

SFDR Article 8 (Sub-)Funds – Website Disclosures

Sections based on Articles 23 to 36 [SFDR Delegated Regulation \(EU\) 2022/1288](#)

Full name of the Article 8 (sub-) fund: TT Asia ex Japan Equity Fund (the “Fund”)

Legal entity identifier: 549300OPCXIYDTDBFT56

Date of review: 15 April 2025

Disclaimer: The present working document may be subject to further regulatory changes.

Sustainability-related disclosures

Summary

The investment objective of the Fund is to produce long term capital growth.

To achieve the Fund's investment objective while supporting the environmental and social characteristics promoted by the Fund, the Fund will exclude issuers which derive more than 10 per cent. of their revenues from:

- thermal coal mining and extraction,
- tobacco manufacturing, and
- adult entertainment.

The Investment Manager's proprietary screen collects the most salient environmental, social and governance metrics provided by MSCI ESG, RepRisk and Bloomberg in one place (the "**ESG Screen**"). The Investment Manager applies its ESG Screen in analysing the environmental and/or social characteristics. The Investment Manager uses controversy screening and undertakes further analysis and / or engagement to exclude investments in issuers that have grave and ongoing violations of the UN Global Compact Principles with no rectification plan.

The Fund also applies the Investment Manager's ESG policy which excludes from the Fund's investment universe companies involved in the manufacturing, supply/distribution, stockpiling, and maintenance of cluster munitions, anti-personnel mines, chemical weapons, and biological weapons, as well as companies that hold more than 50 percent ownership in such entities.

The Fund seeks to invest at a minimum of 80 per cent. of its Net Asset Value in investments which promote environmental or social characteristics. The remaining portion of the Fund's investments will be classified as "Other" and limited to a maximum 20 per cent. of the Fund's Net Asset Value which will be invested in financial derivative instruments for investment or hedging purposes and cash.

The Investment Manager's approach to integrating ESG factors, such as physical climate risk, health and safety, and corporate governance, into the investment process includes carrying out in-depth research (including utilising the Investment Manager's proprietary ESG company screen, governance model, and ESG checklist), active ownership (such as exercising voting rights and engagement with the relevant company/issuer), and collaboration within the investment industry. The aim of the ESG screen and checklist is to identify areas of concern or missing information so as to guide further bottom-up research. If a target company is flagged for scoring poorly on particular criteria, or if it does not report on certain data points, then the analyst will endeavour to investigate and include their findings in the evaluation of the security. By implementing this ESG approach to the process of identification and selection of eligible securities, the potential impact on the return of the Fund is limited.

The Investment Manager is reliant on the experience and skill of its investment personnel and the data that is available to them. The data that the Investment Manager acquires from third-parties and develops internally using its own research and ESG analysis may be subject to inaccuracies, limitations or biases that may impact the environmental or social characteristics promoted by the Fund. However, the Investment Manager does not consider that any limitations that may be inherent in its methodologies or data sources will affect the sustainable characteristics promoted by the Fund.

The Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product. It designates the MSCI AC Asia ex Japan Index (the "**Benchmark Index**"), as reference benchmarks for performance measurement purposes only.

No sustainable investment objective

The Fund promotes environmental and/or social characteristics, but does not have sustainable investment as its investment objective.

Environmental or social characteristics of the financial product

The Investment Manager utilises exclusion criteria to help achieve the environmental and social characteristics promoted by this financial product. For example, to promote climate change mitigation, the Investment Manager excludes investment in companies that derive more than 10 per cent of their revenues from thermal coal mining and extraction.

The Investment Manager excludes investment in corporate issuers based on their involvement in certain activities. Specifically, issuers are excluded if they derive more than 10 per cent. of their revenue from thermal coal mining and extraction, tobacco manufacturing, or adult entertainment.

The Investment Manager applies screens to exclude investments in issuers which have grave and ongoing violations of the UN Global Compact Principles with no rectification plan.

The Fund also applies the Investment Manager's ESG Policy which excludes from the Fund's investment universe companies involved in the manufacturing, supply/distribution, stockpiling, and maintenance of cluster munitions, anti-personnel mines, chemical weapons, and biological weapons, as well as companies that hold more than 50 percent ownership in such entities.

Investment strategy

The Fund seeks to produce long term capital growth by investing in a diversified portfolio of equity and equity-related securities such as:

- depositary receipts, American depositary receipts, global depositary receipts;
- single and index stock participation notes;
- other securities having equities as the underlying instrument, i.e. equity linked notes and convertible bonds; and
- warrants,

which are, or for which the underlying securities are

- I. traded on the MSCI AC Asia ex Japan Index ("**Index**"); or
- II. listed on a regulated market and (a) has its registered office or domicile located in countries listed in the Index; or (b) does not have its registered office or domicile located in countries listed in the Index, but which, in the opinion of the Investment Manager, carry out a predominant proportion of their business activity from countries located in the Index.

The Fund may also obtain exposure indirectly to China via Stock Connect.

The Fund may also be invested in equity and equity-related securities listed globally which may not fulfil the criteria outlined above, but which the Investment Manager believes have sound prospects for sustainable growth and represents value in the form of assets and earnings in order for the Fund to meet its investment objective.

The Fund may also be invested in fixed and floating rate convertible and hybrid fixed-income debt securities including non-investment grade debt securities of corporate and government issuers worldwide (not more than 10 per cent. of the total net asset value ("Net Asset Value") of the Fund may be invested in debt securities). Non-investment grade debt securities are debt securities that are rated BB+ or lower by a rating agency, or are unrated but determined by the Investment Manager to be of comparable quality.

The Fund may buy options (comprising options on futures, options on indices and exchange traded funds and stock options) up to a value of 10 per cent. of the total Net Asset Value of the Fund, in pursuit of the investment objective and to gain exposure to the instruments and Index listed above, as well as for efficient portfolio management purposes.

The Fund may hold ancillary liquid assets, of which up to 10 per cent. of the total Net Asset Value of the Fund may be held in cash.

The identification of Environmental, Social and Governance (“ESG”) risk factors is an integral part of the Investment Manager’s top-down analysis and bottom-up selection strategy. The Investment Manager, therefore, integrates a rigorous and systematic ESG process into its identification and selection of eligible securities at each stage of the investment process.

The Fund promotes environmental and/or social characteristics, which include climate change mitigation, avoiding investments in certain activities which can cause harm to human health and well-being, avoiding investments in issuers which have grave and ongoing violations of the UN Global Compact Principles with no rectification plan and avoiding investments in certain activities which the Investment Manager believes are detrimental to society. The Fund excludes companies which derive more than 10 percent of their revenues from thermal coal mining and extraction, tobacco manufacturing and adult entertainment.

The Fund also applies the Investment Manager’s ESG policy which excludes from the Fund’s investment universe companies involved in the manufacturing, supply/distribution, stockpiling, and maintenance of cluster munitions, anti-personnel mines, chemical weapons, and biological weapons, as well as companies that hold more than 50 percent ownership in such entities.

The Investment Manager’s approach to monitoring for good governance practices is to carry out in-depth research (including utilising the Investment Manager’s proprietary ESG company screen, governance model, and ESG checklist).

The Investment Manager reviews investee companies’ governance track record (i.e. treating minorities fairly, the alignment of executive remuneration with shareholders). The Investment Manager references proxy research and its own governance model in assessing good governance practices.

The Investment Manager references proxy research for assessing companies’ current governance practices, as well as reviewing their historical actions. The Investment Manager engages in dedicated active ownership (exercising voting rights where possible and engagement with relevant companies) to ensure that companies continue to adhere to good governance practices.

Proportion of investments

The Fund seeks to invest at a minimum of 80 per cent. of its Net Asset Value in investments which promote environmental or social characteristics. The remaining portion of the Fund’s investments will be classified as “Other” and limited to a maximum 20 per cent. of the Fund’s Net Asset Value which will be invested in financial derivative instruments for investment or hedging purposes and cash.

Monitoring of environmental or social characteristics

The Investment Manager believes that having an in-depth understanding of the relevant ESG issues applicable to the Fund's investments is a necessary aspect of evaluating the risk associated with a relevant investment. The Investment Manager incorporates such ESG considerations into the investment process at the selection stage as a mandatory part of assessing a potential investment and into the ongoing assessment and management of investments throughout the full life cycle of the Fund. This allows the Investment Manager to identify any ESG Risks before they escalate into events that may have investment ramifications and may potentially threaten the value of the Fund over and above the general risk factors set out under the heading "Risk Factors" of the Prospectus.

Prior to any investment the Investment Manager will:

- verify that a prospective investee issuer does not derive more than 10 per cent. of its revenues from tobacco manufacturing and thermal coal mining and extraction;
- Review investee issuers' governance track record (i.e. treating minorities fairly, the alignment of executive remuneration with shareholders); and
- The Investment Manager uses an automated order management and trading platform called Longview, supplied by software firm Linedata Services, that has a compliance module built into it which is used for coding investment restrictions and exclusions.

On a periodic basis the Investment Manager will:

- at least annually, review the Fund's portfolio and investment universe to confirm that issuers continue to be correctly classified pursuant to the investment strategy.
- verify the environmental or social characteristics alignment of the portfolio as asset values change and will rebalance the Fund's portfolio as required.

Methodologies for environmental or social characteristics

The Investment Manager utilises exclusion criteria to help achieve the environmental and social characteristics promoted by this financial product. For example, to promote climate change mitigation, the Investment Manager excludes investment in companies that derive more than 10 per cent of their revenues from thermal coal mining and extraction.

The Investment Manager excludes investment in corporate issuers based on their involvement in certain activities. Specifically, issuers are excluded if they derive more than 10 per cent. of their revenue from thermal coal mining and extraction, tobacco manufacturing, or adult entertainment.

The Investment Manager applies screens to exclude investments in issuers which have grave and ongoing violations of the UN Global Compact Principles with no rectification plan.

The Fund also applies the Investment Manager's ESG Policy which excludes from the Fund's investment universe companies involved in the manufacturing, supply/distribution, stockpiling, and maintenance of cluster munitions, anti-personnel mines, chemical weapons, and biological weapons, as well as companies that hold more than 50 percent ownership in such entities.

The Fund promotes the aforementioned environmental and/or social characteristics by seeking to invest at a minimum of 80 per cent. of its Net Asset Value in investments which are subject to the exclusion criteria. The remaining portion of the Fund's investments will be classified as "Other" and limited to a maximum 20 per cent. of the Fund's Net Asset Value which will be invested in financial derivative instruments for investment or hedging purposes and cash. For an investment by the Fund to be considered to be promoting environmental and/or social characteristics, the company must also follow good governance practices in accordance with Article 8 of SFDR.

Data sources and processing

- **MSCI** data covers environmental opportunity, climate change, water, biodiversity, human and labour rights, corruption and bribery.
- **Bloomberg** metrics mostly cover companies' ESG disclosure and policies, but also specific environmental and social metrics such as fatalities (employees and contractors), employee turnover, unionisation rates, number of environmental fines, and hazardous waste volumes. Bloomberg data is also used to identify and exclude the relevant companies from the Fund's investment universe that generate more than 10 per cent of their revenues from fossil fuels and related sectors, tobacco, cannabis, alcoholic beverages, gambling, weapons, and adult entertainment.
- **RepRisk** data is used to highlight factors including the companies with the most severe controversies and their current "controversy score", any recent increases in this score, whether the company is a known or probable violator of UN Global Compact principles, the country-sector risk score and what drives the risk, be it environmental, social or corruption, fraud and/or unethical behaviour issues.

The data is sourced electronically, processed at regular intervals and fed into the Investment Manager's decision-making process.

Limitations to methodologies and data

The Investment Manager is reliant on the experience and skill of its investment personnel and the data that is available to them. The data that the Investment Manager acquires from third-parties and develops internally using its own research and ESG analysis may be subject to inaccuracies, limitations or biases that may impact the environmental or social characteristics promoted by the Fund. However, such limitations should not affect the E/S characteristics promoted by the Fund.

Due diligence

The Investment Manager uses the following method to identify eligible securities:

1. Top-down research

The Investment Manager's process begins with top-down research, which involves the analysis of the countries listed above and their sectors based on a range of global, domestic and market factors. Global factors include trade sensitivity, current account positions and geopolitics. Domestic factors include monetary policy and fiscal reform, as well as the credit, property and investment cycles. Market factors include earnings revisions, valuations, and flows and positioning. The ultimate output of the top-down element of the process is to direct research resources to the most promising areas.

2. Bottom-up stock research

Directed by the top-down process, this focuses on specific sectors and industries that are expected to derive the greatest benefit from the economic and political trends that have been identified. For example, if a country is likely to see falling real rates, the Investment Manager may focus its research agenda on beneficiaries of lower rates such as property and consumer discretionary stocks. Alternatively, if a country is expected to suffer from a deteriorating current account and hence a weakening currency, it may focus on exporters.

The bottom-up research seeks to identify mispriced equities that are favourably positioned within the macroeconomic environment expected. Mispricing can be persistent and significant in Asia; understanding the causes of this mispricing and identifying the milestones which, if passed, should see the stock to return to fair value are critical aspects of the Investment Manager's process.

Ideas on which stocks are worthy of further consideration will come from a variety of sources, including:

- Ideas derived from the top-down and thematic research
- Experience and knowledge of companies and their marketplace
- Company meetings and research trips
- News flow and company results
- Liaising with colleagues managing or researching other regions and products
- Stock screening
- 'Sell-side' broker research

When identifying stocks for potential inclusion in the portfolio, the Investment Manager will look for securities that exhibit a combination of quality, growth and value. Once identified, eligible securities (including those securities which are not listed or traded on the Benchmark Index) may be selected by the Investment Manager using the following process:

The Investment Manager will develop a detailed investment thesis, as part of the process, it will typically meet with company management, peers, customers and suppliers. The Investment Manager will also develop a counter-thesis to understand opposing views and why they differ, as well as what could potentially go wrong by speaking to bearish analysts and industry experts, as well as interrogating its financial models for weaknesses. Finally, the Investment Manager will identify fundamental stop-loss events. These are potential major issues that would almost certainly lead it to sell the stock immediately if they came to pass, subject to price levels.

The Investment Manager also identifies future milestones that will either prove or disprove the thesis. Examples include customer growth, earnings expansion, and free cash flow inflection points.

Valuation is a key factor in the Investment Manager's process. It uses multiple valuation tools, assigning the greatest weight to those it perceives to be of greatest relevance to the stock or sector under consideration.

The Investment Manager follows a price target driven approach, meaning that it:

- sets 18-month price targets for every stock in the portfolio, and updates them regularly;
- constructs these price targets as consistently as possible;
- monitors the upside to price targets at its weekly meetings; and
- seeks to ensure that position sizes are aligned with valuation upside and conviction levels.

Sell discipline is a critical part of the Investment Manager's process. The Investment Manager holds a regular 'thesis and milestones' meeting during which it reviews stocks where the investment case is in question. These reviews follow the thesis, counter-thesis, milestones, valuation framework, but have a particular focus on milestones, which should be either proving or disproving the thesis. Stocks are automatically reviewed if they reach their price target, underperform the benchmark by -20% over 6 months, or detract at least -50bps from relative portfolio performance. Following this review, if the stock has reached its price target and the Investment Manager cannot justify a higher target, or if it is deemed that the investment case is impaired due to negative developments in any of the investment process stages (thesis, counter-thesis, milestones, valuation), the stock could be sold. Conversely, where the review of an underperforming stock concludes that the Investment Manager's investment case, thesis and price target remains intact, the stock may continue to be held or added to.

Although the portfolio is expected to be substantially invested in long-only securities, it is permitted to have synthetic short positions through the use of FDIs when the Investment Manager deems this to be appropriate, as set out below in the section "Use of Financial Derivative Instruments" within the prospectus. Where the Investment Manager seeks to employ a long/short strategy, the Investment Manager will identify securities that are trading under (or over) their fundamental value, as may be determined in accordance with the investment process outlined above or based on fundamental research of the issuer, or on, statistical, technical or other factors (including liquidity of the individual security, market stresses such as a financial crisis or a political crisis that would significantly impact credit markets).

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

In addition, the Investment Manager, integrates a rigorous and systematic ESG process into its identification and selection of The identification of Environmental, Social and Governance ("ESG") risk factors is an integral part of the Investment Manager's top-down analysis and bottom-up selection strategy. The Investment Manager, therefore, integrates a rigorous and systematic ESG process into its identification and selection of eligible securities at each stage of the investment process. The Fund is classified as an Article 8 product under the SFDR.

The Investment Manager's approach to integrating ESG factors, such as physical climate risk, health and safety, and corporate governance, into the investment process includes carrying out in-depth research (including utilising the Investment Manager's proprietary ESG company screen, governance model, and ESG checklist), active ownership (such as exercising voting rights where possible and engagement with the relevant company/issuer) and collaboration within the investment industry.

The Investment Manager's ESG checklist considers specific environmental, social, and governance issues and leverages the single company ESG screen described above. For example, the ESG checklist for governance considers the following areas:

- TT Governance score – comparison to home market and emerging markets peers, noting the highest governance risk area;
- Related party transactions and amounts as a percentage of pre-tax income sourced from the relevant company's financial statements;
- Remuneration KPIs for management;
- Number of accounting flags and any other audit flags;
- Scope of the corruption policy – detailed, general, or none.

The aim of the ESG Screen and checklist is to identify areas of concern or missing information so as to guide further bottom-up research. If a target company is flagged for scoring poorly on particular criteria, or if it does not report on certain data points, then the analyst will endeavour to investigate and include their findings in the evaluation of the company. By implementing this ESG approach to the process of identification and selection of eligible securities, the potential impact on the return of the Fund is limited.

TT's Head of ESG, who is a member of the investment team, has remuneration targets reflecting the inclusion of a sustainable risk analysis framework within our investment approach as a firm. Our analysts and portfolio managers in turn have explicit key performance indicators related to following TT's investment processes, which include the incorporation of ESG risks in their investment research. Adhering to TT's investment processes and procedures is a pre-requisite for all employees and is assessed at the semi-annual review process ahead of the more quantitative assessment of investment performance contributions to our clients' portfolios. The efficacy of TT's procedures is evaluated via its Compliance Monitoring Programme, as well as internal and/or external audits.

Engagement policies

The Investment Manager believes that it is in the best interests of its clients to be responsible in its approach to investment. The Investment Manager aims to engage with the management of all the companies in the Fund's portfolio on a regular basis. The purpose of such engagement is to ensure that management objectives and expectations are closely aligned with the investment goals of the Fund. Please see the Investment Manager's full [Engagement and Voting Policy](#).

Designated reference benchmark

The Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product. It designates the MSCI AC Asia ex Japan Index Index as a reference benchmark for performance measurement purposes only.