications Construction 3.45% VRN Perp       | 2,878,950           | 4.71   |
| 10,000,000  | China Development Bank 3.49% 08/11/2041                | 1,475,530           | 2.41   |
| 10,000,000  | China Gezhouba Group Co Ltd 3.53% VRN 29/04/2026       | 1,459,718           | 2.39   |
| 10,000,000  | China Merchants Shekou Industrial 3.66% 07/06/2026     | 1,475,035           | 2.41   |
| 10,000,000  | China Property Casualty Reinsurance 4.4% 10/12/2030    | 1,468,856           | 2.40   |
| 10,000,000  | China Railway Const 4% VRN Perp                        | 1,458,820           | 2.39   |
| 10,000,000  | China State Railway Group Co Ltd 3.62% 17/02/2052      | 1,445,729           | 2.36   |
| 10,000,000  | China Three Gorges 4.88% 19/03/2025                    | 1,507,537           | 2.47   |
| 10,000,000  | China Three Gorges Corp 3.55% 21/01/2032               | 1,470,275           | 2.40   |
| 10,000,000  | China Vanke 3.7% VRN 20/05/2028                        | 1,426,238           | 2.33   |
| 10,000,000  | CITIC Group 3.7% 18/02/2032                            | 1,464,228           | 2.39   |
| 10,000,000  | Citic Prudential Life Insura 4.3% 10/06/2031 Step      | 1,453,980           | 2.38   |
| 20,000,000  | CITIC Securities Co Ltd 3.69% 06/02/2032               | 2,911,288           | 4.76   |
| 20,000,000  | Financial Street Hldgs Co Ltd 3.32% VRN 13/07/2026     | 2,892,240           | 4.73   |
| 10,000,000  | Guangzhou Metro Group 3.8% 28/04/2026                  | 1,470,043           | 2.40   |
| 10,000,000  | Huawei Investment and Holding 3.58% 29/01/2024         | 1,457,853           | 2.38   |
| 1,600,000   | Meituan 0% 27/04/2027                                  | 1,395,200           | 2.28   |
| 1,000,000   | Meituan Dianping 3.05% 28/10/2030                      | 770,090             | 1.26   |
| 1,000,000   | Pharmaron Beijing 0% 18/06/2026                        | 888,500             | 1.45   |
| 10,000,000  | Shenzhen Investment Holdings 3.7% 18/05/2026           | 1,471,212           | 2.41   |
| 20,000,000  | Sinochem Corp 3.53% 19/07/2026                         | 2,905,707           | 4.75   |
| 1,000,000   | Spic Preferred 3.45% VRN Perp                          | 939,000             | 1.54   |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST CHINA SUSTAINABLE BONDS FUND 31 DECEMBER 2022

| Face Value  | Description                                   | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|---|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |   |                     |  |
| <b>Bonds (continued)</b>  |   |                     |  |
| <b>China (continued)</b>  |   |                     |  |
| 1,000,000   | Tencent Holdings 3.94% 22/04/2061             | 701,321             | 1.15   |
| 10,000,000  | Wuhan Metro Group 4.49% 24/09/2039            | 1,567,645           | 2.56   |
| 10,000,000  | Zhejiang Energy Group Co Ltd 3.75% 15/04/2026 | 1,476,312           | 2.41   |
| 10,000,000  | Zhongguancun Development Group 3.9% VRN Perp  | 1,452,429           | 2.37   |
|   |   | 53,614,248          | 87.66  |
| <b>France</b>   |   |                     |  |
| 5,000,000   | Bpce Sa 3.4% 17/09/2027                       | 688,162             | 1.13   |
|   |   | 688,162             | 1.13   |
| <b>Hong Kong</b>  |   |                     |  |
| 4,000,000   | Cathay Pacific Finance III 2.75% 05/02/2026   | 554,130             | 0.91   |
| 1,000,000   | Cnac HK Finbridge Co 3% 22/09/2030            | 822,526             | 1.34   |
| 500,000   | Elect Global Investments Ltd 4.85% Perp       | 407,500             | 0.67   |
| 1,000,000   | Xiaomi Best Time International 0% 17/12/2027  | 811,980             | 1.33   |
|   |   | 2,596,136           | 4.25   |
| <b>United Kingdom</b>   |   |                     |  |
| 3,000,000   | HSBC Holdings 3.4% 29/06/2027                 | 415,065             | 0.68   |
|   |   | 415,065             | 0.68   |
| <b>United States</b>  |   |                     |  |
| 1,000,000   | United States Treasury Bill 0% 16/02/2023     | 995,118             | 1.63   |
|   |   | 995,118             | 1.63   |
| <b>Total Bonds</b>  |   | <b>58,308,729</b>   | <b>95.35</b>                                       |
| <b>Total Investment</b>   |   | <b>58,308,729</b>   | <b>95.35</b>                                       |
| <b>Other Net Assets and Liabilities</b>   |   | <b>2,841,471</b>    | <b>4.65</b>  |
| <b>Total Net Assets</b>   |   | <b>61,150,200</b>   | <b>100.00</b>                                      |

The accompanying notes form an integral part of these financial statements.

# Harvest Global Funds

## SCHEDULE OF INVESTMENTS (CONTINUED)

### HARVEST ASIA SUSTAINABLE BALANCED FUND 31 DECEMBER 2022

| Face Value  | Description                                       | Market Value<br>USD     | Market Value as<br>a Percentage of<br>Net Assets % |
|---|---|-------------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |   |                         |  |
| <b>Bonds</b>  |   |                         |  |
| <b>Canada</b>   |   |                         |  |
| 200,000   | Nexen 5.875% 10/03/2035                           | 196,960                 | 2.63   |
|   |   | <u>196,960</u>          | <u>2.63</u>  |
| <b>China</b>  |   |                         |  |
| 200,000   | ENN Clean Energy International 3.375% 12/05/2026  | 174,458                 | 2.33   |
| 200,000   | Meituan Dianping 3.05% 28/10/2030                 | 154,018                 | 2.05   |
| 200,000   | Tencent Holdings 3.975% 11/04/2029                | 184,775                 | 2.46   |
|   |   | <u>513,251</u>          | <u>6.84</u>  |
| <b>Hong Kong</b>  |   |                         |  |
| 200,000   | FWD Group 6.375% VRN Perp                         | 163,988                 | 2.19   |
| 200,000   | ICBCIL Finance Co Ltd 2.7% 27/01/2027             | 182,008                 | 2.43   |
| 200,000   | King Power Capital Ltd 5.625% 03/11/2024          | 201,188                 | 2.68   |
|   |   | <u>547,184</u>          | <u>7.30</u>  |
| <b>Philippines</b>  |   |                         |  |
| 200,000   | Development Bank of the Philipp 2.375% 11/03/2031 | 151,155                 | 2.02   |
|   |   | <u>151,155</u>          | <u>2.02</u>  |
| <b>South Korea</b>  |   |                         |  |
| 200,000   | Korean Air Lines 4.75% 23/09/2025                 | 198,038                 | 2.64   |
|   |   | <u>198,038</u>          | <u>2.64</u>  |
| <b>Thailand</b>   |   |                         |  |
| 200,000   | GC Treasury Center Co Ltd 5.2% 30/03/2052         | 160,126                 | 2.13   |
|   |   | <u>160,126</u>          | <u>2.13</u>  |
|   | <b>Total Bonds</b>                                | <b><u>1,766,714</u></b> | <b><u>23.56</u></b>                                |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST ASIA SUSTAINABLE BALANCED FUND 31 DECEMBER 2022

| Number of<br>Shares   | Description                                  | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|--|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |  |                     |  |
| <b>Shares</b>   |  |                     |  |
| <b>China</b>  |  |                     |  |
| 88,000  | Air China                                    | 78,424              | 1.05   |
| 25,100  | Alibaba Group Holding                        | 277,598             | 3.70   |
| 2,500   | Baidu  | 35,808              | 0.48   |
| 3,000   | BYD  | 74,090              | 0.99   |
| 125,000   | China Construction Bank                      | 78,379              | 1.05   |
| 14,000  | China Mengniu Dairy                          | 63,550              | 0.85   |
| 6,500   | China Merchants Bank                         | 36,382              | 0.49   |
| 14,000  | Country Garden Services Holdings             | 34,898              | 0.47   |
| 4,650   | Dada Nexus                                   | 33,108              | 0.44   |
| 24,000  | Geely Automobiles                            | 35,083              | 0.47   |
| 23,000  | Innovent Biologics                           | 98,800              | 1.32   |
| 4,300   | Kuaishou Technology                          | 39,176              | 0.52   |
| 4,700   | Longi Green Energy Technology                | 28,793              | 0.38   |
| 2,000   | Meituan Dianping                             | 44,803              | 0.60   |
| 511   | Pinduoduo                                    | 42,112              | 0.56   |
| 12,000  | Ping An Insurance 'H'                        | 79,476              | 1.06   |
| 8,400   | Shanghai International Airport               | 70,273              | 0.94   |
| 1,900   | Shenzhen Mindray Bio Medical Electronics "A" | 87,028              | 1.16   |
| 5,900   | Sunny Optical                                | 70,245              | 0.94   |
| 7,500   | Tencent Holdings                             | 321,212             | 4.28   |
| 1,900   | Wanhua Chemical Group                        | 25,519              | 0.34   |
| 6,000   | WuXi AppTec                                  | 70,452              | 0.94   |
| 10,500  | WuXi Biologics Cayman                        | 80,582              | 1.07   |
| 8,700   | Yangzhou Yangjie Electronic Technology       | 66,338              | 0.88   |
| 1,400   | Yunnan Energy New Material                   | 26,645              | 0.36   |
| 69,000  | Zijin Mining Group "H"                       | 93,609              | 1.25   |
|   |  | 1,992,383           | 26.59  |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST ASIA SUSTAINABLE BALANCED FUND 31 DECEMBER 2022

| Number of<br>Shares   | Description                            | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|--|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |  |                     |  |
| <b>Shares</b>   |  |                     |  |
| <b>Hong Kong</b>  |  |                     |  |
| 13,600  | AIA Group                              | 151,371             | 2.02   |
| 70,000  | Cathay Pacific                         | 76,475              | 1.02   |
| 17,000  | China Mobile                           | 112,809             | 1.50   |
| 31,000  | China OS Land & Investment             | 81,886              | 1.09   |
| 178,000   | China Power International Development  | 75,321              | 1.00   |
| 8,000   | China Resources Beer Holdings          | 55,959              | 0.75   |
| 50,000  | China State Construction International | 56,228              | 0.75   |
| 69,000  | CNOOC                                  | 88,300              | 1.18   |
| 28,000  | CSPC Pharmaceutical                    | 29,441              | 0.39   |
| 800   | HK Exchanges & Clearing                | 34,591              | 0.46   |
| 20,000  | Jiumaojiu International Holdings       | 53,471              | 0.71   |
| 5,000   | Li Ning                                | 43,437              | 0.58   |
| 5,500   | Sun Hung Kai Properties                | 75,321              | 1.00   |
|   |  | 934,610             | 12.45  |
| <b>India</b>  |  |                     |  |
| 2,174   | HDFC                                   | 148,658             | 1.98   |
| 1,460   | Reliance Industries                    | 89,790              | 1.20   |
|   |  | 238,448             | 3.18   |
| <b>Indonesia</b>  |  |                     |  |
| 1,452,600   | Industri Jamu Dan Farmasi Sido Muncul  | 70,449              | 0.94   |
|   |  | 70,449              | 0.94   |
| <b>Singapore</b>  |  |                     |  |
| 5,600   | DBS Group                              | 141,676             | 1.89   |
| 18,400  | Singapore Airlines                     | 75,892              | 1.01   |
|   |  | 217,568             | 2.90   |
| <b>South Korea</b>  |  |                     |  |
| 2,273   | KB Financial                           | 88,579              | 1.18   |
| 113   | Samsung                                | 124,865             | 1.66   |
|   |  | 213,444             | 2.84   |
| <b>Taiwan</b>   |  |                     |  |
| 1,362   | Taiwan Semiconductor                   | 103,512             | 1.38   |
|   |  | 103,512             | 1.38   |
| <b>Thailand</b>   |  |                     |  |
| 68,400  | Airports of Thailand                   | 148,556             | 1.98   |
|   |  | 148,556             | 1.98   |
| <b>United States</b>  |  |                     |  |
| 1,400   | Yum China Holdings                     | 78,809              | 1.05   |
|   |  | 78,809              | 1.05   |
|   | <b>Total Shares</b>                    | <b>3,997,779</b>    | <b>53.31</b>                                       |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST ASIA SUSTAINABLE BALANCED FUND 31 DECEMBER 2022

| Number of<br>Shares                  | Description                                | Market Value<br>USD     | Market Value as<br>a Percentage of<br>Net Assets % |
|--------------------------------------|--|-------------------------|--|
| <b>Collective Investment Schemes</b> |  |                         |  |
| <b>France</b>                        |  |                         |  |
| 17,973                               | Lyxor MSCI India UCITS ETF                 | 442,585                 | 5.90   |
|                                      |  | <u>442,585</u>          | <u>5.90</u>  |
| <b>Ireland</b>                       |  |                         |  |
| 5,250                                | HSBC MSCI Korea UCITS ETF                  | 240,581                 | 3.21   |
| 6,741                                | HSBC MSCI Taiwan UCITS ETF                 | 349,723                 | 4.66   |
|                                      |  | <u>590,304</u>          | <u>7.87</u>  |
| <b>Luxembourg</b>                    |  |                         |  |
| 3,458                                | Lyxor MSCI Korea UCITS ETF ACC             | 203,088                 | 2.71   |
| 7,521                                | Xtrackers MSCI Taiwan UCITS ETF            | 321,259                 | 4.29   |
|                                      |  | <u>524,347</u>          | <u>7.00</u>  |
|                                      | <b>Total Collective Investment Schemes</b> | <b><u>1,557,236</u></b> | <b><u>20.77</u></b>                                |
|                                      | <b>Total Investment</b>                    | <b>7,321,729</b>        | <b>97.64</b>                                       |
|                                      | <b>Other Net Assets and Liabilities</b>    | <b><u>176,838</u></b>   | <b><u>2.36</u></b>                                 |
|                                      | <b>Total Net Assets</b>                    | <b><u>7,498,567</u></b> | <b><u>100.00</u></b>                               |

The accompanying notes form an integral part of these financial statements.

## Harvest Global Funds

### SCHEDULE OF INVESTMENTS (CONTINUED)

#### HARVEST CHINA A-SHARES SUSTAINABLE ABSOLUTE FUND 31 DECEMBER 2022

| Number of<br>Shares   | Description                             | Market Value<br>USD | Market Value as<br>a Percentage of<br>Net Assets % |
|---|---|---------------------|--|
| <b>Transferable Securities Admitted to an Official Exchange<br/>Listing or Dealt in on Another Regulated Market</b> |   |                     |  |
| <b>Shares</b>   |   |                     |  |
| <b>China</b>  |   |                     |  |
| 1,865   | Anhui Huaheng Biotechnology             | 41,973              | 1.00   |
| 25,652  | Anhui Jinhe Industrial                  | 120,854             | 2.88   |
| 5,659   | Asymchem Laboratories Tianjin           | 83,304              | 1.99   |
| 3,508   | Byd Company Limited "A"                 | 130,677             | 3.12   |
| 149,200   | China Telecom                           | 90,623              | 2.16   |
| 1,100   | Contemporary Amperex Technology         | 62,735              | 1.50   |
| 8,200   | DaShenLin Pharmaceutical Group          | 47,072              | 1.12   |
| 63,200  | East Money Information "A"              | 177,737             | 4.24   |
| 4,400   | Hygeia Healthcare Holdings              | 31,595              | 0.75   |
| 12,328  | Jiangsu Cnano Technology                | 137,857             | 3.29   |
| 13,400  | Jiayou International Logistics          | 43,901              | 1.05   |
| 85,900  | Jinduicheng Molybdenum                  | 143,825             | 3.43   |
| 16,300  | Laobaixing Pharmacy Chain "A"           | 95,627              | 2.28   |
| 46,048  | Longi Green Energy Technology           | 282,097             | 6.73   |
| 9,701   | Montage Technology                      | 88,034              | 2.10   |
| 4,300   | Starpower Semiconductor "A"             | 205,267             | 4.90   |
| 2,266   | Suzhou Novosense Microelectronics "A"   | 104,327             | 2.49   |
| 32,702  | Tongwei                                 | 182,892             | 4.36   |
| 4,000   | Tsingtao Brewery "A"                    | 62,334              | 1.49   |
| 20,740  | Verisilicon Microelectronics Shanghai   | 132,498             | 3.16   |
| 49,063  | WUS Printed Circuit Kunshan             | 84,637              | 2.02   |
| 17,900  | WuXi AppTec                             | 210,182             | 5.02   |
| 22,636  | WuXi Biologics Cayman                   | 173,719             | 4.15   |
| 5,900   | Xi'an Sinofuse Electric                 | 139,403             | 3.33   |
| 11,100  | Xianhe                                  | 49,029              | 1.17   |
| 27,400  | Yangzhou Yangjie Electronic Technology  | 208,927             | 4.99   |
| 24,500  | Yealink Network Technology              | 215,191             | 5.14   |
| 9,500   | Yifeng Pharmacy Chain "A"               | 87,917              | 2.10   |
| 22,720  | Zhejiang Huayou Cobalt                  | 183,221             | 4.37   |
|   |   | 3,617,455           | 86.33  |
| <b>Hong Kong</b>  |   |                     |  |
| 120,000   | CNOOC                                   | 153,566             | 3.66   |
| 27,540  | CNOOC Aktie VALOR                       | 60,683              | 1.45   |
| 57,224  | Hua Hong Semiconductor                  | 199,953             | 4.77   |
|   |   | 414,202             | 9.88   |
|   | <b>Total Shares</b>                     | <b>4,031,657</b>    | <b>96.21</b>                                       |
|   | <b>Total Investment</b>                 | <b>4,031,657</b>    | <b>96.21</b>                                       |
|   | <b>Other Net Assets and Liabilities</b> | <b>158,767</b>      | <b>3.79</b>  |
|   | <b>Total Net Assets</b>                 | <b>4,190,424</b>    | <b>100.00</b>                                      |

The accompanying notes form an integral part of these financial statements.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1. General information

Harvest Global Funds (the “Company”) is an umbrella investment company with variable capital (société d’investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. The Company, incorporated on 24 January 2017, is registered under Part I of the Luxembourg Law of 17 December 2010 regarding undertakings for collective investment as amended and qualifies as a UCITS fund under the European directive 2009/65/EC.

As an umbrella structure, the Company may operate separate Sub-Funds, each being distinguished among others by their specific investment policy or any other specific feature. The Company seeks to provide a range of Sub-Fund(s) with the purpose of spreading investment risk and satisfying the requirements of investors seeking to gain capital growth. As at 31 December 2022, the Company was composed of the following Sub-Funds:

Harvest Global Funds - Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022 (the “Sub-Fund”)

Harvest Global Funds - Harvest China Evolution Equity Fund changed name to Harvest China Sustainable Equity Fund as at 31 August 2022 (the “Sub-Fund”)

Harvest Global Funds - Harvest China Bonds Fund changed name to Harvest China Sustainable Bonds Fund as at 31 August 2022 (the “Sub-Fund”)

Harvest Global Funds - Harvest Asia Sustainable Balanced Fund (the “Sub-Fund”)

Harvest Global Funds - Harvest China A-Shares Sustainable Absolute Fund (the “Sub-Fund”)

The following share classes of the Sub-Funds are available for subscription:

- (i) Class R shares are reserved to retail investors.
- (ii) Class I shares are reserved to institutional investors.
- (iii) Class S shares are reserved to investors having separate agreement with the Investment Manager or the Sub-Investment Manager.
- (iv) Class Minerva-R shares are reserved to investors who have invest seeding money in the Sub-Fund and are distributed by Athena Wealth Management Limited, sub-distributor of the Global Distributor, Harvest Global Investments Limited.

The Sub-Funds can issue class shares in different currencies.

The following share classes were in issue as at 31 December 2022:

#### **Harvest Asian Sustainable Bond Fund**

Class I Accumulation Shares USD

Class S Accumulation Shares USD

#### **Harvest China Sustainable Equity Fund**

Class I Accumulation Shares USD

Class I Accumulation Shares EUR

Class R Accumulation Shares EUR

#### **Harvest China Sustainable Bonds Fund**

Class I Accumulation Shares EUR

Class I Accumulation Shares USD

Class R Accumulation Shares EUR

Class R Accumulation Shares USD

Class S Accumulation Shares USD

#### **Harvest Asia Sustainable Balanced Fund**

Class Minerva-R Shares USD

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 1. General information (continued)

#### Harvest China A-Shares Sustainable Absolute Fund

Class R Accumulation Shares USD

Class S Accumulation Shares USD

The Company is registered with the Registre de Commerce et des Sociétés, Luxembourg (Luxembourg register of commerce and companies) under number B 212314. The Articles of Incorporation have been deposited with the Registre de Commerce et des Sociétés, Luxembourg and have been published in the Recueil Electronique des Sociétés et Associations (“RESA”) on 15 February 2017.

The investment objective of the Sub-Fund Harvest Asian Sustainable Bond Fund is to seek long term total return through a combination of capital appreciation and current income.

The investment objective of the Sub-Fund Harvest China Sustainable Equity Fund is to provide capital appreciation over the medium to long-term by investing primarily in equity and equity-related securities of companies which are incorporated in, have their area of primary activity in or which are related to the economic development and growth of the People’s Republic of China.

The investment objective of the Sub-Fund Harvest China Sustainable Bonds Fund is to seek long term total return through a combination of capital appreciation and current income.

The investment objective of the Sub-Fund Harvest Asia Sustainable Balanced Fund is to seek maximise total return in a manner consistent with principles of environmental, social and governance (“ESG”) focused by investing in a diversified portfolio of assets in the China and Asian Region.

The investment objective of the Sub-Fund Harvest China A-Shares Sustainable Absolute Fund is to achieve long-term capital growth by investing primarily in China A-Shares listed on the PRC Stock Exchanges.

The Company was incorporated with an initial capital of EUR 30,000, divided into 300 fully paid up shares.

### 2. Summary of significant accounting policies

#### a) Accounting convention

The financial statements have been prepared in accordance with Luxembourg generally accepted accounting principles applicable to investment funds.

#### b) Financial statements

Financial statements are presented for each Sub-Fund on a consolidated basis and the statements of net assets, operations and changes in net assets are presented in United States Dollar (“USD”).

The combined statement of net assets and the combined statement of operations and changes in net assets are the sum of the statements of each Sub-Fund.

#### c) Foreign currency translation

Assets and liabilities in currencies other than the Sub-Funds’ base currency have been translated into that currency at exchange rates ruling at the date of these financial statements. Transactions occurring during the year in currencies other than the base currency are translated at rates of exchange ruling at the transaction dates. The exchange rates applicable as at 31 December 2022 are:

|         |             |
|---------|-------------|
| USD/CHF | 0.9237      |
| USD/CNH | 6.9098      |
| USD/CNY | 6.8983      |
| USD/EUR | 0.9373      |
| USD/HKD | 7.7986      |
| USD/IDR | 15,567.5000 |

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 2. Summary of significant accounting policies (continued)

#### c) Foreign currency translation (continued)

|         |         |
|---------|---------|
| USD/PHP | 55.6266 |
| USD/SGD | 1.3408  |
| USD/THB | 34.5325 |
| USD/TWD | 30.6960 |

#### d) Investments

Securities listed on Regulated Markets, which operate regularly and are recognized and open to the public, are valued at the last available price of the main market for the relevant security.

Securities not listed on Regulated Markets, which operate regularly and are recognized and open to the public, are valued on the basis of their last available price.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Directors may, at their discretion, prudently and in good faith follow other methods of valuation to be used if they consider such method of valuation better reflects the value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Company.

Gains or losses arising on the disposal of investments are calculated by reference to the net sales proceeds and the average cost attributable to those investments.

#### e) Future contracts

Upon entering into a futures contract, the Company is required to deposit with the broker, cash or securities in an amount equal to a certain percentage of the contract amount which is referred to as the initial margin account. Subsequent payments, referred to as variation margin, are made or received by each Sub-Fund periodically and are based on changes in the market value of open futures contracts. The unrealised appreciation on future contracts is disclosed in the statement of net assets under "Unrealised appreciation on future contracts". Changes in the market value of open futures contracts are recorded as unrealised appreciation in the statement of operations.

#### f) Forward foreign exchange contracts

Forward foreign exchange contracts represent obligations to purchase or sell foreign currency on a specified future date at a price fixed at the time the contracts are entered into. The values of the forward foreign exchange contracts are adjusted daily based on the applicable exchange rate of the underlying currency. Changes in the value of these contracts are recorded as unrealised appreciation or depreciation until the contract settlement date. When the forward contract is closed, the Sub-Fund records a realised gain or loss equal to the difference between the value at the time the contract was opened and the value at the time it was closed.

The unrealised appreciation on forward foreign exchange contracts is disclosed in the Statement of Net Assets under "Unrealised appreciation on forward foreign exchange contracts". Change in unrealised appreciation/(depreciation) resulting there from are included in the Statement of Operations respectively under "Net change in unrealised appreciation on Forward foreign exchange contracts". There are no any realised gain/(loss) for the year.

#### g) Income and expenses

Dividends arising on the Company's equity investments are credited to the statement of operations when the security is quoted ex-dividend, net of withholding taxes where applicable. Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless recoverability is in doubt. Where the Company incurs an expense which relates to any particular Sub-Fund or to any action taken in connection with a particular Sub-Fund, such liability shall be allocated to the relevant Sub-Fund. In the case where any expense of the Company cannot be considered as being attributable to a particular Sub-Fund, such expense shall be allocated to all the Sub-Funds pro rata to their NAV's or in such other ways that the Directors deem equitable.

Notwithstanding the provisions of the preceding paragraph, all liabilities of the Company, whatever Sub-Fund they are attributable to, shall, unless otherwise agreed upon with the creditors, be binding upon the Company as a whole.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 2. Summary of significant accounting policies (continued)

#### g) Income and expenses (continued)

##### *Swing pricing*

On any Business Day the Board of Directors may determine to apply an alternative Net Asset Value calculation method (to include such reasonable factors as they see fit) to the Net Asset Value per share. This method of valuation is intended to pass the estimated costs of underlying investment activity of the Company to the active shareholders by adjusting the Net Asset Value of the relevant share and thus to protect the Company's long-term shareholders from costs associated with ongoing subscription and redemption activity. Such adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 2% of the original Net Asset Value per share. The Board of Directors may authorize the increase of the swing factor beyond the maximum level of 2% of the original Net Asset Value per Share under certain conditions such as pandemic crisis, economic and financial crisis. However, the increase of the swing factor will not exceed 5% of the original Net Asset Value.

Determination of net dealing is by reference to investor deals received as a percentage of the total Net Asset Value per share of the prior day. Where a deal is expressed as a quantity of shares, then the official Net Asset Value price of the prior day, swung Net Asset Value price is any, is used to determine an estimated value.

This alternative Net Asset Value calculation method may take into account trading spreads on the Company's investments, the value of any duties and charges incurred as a result of trading and may include an allowance for market impact. Where the Board of Directors, based on the prevailing market conditions and the level of subscriptions or redemptions requested by shareholders or potential shareholders in relation to the size of the relevant portfolio, have determined for a particular portfolio to apply an alternative Net Asset Value calculation method, the portfolio may be valued either on a bid or offer basis.

Because the determination of whether to value the Company's Net Asset Value on an offer or bid basis is based on the net transaction activity of the relevant day, shareholders transacting in the opposite direction of the Company's net transaction activity may benefit at the expense of the other shareholders in the Company. In addition, the Company's Net Asset Value and short-term performance may experience greater volatility as a result of this alternative Net Asset Value calculation method.

The Board of Directors of the Company decided to apply a swing spread of 0.8% into Harvest China Sustainable Equity Fund and Harvest China A-Shares Sustainable Absolute Fund, 0.6% into Harvest China Sustainable Bonds Fund and Harvest Asian Sustainable Bond Fund, 0.7% into Harvest Asia Sustainable Balanced Fund.

These factors are reviewed on a regular basis and adjusted as required.

#### h) Dividends payable

There is no dividend entitlement within the Sub-Funds, since all share classes available for subscription are earnings reinvested ("Accumulation Shares") Share Classes.

#### i) Formation expenses

The costs and expenses for the formation of the Company and the initial issue of its shares are borne by the first Sub-Fund of the Company (namely Harvest China Evolution Equity Fund) and amortised over a period not exceeding 5 years. Any additional Sub-Fund(s) which may be created in the future shall bear their own formation expenses and the cost of listing its shares on any stock exchange, which will be amortised over a period not exceeding 5 years.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 3. Cash at bank and broker

As at 31 December 2022, the Company has paid the following cash collateral:

| Sub-Fund   | Counterparty                         | Instrument type                    | Currency | Cash collateral in Sub-Fund currency |
|--|--------------------------------------|------------------------------------|----------|--------------------------------------|
| Harvest Asian Sustainable Bond Fund              | CCB International Securities Limited | Futures                            | USD      | 84,404                               |
| Harvest China Sustainable Bonds Fund             | CCB International Securities Limited | Futures                            | USD      | 307,461                              |
| Harvest China Sustainable Bonds Fund             | HSBC bank, plc                       | Forward foreign exchange contracts | USD      | 32,017                               |
| Harvest China A-Shares Sustainable Absolute Fund | HSBC bank, plc                       | Forward foreign exchange contracts | USD      | 1,170                                |

### 4. Investment Management fees

Harvest Global Investments Limited as Investment Manager is entitled to receive fees from the Company in respect of their respective investment management services. The management fees are calculated based on a certain percentage per annum of the Net Asset Value of the Sub-Funds.

The percentages of management fees as at 31 December 2022 are as follows:

#### Harvest Asian Sustainable Bond Fund

Class I Accumulation Shares: up to 0.45%

Class S Accumulation Shares: N/A

#### Harvest China Sustainable Equity Fund

Class I Accumulation Shares: up to 0.75%

Class R Accumulation Shares: up to 1.50%

#### Harvest China Sustainable Bonds Fund

Class I Accumulation Shares: up to 0.45%

Class R Accumulation Shares: up to 0.90%

#### Harvest Asia Sustainable Balanced Fund

Class Minerva-R Shares: N/A

#### Harvest China A-Shares Sustainable Absolute Fund

Class R Accumulation Shares: up to 1.50%

Class S Accumulation Shares: N/A

There is no management fees applicable on Class S Shares.

Management fees, for the year ended 31 December 2022 amounted to USD 56,196.

### 5. Administration and transfer agency fees

HSBC Continental Europe, Luxembourg, as Administration Agent and Registrar and Transfer Agent is entitled to receive an annual fee based upon a reducing scale, of up to 0.06% per annum, depending upon the value of the Company's net assets, subject to a minimum annual central administration fee of EUR 50,400 (USD 53,771) per Sub-Fund.

This fee is calculated and accrued on each Valuation Day and is payable by the Company monthly in arrears and as agreed from time to time in writing.

Administration and Transfer Agency fees, for the year ended 31 December 2022 amounted to USD 380,678.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 6. Depositary and custody fees

HSBC Continental Europe, Luxembourg as Custody receives a fee for this service which can vary dependent upon the markets in which the assets of the Company are invested.

This fee can range from 0.0045% per annum of the value of the assets of a Sub-Fund when safe kept in developed markets to 0.46% per annum of the value of the assets of such Sub-Funds which are safe kept in Emerging Markets (excluding sub-custodian out-of pocket expenses).

Trade Settlement is charged on a per transaction basis based on the countries in which the securities are settled.

HSBC Continental Europe, Luxembourg, as Depositary receives an annual fee based upon a reducing scale, of up to 0.0125% per annum of the value of the Company's net assets, subject to a minimum annual depositary fee of EUR 36,000 (USD 38,408) per Sub-Fund.

Depositary and custody fees incurred for the year ended 31 December 2022 amounted to USD 127,614.

### 7. Taxation of the Company

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares of the Company.

The Sub-Fund is, nevertheless, in principle, subject to a subscription tax (taxe d'abonnement) levied at the rate of 0.05% per annum based on their net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% per annum is however applicable to any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both. A reduced subscription tax rate of 0.01% per annum is also applicable to any Sub-Fund or Share Classes provided that their shares are only held by one or more institutional investors within the meaning of article 174 of the 2010 Law (an "Institutional Investor").

A subscription tax exemption applies to:

- The portion of any Sub-Fund's assets (prorata) invested in a Luxembourg investment fund or any of its Sub-Funds to the extent it is subject to the subscription tax;
- Any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Share Classes are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Share Classes meeting (i) above will benefit from this exemption;
- Any Sub-Fund, whose main objective is the investment in microfinance institutions;
- Any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Share Classes are in issue in the relevant Sub-Fund meeting (ii) above, only those Share Classes meeting (i) above will benefit from this exemption; and
- Any Sub-Fund only held by pension funds and assimilated vehicles.

Subscription tax incurred for the year ended 31 December 2022 amounted to USD 11,268.

### 8. Withholding tax

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

### 9. Directors' fee and expenses

Directors' fee and expenses include the remuneration of the Directors and their reasonable out-of-pocket expenses. During the year under review, the Directors' fee and expenses incurred amounted to USD 50,171.

### 10. Management Company fees

On 24 January 2017, FundRock Management Company S.A. was appointed as Management Company in order to meet the requirements of Chapter 15 and Annex II of the 2010 Law.

The Management Company is responsible for providing investment management services, administration services and distribution services in respect of the Sub-Funds of the Company. In this capacity, the Management Company acts as asset manager, administrator and distributor of the Company's shares

The Management Company has delegated its investment management duties to Harvest Global Investments Limited, the investment manager of the assets of the Sub-Funds.

HSBC Continental Europe, Luxembourg has been appointed by the Management Company to perform central administration duties and registrar and transfer functions for the Company pursuant to a delegation of such duties to it by the Management Company.

The Management Company has delegated the marketing function to Harvest Global Investments Limited, Global Distributor of the assets of the Sub-Funds.

FundRock Management Company S.A. is entitled for the provision of the Management Company services rendered to the Fund, to receive a fee not exceeding 0.05% of the Net Asset Value of the Sub-Funds per annum.

Management Company fees, for the year ended 31 December 2022 amounted to USD 141,169.

### 11. Future contracts

During the course of the year ended 31 December 2022, the Company has entered into financial futures contracts. Upon entering into a contract the Company deposits and maintains cash as collateral. The cash margin calls needed to cover the required contract margins are adjusted daily in the Company cash accounts, and results on open positions are considered as realised at that point in time. The margin is calculated as the difference between the value of the contract at previous valuation day and the financial future value at the valuation day. The cash held in margin accounts is included in cash at bank in the statement of net assets.

| <b>Underlying</b>                           | <b>Number of contracts sale</b> | <b>Currency</b> | <b>Commitment in Sub-Fund currency</b> | <b>Maturity Date</b> | <b>Unrealised gain in Sub-Fund currency</b> |
|---|---------------------------------|-----------------|--|----------------------|---|
| <b>Harvest Asian Sustainable Bond Fund</b>  |                                 |                 |  |                      |   |
| CBT US 5YR NOTE                             | (4)                             | USD             | (431,203)                              | 31/03/2023           | 1,734                                       |
|   |                                 |                 |  |                      | 1,734                                       |
| <b>Harvest China Sustainable Bonds Fund</b> |                                 |                 |  |                      |   |
| CBT US 10YR NOTE                            | (25)                            | USD             | (2,802,539)                            | 22/03/2023           | 28,516                                      |
| CBT US 5YR NOTE                             | (70)                            | USD             | (7,546,055)                            | 31/03/2023           | 30,351                                      |
|   |                                 |                 |  |                      | 58,867                                      |
|   |                                 |                 |  |                      | <b>60,601</b>                               |

The broker linked to these future contracts are CCB International Securities Limited.

## Harvest Global Funds

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 12. Forward foreign exchange contracts

As at 31 December 2022, the Company has the following open forward foreign exchange contracts:

##### Harvest China Sustainable Bonds

| Counterparty   | Currency<br>Bought | Amount<br>Currency<br>Bought | Currency<br>Sold | Amount<br>Currency<br>Sold | Maturity<br>Date | Unrealised<br>Appreciation/<br>(Depreciation)<br>USD |
|----------------|--------------------|------------------------------|------------------|----------------------------|------------------|--|
| HSBC Bank, plc | CNY                | 47,657,412                   | USD              | (6,600,000)                | 14/02/2023       | 322,149  |
| HSBC Bank, plc | USD                | 2,000,000                    | CNY              | (13,886,410)               | 14/02/2023       | (16,975)   |
| HSBC Bank, plc | CNY                | 17,547,512                   | USD              | (2,500,000)                | 21/02/2023       | 49,854   |
| HSBC Bank, plc | USD                | 3,500,000                    | CNY              | (24,256,071)               | 14/03/2023       | (29,664)   |
|                |                    |                              |                  |                            |                  | <b>325,364</b>                                       |

#### 13. Transaction costs

For the year ended 31 December 2022, the Company incurred transaction costs related to purchase or sale of securities, which amounted to:

| Name of Sub-Fund                                 | in USD  |
|--|---------|
| Harvest Asian Sustainable Bond Fund              | 955     |
| Harvest China Sustainable Equity Fund            | 107,820 |
| Harvest China Sustainable Bonds Fund             | 13,156  |
| Harvest Asia Sustainable Balanced Fund           | 23,433  |
| Harvest China A-Shares Sustainable Absolute Fund | 26,361  |

Transaction costs are incorporated directly in dealing prices and are not reported as a separate line in the statement of operations.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 14. Other expenses

#### Operating fees

Operating fees are covering all invoices paid by the Company except the Investment management fees and subscription tax.

The Board of Directors has agreed to limit the Sub-Fund's operating fees. The ratio of such expenses to average net assets will not exceed a fixed percentage (the "Expense Caps").

A review of the Sub-Funds' operating fees accrual account will be undertaken on a regular basis to determine if the accruals are still adequate. If the provision is not sufficient to cover all fees, the Investment Manager will subsidize the Sub-Fund by funding the additional expenses incurred by the Sub-Fund, which can potentially reduce the Investment Management fee payment.

The Expense Caps for the year under review is as follows:

#### **Harvest Asian Sustainable Bond Fund**

Class I Accumulation Shares USD: up to 3.51% per annum  
Class S Accumulation Shares USD: up to 3.51% per annum

#### **Harvest China Sustainable Equity Fund**

Class I Accumulation Shares USD: up to 2.15% per annum  
Class I Accumulation Shares EUR: up to 2.15% per annum  
Class R Accumulation Shares USD: up to 2.15% per annum

#### **Harvest China Sustainable Bonds Fund**

Class I Accumulation Shares EUR: up to 0.50% per annum  
Class I Accumulation Shares USD: up to 0.50% per annum  
Class R Accumulation Shares EUR: up to 0.50% per annum  
Class R Accumulation Shares USD: up to 0.50% per annum  
Class S Accumulation Shares USD: up to 0.50% per annum

#### **Harvest Asia Sustainable Balanced Fund**

Class Minerva-R Shares USD: up to 1.54% per annum

#### **Harvest China A-Shares Sustainable Absolute Fund**

Class R Accumulation Shares USD: up to 1.78% per annum  
Class S Accumulation Shares USD: up to 1.78% per annum

### 15. Statement of Changes in Portfolio Composition

The statement of the changes in the Schedule of Investments for the year ended 31 December 2022, can be obtained free of charge from the registered office of the Fund as disclosed on page 3.

## Harvest Global Funds

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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#### 16. Total Expense Ratio (“TER”)

The Total Expense Ratio has been computed by the Administrator as required per the Asset Management Association Switzerland (“AMAS”) guidelines on the calculation and disclosure of the TER.

The expense ratio statistic for the year ended 31 December 2022 under review is following:

|   | 31 December 2022 | 31 December 2021 |
|---|------------------|------------------|
| <b>Harvest Asian Sustainable Bond Fund</b>              |                  |                  |
| Class I Accumulation Shares: USD                        | 1.25%            | 4.18%            |
| Class S Accumulation Shares USD                         | 2.09%            | 4.28%            |
| <b>Harvest China Sustainable Equity Fund</b>            |                  |                  |
| Class I Accumulation Shares USD                         | 1.75%            | 1.77%            |
| Class I Accumulation Shares EUR                         | 2.21%            | -                |
| Class R Accumulation Shares EUR                         | 2.50%            | 1.73%            |
| <b>Harvest China Sustainable Bonds Fund</b>             |                  |                  |
| Class I Accumulation Shares EUR                         | 0.97%            | 1.44%            |
| Class I Accumulation Shares USD                         | 0.97%            | 1.31%            |
| Class R Accumulation Shares EUR                         | 1.45%            | 1.84%            |
| Class R Accumulation Shares USD                         | 1.43%            | 1.85%            |
| Class S Accumulation Shares USD                         | 0.52%            | 0.73%            |
| <b>Harvest Asia Sustainable Balanced Fund</b>           |                  |                  |
| Class Minerva-R Shares USD                              | 1.69%            | -                |
| <b>Harvest China A-Shares Sustainable Absolute Fund</b> |                  |                  |
| Class R Accumulation Shares USD                         | 3.33%            | -                |
| Class S Accumulation Shares USD                         | 1.78%            | -                |

## Harvest Global Funds

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

#### 17. Performance Year to Date

| <b>Harvest Asian Sustainable Bond Fund</b>              | <b>2022</b> | <b>2021</b> | <b>2020</b> |
|---|-------------|-------------|-------------|
| Class I Accumulation Shares: USD*                       | 6.73%       | (4.93%)     | 6.30%       |
| Class S Accumulation Shares USD                         | (16.28)%    | (4.89%)     | 6.70%       |
| <br>  |             |             |             |
| <b>Harvest China Sustainable Equity Fund</b>            |             |             |             |
| Class I Accumulation Shares USD                         | (28.00)%    | (16.39%)    | 59.77%      |
| Class I Accumulation Shares EUR                         | (5.74)%     | -           | -           |
| Class R Accumulation Shares EUR                         | (23.90)%    | (9.45%)     | 45.98%      |
| <br>  |             |             |             |
| <b>Harvest China Sustainable Bonds Fund</b>             |             |             |             |
| Class I Accumulation Shares EUR                         | (1.02)%     | 10.85%      | 1.26%       |
| Class I Accumulation Shares USD                         | (6.95)%     | 2.59%       | 10.68%      |
| Class R Accumulation Shares EUR                         | (1.50)%     | 10.48%      | 0.59%       |
| Class R Accumulation Shares USD                         | (7.38)%     | 2.24%       | 10.11%      |
| Class S Accumulation Shares USD                         | (6.54)%     | 3.13%       | 10.95%      |
| <br>  |             |             |             |
| <b>Harvest Asia Sustainable Balanced Fund</b>           |             |             |             |
| Class Minerva-R Shares USD                              | (7.43)%     | -           | -           |
| <br>  |             |             |             |
| <b>Harvest China A-Shares Sustainable Absolute Fund</b> |             |             |             |
| Class R Accumulation Shares USD                         | (19.71)%    | -           | -           |
| Class S Accumulation Shares USD                         | (14.58)%    | -           | -           |

\* The variation of the Year to Date performance obtained for this Share compared to the Share S Accumulation is due to the fact that this Share I Accumulation has been inactive during the period from 22 July 2022 until 24 October 2022.

#### 18. Significant events

The Company Prospectus has been amended in order to:

1) For the Sub-Fund Harvest China A-Shares Sustainable Absolute Fund the Investment Manager has decided to appoint Harvest Fund Management Co., LTD, a company registered in the People's Republic of China, as investment advisor for this Sub-Fund.

2) Following Sub-Fund names changed during the year;

- Harvest Asian Bond Fund changed to Harvest Asian Sustainable Bond Fund;
- Harvest China Evolution Equity Fund changed to Harvest China Sustainable Equity Fund;
- Harvest China Bonds Fund changed to Harvest China Sustainable Bonds Fund.

3) HSBC Continental Europe, Luxembourg, ("HSBC"), the administration, domiciliary, corporate, registrar and transfer agent of the Company has informed the Company that it will no longer provide services of domiciliary and corporate agent to companies as from 30 September 2022 and will therefore cease the provision of these services to the Company as from that date. As such, the Board of Directors appointed Lemanik Asset Management S.A as corporate and domiciliary agent of the Company in replacement of HSBC.

# Harvest Global Funds

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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### 18. Significant events (continued)

Inflation / U.S. monetary policy:

As U.S. inflation surged to four-decade highs, the Federal Reserve tightened monetary policies aggressively in the year to rein in consumer price upswings. Market liquidity was squeezed as the Fed hiked 425 basis points in total from the near-zero level, including four consecutive 75-basis-point interest rate increases between June and November. The resultant benchmark U.S. Treasury yield spike and dollar strength weighed on global risk assets, including emerging market stocks. Fortunately, as U.S. inflation moderated in the second half of the year, Fed policymakers eventually slowed down the rate hike pace in December and expected only minor hikes in 2023.

The Russia-Ukraine war and other geopolitical concerns:

The war broke out in February and exacerbated the tensions between Russia and the West. Sanctions on Russia and destruction on the land of Ukraine intensified global inflation. Geopolitical implications are profound too. Despite that, China tried to strike a balance between Russia and the West. Chinese President Xi Jinping's year-end diplomatic activities, including his bilateral meetings with U.S. President Joe Biden and German Chancellor Olaf Scholz, improved China's relations with the West, and made a Russia-style decoupling implausible.

China's COVID policy:

China's dynamic Zero COVID policy had prevented mass infections for most of the year, but the achievement was at the expense of economic growth particularly during strict COVID curbs in Shanghai in the spring. The turning point emerged in early November, as China loosened COVID restrictions in an unexpectedly swift way. Eyeing a full reopening in early January 2023, China has shifted its priority to reviving the economy. The return of Chinese consumers and tourists do not only benefit its domestic economy, but other Asian markets as well.

China's property sector policy:

Amid the government's tough stance to deleverage the property sector, Chinese property developers faced a liquidity crunch for most of the year. Rising property developer bond defaults and stalled construction projects prompted some homebuyers to delay mortgage payments. To contain the risk, China introduced several measures to enhance developers' ability to refinance and acknowledged the sector as "a pillar of the national economy".

### 19. Subsequent events

As from 31 January 2023, the denominations of the following Sub-Funds have changed:

#### Previous Denominations

Harvest Asian Sustainable Bond Fund  
Harvest China Sustainable Equity Fund  
Harvest China Sustainable Bonds Fund  
Harvest China A Shares Sustainable Absolute Fund  
Harvest Asia Sustainable Balanced Fund

#### New Denominations

Harvest ESG Asian Bond Fund  
Harvest ESG China Equity Fund  
Harvest ESG China Bonds Fund  
Harvest ESG China A-Shares Absolute Fund  
Harvest ESG Asia Balanced Fund

# Harvest Global Funds

## APPENDIX UNAUDITED ADDITIONAL DISCLOSURES AS AT 31 DECEMBER 2022

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### Remuneration Policy

FundRock Management Company S.A. (“FundRock”) as subject to CSSF Circular 18/698 has implemented a remuneration policy in compliance with Articles 111a and 111b of the 2010 Law and/or Article 12 of the 2013 Law respectively.

FundRock as subject to Chapter 15 of the 2010 Law and AIFM must also comply with the guidelines of the European Securities and Markets Authority ESMA/2016/5758 and ESMA/2016/5799 to have sound processes in place. has established and applies a remuneration policy in accordance with the ESMA Guidelines on sound remuneration policies under the UCITS V Directive (ESMA 2016/575) and AIFMD (ESMA 2016/579) and any related legal & regulatory provisions applicable in Luxembourg.

Further, consideration has been given to the requirements as outlined in Regulation (EU) 2019/2088 on sustainability – related disclosures in the financial sector, the SFDR Requirements.

The remuneration policy is aligned with the business strategy, objectives, values and interests of FundRock and the Funds that it manages and of the investors in such Funds, and which includes, inter alia, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that the Management Company manages.

FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock’s employees who are identified as risk-takers are not remunerated based on the performance of the funds under management.

A paper version of the remuneration policy is made available free of charge to investors at FundRock’s registered office. FundRock’s remuneration policy can also be found at: <https://www.fundrock.com/policies-and-compliance/remuneration-policy/>.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock’s employees who are identified as risk-takers under UCITS V are not remunerated based on the performance of the funds under management.

A paper version of the remuneration policy is made available free of charge to investors at FundRock’s registered office.

The total amount of remuneration for the financial year ending 31 December 2022 paid by FundRock to its staff: EUR 12,587,217

Fixed remuneration: EUR 11,485,489

Variable remuneration: EUR 1,101,728

Number of beneficiaries: 147

The aggregated amount of remuneration for the financial year ending 31 December 2022 paid by FundRock to Identified staff/risk takers is EUR 2,524,731.

The total amount of remuneration is based on a combination of the assessment of the performance of the individual, the overall results of FundRock, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The Policy is subject to annual review by the Compliance Officer and the update is performed by HR department of FundRock and is presented for review to the Remuneration Committee and approval by the Board of FundRock.

# Harvest Global Funds

## APPENDIX UNAUDITED ADDITIONAL DISCLOSURES AS AT 31 DECEMBER 2022 (CONTINUED)

### Risk transparency disclosures

The Board of Directors has decided to implement the relative value-at-risk (“Relative VaR”) approach as methodology to calculate the global exposure for the Sub-Funds.

The calculation of the Relative VaR is done accordingly to the standards defined in ESMA guidelines 10/788 Box 15 and CSSF CR 11/512.1

#### Harvest Asian Sustainable Bond Fund\*

| Global risk calculation method | Relative VaR limit | Min VaR | Max VaR | Average VaR | Average level of leverage |
|--------------------------------|--------------------|---------|---------|-------------|---------------------------|
| Relative VaR                   | 200.00%            | 51.07%  | 132.35% | 86.97%      | 12.81%                    |

#### Harvest China Sustainable Equity Fund\*\*

| Global risk calculation method | Relative VaR limit | Min VaR | Max VaR | Average VaR | Average level of leverage |
|--------------------------------|--------------------|---------|---------|-------------|---------------------------|
| Relative VaR                   | 200.00%            | 68.35%  | 124.97% | 86.18%      | 0.00%                     |

#### Harvest China Sustainable Bonds Fund\*\*\*

| Global risk calculation method | Relative VaR limit | Min VaR | Max VaR | Average VaR | Average level of leverage |
|--------------------------------|--------------------|---------|---------|-------------|---------------------------|
| Relative VaR                   | 200.00%            | 77.41%  | 155.74% | 107.51%     | 86.33%                    |

#### Harvest Asia Sustainable Balanced Fund#

| Global risk calculation method | Relative VaR limit | Min VaR | Max VaR | Average VaR | Average level of leverage |
|--------------------------------|--------------------|---------|---------|-------------|---------------------------|
| Relative VaR                   | 200.00%            | 62.92%  | 123.44% | 99.45%      | 1.72%                     |

#### Harvest China A-Shares Sustainable Absolute Fund###

| Global risk calculation method | Relative VaR limit | Min VaR | Max VaR | Average VaR | Average level of leverage |
|--------------------------------|--------------------|---------|---------|-------------|---------------------------|
| Relative VaR                   | 200.00%            | 78.10%  | 120.08% | 102.52%     | 0.00%                     |

\* Harvest Asian Bond Fund changed name to Harvest Asian Sustainable Bond Fund as at 31 August 2022.

\*\* Harvest China Evolution Equity Fund changed name to Harvest China Sustainable Equity Fund as at 31 August 2022.

\*\*\* Harvest China Bonds Fund changed name to Harvest China Sustainable Bonds Fund as at 31 August 2022.

# Launched on 27 April 2022.

### Launched on 24 May 2022.

# Harvest Global Funds

## APPENDIX UNAUDITED ADDITIONAL DISCLOSURES AS AT 31 DECEMBER 2022 (CONTINUED)

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### Securities Financing Transaction Regulation (“SFTR”)

As at 31 December 2022, the Company is currently in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of Securities Financing Transactions Regulation (“SFTR”). Nevertheless, the investment policies of the Sub-Funds currently do not provide for the possibility to enter into securities lending and/or repurchase (or reverse repurchase) transactions.

Should the Board of Directors decide to provide for such possibility, the Prospectus, including the Appendix, will be updated prior to the entry into force of such decision in order for the Company to comply with the disclosure requirements of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (“SFTR”).

### Sustainable Finance Disclosure Regulation (“SFDR”)

The Investment Manager identifies, analyses and integrates sustainability risks in its investment decision-making process as it considers that this integration could help enhance long-term risk adjusted returns for investors, in accordance with the investment objectives and policies of the Sub-Funds. The Sub-Funds do promote environmental or social characteristics, but do not have as objective sustainable investment (as provided by articles 8 or 9 of SFDR).

In line with its ESG criteria, the Sub-Fund promotes environmental characteristic but does not commit to make investments in taxonomy-aligned environmentally sustainable investments. It is however not excluded that the Sub-Fund may be exposed to underlying investments that contribute to climate change mitigation and/or climate change adaptation. As at the date of the latest Prospectus, the Investment Manager expects that the proportion of the Sub-Fund’s investments in taxonomy-aligned environmentally sustainable activities (including investments in enabling and transitional activities) amounts to 0%. As information is not yet readily available from investee companies’ public disclosures, the proportion is calculated using a combination of information on taxonomy-alignment obtained mainly from third-party providers and investee companies. As soon as data will become more accurate and available, it is expected that the proportion of investments in enabling and transitional activities will grow and that the calculation of the alignment with the taxonomy regulation (EU) 2020/852 be amended.

Currently, the investments underlying to these Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities and consequently the “do no significant harm” principle does not apply.

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: Harvest China Sustainable Equity Fund

Legal entity identifier: 254900PKDME4ZHLC2545

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

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**: \_\_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% 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 characteristics promoted by this sub-fund was an ESG integration strategy to invest in companies with good environmental, social and governance ("ESG") profiles within their respective sectors.

The sub-fund achieved its target of at least 80% of the sub-fund's net assets being aligned with the characteristics promoted, and based on the portfolio holdings as at the end of the year, 96.47% of the sub-fund's net assets was aligned with the characteristics promoted.

These characteristics have been met via the application of a negative screening and the overweight, in the sub-fund's portfolio (compared to its benchmark), of companies having an ESG scoring of "Best-in-class" and "Low ESG risk", the underweight of companies having an ESG scoring of "middle risk", "high risk", and "extremely high risk", the continuous monitoring of investee companies regarding ESG issues and an active ownership policy in order to enhance investee companies regarding ESG topics

As such, the sub-fund did not hold any investments in companies which were to be excluded from investment as per the negative screening applied.

In addition, at least 80% of the sub-fund's net assets consisted of investments in companies having an ESG scoring of "Best in class" or "low ESG risk".

### **Sustainability**

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

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

1) External database was leveraged to the negative screening of companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and conditional exclusion for alcohol, fossil fuels, and gambling was manually checked to see if the companies meet the criteria disclosed below. Exclusion list has been placed into trading system and was updated on a quarterly basis so that any trading of the companies on the list has not be allowed. Therefore, the sub-fund did not hold any companies meeting the following criteria (non-cumulative):

- companies involved in production, sales and distribution of controversial weapons (i.e. anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons);
- (i) companies which have more than 5% of their annual turnover derived from in the production of tobacco (i.e. any traditional tobacco products as well as related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc.) and of (ii) companies which have more than 15% of their annual turnover derived from the sales and distribution of tobacco;
- companies which have more than 5% of their annual turnover derived from the production, sales and distribution of nuclear energy (i.e. uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel structures, construction and use of nuclear reactors, treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management);
- companies involved in the production, sales and distribution of drugs (except for medical and industrial);
- companies which have more than 5% of their annual turnover derived from the production sales and distribution of adult entertainment;

Regarding companies linked to controversial behavior (i.e. companies that have significant breaches of the United Nations Global Compact (UNGC) 10 principles and/or the OECD Guidelines for Multinational Enterprises and/or equivalent internationally recognized standards to assess the behaviour of companies) and controversial jurisdictions (jurisdictions having received UN security council sanctions and/or high risk jurisdictions identified by the Financial Task Force).

For companies having activities or being linked to the followings, the conditions mentioned below were applied for such companies to be eligible (otherwise they were excluded from investment):

- Alcohol: Responsible consumption policy was required for companies having more than 15% of their annual turnover derived from the production, sales and distribution of alcohol.
- Fossil fuels: investment in transitioning companies that have moderate to high emissions or resource intensity has only been made

where these companies were making industry-leading efforts to reduce them by increasing the proportion of renewables or investing in net-negative technologies etc. The investment committee within the investment manager of the sub-fund (the “Investment Committee”) will vote to divest if company's carbon emissions or ESG performance do not improve as targeted within 12 months of engagement.

- Gambling: Responsible gambling practices needed to be in place.

2) ESG scoring of underlying positions was updated into trading system and reviewed on a monthly basis. The companies with ESG scores account for at least 50% of NAV, since the ESG database at Harvest achieved full coverage on China A-shares, H-shares and part Asian companies. Companies were then classified into five categories: Extremely High Risk, High Risk, Medium Risk, Low Risk and Best-in-class. For any companies falling into the Extremely High Risk, High Risk, and Medium Risk range, an alert was issued by the trading system and further action required prior the approval for investment (including a decision from the ESG committee). As a consequence, some of these companies justified with high ESG risks or no improving ESG momentum have been rejected for investment by the ESG committee or authorized for investment but only up to a certain limit. The sub-fund limited the investment in companies rated as “high ESG risks” and overweight (compared to the sub-fund’s benchmark) low risk and best-in-class companies. As a result, at least 80% of the sub-fund’s net assets consisted of investments in investee companies having an ESG scoring of “Best in class” or “low ESG risk”; up to 5% of NAV of sub-fund’s net asset consisted of investments in investee companies in extremely high risk, high risk and medium risk.

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

This section is not applicable this year as the sub-fund has been upgraded as article 8 sub-fund under SFDR on 18 April 2022. Therefore, the sub-fund was still an article 6 sub-fund under SFDR for the previous period covered by the last annual report (i.e. 2021).

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

N.A

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

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

N.A

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

N.A

*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 EU 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 ?

**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.

Principal adverse impact indicators were incorporated into the overall ESG scoring as underlying input. As such, companies that had poor practices on principal adverse impact were classified as “high ESG risks” companies, for which a “PAI alert” was issued. Consequently, these companies have been discussed on ESG committee with a comprehensive review before proceeding with the investment. As a result, the ESG committee decided that some companies cannot be invested in. Others have still been invested in with however a maximal investment limits in accordance with the decision rules applicable to the ESG committee, as disclosed on the following website: <https://www.harvestglobal.uk/hgi/index.php/funds/card-view>.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at the end of 2022

| Largest investments        | Sector             | % Assets | Country   |
|----------------------------|--------------------|----------|-----------|
| Alibaba Group Holding      | Technology         | 9.48%    | China     |
| Tencent Holdings           | Technology         | 9.33%    | China     |
| Meituan Dianping           | Technology         | 5.30%    | China     |
| AIA Group                  | Financials         | 3.89%    | Hong Kong |
| Baidu                      | Technology         | 3.79%    | China     |
| WuXi Biologics Cayman      | Healthcare         | 3.42%    | China     |
| Air China                  | Consumer Services  | 3.05%    | China     |
| China Mobile               | Telecommunications | 2.88%    | Hong Kong |
| BYD                        | Consumer Goods     | 2.75%    | China     |
| China OS Land & Investment | Financials         | 2.70%    | Hong Kong |
| Zijin Mining Group "H"     | Basic Materials    | 2.49%    | China     |
| Li Ning                    | Consumer Goods     | 2.31%    | Hong Kong |
| Ping An Insurance 'H'      | Financials         | 2.21%    | China     |
| Pinduoduo                  | Technology         | 2.20%    | China     |
| China Construction Bank    | Financials         | 2.17%    | China     |



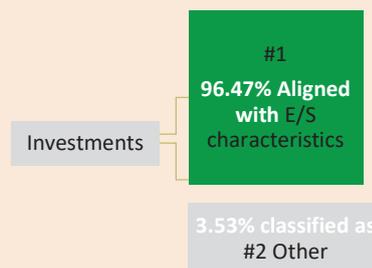
## What was the proportion of sustainability-related investments?

N/A

**Asset allocation** describes the share of investments in specific assets.

### ● What was the asset allocation?

Between 80 and 100% of the sub-funds's net assets were aligned with the E/S characteristics promoted, and based on the portfolio holdings as at the end of the year, 96.47% of the sub-fund's net assets was aligned with the characteristics promoted. 3.53% of the sub-funds's net assets were classified as #2 Other. The assets included in this category consisted in ancillary liquid assets held for the purpose of liquidity management and derivatives instruments held for hedging purposes. There were no minimum environmental or social safeguards applied with respect to the "#2 Other" investments.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

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

| Investments                              | Sector             | % Assets | Country       |
|--|--------------------|----------|---------------|
| Alibaba Group Holding                    | Technology         | 9.48%    | China         |
| Tencent Holdings                         | Technology         | 9.33%    | China         |
| Meituan Dianping                         | Technology         | 5.30%    | China         |
| Aia Group                                | Financials         | 3.89%    | Hong Kong     |
| Baidu                                    | Technology         | 3.79%    | China         |
| Wuxi Biologics Cayman                    | Healthcare         | 3.42%    | China         |
| Air China                                | Consumer Services  | 3.05%    | China         |
| China Mobile                             | Telecommunications | 2.88%    | Hong Kong     |
| BYD                                      | Consumer Goods     | 2.75%    | China         |
| China Os Land & Investment               | Financials         | 2.70%    | Hong Kong     |
| Zijin Mining Group "H"                   | Basic Materials    | 2.49%    | China         |
| Li Ning                                  | Consumer Goods     | 2.31%    | Hong Kong     |
| Ping An Insurance 'H'                    | Financials         | 2.21%    | China         |
| Pinduoduo                                | Technology         | 2.20%    | China         |
| China Construction Bank                  | Financials         | 2.17%    | China         |
| Innovent Biologics                       | Healthcare         | 2.07%    | China         |
| Sunny Optical                            | Industrials        | 1.80%    | China         |
| Country Garden Services Holdings         | Financials         | 1.76%    | China         |
| Li Auto                                  | Other Equities     | 1.73%    | China         |
| Cathay Pacific                           | Consumer Services  | 1.70%    | Hong Kong     |
| Huazhu Group                             | Consumer Services  | 1.63%    | China         |
| Luxshare Precision Industry              | Industrials        | 1.59%    | China         |
| Trip.Com                                 | Industrials        | 1.58%    | China         |
| Anhui Jinhe Industrial                   | Basic Materials    | 1.56%    | China         |
| Wanhua Chemical Group                    | Basic Materials    | 1.53%    | China         |
| JD.Com                                   | Technology         | 1.48%    | China         |
| Yangzhou Yangjie Electronic Technology   | Industrials        | 1.46%    | China         |
| Dada Nexus                               | Technology         | 1.38%    | China         |
| Geely Automobiles                        | Consumer Goods     | 1.36%    | China         |
| Shanghai International Airport           | Industrials        | 1.31%    | China         |
| Netease                                  | Technology         | 1.27%    | China         |
| China State Construction International   | Industrials        | 1.25%    | Hong Kong     |
| Yunnan Energy New Material               | Industrials        | 1.25%    | China         |
| China Resources Beer Holdings            | Industrials        | 1.21%    | Hong Kong     |
| Kuaishou Technology                      | Technology         | 1.14%    | China         |
| HK Exchanges & Clearing                  | Financials         | 1.12%    | Hong Kong     |
| China Mengniu Dairy                      | Consumer Goods     | 1.12%    | China         |
| Beigene                                  | Healthcare         | 1.02%    | Hong Kong     |
| Yum China Holdings                       | Consumer Services  | 1.02%    | United States |
| Wuxi Apptec                              | Healthcare         | 0.92%    | China         |
| Shenzhen Inovance Technology "A"         | Technology         | 0.87%    | China         |
| Konfoong Materials International         | Industrials        | 0.82%    | China         |
| Guangzhou Tinci Materials Technology "A" | Basic Materials    | 0.82%    | China         |
| Ming Yang Smart Energy Group             | Other Equities     | 0.73%    | China         |



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

0%

**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.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas     In nuclear energy

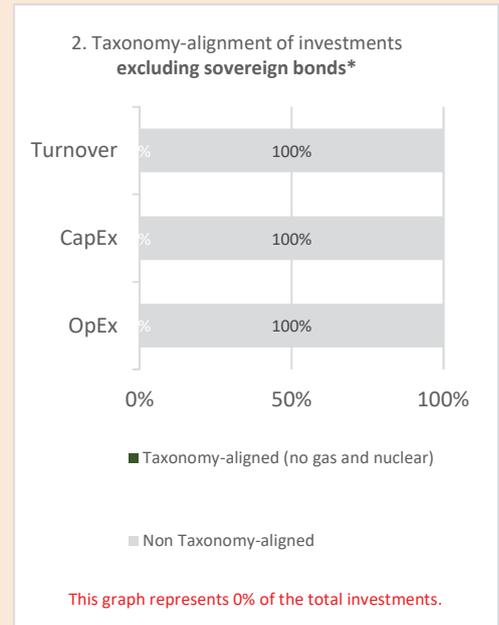
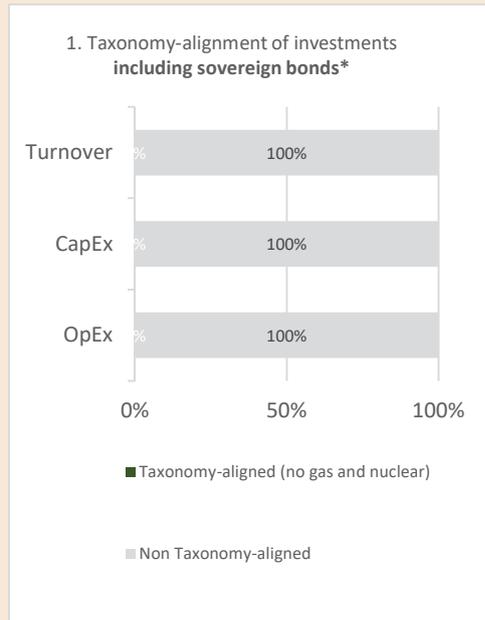
No

*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.*

<sup>1</sup> 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.



\* 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?

N/A



### 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 assets categorised as “other” held by the Sub-Fund were ancillary liquid assets held for the purpose of liquidity management, derivative instruments held for hedging purposes and the investments which do not fulfil the alignment requirements (0% of NAV). There were no minimum environmental or social safeguards applied with respect to the “#2 Other” investments.



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

- The investment manager of the sub-fund conducted negative screening on companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and applied conditional exclusion for alcohol, fossil fuels, and gambling; the screening mechanism was incorporated into the trading system, any investment on the alerted names was blocked.
- The investment manager conducted monthly ESG portfolio analysis and held monthly ESG committee, to monitor and discuss the ESG performance of the investee companies. The committee has decided to divest, allow to invest with a cap, or allow to invest with no restrictions on a case-by-case basis.
- The investment manager engaged with key holdings via 1-on-1 meeting, and collaborative engagement. The industry of the engaged companies includes mining & metals, technology, biology, electric vehicles, sportswear, materials, solar value chain, beverages and financials. The topics discussed included decarbonisation pathways, carbon emissions, energy usage and efficiency, just transition, employee welfare and benefits, human rights, supply chain management, community engagement, sustainability strategy, management and goals, sustainability management structure, board independence and effectiveness.
- The investment manager overweighted investments in the companies rated as best-in-class and low ESG risk companies while underweighted the investments in the companies rated as middle risk, high risk, and extremely high risk ESG names.



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

N/A

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

N/A

**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 with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

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

N/A

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

N/A

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: Harvest China Sustainable Bonds Fund

Legal entity identifier: 254900F6YTIO06D90115

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

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**: \_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% 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 characteristics promoted by this sub-fund was an ESG integration strategy to invest in companies with good environmental, social and governance ("ESG") profiles within their respective sectors.

The sub-fund achieved its target of at least 80% of the sub-fund's net assets being aligned with the characteristics promoted, and based on the portfolio holdings as at the end of the year, 95.37% of the sub-fund's net assets was aligned with the characteristics promoted.

These characteristics have been met via the application of a negative screening and the overweight, in the sub-fund's portfolio (compared to its benchmark), of companies having an ESG scoring of "Best-in-class" and "Low ESG risk", the underweight of companies having an ESG scoring of "middle risk", "high risk", and "extremely high risk", the continuous monitoring of investee companies regarding ESG issues and an active ownership policy in order to enhance investee companies regarding ESG topics

As such, the sub-fund did not hold any investments in companies which were to be excluded from investment as per the negative screening applied.

In addition, at least 80% of the sub-fund's net assets consisted of investments in companies having an ESG scoring of "Best in class" or "low ESG risk".

### Sustainability

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

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

1) External database was leveraged to the negative screening of companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and conditional exclusion for alcohol, fossil fuels, and gambling was manually checked to see if the companies meet the criteria disclosed below. Exclusion list has been placed into trading system and was updated on a quarterly basis so that any trading of the companies on the list has not be allowed. Therefore, the sub-fund did not hold any companies meeting the following criteria (non-cumulative):

- companies involved in production, sales and distribution of controversial weapons (i.e. anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons);
- (i) companies which have more than 5% of their annual turnover derived from in the production of tobacco (i.e. any traditional tobacco products as well as related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc.) and of (ii) companies which have more than 15% of their annual turnover derived from the sales and distribution of tobacco;
- companies which have more than 5% of their annual turnover derived from the production, sales and distribution of nuclear energy (i.e. uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel structures, construction and use of nuclear reactors, treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management);
- companies involved in the production, sales and distribution of drugs (except for medical and industrial);
- companies which have more than 5% of their annual turnover derived from the production sales and distribution of adult entertainment;

Regarding companies linked to controversial behavior (i.e. companies that have significant breaches of the United Nations Global Compact (UNGC) 10 principles and/or the OECD Guidelines for Multinational Enterprises and/or equivalent internationally recognized standards to assess the behaviour of companies) and controversial jurisdictions (jurisdictions having received UN security council sanctions and/or high risk jurisdictions identified by the Financial Task Force).

For companies having activities or being linked to the followings, the conditions mentioned below were applied for such companies to be eligible (otherwise they were excluded from investment):

- Alcohol: Responsible consumption policy was required for companies having more than 15% of their annual turnover derived from the production, sales and distribution of alcohol.
- Fossil fuels: investment in transitioning companies that have moderate to high emissions or resource intensity has only been made

where these companies were making industry-leading efforts to reduce them by increasing the proportion of renewables or investing in net-negative technologies etc. The investment committee within the investment manager of the sub-fund (the “Investment Committee”) will vote to divest if company's carbon emissions or ESG performance do not improve as targeted within 12 months of engagement.

- Gambling: Responsible gambling practices needed to be in place.

2) ESG scoring of underlying positions was updated into trading system and reviewed on a monthly basis. The companies with ESG scores account for at least 50% of NAV, since the ESG database at Harvest achieved full coverage on China A-shares, H-shares and part Asian companies. Companies were then classified into five categories: Extremely High Risk, High Risk, Medium Risk, Low Risk and Best-in-class. For any companies falling into the Extremely High Risk, High Risk, and Medium Risk range, an alert was issued by the trading system and further action required prior the approval for investment (including a decision from the ESG committee). As a consequence, some of these companies justified with high ESG risks or no improving ESG momentum have been rejected for investment by the ESG committee or authorized for investment but only up to a certain limit. The sub-fund limited the investment in companies rated as “high ESG risks” and overweight (compared to the sub-fund’s benchmark) low risk and best-in-class companies. As a result, at least 80% of the sub-fund’s net assets consisted of investments in investee companies having an ESG scoring of “Best in class” or “low ESG risk”; up to 5% of NAV of sub-fund’s net asset consisted of investments in investee companies in extremely high risk, high risk and medium risk.

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

This section is not applicable this year as the sub-fund has been upgraded as article 8 sub-fund under SFDR on 18 April 2022. Therefore, the sub-fund was still an article 6 sub-fund under SFDR for the previous period covered by the last annual report (i.e. 2021).

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

N.A

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

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

N.A

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

N.A

*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 EU 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 ?

**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.

Principal adverse impact indicators were incorporated into the overall ESG scoring as underlying input. As such, companies that had poor practices on principal adverse impact were classified as “high ESG risks” companies, for which a “PAI alert” was issued. Consequently, these companies have been discussed on ESG committee with a comprehensive review before proceeding with the investment. As a result, the ESG committee decided that some companies cannot be invested in. Others have still been invested in with however a maximal investment limits in accordance with the decision rules applicable to the ESG committee, as disclosed on the following website: <https://www.harvestglobal.uk/hgi/index.php/funds/card-view>.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at the end of 2022

| Largest investments                                    | Sector                   | % Assets | Country |
|--|--------------------------|----------|---------|
| CITIC Securities Co Ltd 3.69% 06/02/2032               | Corporate Bonds          | 4.76%    | China   |
| Sinochem Corp 3.53% 19/07/2026                         | Corporate Bonds          | 4.75%    | China   |
| Financial Street Hldgs Co Ltd 3.32% VRN 13/07/2026     | Corporate Bonds          | 4.73%    | China   |
| Agricultural Bank of China 3.48% VRN Perp              | Corporate Bonds          | 4.72%    | China   |
| China Communications Const Co Ltd 3.6% VRN Perp        | Corporate Bonds          | 4.71%    | China   |
| China Communications Construction 3.45% VRN Perp       | Corporate Bonds          | 4.71%    | China   |
| Agricultural Dvlpmnt Bnk of China 3.92% 18/06/2051     | Public Authorities Bonds | 2.60%    | China   |
| Wuhan Metro Group 4.49% 24/09/2039                     | Corporate Bonds          | 2.56%    | China   |
| China Three Gorges 4.88% 19/03/2025                    | Corporate Bonds          | 2.47%    | China   |
| Beijing State owned Capital Operation 4.03% 29/04/2031 | Corporate Bonds          | 2.44%    | China   |
| Zhejiang Energy Group Co Ltd 3.75% 15/04/2026          | Corporate Bonds          | 2.41%    | China   |
| China Development Bank 3.49% 08/11/2041                | Corporate Bonds          | 2.41%    | China   |
| China Merchants Shekou Industrial 3.66% 07/06/2026     | Corporate Bonds          | 2.41%    | China   |
| Shenzhen Investment Holdings 3.7% 18/05/2026           | Corporate Bonds          | 2.41%    | China   |
| China Three Gorges Corp 3.55% 21/01/2032               | Corporate Bonds          | 2.40%    | China   |



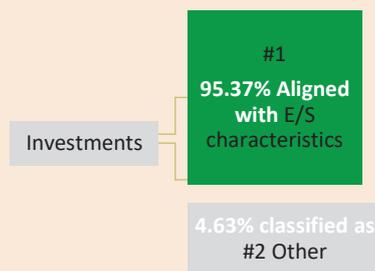
### What was the proportion of sustainability-related investments?

N/A

**Asset allocation** describes the share of investments in specific assets.

#### ● What was the asset allocation?

Between 80 and 100% of the sub-funds's net assets were aligned with the E/S characteristics promoted, and based on the portfolio holdings as at the end of the year, 95.37% of the sub-fund's net assets was aligned with the characteristics promoted. 4.63% of the sub-funds's net assets were classified as #2 Other. The assets included in this category consisted in ancillary liquid assets held for the purpose of liquidity management and derivatives instruments held for hedging purposes. There were no minimum environmental or social safeguards applied with respect to the "#2 Other" investments.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

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

| Investments  | Sector                   | % Assets | Country        |
|--|--------------------------|----------|----------------|
| CITIC Securities Co Ltd 3.69% 06/02/2032               | Corporate Bonds          | 4.76%    | China          |
| Sinochem Corp 3.53% 19/07/2026                         | Corporate Bonds          | 4.75%    | China          |
| Financial Street Hldgs Co Ltd 3.32% VRN 13/07/2026     | Corporate Bonds          | 4.73%    | China          |
| Agricultural Bank of China 3.48% VRN Perp              | Corporate Bonds          | 4.72%    | China          |
| China Communications Const Co Ltd 3.6% VRN Perp        | Corporate Bonds          | 4.71%    | China          |
| China Communications Construction 3.45% VRN Perp       | Corporate Bonds          | 4.71%    | China          |
| Agricultural Dvlpmnt Bnk of China 3.92% 18/06/2051     | Public Authorities Bonds | 2.60%    | China          |
| Wuhan Metro Group 4.49% 24/09/2039                     | Corporate Bonds          | 2.56%    | China          |
| China Three Gorges 4.88% 19/03/2025                    | Corporate Bonds          | 2.47%    | China          |
| Beijing State owned Capital Operation 4.03% 29/04/2031 | Corporate Bonds          | 2.44%    | China          |
| Zhejiang Energy Group Co Ltd 3.75% 15/04/2026          | Corporate Bonds          | 2.41%    | China          |
| China Development Bank 3.49% 08/11/2041                | Corporate Bonds          | 2.41%    | China          |
| China Merchants Shekou Industrial 3.66% 07/06/2026     | Corporate Bonds          | 2.41%    | China          |
| Shenzhen Investment Holdings 3.7% 18/05/2026           | Corporate Bonds          | 2.41%    | China          |
| China Three Gorges Corp 3.55% 21/01/2032               | Corporate Bonds          | 2.40%    | China          |
| Guangzhou Metro Group 3.8% 28/04/2026                  | Corporate Bonds          | 2.40%    | China          |
| China Property Casualty Reinsurance 4.4% 10/12/2030    | Corporate Bonds          | 2.40%    | China          |
| CITIC Group 3.7% 18/02/2032                            | Corporate Bonds          | 2.39%    | China          |
| CCB Life Insurance 4.3% 01/02/2031 STEP                | Corporate Bonds          | 2.39%    | China          |
| China Gezhouba Group Co Ltd 3.53% VRN 29/04/2026       | Corporate Bonds          | 2.39%    | China          |
| China Railway Const 4% VRN Perp                        | Corporate Bonds          | 2.39%    | China          |
| Huawei Investment and Holding 3.58% 29/01/2024         | Corporate Bonds          | 2.38%    | China          |
| Citic Prudential Life Insura 4.3% 10/06/2031 Step      | Corporate Bonds          | 2.38%    | China          |
| Zhongguancun Development Group 3.9% VRN Perp           | Corporate Bonds          | 2.38%    | China          |
| China State Railway Group Co Ltd 3.62% 17/02/2052      | Corporate Bonds          | 2.36%    | China          |
| China Vanke 3.7% VRN 20/05/2028                        | Corporate Bonds          | 2.33%    | China          |
| Meituan 0% 27/04/2027                                  | Corporate Convertibles   | 2.28%    | China          |
| Alibaba Group Holding 3.25% 09/02/2061                 | Corporate Bonds          | 2.07%    | China          |
| United States Treasury Bill 0% 16/02/2023              | Government Bonds         | 1.63%    | United States  |
| Spic Preferred 3.45% VRN Perp                          | Corporate Bonds          | 1.54%    | China          |
| Pharmaron Beijing 0% 18/06/2026                        | Corporate Convertibles   | 1.45%    | China          |
| Cnac HK Finbridge Co 3% 22/09/2030                     | Corporate Bonds          | 1.34%    | Hong Kong      |
| Xiaomi Best Time International 0% 17/12/2027           | Corporate Convertibles   | 1.33%    | Hong Kong      |
| Meituan Dianping 3.05% 28/10/2030                      | Corporate Bonds          | 1.26%    | China          |
| Baidu 4.375% 29/03/2028                                | Corporate Bonds          | 1.24%    | China          |
| Tencent Holdings 3.94% 22/04/2061                      | Corporate Bonds          | 1.15%    | China          |
| Bpce Sa 3.4% 17/09/2027                                | Corporate Bonds          | 1.13%    | France         |
| Cathay Pacific Finance III 2.75% 05/02/2026            | Corporate Convertibles   | 0.91%    | Hong Kong      |
| HSBC Holdings 3.4% 29/06/2027                          | Corporate Bonds          | 0.68%    | United Kingdom |
| Elect Global Investments Ltd 4.85% Perp                | Corporate Bonds          | 0.67%    | Hong Kong      |



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

0%

**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.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>2</sup>?**

Yes:

In fossil gas

In nuclear energy

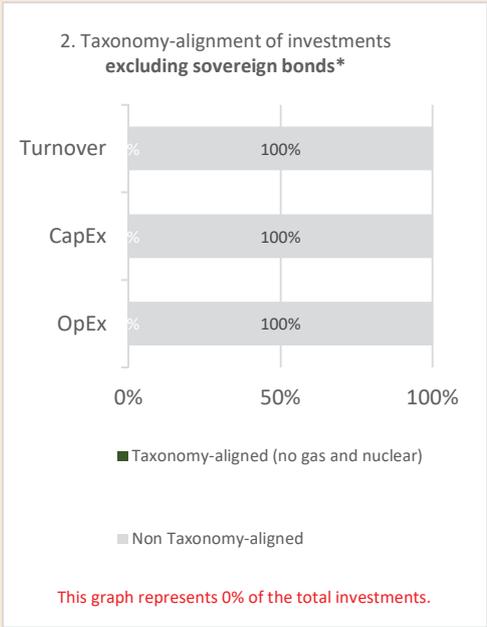
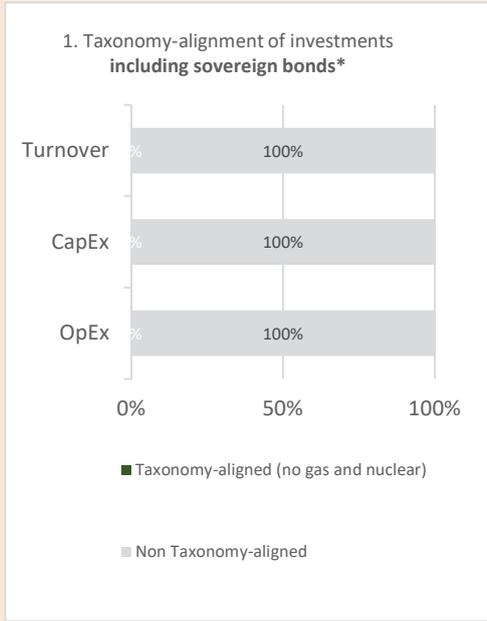
No

*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.*

<sup>2</sup> 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.



\* 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?**

N/A



**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 assets categorised as “other” held by the Sub-Fund were ancillary liquid assets held for the purpose of liquidity management, derivative instruments held for hedging purposes and the investments which do not fulfil the alignment requirements (0% of NAV). There were no minimum environmental or social safeguards applied with respect to the “#2 Other” investments.



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

- The investment manager of the sub-fund conducted negative screening on companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and applied conditional exclusion for alcohol, fossil fuels, and gambling; the screening mechanism was incorporated into the trading system, any investment on the alerted names was blocked.
- The investment manager conducted monthly ESG portfolio analysis and held monthly ESG committee, to monitor and discuss the ESG performance of the investee companies. The committee has decided to divest, allow to invest with a cap, or allow to invest with no restrictions on a case-by-case basis.
- The investment manager engaged with key holdings via 1-on-1 meeting, and collaborative engagement. The industry of the engaged companies includes mining & metals, technology, biology, electric vehicles, sportswear, materials, solar value chain, beverages and financials. The topics discussed included decarbonisation pathways, carbon emissions, energy usage and efficiency, just transition, employee welfare and benefits, human rights, supply chain management, community engagement, sustainability strategy, management and goals, sustainability management structure, board independence and effectiveness.
- The investment manager overweighted investments in the companies rated as best-in-class and low ESG risk companies while underweighted the investments in the companies rated as middle risk, high risk, and extremely high risk ESG names.



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

N/A

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

N/A

**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 with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

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

N/A

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

N/A

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: Harvest Asian Sustainable Bond Fund

Legal entity identifier: 254900VXMJ2Z12NWWJ27

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

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**: \_\_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% 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 characteristics promoted by this sub-fund was an ESG integration strategy to invest in companies with good environmental, social and governance ("ESG") profiles within their respective sectors.

The sub-fund achieved its target of at least 80% of the sub-fund's net assets being aligned with the characteristics promoted, and based on the portfolio holdings as at the end of the year, 91.49% of the sub-fund's net assets was aligned with the characteristics promoted.

These characteristics have been met via the application of a negative screening and the overweight, in the sub-fund's portfolio (compared to its benchmark), of companies having an ESG scoring of "Best-in-class" and "Low ESG risk", the underweight of companies having an ESG scoring of "middle risk", "high risk", and "extremely high risk", the continuous monitoring of investee companies regarding ESG issues and an active ownership policy in order to enhance investee companies regarding ESG topics

As such, the sub-fund did not hold any investments in companies which were to be excluded from investment as per the negative screening applied.

In addition, at least 80% of the sub-fund's net assets consisted of investments in companies having an ESG scoring of "Best in class" or "low ESG risk".

### **Sustainability**

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

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

1) External database was leveraged to the negative screening of companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and conditional exclusion for alcohol, fossil fuels, and gambling was manually checked to see if the companies meet the criteria disclosed below. Exclusion list has been placed into trading system and was updated on a quarterly basis so that any trading of the companies on the list has not be allowed. Therefore, the sub-fund did not hold any companies meeting the following criteria (non-cumulative):

- companies involved in production, sales and distribution of controversial weapons (i.e. anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons);
- (i) companies which have more than 5% of their annual turnover derived from in the production of tobacco (i.e. any traditional tobacco products as well as related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc.) and of (ii) companies which have more than 15% of their annual turnover derived from the sales and distribution of tobacco;
- companies which have more than 5% of their annual turnover derived from the production, sales and distribution of nuclear energy (i.e. uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel structures, construction and use of nuclear reactors, treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management);
- companies involved in the production, sales and distribution of drugs (except for medical and industrial);
- companies which have more than 5% of their annual turnover derived from the production sales and distribution of adult entertainment;

Regarding companies linked to controversial behavior (i.e. companies that have significant breaches of the United Nations Global Compact (UNGC) 10 principles and/or the OECD Guidelines for Multinational Enterprises and/or equivalent internationally recognized standards to assess the behaviour of companies) and controversial jurisdictions (jurisdictions having received UN security council sanctions and/or high risk jurisdictions identified by the Financial Task Force).

For companies having activities or being linked to the followings, the conditions mentioned below were applied for such companies to be eligible (otherwise they were excluded from investment):

- Alcohol: Responsible consumption policy was required for companies having more than 15% of their annual turnover derived from the production, sales and distribution of alcohol.
- Fossil fuels: investment in transitioning companies that have moderate to high emissions or resource intensity has only been made

where these companies were making industry-leading efforts to reduce them by increasing the proportion of renewables or investing in net-negative technologies etc. The investment committee within the investment manager of the sub-fund (the “Investment Committee”) will vote to divest if company's carbon emissions or ESG performance do not improve as targeted within 12 months of engagement.

- Gambling: Responsible gambling practices needed to be in place.

2) ESG scoring of underlying positions was updated into trading system and reviewed on a monthly basis. The companies with ESG scores account for at least 50% of NAV, since the ESG database at Harvest achieved full coverage on China A-shares, H-shares and part Asian companies. Companies were then classified into five categories: Extremely High Risk, High Risk, Medium Risk, Low Risk and Best-in-class. For any companies falling into the Extremely High Risk, High Risk, and Medium Risk range, an alert was issued by the trading system and further action required prior the approval for investment (including a decision from the ESG committee). As a consequence, some of these companies justified with high ESG risks or no improving ESG momentum have been rejected for investment by the ESG committee or authorized for investment but only up to a certain limit. The sub-fund limited the investment in companies rated as “high ESG risks” and overweight (compared to the sub-fund’s benchmark) low risk and best-in-class companies. As a result, at least 80% of the sub-fund’s net assets consisted of investments in investee companies having an ESG scoring of “Best in class” or “low ESG risk”; up to 5% of NAV of sub-fund’s net asset consisted of investments in investee companies in extremely high risk, high risk and medium risk.

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

This section is not applicable this year as the sub-fund has been upgraded as article 8 sub-fund under SFDR on 18 April 2022. Therefore, the sub-fund was still an article 6 sub-fund under SFDR for the previous period covered by the last annual report (i.e. 2021).

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

N.A

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

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

N.A

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

N.A

*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 EU 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 ?

**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.

Principal adverse impact indicators were incorporated into the overall ESG scoring as underlying input. As such, companies that had poor practices on principal adverse impact were classified as “high ESG risks” companies, for which a “PAI alert” was issued. Consequently, these companies have been discussed on ESG committee with a comprehensive review before proceeding with the investment. As a result, the ESG committee decided that some companies cannot be invested in. Others have still been invested in with however a maximal investment limits in accordance with the decision rules applicable to the ESG committee, as disclosed on the following website: <https://www.harvestglobal.uk/hgi/index.php/funds/card-view>.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at the end of 2022

| Largest investments                                   | Sector                  | % Assets | Country     |
|---|-------------------------|----------|-------------|
| King Power Capital Ltd 5.625% 03/11/2024              | Corporate Bonds         | 4.00%    | Hong Kong   |
| Korean Air Lines 4.75% 23/09/2025                     | Corporate Bonds         | 3.94%    | South Korea |
| Baidu 3.875% 29/09/2023                               | Corporate Bonds         | 3.93%    | China       |
| Indonesia (Govt) 5.45% 20/09/2052                     | Government Bonds        | 3.93%    | Indonesia   |
| Nexen 5.875% 10/03/2035                               | Corporate Bonds         | 3.92%    | Canada      |
| Petronas Capital 3.5% 18/03/2025                      | Corporate Bonds         | 3.88%    | Malaysia    |
| Eastern Creation Ii Investment Holdings 1% 10/09/2023 | Corporate Bonds         | 3.87%    | China       |
| Philippine Government International 3.229% 29/03/2027 | Government Bonds        | 3.83%    | Philippines |
| Cathay Pacific Financing 4.875% 17/08/2026            | Corporate Bonds         | 3.81%    | Hong Kong   |
| Export Import Bank Of India 3.375% 05/08/2026         | Public Authorities Bond | 3.73%    | India       |
| China Development Bank 2.875% 28/09/2030              | Corporate Bonds         | 3.71%    | China       |
| Indian Railway Finance 3.835% 13/12/2027              | Public Authorities      | 3.69%    | India       |
| United Overseas Bank Ltd 3.863% VRN 07/10/2032        | Corporate Bonds         | 3.67%    | Singapore   |
| ICBCIL Finance Co Ltd 2.7% 27/01/2027                 | Corporate Bonds         | 3.62%    | Hong Kong   |
| Tingyi 1.625% 24/09/2025                              | Corporate Bonds         | 3.58%    | China       |



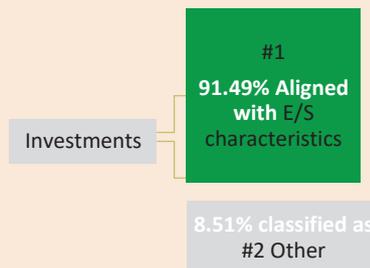
## What was the proportion of sustainability-related investments?

N/A

### What was the asset allocation?

Between 80 and 100% of the sub-funds' net assets were aligned with the E/S characteristics promoted, and based on the portfolio holdings as at the end of the year, 91.49% of the sub-fund's net assets was aligned with the characteristics promoted. 8.51% of the sub-funds' net assets were classified as #2 Other. The assets included in this category consisted in ancillary liquid assets held for the purpose of liquidity management and derivatives instruments held for hedging purposes. There were no minimum environmental or social safeguards applied with respect to the "#2 Other" investments.

**Asset allocation** describes the share of investments in specific assets.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

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

| Investments   | Sector                  | % Assets | Country     |
|---|-------------------------|----------|-------------|
| King Power Capital Ltd 5.625% 03/11/2024              | Corporate Bonds         | 4.00%    | Hong Kong   |
| Korean Air Lines 4.75% 23/09/2025                     | Corporate Bonds         | 3.94%    | South Korea |
| Baidu 3.875% 29/09/2023                               | Corporate Bonds         | 3.93%    | China       |
| Indonesia (Govt) 5.45% 20/09/2052                     | Government Bonds        | 3.93%    | Indonesia   |
| Nexen 5.875% 10/03/2035                               | Corporate Bonds         | 3.92%    | Canada      |
| Petronas Capital 3.5% 18/03/2025                      | Corporate Bonds         | 3.88%    | Malaysia    |
| Eastern Creation Ii Investment Holdings 1% 10/09/2023 | Corporate Bonds         | 3.87%    | China       |
| Philippine Government International 3.229% 29/03/2027 | Government Bonds        | 3.83%    | Philippines |
| Cathay Pacific Financing 4.875% 17/08/2026            | Corporate Bonds         | 3.81%    | Hong Kong   |
| Export Import Bank Of India 3.375% 05/08/2026         | Public Authorities Bond | 3.73%    | India       |
| China Development Bank 2.875% 28/09/2030              | Corporate Bonds         | 3.71%    | China       |
| Indian Railway Finance 3.835% 13/12/2027              | Public Authorities      | 3.69%    | India       |
| United Overseas Bank Ltd 3.863% VRN 07/10/2032        | Corporate Bonds         | 3.67%    | Singapore   |
| ICBCIL Finance Co Ltd 2.7% 27/01/2027                 | Corporate Bonds         | 3.62%    | Hong Kong   |
| Tingyi 1.625% 24/09/2025                              | Corporate Bonds         | 3.58%    | China       |
| Bank Mandiri Persero 2% 19/04/2026                    | Corporate Bonds         | 3.55%    | Indonesia   |
| SF Holding Investment 2021 3% 17/11/2028              | Corporate Bonds         | 3.47%    | China       |
| Vanke Real Estate Hong Kong 3.975% 09/11/2027         | Corporate Bonds         | 3.47%    | Hong Kong   |
| FWD Group 6.375% VRN Perp                             | Corporate Bonds         | 3.26%    | Hong Kong   |
| Elect Global Investments Ltd 4.85% Perp               | Corporate Bonds         | 3.25%    | Hong Kong   |
| GC Treasury Center Co Ltd 5.2% 30/03/2052             | Corporate Bonds         | 3.19%    | Thailand    |
| Vigorous Champion International 2.95% 25/02/2031      | Corporate Bonds         | 3.09%    | Hong Kong   |
| Meituan Dianping 3.05% 28/10/2030                     | Corporate Bonds         | 3.07%    | China       |
| Pertamina Persero 4.15% 25/02/2060                    | Corporate Bonds         | 2.86%    | Indonesia   |
| Tencent Holdings 3.94% 22/04/2061                     | Corporate Bonds         | 2.79%    | China       |
| Alibaba Group Holding 3.25% 09/02/2061                | Corporate Bonds         | 2.40%    | China       |



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

0%

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>3</sup>?**

Yes:

<sup>3</sup> 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.

**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.

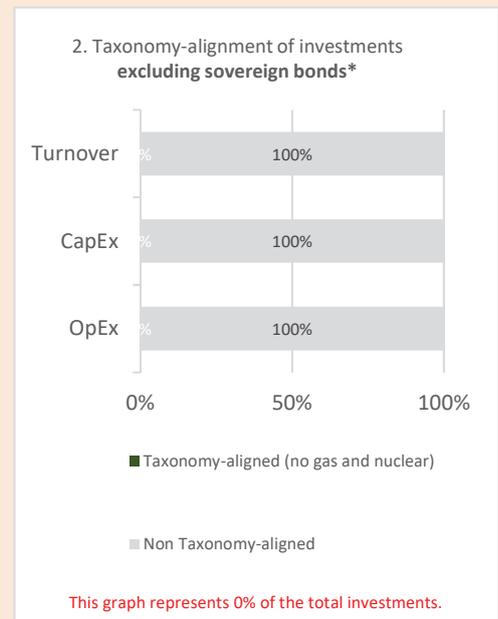
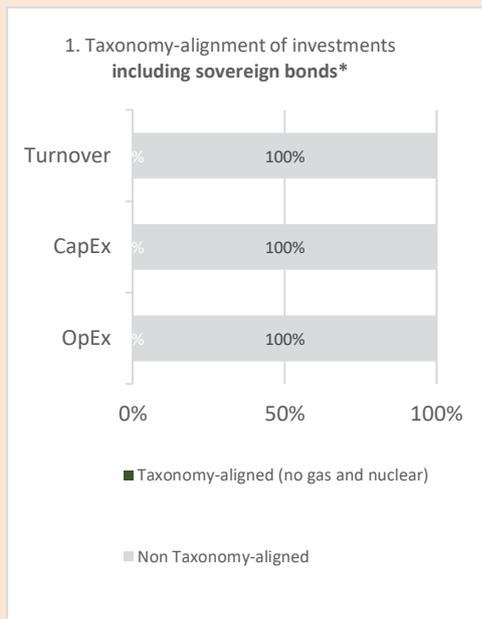
 In fossil gas  In nuclear energy

 No

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?**

N/A



**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 assets categorised as “other” held by the Sub-Fund were ancillary liquid assets held for the purpose of liquidity management, derivative instruments held for hedging purposes and the investments which do not fulfil the alignment requirements (0% of NAV). There were no minimum environmental or social safeguards applied with respect to the “#2 Other” investments.



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

- The investment manager of the sub-fund conducted negative screening on companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and applied conditional exclusion for alcohol, fossil fuels, and gambling; the screening mechanism was incorporated into the trading system, any investment on the alerted names was blocked.
- The investment manager conducted monthly ESG portfolio analysis and held monthly ESG committee, to monitor and discuss the ESG performance of the investee companies. The committee has decided to divest, allow to invest with a cap, or allow to invest with no restrictions on a case-by-case basis.
- The investment manager engaged with key holdings via 1-on-1 meeting, and collaborative engagement. The industry of the engaged companies includes mining & metals, technology, biology, electric vehicles, sportswear, materials, solar value chain, beverages and financials. The topics discussed included decarbonisation pathways, carbon emissions, energy usage and efficiency, just transition, employee welfare and benefits, human rights, supply chain management, community engagement, sustainability strategy, management and goals, sustainability management structure, board independence and effectiveness.
- The investment manager overweighed investments in the companies rated as best-in-class and low ESG risk companies while underweighted the investments in the companies rated as middle risk, high risk, and extremely high risk ESG names.



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

N/A

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

N/A

**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 with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

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

N/A

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

N/A

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: Harvest China A-Shares Sustainable Absolute Fund

Legal entity identifier: 254900Q14QE6GDMURN40

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

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**: \_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% 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 characteristics promoted by this sub-fund was an ESG integration strategy to invest in companies with good environmental, social and governance ("ESG") profiles within their respective sectors.

The sub-fund achieved its target of at least 80% of the sub-fund's net assets being aligned with the characteristics promoted, and based on the portfolio holdings as at the end of the year, 96.21% of the sub-fund's net assets was aligned with the characteristics promoted.

These characteristics have been met via the application of a negative screening and the overweight, in the sub-fund's portfolio (compared to its benchmark), of companies having an ESG scoring of "Best-in-class" and "Low ESG risk", the underweight of companies having an ESG scoring of "middle risk", "high risk", and "extremely high risk", the continuous monitoring of investee companies regarding ESG issues and an active ownership policy in order to enhance investee companies regarding ESG topics

As such, the sub-fund did not hold any investments in companies which were to be excluded from investment as per the negative screening applied.

In addition, at least 80% of the sub-fund's net assets consisted of investments in companies having an ESG scoring of "Best in class" or "low ESG risk".

### Sustainability

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

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

1) External database was leveraged to the negative screening of companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and conditional exclusion for alcohol, fossil fuels, and gambling was manually checked to see if the companies meet the criteria disclosed below. Exclusion list has been placed into trading system and was updated on a quarterly basis so that any trading of the companies on the list has not be allowed. Therefore, the sub-fund did not hold any companies meeting the following criteria (non-cumulative):

- companies involved in production, sales and distribution of controversial weapons (i.e. anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons);
- (i) companies which have more than 5% of their annual turnover derived from in the production of tobacco (i.e. any traditional tobacco products as well as related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc.) and of (ii) companies which have more than 15% of their annual turnover derived from the sales and distribution of tobacco;
- companies which have more than 5% of their annual turnover derived from the production, sales and distribution of nuclear energy (i.e. uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel structures, construction and use of nuclear reactors, treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management);
- companies involved in the production, sales and distribution of drugs (except for medical and industrial);
- companies which have more than 5% of their annual turnover derived from the production sales and distribution of adult entertainment;

Regarding companies linked to controversial behavior (i.e. companies that have significant breaches of the United Nations Global Compact (UNGC) 10 principles and/or the OECD Guidelines for Multinational Enterprises and/or equivalent internationally recognized standards to assess the behaviour of companies) and controversial jurisdictions (jurisdictions having received UN security council sanctions and/or high risk jurisdictions identified by the Financial Task Force).

For companies having activities or being linked to the followings, the conditions mentioned below were applied for such companies to be eligible (otherwise they were excluded from investment):

- Alcohol: Responsible consumption policy was required for companies having more than 15% of their annual turnover derived from the production, sales and distribution of alcohol.
- Fossil fuels: investment in transitioning companies that have moderate to high emissions or resource intensity has only been made

where these companies were making industry-leading efforts to reduce them by increasing the proportion of renewables or investing in net-negative technologies etc. The investment committee within the investment manager of the sub-fund (the “Investment Committee”) will vote to divest if company's carbon emissions or ESG performance do not improve as targeted within 12 months of engagement.

- Gambling: Responsible gambling practices needed to be in place.

2) ESG scoring of underlying positions was updated into trading system and reviewed on a monthly basis. The companies with ESG scores account for at least 50% of NAV, since the ESG database at Harvest achieved full coverage on China A-shares, H-shares and part Asian companies. Companies were then classified into five categories: Extremely High Risk, High Risk, Medium Risk, Low Risk and Best-in-class. For any companies falling into the Extremely High Risk, High Risk, and Medium Risk range, an alert was issued by the trading system and further action required prior the approval for investment (including a decision from the ESG committee). As a consequence, some of these companies justified with high ESG risks or no improving ESG momentum have been rejected for investment by the ESG committee or authorized for investment but only up to a certain limit. The sub-fund limited the investment in companies rated as “high ESG risks” and overweight (compared to the sub-fund’s benchmark) low risk and best-in-class companies. As a result, at least 80% of the sub-fund’s net assets consisted of investments in investee companies having an ESG scoring of “Best in class” or “low ESG risk”; up to 5% of NAV of sub-fund’s net asset consisted of investments in investee companies in extremely high risk, high risk and medium risk.

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

This section is not applicable this year as the sub-fund has been upgraded as article 8 sub-fund under SFDR on 18 April 2022. Therefore, the sub-fund was still an article 6 sub-fund under SFDR for the previous period covered by the last annual report (i.e. 2021).

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

N.A

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

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

N.A

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

N.A

*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 EU 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 ?

**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.

Principal adverse impact indicators were incorporated into the overall ESG scoring as underlying input. As such, companies that had poor practices on principal adverse impact were classified as “high ESG risks” companies, for which a “PAI alert” was issued. Consequently, these companies have been discussed on ESG committee with a comprehensive review before proceeding with the investment. As a result, the ESG committee decided that some companies cannot be invested in. Others have still been invested in with however a maximal investment limits in accordance with the decision rules applicable to the ESG committee, as disclosed on the following website: <https://www.harvestglobal.uk/hgi/index.php/funds/card-view>.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at the end of 2022

| Largest investments                    | Sector             | % Assets | Country   |
|--|--------------------|----------|-----------|
| Longi Green Energy Technology          | Technology         | 6.73%    | China     |
| Yealink Network Technology             | Telecommunications | 5.14%    | China     |
| WuXi AppTec                            | Healthcare         | 5.02%    | China     |
| Yangzhou Yangjie Electronic Technology | Industrials        | 4.99%    | China     |
| Starpower Semiconductor "A"            | Technology         | 4.90%    | China     |
| Hua Hong Semiconductor                 | Technology         | 4.77%    | Hong Kong |
| Zhejiang Huayou Cobalt                 | Basic Materials    | 4.37%    | China     |
| Tongwei                                | Consumer Goods     | 4.36%    | China     |
| East Money Information "A"             | Oil & Gas          | 4.24%    | China     |
| WuXi Biologics Cayman                  | Healthcare         | 4.15%    | China     |
| CNOOC                                  | Oil & Gas          | 3.66%    | Hong Kong |
| Jinduicheng Molybdenum                 | Basic Materials    | 3.43%    | China     |
| Xi'an Sinofuse Electric                | Consumer Goods     | 3.33%    | China     |
| Jiangsu Cnano Technology               | Other Equities     | 3.29%    | China     |
| Verisilicon Microelectronics Shanghai  | Technology         | 3.16%    | China     |



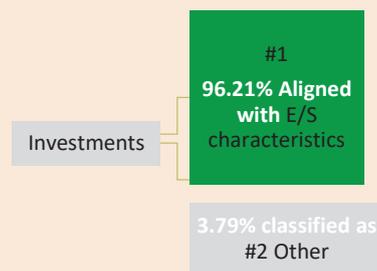
### What was the proportion of sustainability-related investments?

N/A

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

Between 80 and 100% of the sub-funds's net assets were aligned with the E/S characteristics promoted, and based on the portfolio holdings as at the end of the year, 96.21% of the sub-fund's net assets was aligned with the characteristics promoted. 3.79% of the sub-funds's net assets were classified as #2 Other. The assets included in this category consisted in ancillary liquid assets held for the purpose of liquidity management and derivatives instruments held for hedging purposes. There were no minimum environmental or social safeguards applied with respect to the "#2 Other" investments.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

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

| Investments                            | Sector             | % Assets | Country   |
|--|--------------------|----------|-----------|
| Longi Green Energy Technology          | Technology         | 6.73%    | China     |
| Yealink Network Technology             | Telecommunications | 5.14%    | China     |
| WuXi AppTec                            | Healthcare         | 5.02%    | China     |
| Yangzhou Yangjie Electronic Technology | Industrials        | 4.99%    | China     |
| Starpower Semiconductor "A"            | Technology         | 4.90%    | China     |
| Hua Hong Semiconductor                 | Technology         | 4.77%    | Hong Kong |
| Zhejiang Huayou Cobalt                 | Basic Materials    | 4.37%    | China     |
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| Jiangsu Cnano Technology               | Other Equities     | 3.29%    | China     |
| Verisilicon Microelectronics Shanghai  | Technology         | 3.16%    | China     |
| Byd Company Limited "A"                | Consumer Goods     | 3.12%    | China     |
| Anhui Jinhe Industrial                 | Basic Materials    | 2.88%    | China     |
| Suzhou Novosense Microelectronics "A"  | Technology         | 2.49%    | China     |
| Laobaixing Pharmacy Chain "A"          | Healthcare         | 2.28%    | China     |
| China Telecom                          | Telecommunications | 2.16%    | China     |
| Montage Technology                     | Technology         | 2.10%    | China     |
| Yifeng Pharmacy Chain "A"              | Consumer Services  | 2.10%    | China     |
| WUS Printed Circuit Kunshan            | Industrials        | 2.02%    | China     |
| Asymchem Laboratories Tianjin          | Healthcare         | 1.99%    | China     |
| Contemporary Ampere Technology         | Consumer Goods     | 1.50%    | China     |
| Tsingtao Brewery "A"                   | Consumer Goods     | 1.49%    | China     |
| CNOOC Aktie VALOR                      | Oil & Gas          | 1.45%    | Hong Kong |
| Xianhe                                 | Basic Materials    | 1.17%    | China     |
| DaShenLin Pharmaceutical Group         | Consumer Services  | 1.12%    | China     |
| Jiayou International Logistics         | Industrials        | 1.05%    | China     |
| Anhui Huaheng Biotechnology            | Healthcare         | 1.00%    | China     |
| Hygeia Healthcare Holdings             | Healthcare         | 0.75%    | China     |



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

0%

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>4</sup>?**

Yes:

<sup>4</sup> 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.

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

■ In fossil gas    ■ In nuclear energy

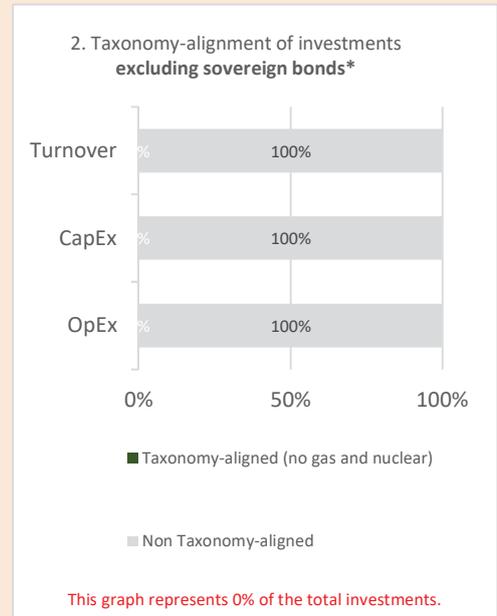
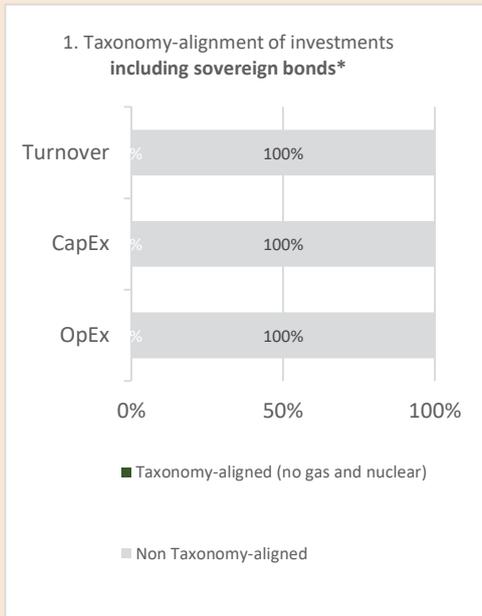
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

✘ No

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?**

N/A



- **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 assets categorised as “other” held by the Sub-Fund were ancillary liquid assets held for the purpose of liquidity management, derivative instruments held for hedging purposes and the investments which do not fulfil the alignment requirements (0% of NAV). There were no minimum environmental or social safeguards applied with respect to the “#2 Other” investments.



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

- The investment manager of the sub-fund conducted negative screening on companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and applied conditional exclusion for alcohol, fossil fuels, and gambling; the screening mechanism was incorporated into the trading system, any investment on the alerted names was blocked.
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- The investment manager engaged with key holdings via 1-on-1 meeting, and collaborative engagement. The industry of the engaged companies includes mining & metals, technology, biology, electric vehicles, sportswear, materials, solar value chain, beverages and financials. The topics discussed included decarbonisation pathways, carbon emissions, energy usage and efficiency, just transition, employee welfare and benefits, human rights, supply chain management, community engagement, sustainability strategy, management and goals, sustainability management structure, board independence and effectiveness.
- The investment manager overweighted investments in the companies rated as best-in-class and low ESG risk companies while underweighted the investments in the companies rated as middle risk, high risk, and extremely high risk ESG names.



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

N/A

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

N/A

**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 with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

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

N/A

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

N/A

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: Harvest Asia Sustainable  
Balanced Fund

Legal entity identifier: 254900DPR3QVURTPXF22

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

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**: \_\_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% 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 characteristics promoted by this sub-fund was an ESG integration strategy to invest in companies with good environmental, social and governance ("ESG") profiles within their respective sectors.

The sub-fund achieved its target of at least 80% of the sub-fund's net assets being aligned with the characteristics promoted, and based on the portfolio holdings as at the end of the year, 97.65% of the sub-fund's net assets was aligned with the characteristics promoted.

These characteristics have been met via the application of a negative screening and the overweight, in the sub-fund's portfolio (compared to its benchmark), of companies having an ESG scoring of "Best-in-class" and "Low ESG risk", the underweight of companies having an ESG scoring of "middle risk", "high risk", and "extremely high risk", the continuous monitoring of investee companies regarding ESG issues and an active ownership policy in order to enhance investee companies regarding ESG topics

As such, the sub-fund did not hold any investments in companies which were to be excluded from investment as per the negative screening applied.

In addition, at least 80% of the sub-fund's net assets consisted of investments in companies having an ESG scoring of "Best in class" or "low ESG risk".

### **Sustainability**

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

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

1) External database was leveraged to the negative screening of companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and conditional exclusion for alcohol, fossil fuels, and gambling was manually checked to see if the companies meet the criteria disclosed below. Exclusion list has been placed into trading system and was updated on a quarterly basis so that any trading of the companies on the list has not be allowed. Therefore, the sub-fund did not hold any companies meeting the following criteria (non-cumulative):

- companies involved in production, sales and distribution of controversial weapons (i.e. anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons);
- (i) companies which have more than 5% of their annual turnover derived from in the production of tobacco (i.e. any traditional tobacco products as well as related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc.) and of (ii) companies which have more than 15% of their annual turnover derived from the sales and distribution of tobacco;
- companies which have more than 5% of their annual turnover derived from the production, sales and distribution of nuclear energy (i.e. uranium extraction, uranium concentration, refining, conversion and enrichment, the production of nuclear fuel structures, construction and use of nuclear reactors, treatment of spent nuclear fuel, nuclear decommissioning and radioactive waste management);
- companies involved in the production, sales and distribution of drugs (except for medical and industrial);
- companies which have more than 5% of their annual turnover derived from the production sales and distribution of adult entertainment;

Regarding companies linked to controversial behavior (i.e. companies that have significant breaches of the United Nations Global Compact (UNGC) 10 principles and/or the OECD Guidelines for Multinational Enterprises and/or equivalent internationally recognized standards to assess the behaviour of companies) and controversial jurisdictions (jurisdictions having received UN security council sanctions and/or high risk jurisdictions identified by the Financial Task Force).

For companies having activities or being linked to the followings, the conditions mentioned below were applied for such companies to be eligible (otherwise they were excluded from investment):

- Alcohol: Responsible consumption policy was required for companies having more than 15% of their annual turnover derived from the production, sales and distribution of alcohol.
- Fossil fuels: investment in transitioning companies that have moderate to high emissions or resource intensity has only been made

where these companies were making industry-leading efforts to reduce them by increasing the proportion of renewables or investing in net-negative technologies etc. The investment committee within the investment manager of the sub-fund (the “Investment Committee”) will vote to divest if company's carbon emissions or ESG performance do not improve as targeted within 12 months of engagement.

- Gambling: Responsible gambling practices needed to be in place.

2) ESG scoring of underlying positions was updated into trading system and reviewed on a monthly basis. The companies with ESG scores account for at least 50% of NAV, since the ESG database at Harvest achieved full coverage on China A-shares, H-shares and part Asian companies. Companies were then classified into five categories: Extremely High Risk, High Risk, Medium Risk, Low Risk and Best-in-class. For any companies falling into the Extremely High Risk, High Risk, and Medium Risk range, an alert was issued by the trading system and further action required prior the approval for investment (including a decision from the ESG committee). As a consequence, some of these companies justified with high ESG risks or no improving ESG momentum have been rejected for investment by the ESG committee or authorized for investment but only up to a certain limit. The sub-fund limited the investment in companies rated as “high ESG risks” and overweight (compared to the sub-fund’s benchmark) low risk and best-in-class companies. As a result, at least 80% of the sub-fund’s net assets consisted of investments in investee companies having an ESG scoring of “Best in class” or “low ESG risk”; up to 5% of NAV of sub-fund’s net asset consisted of investments in investee companies in extremely high risk, high risk and medium risk.

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

This section is not applicable this year as the sub-fund has been upgraded as article 8 sub-fund under SFDR on 18 April 2022. Therefore, the sub-fund was still an article 6 sub-fund under SFDR for the previous period covered by the last annual report (i.e. 2021).

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

N.A

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

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

N.A

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

N.A

*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 EU 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 ?

**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.

Principal adverse impact indicators were incorporated into the overall ESG scoring as underlying input. As such, companies that had poor practices on principal adverse impact were classified as “high ESG risks” companies, for which a “PAI alert” was issued. Consequently, these companies have been discussed on ESG committee with a comprehensive review before proceeding with the investment. As a result, the ESG committee decided that some companies cannot be invested in. Others have still been invested in with however a maximal investment limits in accordance with the decision rules applicable to the ESG committee, as disclosed on the following website: <https://www.harvestglobal.uk/hgi/index.php/funds/card-view>.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at the end of 2022

| Largest investments                              | Sector          | % Assets | Country     |
|--|-----------------|----------|-------------|
| Lyxor MSCI India UCITS ETF                       | Financials      | 5.90%    | France      |
| HSBC MSCI Taiwan UCITS ETF                       | Financials      | 4.66%    | Ireland     |
| Xtrackers MSCI Taiwan UCITS ETF                  | Financials      | 4.29%    | Luxembourg  |
| Tencent Holdings                                 | Technology      | 4.28%    | China       |
| Alibaba Group Holding                            | Technology      | 3.70%    | China       |
| HSBC MSCI Korea UCITS ETF                        | Financials      | 3.21%    | Ireland     |
| Lyxor MSCI Korea UCITS ETF ACC                   | Financials      | 2.71%    | Luxembourg  |
| King Power Capital Ltd 5.625% 03/11/2024         | Corporate Bonds | 2.68%    | Hong Kong   |
| Korean Air Lines 4.75% 23/09/2025                | Corporate Bonds | 2.64%    | South Korea |
| Nexen 5.875% 10/03/2035                          | Corporate Bonds | 2.63%    | Canada      |
| Tencent Holdings 3.975% 11/04/2029               | Corporate Bonds | 2.46%    | China       |
| ICBCIL Finance Co Ltd 2.7% 27/01/2027            | Corporate Bonds | 2.43%    | Hong Kong   |
| ENN Clean Energy International 3.375% 12/05/2026 | Corporate Bonds | 2.33%    | China       |
| FWD Group 6.375% VRN Perp                        | Corporate Bonds | 2.19%    | Hong Kong   |
| GC Treasury Center Co Ltd 5.2% 30/03/2052        | Corporate Bonds | 2.13%    | Thailand    |



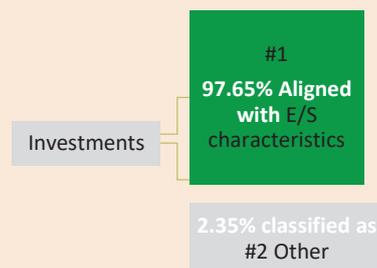
### What was the proportion of sustainability-related investments?

N/A

**Asset allocation** describes the share of investments in specific assets.

#### ● What was the asset allocation?

Between 80 and 100% of the sub-funds' net assets were aligned with the E/S characteristics promoted, and based on the portfolio holdings as at the end of the year, 97.65% of the sub-fund's net assets was aligned with the characteristics promoted. 2.35% of the sub-funds' net assets were classified as #2 Other. The assets included in this category consisted in ancillary liquid assets held for the purpose of liquidity management and derivatives instruments held for hedging purposes. There were no minimum environmental or social safeguards applied with respect to the "#2 Other" investments.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

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

| Investments                                       | Sector             | % Assets | Country       |
|---|--------------------|----------|---------------|
| Lyxor MSCI India UCITS ETF                        | Financials         | 5.90%    | France        |
| HSBC MSCI Taiwan UCITS ETF                        | Financials         | 4.66%    | Ireland       |
| Xtrackers MSCI Taiwan UCITS ETF                   | Financials         | 4.29%    | Luxembourg    |
| Tencent Holdings                                  | Technology         | 4.28%    | China         |
| Alibaba Group Holding                             | Technology         | 3.70%    | China         |
| HSBC MSCI Korea UCITS ETF                         | Financials         | 3.21%    | Ireland       |
| Lyxor MSCI Korea UCITS ETF ACC                    | Financials         | 2.71%    | Luxembourg    |
| King Power Capital Ltd 5.625% 03/11/2024          | Corporate Bonds    | 2.68%    | Hong Kong     |
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| Nexen 5.875% 10/03/2035                           | Corporate Bonds    | 2.63%    | Canada        |
| Tencent Holdings 3.975% 11/04/2029                | Corporate Bonds    | 2.46%    | China         |
| ICBCIL Finance Co Ltd 2.7% 27/01/2027             | Corporate Bonds    | 2.43%    | Hong Kong     |
| ENN Clean Energy International 3.375% 12/05/2026  | Corporate Bonds    | 2.33%    | China         |
| FWD Group 6.375% VRN Perp                         | Corporate Bonds    | 2.19%    | Hong Kong     |
| GC Treasury Center Co Ltd 5.2% 30/03/2052         | Corporate Bonds    | 2.13%    | Thailand      |
| Meituan Dianping 3.05% 28/10/2030                 | Corporate Bonds    | 2.05%    | China         |
| AIA Group   | Financials         | 2.02%    | Hong Kong     |
| Development Bank of the Philipp 2.375% 11/03/2031 | Corporate Bonds    | 2.02%    | Philippines   |
| HDFC  | Financials         | 1.98%    | India         |
| Airports of Thailand                              | Industrials        | 1.98%    | Thailand      |
| DBS Group   | Financials         | 1.89%    | Singapore     |
| Samsung   | Technology         | 1.67%    | South Korea   |
| China Mobile                                      | Telecommunications | 1.50%    | Hong Kong     |
| Taiwan Semiconductor                              | Technology         | 1.38%    | Taiwan        |
| Innovent Biologics                                | Healthcare         | 1.32%    | China         |
| Zijin Mining Group "H"                            | Basic Materials    | 1.25%    | China         |
| Reliance Industries                               | Oil & Gas          | 1.20%    | India         |
| KB Financial                                      | Financials         | 1.18%    | South Korea   |
| CNOOC   | Oil & Gas          | 1.18%    | Hong Kong     |
| Shenzhen Mindray Bio Medical Electronics "A"      | Healthcare         | 1.16%    | China         |
| China OS Land & Investment                        | Financials         | 1.09%    | Hong Kong     |
| WuXi Biologics Cayman                             | Healthcare         | 1.07%    | China         |
| Ping An Insurance 'H'                             | Financials         | 1.06%    | China         |
| Yum China Holdings                                | Consumer Services  | 1.05%    | United States |
| Air China   | Consumer Services  | 1.05%    | China         |
| China Construction Bank                           | Financials         | 1.05%    | China         |
| Cathay Pacific                                    | Consumer Services  | 1.02%    | Hong Kong     |
| Singapore Airlines                                | Consumer Services  | 1.01%    | Singapore     |
| Sun Hung Kai Properties                           | Financials         | 1.00%    | Hong Kong     |
| China Power International Development             | Utilities          | 1.00%    | Hong Kong     |
| BYD   | Consumer Goods     | 0.99%    | China         |
| WuXi AppTec                                       | Healthcare         | 0.94%    | China         |
| Industri Jamu Dan Farmasi Sido Muncul             | Healthcare         | 0.94%    | Indonesia     |
| Shanghai International Airport                    | Industrials        | 0.94%    | China         |
| Sunny Optical                                     | Industrials        | 0.94%    | China         |

|  |                   |       |           |
|--|-------------------|-------|-----------|
| Yangzhou Yangjie Electronic Technology | Industrials       | 0.88% | China     |
| China Mengniu Dairy                    | Consumer Goods    | 0.85% | China     |
| China State Construction International | Industrials       | 0.75% | Hong Kong |
| China Resources Beer Holdings          | Industrials       | 0.75% | Hong Kong |
| Jiumaojiu International Holdings       | Consumer Services | 0.71% | Hong Kong |
| Meituan Dianping                       | Technology        | 0.60% | China     |
| Li Ning                                | Consumer Goods    | 0.58% | Hong Kong |
| Pinduoduo                              | Technology        | 0.56% | China     |
| Kuaishou Technology                    | Technology        | 0.52% | China     |
| China Merchants Bank                   | Financials        | 0.49% | China     |
| Baidu                                  | Technology        | 0.48% | China     |
| Geely Automobiles                      | Consumer Goods    | 0.47% | China     |
| Country Garden Services Holdings       | Financials        | 0.47% | China     |
| HK Exchanges & Clearing                | Financials        | 0.46% | Hong Kong |
| Dada Nexus                             | Technology        | 0.44% | China     |
| CSPC Pharmaceutical                    | Healthcare        | 0.39% | Hong Kong |
| Longi Green Energy Technology          | Technology        | 0.38% | China     |
| Yunnan Energy New Material             | Industrials       | 0.36% | China     |
| Wanhua Chemical Group                  | Basic Materials   | 0.34% | China     |



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

0%

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>5</sup>?**

Yes:

In fossil gas     In nuclear energy

No

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

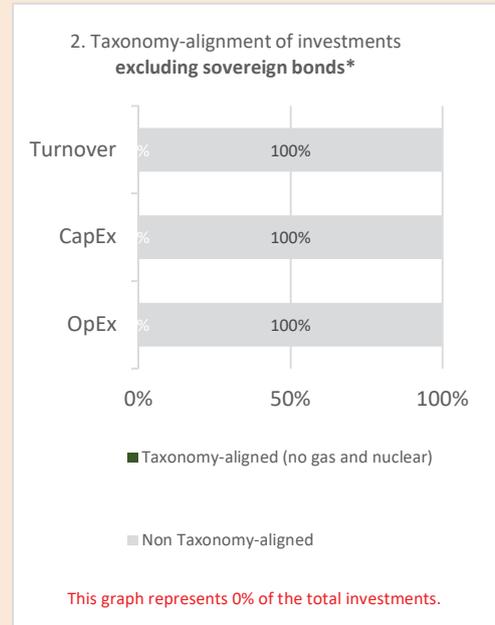
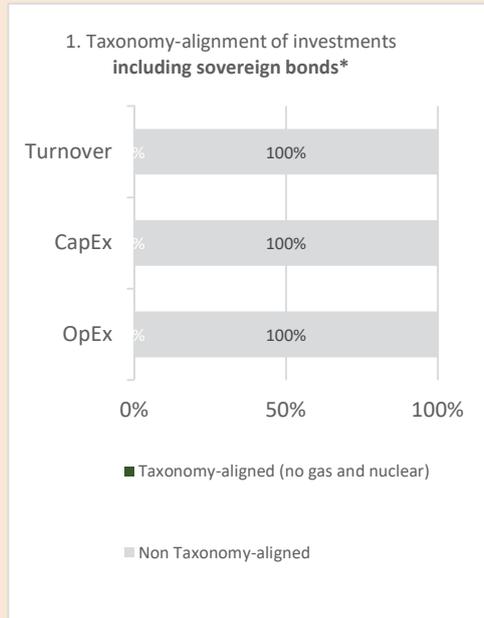
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

<sup>5</sup> 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?**

N/A



**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 assets categorised as “other” held by the Sub-Fund were ancillary liquid assets held for the purpose of liquidity management, derivative instruments held for hedging purposes and the investments which do not fulfil the alignment requirements (0% of NAV). There were no minimum environmental or social safeguards applied with respect to the “#2 Other” investments.



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

- The investment manager of the sub-fund conducted negative screening on companies having activities or being linked to controversial weapons, tobacco, nuclear energy, controversial behaviours, controversial jurisdictions, drugs and adult entertainment, and applied conditional exclusion for alcohol, fossil fuels, and gambling; the screening mechanism was incorporated into the trading system, any investment on the alerted names was blocked.
- The investment manager conducted monthly ESG portfolio analysis and held monthly ESG committee, to monitor and discuss the ESG performance of the investee companies. The committee has decided to divest, allow to invest with a cap, or allow to invest with no restrictions on a case-by-case basis.
- The investment manager engaged with key holdings via 1-on-1 meeting, and collaborative engagement. The industry of the engaged companies includes mining & metals, technology, biology, electric vehicles, sportswear, materials, solar value chain, beverages and financials. The topics discussed included decarbonisation pathways, carbon emissions, energy usage and efficiency, just transition, employee welfare and benefits, human rights, supply chain management, community engagement, sustainability strategy, management and goals, sustainability management structure, board independence and effectiveness.
- The investment manager overweighted investments in the companies rated as best-in-class and low ESG risk companies while underweighted the investments in the companies rated as middle risk, high risk, and extremely high risk ESG names.



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

N/A

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

N/A

**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 with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

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

N/A

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

N/A