

## ANNEX IV

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

**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.

**Product name:**

Mirae Asset ESG Asia Growth Equity Fund

**Legal entity identifier:**

254900P2Z53WBQ4U4R91

# Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<p><input checked="" type="radio"/> <input type="radio"/> <b>Yes</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: ____%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: ____%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b></p> <p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>



## To what extent were the environmental and/or social characteristics promoted by this financial product met?

This Sub-Fund has met the environmental and/or social characteristics promoted.

This Sub-Fund aims at investing in companies with good environmental and/or social characteristics based on our proprietary ESG Scorecard (“the Mirae Asset ESG Scorecard”) through applying a best-in-class methodology. Among others, the environmental pillar includes resource & waste management, biodiversity, emissions, and supply chain

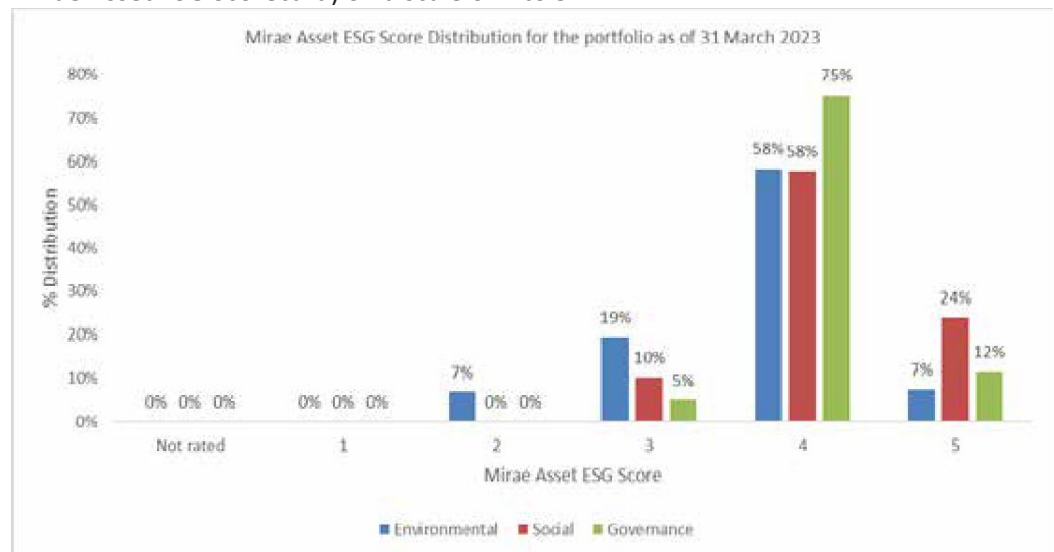
**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

management (environmental), the social pillar includes human capital management, health & safety, data security & privacy, while the governance pillar includes corporate governance and business ethics.

Lastly, the Sub-Fund refrains from investing in business activities that are deemed harmful to the environment and society through applying the exclusions.

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

1. The % distribution of the Sub-Fund's net assets to ESG scores (based on the Mirae Asset ESG Scorecard) on a scale of 1 to 5



Source: Mirae Asset Global Investments (HK), March 2023. Mirae Asset ESG scores rounded up to whole numbers for charting purposes.

2. The % of portfolio companies that are not aligned with the exclusions.

Sectors	NAV %
Weapons	0.00
Tobacco	0.00
Thermal coal mining	0.00
Unconventional oil & gas	0.00
Thermal coal power generation	0.00
Nuclear power generation	0.00
Adult entertainment	0.00
Cannabis	0.00
<b>Total</b>	<b>0.00</b>

Source: MSCI ESG, ISS, FactSet, March 2023

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

**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.



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

The list of PAIs considered, with reference to Annex I of the SFDR RTS, are as follows:

*The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.*

PAI Indicator		How this Sub-Fund has considered this PAI indicator
Table 1, #4	Exposure to companies active in the fossil fuel sector	This Sub-Fund has 0% exposure to companies that have significant (more than 15%) revenue in thermal coal mining and power generation, and unconventional oil & gas.
Table 1, #10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	This Sub-Fund has 0% exposure to companies with violations to Global Norms (i.e., United Nations Global Compact principles, United Nations Guiding Principles for Business and Human Rights, International Labour Organization's fundamental principles).
Table 1, #14	Exposure to controversial weapons	This Sub-Fund has 0% exposure to companies that have significant (more than 15%) revenue in controversial weapons.

Data availability for PAI indicators may vary between regions and thus some data might be missing or might be estimated. This might negatively impact the figures reported each year. The Principal Investment Manager will review the relevance and availability of data and consider adding more PAI indicators in the future.



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

Largest investments*	Sector	% Assets**	Country
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology	7.4	Taiwan
BYD Company Limited Class H	Consumer Discretionary	4.1	China
LONGi Green Energy Technology Co., Ltd. Class A	Information Technology	3.7	China
Wuxi Lead Intelligent Equipment Co. Ltd. Class A	Industrials	3.7	China
Contemporary Amperex Technology Co., Ltd. Class A	Industrials	3.6	China
Reliance Industries Limited	Energy	3.3	India
ICICI Bank Limited	Financials	2.8	India
Chinasoft International Ltd.	Information Technology	2.7	China

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

1 April 2022 - 31 March 2023

Tencent Holdings Ltd.	Communication Services	2.5	China
Bharti Airtel Limited	Communication Services	2.3	India
CJ CheilJedang Corporation	Consumer Staples	2.2	Korea
PT Bank Central Asia Tbk	Financials	2.2	Indonesia
Hoa Phat Group JSC	Materials	2.2	Vietnam
Wuxi Biologics (Cayman) Inc.	Health Care	2.1	China
Samsung SDI Co., Ltd	Information Technology	1.7	Korea

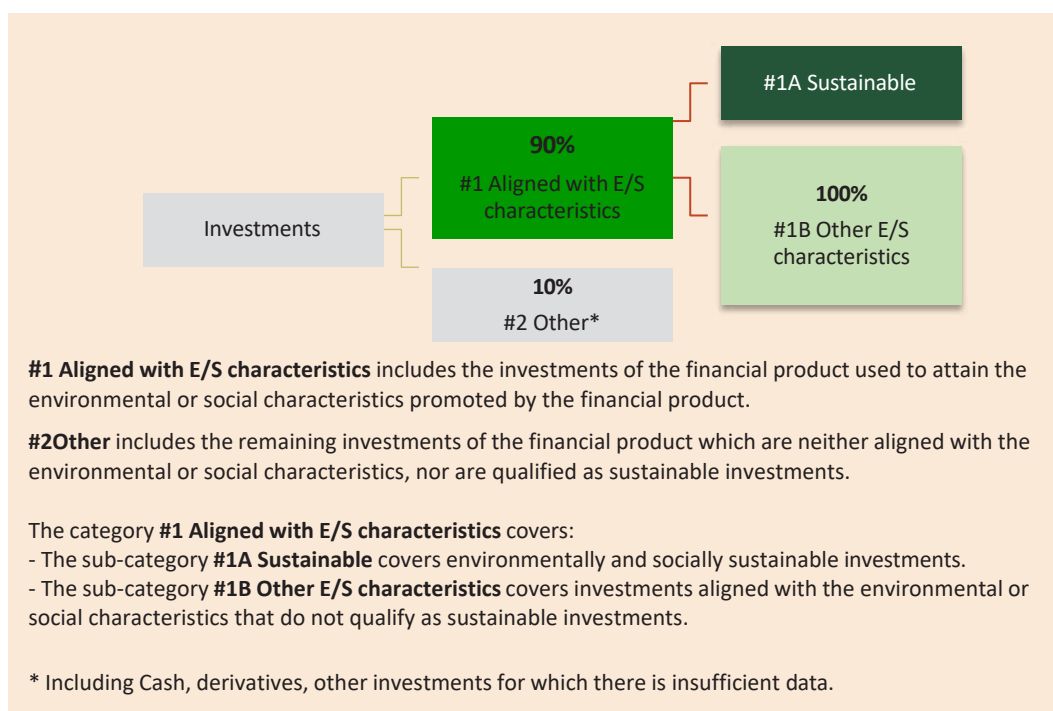
\* The top 15 large investments are based on the top 15 assets by the average weight of last 12 month end

\*\* % assets is the average weight of last 12 month end of the investment



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

### What was the asset allocation?



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

The proportion of investments made by sector and by sub-sector:

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.

**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.

Sector	Average weight
Communication Services	7.3
Consumer Discretionary	13.9
Consumer Staples	3.0
Energy	3.3
Financials	9.9
Health Care	6.5
Industrials	14.4
Information Technology	25.2
Materials	5.2
Utilities	1.5

Sub-sector	Average weight*
Automobiles & Components	6.8
Banks	8.8
Capital Goods	14.4
Consumer Discretionary Distribution & Retail	3.6
Consumer Durables & Apparel	2.2
Consumer Services	1.3
Consumer Staples Distribution & Retail	0.1
Energy	3.3
Financial Services	0.9
Food Beverage & Tobacco	2.2
Health Care Equipment & Services	1.4
Household & Personal Products	0.7
Insurance	0.1
Materials	5.2
Media & Entertainment	5.0
Pharmaceuticals Biotechnology & Life Sciences	5.1
Semiconductors & Semiconductor Equipment	15.5
Software & Services	3.5
Technology Hardware & Equipment	6.2
Telecommunication Services	2.3
Utilities	1.5

\* Average weight is the average weight of last 12 month end of the investment



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

The Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the Taxonomy Regulation. However, the position will be kept

Taxonomy-aligned activities are expressed as a share of:

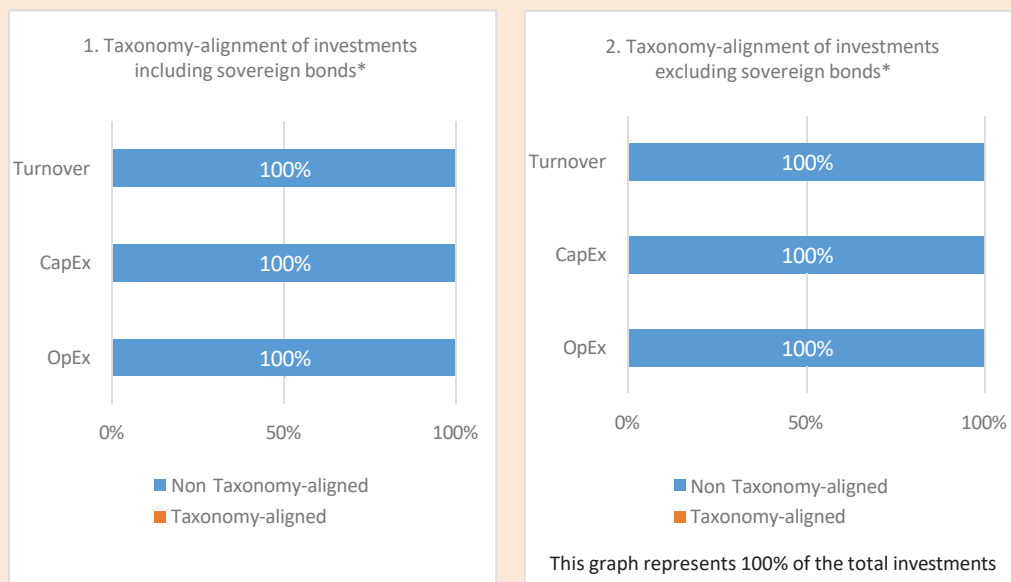
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

under review as the underlying rules are finalised and the availability of reliable data increases over time.

● **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.*



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.

As the Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the Taxonomy Regulation, we do not monitor the Sub-Fund’s alignment to the EU Taxonomy and thus 100% of investments are deemed non Taxonomy-aligned.

● **What was the share of investments made in transitional and enabling activities?**

As the Sub-Fund does not commit to invest any “sustainable investment” within the meaning of the Taxonomy Regulation, the minimum share of investments in

<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.



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.

transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

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

Not applicable.



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

The Sub-Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. As a consequence, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



**What was the share of socially sustainable investments?**

Not applicable.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The “Other” investments may include cash and cash equivalents held as ancillary liquidity, hedging instruments, unscreened investments for diversification purposes or investments for which data are lacking.

As a minimum E/S safeguard, the exclusions also apply to the unscreened investments and the investments for which data are lacking portion of the “Other” investments.

As for the remaining “Other” investments (cash, cash equivalents and hedging instruments), no minimum E/S safeguards are being put in place.



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

Mirae Asset ESG Scorecards were completed by sector analysts for all recommended stocks to compute ESG scores. The % distribution of the fund’s net assets to ESG scores (on a scale of 1 to 5) were monitored by the risk management unit every month.

The financial product’s exclusions to business activities Mirae Asset deems harmful to the environment and society were monitored every month: temporary breaches will be



treated in the same way as our current compliance procedure for passive breach violations; Portfolio Managers are required to rectify the position for the corresponding fund within 15 business days.

Companies with violations of the Global Norms (e.g. United Nations Global Compact principles, United Nations Guiding Principles for Business and Human Rights, International Labour Organization's fundamental principles) would also fall on the ESG Restrictive List. Should violations be identified, Portfolio Managers and relevant sector analysts are required to document remedial plans based on discussions with the company on a bi-annual basis. The Investment Committee will then decide whether to put a buy restriction on these companies.



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

Not applicable.

- ***How does 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 environmental or social characteristics promoted?***

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.