

Sumitomo Mitsui Trust Asset Management Co., Ltd. is the Investment Manager of the sub funds of SuMi TRUST Investment Funds and SuMi TRUST INVESTMENT FUNDS (LUXEMBOURG) (the “Sub-fund”). The Sub-Fund promotes environmental and social characteristics by applying environmental, social and governance (or ESG) criteria to the portfolio.

Pursuant to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “SFDR”), we publish the information required by Article 10 of SFDR on this disclosure.

A description of the environmental or social characteristics

The Sub-Fund promotes environmental and social characteristics by applying Investment Manager’s ESG Scoring Process, which evaluates an issuer’s ESG performance against the ESG criteria described in ESG Scoring Process below, and investing in the proposed investments only when the average ESG Score, weighted with market capitalization, of the whole portfolio of the Sub-Fund exceed the ESG Scoring Threshold which is the average ESG Score, weighted with market capitalization, of the reference index. The Investment Manager actively manages the Sub-Fund’s portfolio to keep the weighted average ESG Score of the Sub-Fund’s portfolio above the ESG Scoring Threshold. In the case where the ESG Score of the Sub-Fund falls below the ESG Scoring Threshold, the Investment Manager will take steps within a reasonable period of time, including the enhanced engagement with the investee companies (as explained in the next paragraph) and adjustment of the Sub-Fund’s exposure to certain investee companies, as the Investment Manager believes necessary. For the avoidance of doubt, the Reference Index has not been designated as a reference benchmark (as referred to in SFDR) for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

The Investment Manager will regularly engage with portfolio company management with respect to ESG issues. The engagement may be carried out through one-to-one regular conversation between the investee company and the Investment Manager, or if appropriate, together with other stakeholders of the investee company. In the case where an enhanced engagement is required, the Investment Manager may take more proactive action, such as voting for removal of board members of the investee companies, voting against the investee company led resolutions, communicating with the competent authority regulating the business of the investee company or initiating the statement of Climate Action 100+, in addition to the frequent communication with the investee company.

The ESG Scoring Process

Information on the methodologies used to assess, measure and monitor the environmental or social characteristics, including its data sources, screening criteria for the underlying assets and the relevant sustainability indicators used to measure the environmental or social characteristics

The Sub-Fund will assess the environmental, social and governance practices of issuers through the application of the ESG Scoring Process, which involves scoring each issuer on its current level of performance and the quality of each issuer's policies and initiatives designed to improve those practices. The environmental, social and governance criteria that each issuer is assessed against are summarized under "ESG Materiality" below. In addition, the Investment Manager will assess issuers adherence to good governance practices, including in relation to sound management structures, employee relations, staff remuneration and tax compliance through the application of the ESG Scoring Process.

ESG Materiality

The ESG Scoring Process is informed by and based on the following ESG materiality:

Environment	Social	Governance
Climate Change Vulnerability	Human Rights & Community Risks	Corporate Behaviour
Natural Capital Risks	Human Capital Risks	Governance Structure
Pollution & Waste Risks	Security & Liability Risks	Fair and Stable Business Conduct
Environmental Opportunities	Social Opportunities	Governance Improvement

The ESG Scores are given to each issuer on a scale of 1 – 5 (very poor to very good), based on (i) the issuer's historical and current performance in terms of the issuer's risk and opportunity management on the "Environmental" and "Social" materiality as set out in the table above and (ii) the governance structure to implement the risk and opportunity management. Such process of which is subject to change in need.

The scoring methodology used by the Investment Manager is based on the combination of MSCI ESG Rating Methodology, rating methodology adopted by other ESG rating providers and scoring methodology developed by the Investment Manager as outlined below. Where available, the initial

data used in the ESG Scoring Process is predominantly sourced from MSCI. If the data is not available from MSCI, the Investment Manager's analysts collect the relevant information based on the disclosures in the issuer's policy documents, company reports, sustainability reports, media sources, and data sources from ESG data provider other than MSCI Inc. (together with the data sourced from MSCI, "raw data").

In addition, the Investment Manager's analysts seek information through direct engagement with company management.

Based on the information collected through the process explained above, the ESG Score for an issuer is determined by taking the following steps (as applicable):

- (i) Issuing the provisional ESG score for the issuer based on the raw data.
- (ii) Where the data sourced from MSCI is used as the raw data, adjusting the provisional ESG score for an issuer based on the public information that has not yet been taken into account by MSCI.
- (iii) Adjusting the provisional ESG score based on the result of Investment Manager's engagement with the company management of the issuer (e.g., if the company management commits to actively address certain ESG materiality as a result of the Investment Manager's engagement activities, the Investment Manager will override the scores for the relevant ESG materiality upwards).
- (iv) Adjusting the allocation of weights per ESG materiality set by MSCI. In general, MSCI sets the ESG materiality weights at the GICS Sub-Industry level (8-digit) based on each industry's relative external impact and the time horizon associated with each risk. However, there are cases where the ESG materiality and their weights allocated at the industry level do not fit in with the individual company's business model and structure. As such, the ESG materiality weights are adjusted based on a qualitative consideration taking into account the individual business model/structure and findings of the direct engagement with the company management of the issuer.
- (v) Making reasonable adjustment to the provisional ESG score based on the qualitative evaluation of management of ESG issues. The qualitative evaluation is made through the analysts' research of the issuer and engagement with the company management of the issuer.

The ESG Scoring Process is applied at the pre-investment stage and the scores are formally reviewed at least quarterly.