

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

Product name: CT (Lux) Responsible Global Equity

Legal entity identifier: 213800QUBFOSM6S1V262

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" 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 93.97% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**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 overarching philosophy of the Portfolio is to:

- Avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices
- Invest in companies that make a positive contribution to society and/or the environment

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

- Improve management of ESG issues, using the Investment Manager’s influence as an investor to encourage best practice through engagement and voting

The fund, while it does not have a sustainable objective, aims to hold a minimum of 67.5% of the fund in sustainable investments.

The CT (Lux) Responsible Global Equity Fund allocated to companies in line with its investment policy during the period. The Fund focuses on 7 sustainability themes, which in turn link well to the UN’s Sustainable Development Goals. As at 30/09/2023 93.97% was held in sustainable investments.

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

The Investment Manager uses the following indicators to measure the attainment of the environmental and social characteristics promoted by the Portfolio:

- 1) *The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms.*

The fund did not invest in companies which breached its standards. Pre-investment each holding was screened by the Responsible Investment team and approved for purchase with ongoing monitoring.

- 2) *The percentage of the Portfolio which aligns to its key sustainability themes*

97.1% of the portfolio was aligned to its key sustainability themes as at 30/09/2023:

Sustainability theme	% of portfolio aligned <sup>1</sup>
Energy Transition	11.5%
Resource Efficiency	10.2%
Sustainable Cities	6.9%
Health & Wellbeing	22.4%
Connect & Protect	16.3%
Digital Empowerment	20.1%
Sustainable Finance	9.8%
No Theme / Cash	2.9%
Total	100.0%

- 3) *Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)*

<sup>1</sup> Due to rounding reported figures may appear not sum to 100%

93.97%, as at 30/09/2023, of the Portfolio was invested in companies with greater than 50% of net revenues positively aligned with the Sustainable Development Goals.

4) *The number of environmental- and social-linked engagement objectives and/or milestones achieved*

During the year 51 engagements were undertaken with 29 companies. This resulted in 11 milestones, meaning a company made a tangible improvement in its policies and practices in alignment with the Investment Manager’s engagement objective.

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

Indicator	2023	2022
The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms	0	0
The percentage of the Portfolio which aligns to its key sustainability themes	97.1%	97.8%
Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)	93.97%	92.54%
The number of environmental- and social-linked engagement objectives and/or milestones achieved	11	16

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

As a result of the Portfolio's sustainability philosophy, the Portfolio will invest a minimum proportion of 67.5% (excluding cash, cash equivalents or hedging instruments) in sustainable investments. As at 30/09/2023, the fund had 93.97% of holdings invested in companies with greater than 50% net revenue positively contributing to the Sustainable Development Goals, and which are considered sustainable investments. These investments also align with the fund’s sustainable themes as described below.

These investments contribute to a sustainable objective through their contribution to key sustainability themes which have an environmental or social focus, including: energy transition, health and well-being and resource efficiency.

The Investment Manager uses a proprietary framework to assess the extent to which companies prioritise sustainability:

- **Additionality:** Is the company a leader in its industry, making a real difference to the positive direction of the industry? Here the Investment Manager focuses on and evidences the Portfolio's exposure through the Investment Manager's view of high quality, wide most businesses.
- **Intentionality:** How core is sustainability to the company's strategy and overall raison d'être? Here the Investment Manager leverages its extensive engagement capability to assess the company's transparency and communication around strategic goals, which will evidence the management team's and Board's intentions in prioritising these issues/opportunities.
- **Materiality:** How material are sustainability opportunities for the company? In addition to assessing revenue alignment to the Sustainable Development Goals, the Investment Manager makes an assessment of the company's revenue alignment to seven sustainability themes: Environmental Stewardship, Climate Change, Human Rights, Labour Standards, Public Health, Business Ethics and Corporate Governance.

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

The Portfolio's investment approach assesses that the sustainable investments made by the Portfolio do not significantly harm other sustainable investment objectives in the following ways:

- The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society through the fund's exclusion policy. These criteria are product- and conduct-based, covering topics such as fossil fuels and weapons, and United Nations Global Compact breaches.
- Through the Investment Manager's investment research, ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues which exist but are not considered significantly harmful.

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

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence.

The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators

**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.

from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS)<sup>2</sup>.

Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the investment teams endeavour to satisfy that no significant harm has taken place through desk-based qualitative research or issuer engagement.

Depending on the materiality of the principal adverse impact indicator, the investment manager will either exclude the issuer or, in limited cases, seek to engage with the issuer to address the harmful practices by taking appropriate action

During 2023 the investment team reviewed all portfolio holdings and discussed the outcomes with the responsible investment team. It was agreed that no significant adverse impacts were identified for the fund, both on a qualitative and quantitative basis. Details of PAI engagement are detailed later in this report.

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

Yes. The Fund explicitly prohibits investment in companies which breach UN Global Compact (UNGC) principles. In addition, the sustainable investments are assessed under the DNSH due diligence against factors which align with UNGC and OECD guidelines to identify any significant harmful practices. There were no breaches during the period under review.

*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.*

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<sup>2</sup> The Regulatory Technical Standards set out three tables detailing principal adverse indicators which have been defined by the European Commission. The tables cover a range of harmful activities across environmental, social and governance areas.



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

The fund considered PAIs in several ways:

- Through alignment with the fund's exclusion policy and screening criteria which relate to the PAIs, including: fossil fuels, biodiversity, deforestation, human rights, global norms, hazardous waste and controversial weapons. The fund adhered to the exclusion policy during the period under review.
- Utilising the PAI framework to review issuers against PAIs as per Table 1 in the RTS. This allows the Investment Manager to monitor harmful practices which may arise. No instances of harmful practice were identified in the portfolio in the portion of the fund reported as sustainable.
- PAIs align with stewardship activities undertaken by the fund. Details of PAI engagement are detailed later in this report.



## 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: 01 October 2022 to 30 September 2023

Company	Sector	% of portfolio	Country
Apple Inc	Information Technology	7.34	US
Mastercard Inc	Financials	4.27	US
Linde Plc	Materials	3.98	GB
Accenture Plc	Information Technology	3.21	IE
Intercontinental Exchange Inc	Financials	3.12	US
Nvidia Corp	Information Technology	2.96	US
Schneider Electric Se	Industrials	2.68	FR
Thermo Fisher Scientific Inc	Health Care	2.56	US
Roper Technologies Inc	Information Technology	2.56	US
Waste Connections Inc	Industrials	2.34	CA

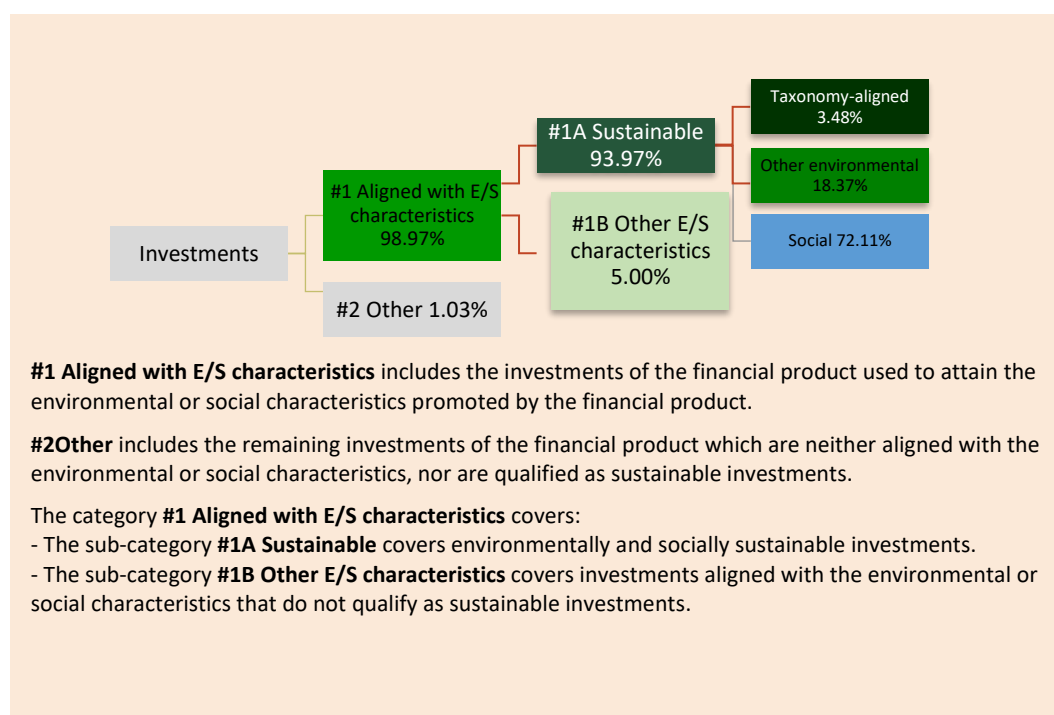
Xylem Inc/Ny	Industrials	2.32	US
Asml Holding Nv	Information Technology	2.31	NL
Becton Dickinson & Co	Health Care	2.25	US
CSL Ltd	Health Care	2.2	AU
Aptiv Plc	Consumer Discretionary	2.19	IE



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

Sustainable investments comprised 93.97% of the portfolio as at 30/09/2023.

#### ● What was the asset allocation?<sup>3</sup>



#### ● In which economic sectors were the investments made?<sup>3</sup>

Sector	% of Net Assets
Information Technology	31.05

<sup>3</sup> Note rounding may indicate a 0.01% difference in the sum of figures

Health Care	20.73
Industrials	14.48
Financials	14.06
Consumer Discretionary	8.56
Materials	5.37
Consumer Staples	1.67
Real Estate	1.64
Utilities	1.40
Cash and Derivatives	1.03

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.



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

Of the sustainable investments held, 3.48% is in taxonomy aligned activities.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>4</sup>?**

Yes:

In fossil gas     In nuclear energy

No

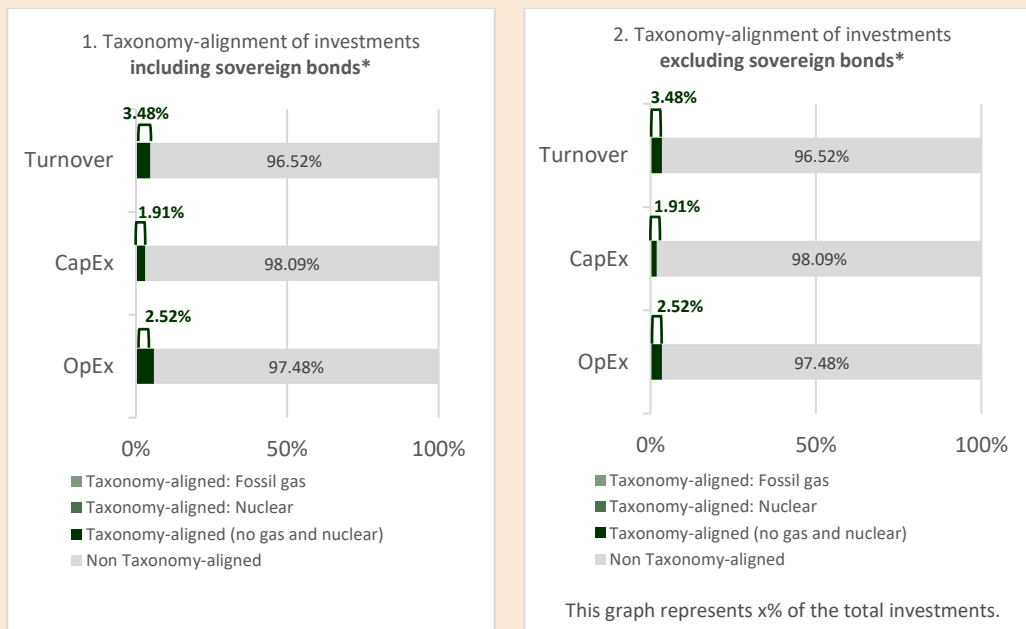
<sup>4</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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?**

Of the investments made by the fund that are in transitional and enabling activities as defined by the EU Taxonomy Regulation, these are broken down as:

Enabling Activities: 1.70%

Transitional Activities: 0%

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

Previously the fund reported 0% alignment of its investments with the EU criteria for environmentally sustainable economic activities as defined by 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?**

18.37% of the portfolio was invested in sustainable investments which predominantly contribute to an environmental objective and not aligned with the taxonomy.



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

72.11% of the portfolio was invested in sustainable investments which predominantly contribute to 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 E/S characteristics’ refer to investments which do not constitute sustainable investments but contribute to E/S characteristics by adhering to the fund requirements. These investments must contribute to the E/S characteristics of the fund and comply with the fund-level exclusions and screening criteria, including good governance.

Holdings classified as ‘other’ refers to cash positions or derivatives. Minimum environmental or social safeguards are ensured for cash positions and derivatives by integrating ESG considerations into the counterparty risk assessment. This accounted for 1.03% of the fund.



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

During the year there were 51 engagements with companies held in the portfolio. These covered 29 companies in 10 countries across a range of themes.

Engagements are structured in line with the firm’s engagement themes which align with the PAIs. Below is provided a breakdown of the engagements undertaken and which PAI categories are typically addressed. The Investment Manager is updating its engagement tracking and reporting to enable PAI reporting at the indicator-level. It is noted that an engagement may correlate with a number of PAI indicators.

Engagements by Theme	Alignment with PAIs	Proportion of engagements	Milestones Achieved by Theme
<b>Climate Change</b>	GHG Emissions and Energy Performance	20.00%	36.36%
<b>Environmental Stewardship</b>	Biodiversity, Water, Waste	13.64%	9.09%
<b>Business Conduct</b>	Social and Employee Matters	1.82%	0.00%
<b>Human Rights</b>		15.45%	9.09%
<b>Labour Standards</b>		26.36%	36.36%
<b>Public Health</b>		6.36%	9.09%
<b>Corporate Governance</b>		16.36%	0.00%



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

The Portfolio has not designated a benchmark for the purpose of attaining the environmental or social characteristics promoted.

- **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

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