

SEATOWN HOLDINGS INTERNATIONAL

# RESPONSIBLE INVESTMENT APPROACH

# APPROACH TO RESPONSIBLE INVESTMENT

Responsible Investment considerations are integrated throughout the investment process for our equity and debt investments, and are subject to relevant policies and processes.

We integrate financially material factors into investment decisions and stewardship, with the aim of enhancing long-term value creation.





Certain high-risk industries are restricted from investment



02 Research and Underwriting

ESG Assessment for all prospective investments

Assessment is based on SASB and TCFD standards

Assessment includes carbon cost earning sensitivity analysis



Post-Investment
Monitoring

For investments with higher risk:

- Tracking of key metrics
- Regular updates to Sustainability
   Committee



## Portfolio-Level Monitoring

Tracking of metrics such as Weighted Average Carbon Intensity





Financially-material Environmental, Social and Governance topics are assessed for each company based on the SASB framework.







#### All prospective Companies are All prospective monitored for investments are investments are controversies, such as assessed based on assessed for potential **ASSESSMENT** their carbon intensity, impacts on local governance risks, such carbon emissions, and communities, labor as business ethics, risk carbon cost scenario conditions, and ethical management, board analysis supply chains independence, etc. Clear and feasible transition plan · Positive enabler of • Responsible and Board **POSITIVE** the energy resilient supply independence **FACTORS TO** transition chain Risk management **LOOK OUT** Fair working Robust internal Strong **FOR** environmental risk conditions control environment management practices We avoid direct exposure to prostitution and pornography, illegal drugs,

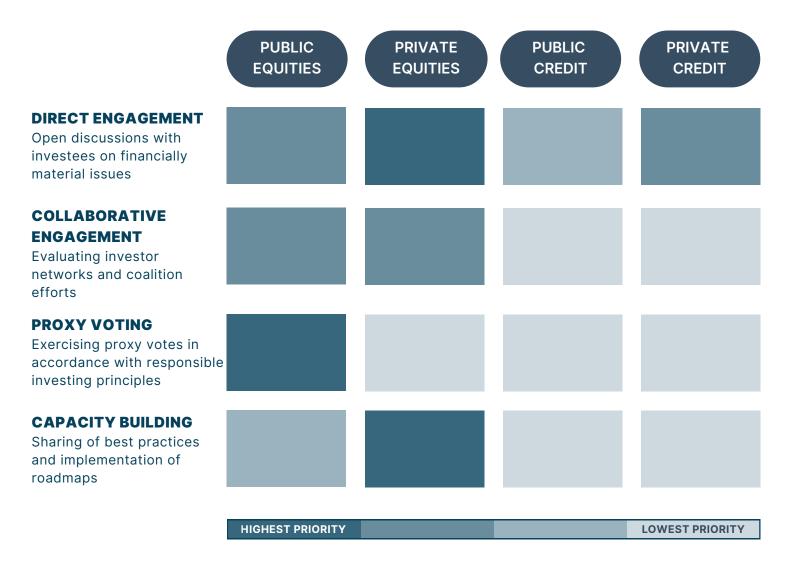
### **EXCLUSIONS**

tobacco, and other high-risk industries.

Exclusionary screens may result in a smaller investable universe. SeaTown applies restrictions selectively to protect our clients from reputational risk and controversies, in line with the portfolio construction rules agreed with clients.

# **STEWARDSHIP**

SeaTown exercises stewardship responsibilities with the goal of maximising long-term value. Its approach is customised by asset class. SeaTown's Sustainability Team supports all funds in their stewardship efforts.







When exercising proxy votes, SeaTown is guided by certain proxy voting principles:

- Board independence and expertise
- Protection of shareholder rights
- Board accountability and oversight of financially material environmental & social risks
- Increased transparency and enhanced disclosure on climate-related issues
- Credible and feasible climate change transition strategies for carbonintensive companies