

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Stewart Investors Asia Pacific Leaders Fund

Legal entity identifier:
549300VKJEPJT5Q4V960

Sustainable investment objective

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective: 68%**

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: 100%**

No

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**

Notes: The percentages are defined and measured on the basis that each sustainable investment must contribute to a social objective and may also contribute to an environmental objective. The percentages will therefore not add to 100.



To what extent was the sustainable investment objective of this financial product met?

The Fund has a sustainable objective to invest in companies which both contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All investee companies contribute to improving human development, while many also contribute to positive environmental outcomes. The contribution to sustainable development is assessed under two frameworks, social and environmental.

Positive social outcomes

The Investment Manager assesses positive social outcomes by reference to the below human development pillars. Stewart Investors has developed these human development pillars by reference to, amongst other things, the UN Human Development Index.

- **Health and well-being** – improved access to and affordability of nutrition, health care, hygiene, water and sanitation,
- **Physical infrastructure** – improved access to and affordability of energy and housing,
- **Economic welfare** – safe employment offering a living wage and opportunities for advancement, access to finance and improved standards of living,
- **Opportunity and empowerment** – improved access to and affordability of education and information technology.

As of 31 December 2024, the Fund held **40** companies. **All companies (100%)** were contributing to at least one **human development pillar** and, in total, were making **121 contributions** to the pillars.

Further information about how the Investment Manager uses the human development pillars is available on the Investment Manager’s website - stewartinvestors.com/all/how-we-invest/our-approach/human-development-pillars

Positive environmental outcomes

The Investment Manager assesses positive environmental outcomes by reference to the climate solutions developed by Project Drawdown, a non-profit organisation that has mapped, measured and modelled over 90 different solutions that it believes will contribute to reaching ‘drawdown’, – i.e. the future point in time when levels of greenhouse gases in the atmosphere stop climbing and start to steadily decline.

Below is a list of the climate solutions captured in eight broader categories together with corresponding examples that the Investment Manager believes lead to positive environmental outcomes:

- **Food system** – sustainable farming, food production and the distribution of products and services,
- **Energy** – adoption of renewable energy and other clean energy and related technologies,
- **Circular economy and industries** – improved efficiency, reduced waste, and new business models for closing resource loops in linear value chains and production processes,
- **Human development** – advancement of human rights and education that drive environmental conservation and sustainable use of resources,
- **Transport** – efficient transport technologies and growth in fossil fuel-free transportation options,
- **Buildings** – products and services which reduce the environmental footprint of the built environment, including energy efficiency, electrification, improved design, and use of alternative materials,
- **Water** – less energy-intensive methods for treating, transporting and heating water
- **Conservation and restoration** – supporting deforestation-free and environmentally regenerative supply chains, operations and end-of-life impacts.

As of 31 December 2024, the Fund held **40** companies. **27 companies (68%)** were contributing to **climate change solutions**. These companies were contributing to **32** different solutions and, in total, were making **91 contributions** to the solutions.

Further information about how the Investment Manager uses the Project Drawdown climate solutions is available on the Investment Manager’s website – stewartinvestors.com/all/how-we-invest/our-approach/climate-solutions

Assessment

In assessing whether a company “contributes to and benefits from” sustainable development, the Investment Manager will consider whether:

1. there is either a direct or enabling link between the activities of the company and the achievement of a positive social or environmental outcome;
2. the company can benefit from any contribution to positive social or environmental outcomes through revenue or growth drivers inherent in the company’s business model, strategic initiatives that are backed by research and development or capital expenditure, or from the company’s strong culture and sense of stewardship e.g. for equity and diversity; and
3. the company recognises potential negative social or environmental outcomes associated with its product or services and works towards minimising such outcomes, e.g. a company that sells affordable nutritious food products in plastic packaging but is investigating alternative packaging options.

Notes:

Any reference to **Project Drawdown** is to describe the publicly available materials utilised by Stewart Investors in formulating its sustainability analysis. It is not intended to be, and should not be, read as constituting or implying that Project Drawdown has reviewed or otherwise endorsed the Stewart Investors sustainability assessment framework.

A **direct link** would arise where the goods an entity produces or the services it provides are the primary means through which the positive social or environmental outcome can be achieved (e.g. solar panel manufacturers or installers).

An **enabling link** would arise if the goods a company produces or services it provides enable other companies to contribute towards the achievement of the positive social or environmental outcome (e.g. manufacturers of critical components that are used as inputs in the manufacture of solar panels).

Sustainability

indicators measure how the sustainable objectives of this financial product are attained.

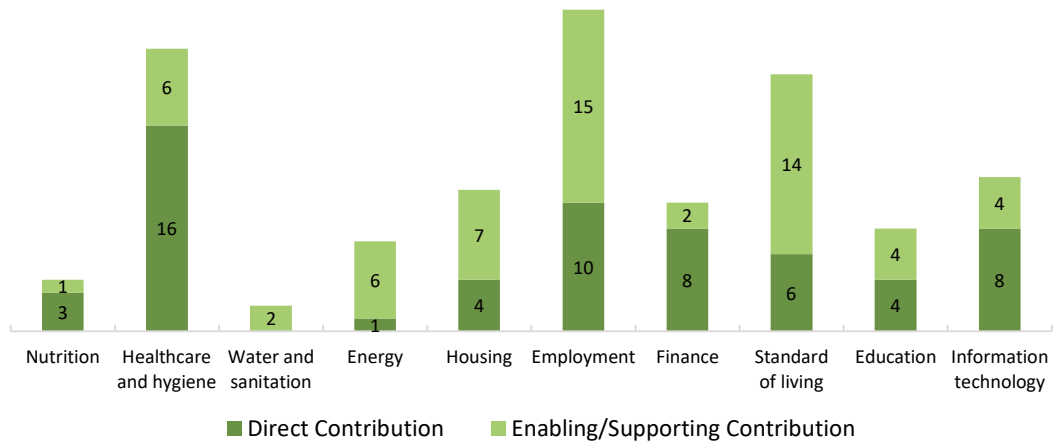
● **How did the sustainability indicators perform?**

The Investment Manager’s Portfolio Explorer tool provides the contribution that each company makes to climate solutions, human development and the Sustainable Development Goals, as well as the investment rationale, key risks and areas for improvement. Click on the link below to access the tool.

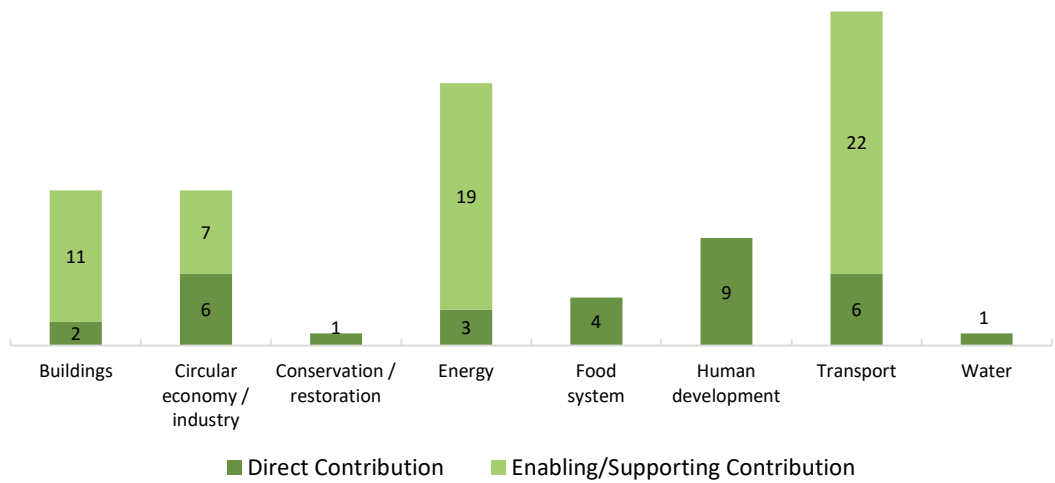
stewartinvestors.com/all/how-we-invest/our-approach/portfolio-explorer

The social and environmental outcomes for the Fund as of 31 December 2024 are provided in the charts below.

Human development pillars
(number of companies contributing to each pillar)



Climate change solutions
(number of companies contributing to each solution)



Notes: Direct Contribution - directly attributable to products, services or practices provided by that company. Enabling/Supporting Contribution - supported or made possible by products or technologies provided by that company.

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

Changes in the sustainability outcomes for the Fund year-on-year are related to bottom-up changes in the portfolio and/or changes in the sustainability profile of individual investee companies.

The social and environmental outcomes for the Fund over previous periods are provided in the tables below.

Positive social outcomes

| Human development pillars | Contribution | 31-Dec-2023 | 31-Dec-2022 | 31-Dec-2021 |
|----------------------------|---------------------|-------------|-------------|-------------|
| No. of companies (%) | - | 41 (100%) | 39 (100%) | 45 (100%) |
| Total no. of contributions | - | 118 | 111 | 126 |
| Nutrition | Direct | 5 | 6 | 6 |
| | Enabling/Supporting | 1 | 1 | 1 |
| Healthcare and hygiene | Direct | 16 | 13 | 15 |
| | Enabling/Supporting | 6 | 3 | 4 |
| Water and sanitation | Direct | - | - | - |
| | Enabling/Supporting | 2 | 2 | 2 |
| Energy | Direct | 1 | 1 | 2 |
| | Enabling/Supporting | 6 | 4 | 5 |
| Housing | Direct | 3 | 5 | 4 |
| | Enabling/Supporting | 5 | 5 | 6 |
| Employment | Direct | 12 | 13 | 18 |
| | Enabling/Supporting | 11 | 9 | 9 |
| Finance | Direct | 7 | 6 | 6 |
| | Enabling/Supporting | 1 | 2 | 3 |
| Standard of living | Direct | 6 | 4 | 4 |
| | Enabling/Supporting | 18 | 20 | 21 |
| Education | Direct | 5 | 4 | 5 |
| | Enabling/Supporting | 3 | 4 | 4 |
| Information technology | Direct | 6 | 6 | 8 |
| | Enabling/Supporting | 4 | 3 | 3 |

Positive environmental outcomes

| Climate solutions | Contribution | 31-Dec-2023 | 31-Dec-2022 | 31-Dec-2021 |
|----------------------------|---------------------|-------------|-------------|-------------|
| No. of companies (%) | - | 26 (63%) | 25 (64%) | 26 (58%) |
| No. of different solutions | - | 31 | 26 | 26 |
| Total no. of solutions | - | 91 | 79 | 80 |
| Buildings | Direct | 2 | 2 | 2 |
| | Enabling/Supporting | 16 | 15 | 14 |
| | Indirect | n/a | n/a | 2 |
| Circular economy/industry | Direct | 6 | 7 | 2 |
| | Enabling/Supporting | 8 | 7 | - |
| | Indirect | n/a | n/a | 1 |
| Conservation/restoration | Direct | 1 | 1 | - |
| | Enabling/Supporting | - | - | - |
| | Indirect | n/a | n/a | 1 |
| Energy | Direct | 3 | 3 | 2 |
| | Enabling/Supporting | 20 | 14 | 10 |
| | Indirect | n/a | n/a | 6 |
| Food system | Direct | 5 | 4 | 5 |
| | Enabling/Supporting | 1 | 1 | 1 |
| | Indirect | n/a | n/a | - |
| Human development | Direct | 8 | 7 | 7 |
| | Enabling/Supporting | - | - | - |
| | Indirect | n/a | n/a | - |
| Transport | Direct | 2 | 2 | 2 |
| | Enabling/Supporting | 17 | 14 | 17 |
| | Indirect | n/a | n/a | 6 |
| Water | Direct | 1 | 1 | 1 |
| | Enabling/Supporting | - | 1 | 1 |
| | Indirect | n/a | n/a | - |

During 2022 and following feedback from clients, the Investment Manager removed the Indirect Contribution from their climate solutions measures.

Indirect Contribution – providing generic products or services to companies making direct or enabling contributions or making operational decisions which have a material contribution.

In 2022, Project Drawdown added 11 new climate solutions to their framework. The Investment Manager considered these new solutions for their 2022 reporting measures. More detail on these changes are available on the Investment Manager's website: stewartinvestors.com/all/insights/climate-solutions-update

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

The Fund only invests in companies which both contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All investee companies contribute to improving human development, and may also contribute to positive environmental outcomes.

The Fund's exposure to harmful or controversial products, services or practices is monitored on at least a quarterly basis. For harmful products and services which are revenue-generating, the Investment Manager applies a 5% revenue threshold (controversial weapons and tobacco production are 0%). In other areas where harmful or controversial activities are not attributable to revenue (for example, employee or supply chain issues) the Investment Manager uses internal analysis and research from external providers to monitor and assess companies.

Where any material exposure to these harmful activities is found, the Investment Manager will:

- review the company research and investment case, noting the response where they believe it is adequate,
- engage with the company where they require further information or wish to encourage improved practices and an appropriate resolution of the issues,
- exit the Fund's position in the company where engagement has been unsuccessful, or where part of a pattern of behaviour raises concerns regarding the quality and integrity of the company's management. If an investment is held in a company that has material exposure to harmful products and services, this will be disclosed on the Stewart Investors website, and the reasons for the exception and for maintaining the holding explained. Exceptions may occur if a company is winding down a legacy commercial activity (in which case the company will be engaged and encouraged to cease the commercial activity concerned), or where the company is not increasing capital expenditure or if a company is only indirectly exposed to a harmful industry or activity, for example, a company making safety products for a wide range of industries may also have customers in the fossil fuel or defence industries.

The Investment Manager's position on harmful and controversial products and services and investment exclusions is available on the Stewart Investors website:

stewartinvestors.com/all/insights/our-position-on-harmful-and-controversial-products-and-services

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

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.

Adverse impact indicators relevant to each Fund investee company are taken into account through the Investment Manager's bottom-up research, company engagement, adherence to their position statement on harmful and controversial products and services, Group-wide exclusion policies and third-party research providers.

The Investment Manager meets and liaises with companies on an on-going basis and is continuously assessing their sustainability credentials and quality. Where the Investment Manager has identified changes to a company's quality or sustainability positioning through either meetings, ongoing monitoring and reviewing their annual reports, the Investment Manager will re-evaluate the investment case.

In addition, the Fund portfolio is assessed on an ongoing basis by external service providers including controversy monitoring, product involvement, carbon footprints and other impact measures, and breaches of social norms.

The Principal Adverse Impacts (as prescribed under the SFDR) are incorporated into the Investment Manager's company analysis, team discussion and engagement programme. Every investment in the portfolio must do no significant harm, based on the adverse impact indicator assessment. It is possible that an investor does no significant harm but still have some adverse sustainability impacts. In those cases, the Investment Manager shall engage with the company either directly or as part of collaborations with other investment institutions.

Depending on the nature of the issue and the response by the company, the Investment Manager's actions can range from:

- reviewing the company research and investment case, noting the response where they believe it is adequate,
- engaging with the company where they require further information or wish to encourage improved practices and an appropriate resolution of the issues,
- Where engagement has been unsuccessful or where the harmful activities are part of a pattern of behaviour that raises concerns regarding the quality and integrity of the company's management, the Investment Manager will not invest or will exit the Fund's position in the company in an orderly manner, having regard to the best interest of investors.

The Investment Manager includes product level data on Principal Adverse Impact (PAI) indicators in the question below.

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

The Fund's sustainable investments are aligned with these Guidelines and Principles.

The Investment Manager continually monitors the companies owned to understand any changes to the strategies. The Fund's portfolio is assessed quarterly by an external service provider for compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, UN global norms and exposure to high-risk sectors. The Investment Manager also receives regular updates from a controversy monitoring service. Where issues are raised by these services, the Investment Manager will review and consider as part of the investment analysis and depending on the detail may engage with the company in question, and if necessary will divest to ensure the portfolio continues to meet the principles which sit at the heart of the investment philosophy.

During the reporting period the Fund held the following companies which flagged against the Investment Manager's policy.

Tata Consultancy Services (TCS)

UN Global Compact Principle 2 (Breach): Businesses should make sure that they are not complicit in human rights abuses.

Reason for exception/holding: TCS has no direct involvement in nuclear weapons or energy, however the external research provider considers the company to be involved because its parent company, Tata Sons, owns greater than 50% of TCS.

Tata Sons involvement is due to the company owning Tata Advanced Systems which acquired Tata Power's Strategic Engineering Division. The Strategic Engineering Division provides control systems for the Indian Navy's nuclear missile submarines.

As India has not signed the Treaty on the Non-Proliferation of Nuclear Weapons, the external data provider considers Tata Sons and by extension TCS to be in support of the nuclear weapons programme of India. The Investment Manager disagrees with this assessment and does not see anything in the activities or conduct of the company to question its sustainability positioning or the investment case.



How did this financial product consider principal adverse impacts on sustainability factors?

In addition to the detail described above, the Investment Manager has set a materiality threshold of 5% of revenue for direct involvement in companies materially involved in the exploration, production or generation of fossil fuel energy and a threshold of 0% for controversial weapons. Portfolio companies are checked against the thresholds each quarter by an external third-party research platform.

The below table sets out the PAI indicators for the Fund.

| Mandatory indicators | Metrics | 2024 | 2023 | 2022 |
|--|--|-------------------|---------|-------------------|
| Exposure | (EUR m) | 889 | 854 | 976 |
| 1. GHG Emissions | Scope 1 (tCO2eq) | 1,785 | 2,330 | 2,085 |
| | Scope 2 (tCO2eq) | 5,013 | 5,726 | 4,756 |
| | Scope 3 (tCO2eq) | 248,636 | 234,484 | 267,297 |
| | Total Emissions Scope 1+2 (tCO2eq) | 6,798 | 8,056 | 6,841 |
| | Total Emissions Scope 1+2+3 (tCO2eq) | 255,433 | 242,540 | 274,138 |
| 2. Carbon Footprint | Total Emissions Scope 1+2 (tCO2eq/EURm) | 8 | 9 | 7 |
| | Total Emissions Scope 1+2+3 (tCO2eq/EURm) | 287 | 284 | 281 |
| 3. GHG Intensity of Investee Companies | Scope 1+2 (tCO2eq/EURm) | 36 | 44 | 39 |
| | Scope 1+2+3 (tCO2eq/EURm) | 1,189 | 1,058 | 1,042 |
| 4. Exposure to companies active in the fossil fuel sector | (% involvement) | 1% | 0% | 0% |
| 5. Share of Non-Renewable Energy Consumption and Production | Non-Renewable Energy Consumption (%) | 79% | 82% | 84% |
| | Non-Renewable Energy Production (%) | 6% | 15% | 18% |
| 6. Energy consumption intensity per high impact sector | Agriculture, Forestry & Fishing (GWh/EURm) | no data | no data | no data |
| | Construction (GWh/EURm) | no data | no data | no data |
| | Electricity, Gas, Steam & Air Conditioning Supply (GWh/EURm) | no data | no data | no data |
| | Manufacturing (GWh/EURm) | 0.14 | 0.15 | 0.12 |
| | Mining & Quarrying (GWh/EURm) | no data | no data | no data |
| | Real Estate Activities (GWh/EURm) | no data | no data | no data |
| | Transportation & Storage (GWh/EURm) | no data | no data | no data |
| | Water Supply, Sewerage, Waste Remediation (GWh/EURm) | no data | no data | no data |
| 7. Activities Negatively Affecting Biodiversity Areas | Trade & Repair of Automobiles (GWh/EURm) | insufficient data | no data | no data |
| | (% involvement) | 0% | 0% | 0% |
| 8. Emissions to Water | (t/EURm) | no data | no data | insufficient data |
| 9. Hazardous waste ratio | (t/EURm) | 131 | 174 | 138 |
| 10. Violations of UNGC and OECD Guidelines for Multinational Enterprises | Watch (% involvement) | 0% | 2% | 0% |
| | Breach (% involvement) | 4% | 4% | 5% |
| 11. Lack of Processes & Compliance Mechanisms to Monitor Compliance | (% involvement) | 50% | 55% | 72% |

with UNGC and OECD guidelines

| | | | | |
|---------------------------------------|-----------------------------|-------------------|---------|-------------------|
| 12. Unadjusted Gender Pay Gap | % of Male Gross Hourly Rate | insufficient data | no data | insufficient data |
| 13. Board Gender Diversity | % of Female Board Members | 26% | 24% | 23% |
| 14. Exposure to Controversial Weapons | (% involvement) | 0% | 0% | 0% |

| Voluntary indicators | Metrics | 2024 | 2023 | 2022 |
|--|----------------------------------|------------|------------|------|
| Water Usage and Recycling | % Water Withdrawal | 58% | 57% | n/a |
| | Recycling & Reuse (cubic metres) | 38,637,608 | 25,486,852 | n/a |
| Number of Identified Cases of Severe Human Rights Issues & Incidents | Weighted number of incidents | 0.1 | 0.2 | n/a |

The SFDR PAI methodology for fossil fuel sector exposure considers Oil & Gas Production, Thermal Coal Extraction and Thermal Coal Supporting Products/Services. The fossil fuel exposure % shown in the table above for the reporting period is for **Samsung C&T** and **Wesfarmers**. Samsung C&T, which was held for part of the reporting period, is a holding company with direct operating businesses in construction and trade, plus high-value holdings in health and electronics. The third-party data provider estimates that the company derives c.1% of revenue from one its subsidiaries which is involved in oil and gas exploration, development, and production. Wesfarmers is an Australian conglomerate with businesses in home improvement, retail, health, chemicals and fertilisers. The third-party data provider estimates that the company derives c.1% of revenue from one its subsidiaries which is involved in oil and gas exploration, development, and production.

Notes: PAI data is sourced from third-party ESG data providers. Limitations to the data provided from third parties will stem from their coverage and methodologies and from limited disclosures by issuer companies. Where data is not available, third-party providers may use estimation models or proxy indicators. Methodologies used by data providers may include an element of subjectivity. Whilst data is collected on an ongoing basis, in this rapidly evolving environment, data can become outdated within a short time period. Data for certain metrics may be based on limited data across the portfolio companies.



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: 1 January 2024 to 31 December 2024.

| Largest investments | Sector | % assets | Country |
|----------------------------|------------------------|----------|-------------|
| Mahindra & Mahindra | Consumer Discretionary | 8.2 | India |
| HDFC Bank | Financials | 5.4 | India |
| OCBC | Financials | 5.1 | Singapore |
| Hoya | Health Care | 5.1 | Japan |
| Samsung Electronics | Information Technology | 4.6 | South Korea |
| TSMC | Information Technology | 4.3 | Taiwan |
| Tata Consultancy Services | Information Technology | 3.8 | India |
| CSL | Health Care | 3.8 | Australia |
| Dr. Reddy's Laboratories | Health Care | 3.5 | India |
| Unicharm | Consumer Staples | 3.5 | Japan |
| Midea | Consumer Discretionary | 3.3 | China |
| Tech Mahindra | Information Technology | 3.1 | India |
| Fisher & Paykel Healthcare | Health Care | 3.0 | New Zealand |
| Godrej Consumer Products | Consumer Staples | 3.0 | India |
| Kotak Mahindra Bank | Financials | 2.8 | India |

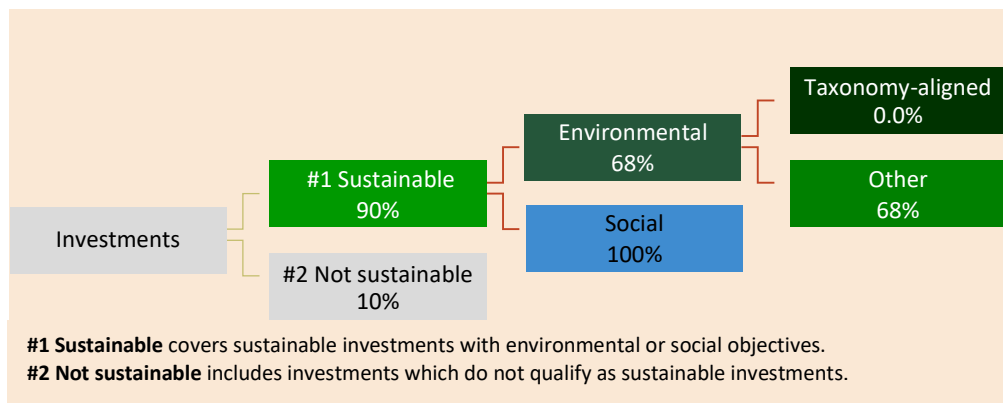


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?

The Fund invested at least 90% of its Net Asset Value in companies that are positioned to contribute to, and benefit from, sustainable development. Sustainable development is based on the Investment Manager's own philosophy explained in the Investment Policy of the Prospectus.



Notes: The percentages are defined and measured on the basis that each sustainable investment must contribute to a social objective and may also contribute to an environmental objective. The percentages will therefore not add to 100.

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

The average holdings (excluding cash) over the reporting period in Global Industry Classification Standard (GICs) sectors:

| Sector | % assets |
|---------------------------|----------|
| Communication Services | 3.9 |
| Consumer Discretionary | 11.8 |
| Consumer Staples | 12.7 |
| Energy | - |
| Financials | 16.9 |
| Health Care | 20.5 |
| Industrials | 5.8 |
| Information Technology | 24.5 |
| Materials | - |
| Real Estate | - |
| Utilities | - |
| Cash and cash equivalents | 4.0 |

To comply, with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or lower-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

The Fund has no direct holdings in companies materially involved in the exploration, production or generation of fossil fuel energy.

The Investment Manager checks investee companies (via a third-party research platform and on a quarterly basis) for any revenues derived from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. They disclose any companies above their material threshold (5% of revenues) on their website.

Additional transparency is provided by the Investment Manager in their annual report (**Annual Review 2023** pg.20), where they disclose companies that are providing services to the fossil fuel industry directly or via their underlying subsidiaries.



● **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy¹?**

● **Did the financial product investment in fossil gas and/or nuclear energy related activities**

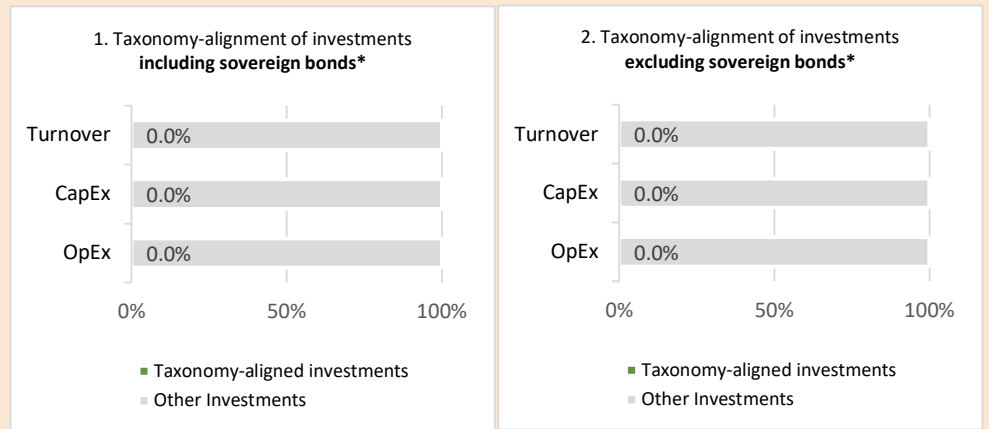
- Yes In fossil gas In nuclear energy
- No

¹ 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 notes 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.*



% figures represent taxonomy-aligned investments

*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?**

The reported share of investments made in transitional and enabling activities for the Fund is **0%**.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of investments aligned with the EU Taxonomy for the previous reference period was **0%**.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund does not actively target EU Taxonomy-aligned assets.

As of 31 December 2024, the Fund held **40** companies. Based on reported turnover data, there was no alignment with the EU taxonomy from any of these companies.



What was the share of socially sustainable investments?

All companies in the Fund were aligned to socially sustainable investments as defined by the Investment Manager's human development pillars.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The "#2 Not sustainable" assets are cash and near-cash assets held pending investment, to meet liquidity requirements, or assets held in order to allow efficient operational exit of positions. Cash is held by the depositary.

The Fund's service providers for these assets are reviewed and assessed for compliance with FSI's modern slavery policy.



What actions have been taken to attain the sustainable investment objective during the reference period?

No company is perfect and engagement and voting are key responsibilities for the Investment Manager as long-term shareholders. They believe that engagement is a means to mitigate business risks, protect against potential headwinds and improve sustainability outcomes. Engagement is fully integrated into the responsibilities of the investment team and contributes invaluable insights into their understanding of each company.

More information is available on the Investment Manager's website (links below):

[Stewardship and corporate engagement policy](#)

[Engagement booklet](#)

[Proxy voting](#)

[Annual review](#)

During the reporting period, the Investment Manager met with **80%** of Fund companies.

All engagement starts with bottom-up analysis, with responsibility shared across the investment team. Over the period and across their funds, the Investment Manager engaged on topics such as:

- **Pollution, natural resource degradation, biodiversity and climate change** – packaging, plastic pellets, deforestation, sustainability of supply chains (soy, palm oil and coffee), fossil fuel versus renewables, water, waste and energy efficiency,
- **Aligned remuneration and incentives** – living wage, gender pay gap and complexity of incentives,
- **Animal testing/welfare** – animal testing exposure,
- **Human rights and modern slavery** – conflict minerals in the supply chains of semiconductors, trafficking, forced labour and child labour in the Asia Pacific region and public health,
- **Diversity, equity and inclusion** – diversity, particularly gender, in senior management and on boards,
- **Addictive products** – indirect exposure to tobacco, chemicals, gaming, adult entertainment, and sugar content in food,
- **Governance** – corporate strategy and legal structure.

During the period the Investment Manager engaged with **54%** of Fund companies on the following topics -

- Environment: 28%
- Social: 32%
- Governance: 40%

Engagements may relate to one or multiple environmental, social or governance topics.

Proxy voting is an extension of the Investment Manager's engagement activities. It is not outsourced to an external provider or separate proxy voting/engagement team. The Investment Manager considers each proxy vote individually and on its own merits in the context of their knowledge about that particular company. A breakdown of voting activity for the Fund is detailed below.

Voting activity: 1 January 2024 to 31 December 2024

| | |
|---|-----|
| Number of companies that held voting meetings | 41 |
| Number of meetings to vote at | 70 |
| Total proposals to vote on | 496 |
| Number of votes against management proposals | 14 |
| Number of votes abstained from voting | 0 |
| Number of shareholder proposals to vote on | 0 |
| Number of shareholder proposals voted against | 0 |
| Number of shareholder proposals abstained from voting | 0 |

Voting rationales: 1 January 2024 to 31 December 2024

| Company | Proposal | No. of proposals | Voting decision |
|---|--|------------------|-----------------------------------|
| Glodon ResMed Vitasoy Yifeng Pharmacy Chain | Appointment of auditor | 4 | Against management recommendation |
| | Rationale The auditor has been in place for over ten years and the companies have given no information on intended rotation which the Investment Manager believes is important for ensuring a fresh perspective on the accounts. | | |
| Bank Central Asia | Remuneration | 1 | Against management recommendation |
| | Rationale The Investment Manager was concerned about excesses in executive remuneration. | | |
| Kasikornbank | Transaction of business | 1 | Against management recommendation |
| | Rationale The company did not provide enough information about the proposals and the Investment Manager wanted to avoid giving them unrestricted decision-making power without sufficient clarity. | | |
| Midea | Adjustment of the guarantee for controlled subsidiaries assets pool business | 4 | Against management recommendation |
| | Employee stock ownership plan | | |
| | Rationale On the guarantee for controlled subsidiaries assets pool business, the Investment Manager found the guarantee amount to be excessive. On the proposed employee stock ownership plan, the Investment Manager believed that non-executive director involvement could lead to a conflict of interest. | | |
| ResMed | Director election | 3 | Against management recommendation |
| | Remuneration | | |

| | | | |
|---------------------|---|---|-----------------------------------|
| | <p>Rationale The Investment Manager believed that a director who has retired from the company should step down from the board. Their vote against the re-election of the Chair of the nominating and governance committee was due to decreasing gender diversity on the board. In addition, they voted against executive remuneration and payment terms due to concerns about the complexity and use of many adjusted metrics.</p> | | |
| Samsung Electronics | Director election | 1 | Against management recommendation |
| | <p>Rationale The Investment Manager would have preferred more independent, non-family associated directors.</p> | | |



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

A sustainable benchmark has not been designated to compare the performance for this Fund.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***
Not applicable.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***
Not applicable.
- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.