

The excess reportable income per share must be multiplied by the total number of shares you held in each Share Class at 31 March 2022 in order to derive the total reportable income to be included in your tax return.

The timing of the receipt of income is as follows:

UK individual investors

The deemed distribution date for excess reportable income over any cash distributions received is 30 September 2022, this falls within the UK fiscal year ended 5 April 2023. This must therefore be included in your 2022/2023 tax return.

UK corporate investors

The deemed distribution date is 30 September 2022, this income must be included in your tax return in accordance with the accounting period in which this date falls.

Form of Distribution

Distributions paid by Funds that hold more than 60% of their assets in interest-bearing, or economically similar, form at any time in an accounting period are treated as a payment of annual interest for UK resident individual investors. Accordingly, such distributions will be subject to tax at the rates applying to interest (currently 20%, 40% and 45%).

Where a Fund does not hold more than 60% of its assets in interest-bearing, or economically similar, form at any time in an accounting period, distributions will be treated as dividends. Accordingly, such distributions will be subject to tax at the rates applying to dividends (currently 10%, 32.5% and 37.5%). A non-refundable tax credit equivalent to 10% of the gross dividend can be offset against the associated tax liability.

UK resident corporate investors may benefit from one of the exemptions from UK corporation tax on dividends received from the Funds. Where the Fund in question holds more than 60% of its assets in interest-bearing, or economically similar form at any time in an accounting period, then any distribution will be treated as interest in the hands of a corporate investor.

Equalisation and treatment of first allocation of income

In accordance with Regulation 53(1), the Fund does not operate equalisation arrangements and intends to make income adjustments in a reporting period on the basis of reported income.

Reportable income for the year ended 31 March 2022

During the period to 31 March 2022, the Fund made quarterly distributions in relation to:

- Emerging Markets Equity Income Fund – Class I GBP distr.
- Emerging Markets Equity Income Fund – Class Y GBP gross distr.
- Emerging Markets Equity Income Fund – Class Y USD gross distr.
- Emerging Markets Equity Income Fund – Class Y EUR gross distr.
- Emerging Markets Equity Income Fund – Class Z GBP distr.
- Global Equity Enhanced Income – Class X GBP gross distr.
- Global Equity Enhanced Income – Class Z GBP gross distr.
- USD Investment Grade Credit – Class Y USD gross distr.
- USD Investment Grade Credit – Class Y GBP (hedged) gross distr.
- USD Investment Grade Credit – Class Y EUR (hedged) gross distr.

During the period to 31 March 2022, the Fund made monthly distributions in relation to:

- Climate Transition Global Investment Grade Credit Fund – Class I GBP (hedged) distr.
- Emerging Markets Equity Income Fund – Class A USD gross distr.
- Emerging Markets Equity Income Fund – Class I USD gross distr.
- EUR Short Duration Credit Fund – Class X GBP (hedged) distr.
- USD Investment Grade Credit Fund – Class I GBP (hedged) distr.
- USD Investment Grade Credit Fund – Class I USD distr.
- USD Investment Grade Credit Fund – Class Z GBP (hedged) distr.
- U.S. Short-Term High Yield Bond Fund – Class I GBP (hedged) distr.
- U.S. Short-Term High Yield Bond Fund – Class I USD gross distr.

Please see the attached Report to Investors for the reportable income per share for the Fund.

Double tax relief

Under regulation 99 of the Offshore Fund (Tax) Regulations 2009 (S.I. 2009/3001), in order to avoid double taxation, any excess reported income deemed to be received by UK investors can be treated as expenditure for the acquisition of their holdings in the fund. In effect, the acquisition cost of your interest in the Fund shall be increased by the amount of excess reportable income in the calculation of capital gains. We set out below how such relief works in principle.

Proceeds	X
Original acquisition cost	(X)
Excess reported income	(X)
Capital gain	

If you have any queries on the above, please contact our investor relations team.

Yours faithfully,

/s/ Heather Bonnell

Name: Heather Bonnell

Position: Tax Reporting Officer

Date: 16 January 2023

