

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: Threadneedle (Lux) Asia Equities

Legal entity identifier: 549300NJZIV56FVQ648

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> 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 <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input checked="" type="checkbox"/> 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 financial product promoted environmental and social characteristics by integrating the following responsible investment measures into the investment decision-making process:

- Comparing favourably with the index on material ESG criteria, measured by the Columbia Threadneedle ESG Materiality Rating model, over 12 month rolling periods.
- Maintaining at least 50% of the Portfolio holdings in companies rated 1-3 on the Columbia Threadneedle ESG Materiality Rating. Where necessary, by assessing companies that are

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

not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment.

- Excluding issuers in breach of accepted international standards and principles, such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.
- Excluding issuers with involvement in controversial weapons, in line with the Columbia Threadneedle Controversial Weapons Policy, and issuers with direct involvement in nuclear weapons.
- To support the promotion of environmental and social characteristics, engaging with companies with a view to influence management teams to improve their practices, for example on issues relating to carbon emissions.

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

The financial product has the following sustainability indicators:

- The primary indicator is the positive weighted average ESG Materiality rating of the Portfolio versus the MSCI AC Asia Pacific ex Japan Index, assessed over rolling 12-month periods. The positive ESG Materiality rating versus the index was monitored on a daily basis by our compliance systems. The portfolio maintained a better ESG Materiality rating than the benchmark throughout the period.
On 31 March 2023 the portfolio rating was 2.12 and the benchmark rating was 2.30 (on a scale of 1-5, where lower is better).
- We invest at least 50% of the Portfolio in companies that have a strong ESG Materiality Rating. Where necessary, we may assess companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment. The financial product maintained over 50% of its holdings in issuers rated 1-3 over the period.
- We excluded companies that we determined were in breach of accepted international standards, for example the UN Global Compact Principles. The exclusion policy was adhered to with the application of strict pre-trade restrictions and was monitored on an ongoing basis.
- We also adhered to our Controversial Weapons Policy and excluded issuers with direct involvement in nuclear weapons.

As these indicators form the basis of the environmental and/or social characteristics promoted by the financial product, they are also the binding elements of Portfolio's ESG strategy.

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

We will provide a comparison of the sustainability indicators to a previous period in the next report.

● ***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 – the financial product does not make a commitment to invest in sustainable investments.

● ***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 – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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 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.



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

Not applicable – the financial product does not make a commitment to consider the principal adverse impacts of investment decisions on sustainability factors.



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:

Largest investments	Average weight	Country	Sector
TAIWAN SEMICONDUCTOR MANUFACTURING	7.55%	Taiwan (Republic of China)	Information Technology
SAMSUNG ELECTRONICS LTD	4.18%	Korea (South), Republic of	Information Technology
TENCENT HOLDINGS LTD	3.80%	China	Communication Services
AIA GROUP LTD	3.57%	Hong Kong	Financials
RELIANCE INDUSTRIES LTD	3.00%	India	Energy
MACQUARIE GROUP LTD DEF	2.65%	Australia	Financials
ANZ GROUP HOLDINGS LTD	2.63%	Australia	Financials
JD.COM CLASS A INC	2.51%	China	Consumer Discretionary
CSL LTD	2.32%	Australia	Health Care
BANK RAKYAT INDONESIA (PERSERO)	2.32%	Indonesia	Financials
MEITUAN	2.29%	China	Consumer Discretionary
ALIBABA GROUP HOLDING LTD	2.26%	China	Consumer Discretionary
UNITED OVERSEAS BANK LTD	2.21%	Singapore	Financials
HDFC BANK LTD	2.18%	India	Financials
SANTOS LTD	2.16%	Australia	Energy

What was the proportion of sustainability-related investments?

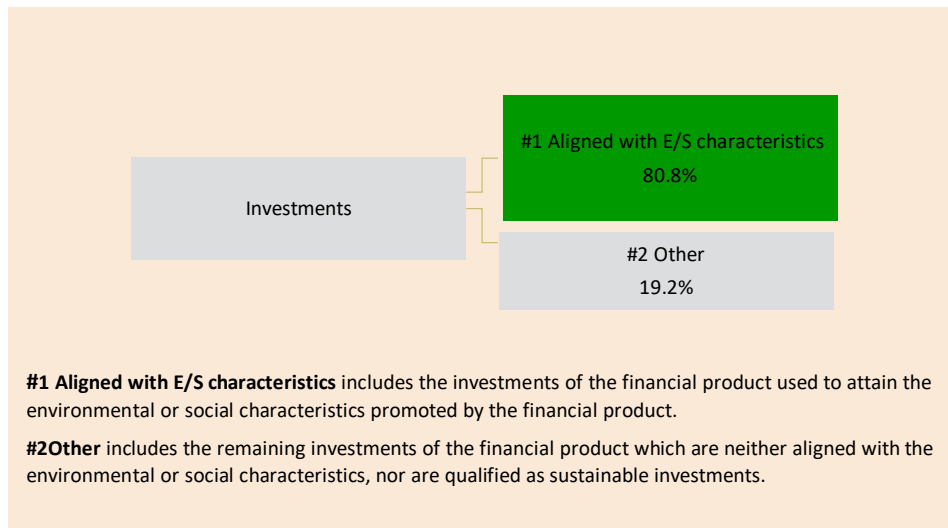


● What was the asset allocation?

80.8% of the financial product was invested in issuers with an ESG Materiality rating of 1-3 and so were aligned with E/S characteristics.

Asset allocation describes the share of investments in specific assets.

19.2% of the financial product was invested in: (1) issuers with an ESG Materiality rating of 4 or 5 and so were not aligned with E/S characteristics, and (2) issuers not covered by the ESG Materiality model, and (3) cash and derivatives.



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.

● In which economic sectors were the investments made?

Sector	Average weight
Financials	25.16%
Information Technology	18.88%
Consumer Discretionary	13.54%
Communication Services	9.67%
Materials	6.84%
Energy	6.02%
Industrials	4.73%
Consumer Staples	4.67%
Health Care	4.50%
Real Estate	4.07%



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

The fund does not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

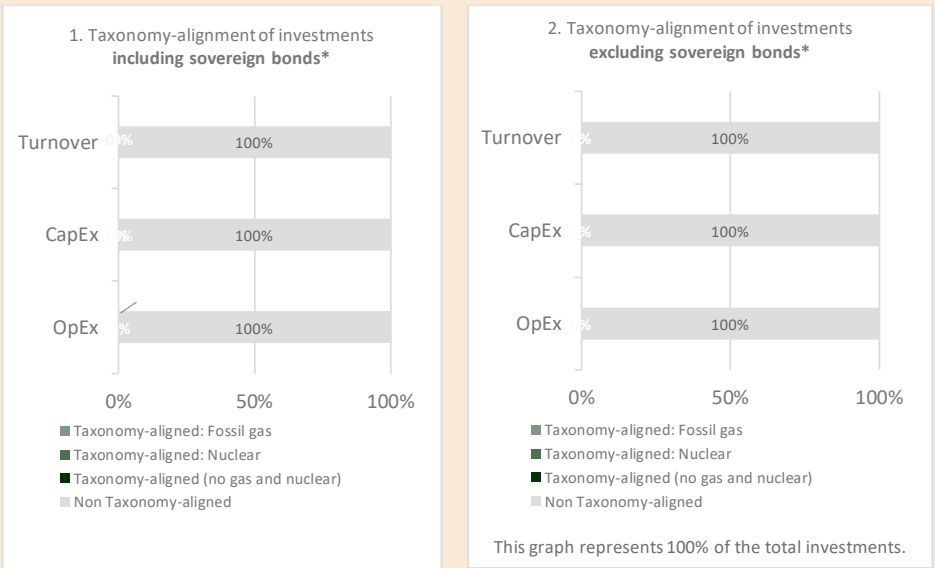
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

- ☐ Yes:
- ☐ 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?**

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 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.

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

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

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. The fund is yet to report any alignment to the EU Taxonomy Regulation.



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?

Not applicable - the fund does not have a commitment to invest in sustainable investments with an environmental objective not aligned with the EU Taxonomy Regulation.



What was the share of socially sustainable investments?

Not applicable - the fund does not have a commitment to invest in sustainable investments with a social objective



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

Holdings classified as “other” include (i) ancillary liquid assets (i.e. bank deposit at sight) which are held for the purposes of liquidity management; (ii) bank deposits, money market instruments or money market funds held for treasury purposes; (iii) derivatives for hedging purposes; (iv) companies with an ESG Materiality rating of 4 or 5; or (v) companies not covered by the ESG Materiality model.

These investments are not used to meet the environmental and social characteristics of the Portfolio. The purpose of these securities is to provide a diversified portfolio that can achieve the financial objective.

Minimum environmental or social safeguards are ensured by applying the exclusion screening to all holdings in investee companies. For cash positions and derivatives, ESG considerations are integrated into the counterparty risk assessment.



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

We engaged with companies, aiming to influence their approach to ESG risks and ESG practices. For example, we engaged with Korea's Samsung Electronics to follow up with the company's CSR/IR team outlining our expectations from the previous dialogue. We encouraged several recommendations, including specific case study examples regarding its chemical management process, alongside more detailed disclosure of its occupational health and safety metrics. This included participation in the Clean Electronics Production Network, and training for facility workers on freedom of association, with particular focus in countries where labor rights regulations are laxer. We also provided best practice examples for each of our recommendations outlined above.

We also engaged with Bank Rakyat. This was a collaborative call with the Head of Investor Relations and the Head of ESG. The call focused on their broader approach to sustainability governance and risk management, as well as climate risk management. We discussed their new ESG roadmap and updated ESG governance process. They have made progress here, now having a new dedicated ESG team. Overall, the call was positive, and Bank Rakyat are making good progress. They committed to updating their TCFD reporting, financed emissions disclosures, and a net zero commitment by early 2024. They mentioned that they would like to submit targets to be Science-based Targets. This is quite ambitious from where they currently are, so we will continue to monitor and engage on their progress in these areas.



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

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

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

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

● ***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 - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

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

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

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

Over the period, the financial product maintained a superior ESG profile to the MSCI AC Asia Pacific ex Japan Index, as measured by the Columbia Threadneedle Investments ESG Materiality Rating model.