Sustainable Finance Disclosures Regulation ("SFDR")
Article 3 - Transparency of sustainability risk policies
(Regulation (EU) 2019/2088)

Introduction

This document sets-out the firm-level disclosures required to be made under Article 3 of SFDR by the First Sentier Investors group[1]. The group includes investment teams trading as:

- FSSA Investment Managers (www.fssaim.com); and
- Stewart Investors (www.stewartinvestors.com).

Disclosure

Background

First Sentier Investors (FSI) is a global fund manager with experience across a range of asset classes and specialist investment sectors. We are stewards of assets managed on behalf of institutional investors, pension funds, wholesale distributors, investment platforms, financial advisers and their clients worldwide.

Our purpose is to deliver sustainable investment success for the benefit of our clients, employees, society and our shareholder and our vision is to be a provider of world-leading investment expertise and client solutions, led by our responsible investment principles and based on our core values: Care, Openness, Collaboration and Dedication.

We recognise that as allocators of capital, stewards of our clients' assets and as active shareholders in companies on their behalf, the individual and collective decisions we make as investors have far-reaching implications. While our business is to protect and enhance the value of our clients' assets, we are aware of our wider responsibilities, such as upholding the quality and integrity of the financial markets we invest in and the allocation of capital to productive purposes that contribute to a sustainable economy and society. We firmly believe that an emphasis on stewardship underpins the quality of our investment process and is part of our broader social licence to operate.

As a firm, we hold the following beliefs on Environmental, Social and Governance (ESG) issues:

- ESG issues are sources of long-term risk and return therefore considering ESG issues leads to better analyses and investment decisions.
- The execution of ownership rights can increase performance and lower risk over time, assets with well-managed ESG factors will produce higher risk-adjusted returns over the long term.
- Integrating ESG in all mandates enhances the quality of our investment processes as ESG issues, when poorly managed, will create long-term material impacts for society and the

[1] *In particular, this document includes disclosures made by First Sentier Investors (Ireland) Limited and First Sentier Investors Global Umbrella Fund plc*

environment.

Sustainability in investing is broader than only considering ESG factors. This document sets out the group-wide requirements that all of our investment professionals are expected to meet.

Integration of ESG issues into investment decision-making

The integration of ESG factors into the investment process is an integral component of our responsible investment practices. Within FSI, there is not one standard approach to ESG integration. For some investment teams it is achieved through the inclusion of an ESG score or rating to refine their investment universe, for others it is integrated into the assessment of management quality and for others it is integrated into valuation methods. While we subscribe to ESG research from a series of third party providers, for the most part, our primary source of information is achieved through the analysis conducted by our investment teams. A key component of this analysis for our active equity teams is company engagement. Each team's approach to ESG integration is articulated in our responsible investment and stewardship report.

Our investment teams commit that:

- Every active investment should be assessed for relevant ESG risks and opportunities and the results of this assessment documented.
- ESG risks that are relevant at both an operational level (e.g. pollution, human capital management) and at a strategic level (e.g. resource constraints, regulatory change) are considered in the investment analysis.
- Investments in companies that have a record of poor quality governance practices and systematic breaches of environmental and social standards that are expected to continue are not acceptable as they pose uncontrollable risks to our clients' capital.
- Where companies are confronted from time to time with social, environmental or corporate governance issues, investment professionals should establish the willingness and ability of the company to improve its practices prior to and post investment and seek to engage the company on any outstanding issues.
- Where material issues are identified which are not being appropriately addressed these should be raised with the company. If the company does not have a satisfactory response further engagement should be attempted and if issues are still not resolved, other options such as votes against directors, collaboration with other investors or ultimately selling of securities will be considered.

For further information, please see our Global Responsible Investment and Stewardship Policy and Principles available on www.firstsentier.com.

30 November 2022