



## Enhancing Fund Selection with ESG Integration

Since Jan 2025, Standard Chartered Bank has integrated ESG (environmental, social and governance) factors into our fund selection process. The Bank's Fund Select (FST) fund series will now include a dedicated sustainable category, and all Sustainable Investment (SI) Fund Select funds will be evaluated for both their performance and sustainable attributes.

With this, the retired ESG Select brand will be replaced by SI Fund Select.

This mainstreaming of ESG considerations into the selection process is in line with industry developments.

 <p><b>Bringing together the best of two frameworks</b></p>	 <p><b>Increased focus on ESG criteria as part of fund selection</b></p>
<ul style="list-style-type: none"> <li>• <b>SI Fund Select</b> funds are now assessed across our Fund Select and sustainable investment frameworks - evaluating expertise, performance, investment process and ESG integration.</li> </ul>	<ul style="list-style-type: none"> <li>• The additional overlay of ESG factors allows the <b>assessment of the depth, breadth and consistency of the ESG integration</b> in the investment processes.</li> <li>• Due diligence is also conducted on product providers to evaluate their commitment to ESG integration and sustainable practices.</li> </ul>

### Important Note:

Investment Fund is an investment product and some Investment Funds would involve derivatives. The investment decision is yours, but you should not invest in Investment Fund unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

### Risk Disclosure Statement for Investment Fund Services:

- Investment involves risks. The prices of units/ shares of unit trusts or mutual funds fluctuate, sometimes dramatically and the worst case may result in loss of your entire investment amount. It is as likely that losses will be incurred rather than profit made as a result of buying and selling unit trusts or mutual funds. Past performance of any Investment Fund is no guide to its future performance.
- Investors should carefully read the relevant offering documents and in particular the Terms & Conditions contained therein, the investment policies and the risk factors and latest financial results information. It is desirable that the Investor seeks independent financial advice with respect to any investment decision.
- Investors should ensure they fully understand the risks associated with unit trusts or mutual funds and should also consider their own investment objective, investment experience, financial situation and risk tolerance level before making any investment decision.

### Sustainable Investments:



Any ESG data used or referred to has been provided by Morningstar, Sustainalytics, MSCI or Bloomberg. Refer to 1) Morningstar website under Sustainable Investing, 2) Sustainalytics website under ESG Risk Ratings, 3) MSCI website under ESG Business Involvement Screening Research and 4) Bloomberg green, social & sustainability bonds guide for more information. The ESG data is as at the date of publication based on data provided, is for informational purpose only and is not warranted to be complete, timely, accurate or suitable for a particular purpose, and it may be subject to change. Sustainable Investments (SI): This refers to funds that have been classified as 'Sustainable Investments' by Morningstar. SI funds have explicitly stated in their prospectus and regulatory filings that they either incorporate ESG factors into the investment process or have a thematic focus on the environment, gender diversity, low carbon, renewable energy, water or community development. For equity, it refers to shares/stocks issued by companies with Sustainalytics ESG Risk Rating of Low/Negligible. For bonds, it refers to debt instruments issued by issuers with Sustainalytics ESG Risk Rating of Low/Negligible, and/or those being certified green, social, sustainable bonds by Bloomberg. For structured products, it refers to products that are issued by any issuer who has a Sustainable Finance framework that aligns with Standard Chartered's Green and Sustainable Product Framework, with underlying assets that are part of the Sustainable Investment universe or separately approved by Standard Chartered's Sustainable Finance Governance Committee.