

Article 3 disclosure

State Street Global Advisors Europe Limited

Information about policies on the integration of sustainability risks in the investment decision-making process

In accordance with Article 3 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”)

30 October 2024

This statement sets out how State Street Global Advisors Europe Limited (“SSGAEL”) considers sustainability risks as part of its investment decisions. “Sustainability Risk” is defined in SFDR as an environmental, social or governance event or condition which, if it occurs, could cause a negative material impact on the value of an investment.

Integration of sustainability risks involves the assessment of sustainability risks and other financially material data and information regarding the impact of sustainability-related events or conditions during the investment process to develop a more complete picture of investee companies’ future financial trajectory and business risks.

Examples of sustainability risks which may have a material negative impact on the value of investments are as follows;

- Environmental: these risks may include climate change, carbon emissions, air pollution, water pollution, deforestation, rising sea levels or coastal flooding or wildfires;
- Social: these risks may include human rights violations, human trafficking, child labour, breaches of employee rights or gender discrimination; and
- Governance: these risks may include a lack of diversity at board level, infringement or curtailment of rights of shareholders, health and safety concerns for the workforce or poor safeguards on IT security.

Our Approach to Integration of Sustainability-Related Risks

SSGAEL manages a broad array of investment strategy types, including index and active strategies, across a wide range of asset classes. Depending on the investment approach required by our clients, financially material sustainability-related data or information may be used to inform the portfolio or index construction, and/or monitoring processes of our portfolios and may also be used as part of our approach to risk management. Our approach to integration of sustainability-related risks varies depending on the type of investment strategy chosen by our clients/adopted by the relevant fund.

Where appropriate and consistent with a fund or strategy’s disclosed investment objectives, sustainability related risks are identified and assessed throughout product and investment strategy lifecycles, through investment research and analysis, portfolio construction and management, investment risk management and stewardship.

In addition, where relevant depending upon the fund or strategy’s investment objective:

- The State Street Global Advisors Risk, Investment Oversight and Portfolio Management teams monitor and assess applicable sustainability-related risks and their impact on the portfolio;
- Sustainability-related risk considerations are taken into account as part of the product governance and design process; and
- The sustainability characteristics of the investment strategy are reviewed by the SSGAEL Investment Oversight Committee.

For further information on how sustainability-related risks are integrated depending on the type of investment strategy please refer to the [State Street Global Advisors Sustainable Investing Capabilities Statement](#).