

DISCLOSURE

Principal Adverse Impacts (PAI)

Currently all our offerings are within scope of the SFDR Article 6.

SFDR Disclosure for Article 7.1(a)

Our financial products comply with Article 6 and therefore do not, to the extent required by Article 8 or 9 of Regulation (EU) 2019/2088, consider adverse impacts of our investment decisions on sustainability factors.

However, our analysts conduct proprietary evaluation analysis on sustainability risk through interviews and engagements. We currently assess over seven hundred corporations.

We also have access to ESG evaluations provided by third party providers. This enables us to cover more than 11,000 corporations/issuers world-wide. We combine this data with our own sustainability evaluation.

We assess investment products into primary categories as set out below.

The sustainability factors:

- environmental
- social and employee matters
- respect for human rights
- anti-corruption and anti-bribery matters

are a material element to evaluate sustainability when we make investment decisions. In particular, we incorporate analysis and evaluation of ESG factors into the security selection process, to the extent suitable for each investment product.

We continuously monitor sustainability factors, including greenhouse gas emissions, at a portfolio level. We use a series of metrics which are evaluated and reflected in the investment process.

We are continuously enhancing our sustainability risk assessments for security screening, engagement activity and in portfolio construction. With these efforts, we continue to increase the number of investee company analyses and the development of products for which sustainability and ESG factors are deeply integrated. We have systems in place to monitor and improve effectiveness of sustainability and ESG integration.

Reporting and Disclosure

For funds and discretionary accounts under our management subject to the SFDR, we will disclose and report the mandatory items related to the PAIs on our company's website, in pre-contractual disclosure documents (such as fund prospectuses), and periodic disclosure reports pursuant to the regulations and relevant guidelines.

In addition, regardless of the scope of entity or a fund's domicile covered by the SFDR, we will periodically disclose PAI indicators that we consider important, including mandatory items, for ourselves (entire company) in addition to each fund's/account.

Future Developments for Principle Adverse Impacts

We will review our products and the pre-contractual disclosure documents with a view to our offerings being within scope of the SFDR Article 8 and/or 9 in the near future.



Resources

You can find more SFDR information about the Sumitomo Mitsui DS Asset Management policies and strategies:

- SMDAM policies on SFDR:
 - <https://www.smd-am.co.uk/sustainability>
 - SMDAM Tokyo website: https://www.smd-am.co.jp/english/corporate/responsible_investment/esg/
- SICAV Prospectus – see for individual UCITS Funds at either:
 - <https://www.smd-am.co.uk/fund-centre/>
 - <https://www.smd-am.co.uk/sustainability>
- Corporate Responsibility ‘Sustainability Reports’:
 - https://www.smd-am.co.uk/sustainability/?utm_source=popup&utm_medium=uk&utm_campaign=institutional
- ‘Environment, Social And Governance Reports’:
 - https://www.smd-am.co.uk/sustainability/?utm_source=popup&utm_medium=uk&utm_campaign=institutional

Disclaimers

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