Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CT (Lux) SDG Engagement Global Equity

Legal entity identifier: 213800TVDYDJOO2JBG48

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 67.5% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Portfolio promotes companies that, through active engagement, will achieve targeted milestones aligned to one or more of the seventeen United Nations Sustainable Development Goals ("SDGs"). The SDGs address a range of global problems, aiming to improve various areas such as poverty, hunger, health, education, gender equality, clean water, clean energy, work and economic growth, inequalities within and among countries, sustainable cities, responsible consumption, climate, life below water, life on land, peace and justice and global partnerships to achieve the SDGs.

The overarching philosophy of the Portfolio is to:

- Avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices.

- Invest in companies that make a positive contribution to society and/or the environment.
- Improve management of environmental, social and governance (ESG) issues, using our influence as an investor to encourage best practice through engagement and voting.

The Investment Manager adheres to this philosophy through a variety of means, including:

- **Avoid**: The Investment Manager has a set of exclusion criteria setting threshold standards to avoid investment in issuers with socially or environmentally damaging products or unsustainable business or governance practices.
- **Invest**: The Investment Manager seeks investment opportunities for the Portfolio across companies providing sustainability solutions and/or companies making a positive contribution to society and/or the environment. The Investment Manager identifies companies through a methodology designed to focus on the seventeen SDGs.
- **Improve**: The Investment Manager uses objective-orientated engagement to encourage companies to improve their management of material ESG issues, which should translate into companies – over the longer term – contributing more positively to the environment and society.

The Portfolio has not designated a benchmark for the purpose of attaining the environmental or social characteristics promoted, as the Investment Manager considers that sustainability indicators are a more appropriate measure of the environmental and social characteristics promoted. It is an actively managed Portfolio with the MSCI ACWI Mid Cap NR Index, used for a comparator benchmark and the Portfolio has significant freedom to invest in a portfolio that is materially different to the benchmark's own composition.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The Investment Manager uses the following indicators to measure the attainment of the environmental and social characteristics promoted by the Portfolio:

- The Portfolio alignment with the SDGs.
- The number of SDG-linked engagements conducted.
- The number of SDG-linked engagement milestones achieved.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

As a result of the Portfolio's sustainability philosophy, the Portfolio will invest a minimum proportion of 67.5% of its net assets in sustainable investments.

These investments contribute to a sustainable objective through their contribution to the SDGs. The SDGs address several key sustainability themes such as poverty, hunger, health, education, gender equality, clean water, clean energy, work and economic growth, inequalities within and among countries, sustainable cities, responsible consumption, climate, life below water, life on land, peace and justice and global partnerships to achieve the SDGs

The Investment Manager uses a proprietary framework to assess the extent to which companies prioritise sustainability:

- **Additionality**: Is the company a leader in its industry, making a real difference to the positive direction of the industry? Here the Investment Manager focuses on and evidence the Portfolio's exposure through our view of high quality, wide moat businesses.
- **Intentionality**: How core is sustainability to the company's strategy and overall raison d'être? Here the Investment Manager leverages its extensive engagement capability to assess the company's transparency and communication around strategic goals, which will evidence the management team's and Board's intentions in prioritising these issues/opportunities.
- **Materiality**: How material are sustainability opportunities for the company? Here, a company must derive, or be on a credible short to medium-term pathway to derive, at least 50% of its revenues (on a net basis) positively linked to one or more SDG targets.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio's investment philosophy, as explained in more detail in the "investment strategy" below ensures that the sustainable investments made by the Portfolio do not significantly harm sustainable investment objectives.

The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society. These exclusions are detailed under the "avoid" section of the investment process and additional information is available in the Article 10 SFDR disclosures at www.columbiathreadneedle.com by selecting the Portfolio and accessing the Literature section. These criteria are product- and conduct-based, covering topics such as tobacco and weapons, and United Nations Global Compact breaches.

Through the Investment Manager's investment research, Sustainability Risks are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Furthermore, companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues.

The Investment Manager monitors portfolio holdings every quarter, and any position held by the Portfolio that no longer qualifies must be sold within the following six months taking due consideration of the best interests of the shareholders.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence.

The model identifies harm by using a quantitative threshold against a selection of principal adverse impact indicators. Issuers which fall below these thresholds are flagged as potentially harmful. This is then considered taking account of the materiality of the harm, whether harm has or is occurring, and whether mitigating activities are underway to address harm. Where quantitative data is not available, investment teams endeavour to satisfy that no significant harm has taken place through desk-based research or issuer engagement.

In addition, all holdings must comply with a set of environmental and social exclusions which seek to avoid harming Sustainability Factors as detailed below.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

The Portfolio excludes companies which breach UN Global Compact (UNGC) principles and further considers good conduct when making investments. In addition, the DNSH checks also assess issuers for explicit harm against the underlying principles of the UNGC and OECD Guidelines.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

✖ Yes,

The Portfolio proactively considers the principal adverse impact ("PAIs") of investment decisions that may negatively harm sustainability factors through a combination of exclusions, investment research and monitoring and engaging with investee companies.

As part of portfolio construction and stock selection, the Portfolio has in place exclusions that correspond to PAI indicators that cannot be held by the Portfolio. A selection of exclusions applied by the Portfolio relate to PAIs such as fossil fuel exposure, non-renewable energy production, global norms, and controversial weapons. In addition, it considers PAIs as part of research into, and engagement with, investee companies on environmental PAI indicators relating to decarbonisation and biodiversity, and social PAI indicators such as board gender diversity and discrimination.

More information on how the Portfolio considers the PAIs of its investment decisions on Sustainability Factors will be made available in the Fund's annual reports available at the registered office of the Fund.

	Exclusions	**Stewardship**[14]
Indicators Applicable to Investments in Corporate Issuers		
1.1. GHG emissions		✓
1.2. Carbon footprint		✓
1.3. GHG intensity of investee companies		✓
1.4. Exposure to companies active in the fossil fuel sector	✓	✓
1.5. Share of non-renewable energy consumption and production	✓	✓
1.6. Energy consumption intensity per high impact climate sector		✓
1.7. Activities negatively affecting biodiversity sensitive areas		✓
1.8. Emissions to water		✓
1.9. Hazardous waste and radioactive waste ratio		✓
1.10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	✓	✓
1.11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		✓
1.12. Unadjusted gender pay gap		✓

[14] PAIs are considered as part of engagement prioritisation. Where certain harmful practices are identified, and engagement is unsuccessful, this may, over time in certain instances, lead to divestment.

1.13. Board gender diversity		✓
1.14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	✓	
2.15. Deforestation		✓
3.7. Incidents of discrimination		✓

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Investment Manager identifies companies through a methodology that references the framework of the SDGs. The SDGs address a range of global problems, including poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. Using its SDG methodology, the Investment Manager identifies companies where targeted investor engagement aligned with the SDGs seeks to achieve engagement milestones.

To ensure that the environmental and/or social characteristics promoted by the Portfolio are attained, the investment strategy embeds an "Avoid, Invest, Improve" philosophy in the investment policy:

Avoid: The Investment Manager applies a set of exclusion criteria setting threshold standards to avoid investment in socially or environmentally damaging products or unsustainable business practices.

Invest: The Investment Manager chooses quality companies that exhibit opportunities for improvement through active engagement, leadership in managing ESG risks or play a role in innovation and the manufacturing of products that contribute to achieving the SDGs. The Investment Manager will avoid investing in companies that do not fulfil these selection criteria, and in particular companies that the Investment Manager believes cause significant harm to the environment or society.

Improve: The Investment Manager seeks to drive targeted improvement, focusing on how companies address ESG risks, opportunities and impacts. Engagement is structured around the SDGs and their underlying targets, and the identification of engagement objectives forms part of the due diligence for each potential investment. Engagement is then tracked throughout the year and forms part of the Portfolio's ongoing review and reporting processes. The Investment Manager monitors and measures impact around SDG-aligned engagement objectives with the aim of realising improvement, regularly assessing the progress each company is making.

The Investment Manager will apply the non-financial criteria described above to at least 90% of the total net assets of the Portfolio.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

  The following elements of the investment strategy are binding on the Portfolio:

(1) The Portfolio complies with exclusion criteria, which are both product- and conduct-based, to avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices.

(2) The Portfolio avoids investment in companies which are determined to be in breach of global norms, including the UN Global Compact and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(3) The Portfolio invests in companies making a positive contribution to society and/or the environment which can advance the Sustainable Development Goals (SDGs) through their enterprise impact.

(4) The Portfolio invests in companies where there is scope to actively engage on ESG issues which are directly linked to the Sustainable Development Goals (SDGs).

The Portfolio complies with the Paris-aligned Benchmark exclusions contained in Article 12 (1) (a)-(g) of Article 12(1)(a)-(g) of Commission Delegated Regulation (EU) 2020/1818. The restrictions referred to in point (1) and (2) above are applied regardless of the severity of any controversies which an investee company is/has been involved in. For further information, please refer to the Investment Policies available on www.columbiathreadneedle.lu by selecting the Portfolio and accessing the Literature section.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate of reduction in the scope of the investments considered.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

All companies in which investments are made are subject to a pre-investment good governance assessment and ongoing post-investment review of governance practices. The Investment Manager uses third-party data to assess a company's governance practices and supplements this with its fundamental research.

Pre-investment: The Investment Manager assesses all companies before investment. It may engage with a company to better understand or to encourage improvements relating to any flagged issues. If, however, it is concluded from the assessment that the company demonstrates poor governance practices, the Investment Manager will not invest in its securities.

Post-investment: Investee companies are monitored on an ongoing basis to confirm that there has been no material diminution in governance practices. The Investment Manager may engage with a company to better understand any flagged issues as part of its review. Where it is considered that a company no longer demonstrates good governance practices, the securities will be divested from the Portfolio.

The Investment Manager employs stringent criteria to determine the eligibility of investee companies' good governance practices. It uses proprietary ESG scores to assess performance on corporate governance, corporate behaviour, and human capital development. Companies scoring in the lowest segment of ESG scores will not be invested in, unless mitigating factors exist. The Investment Manager also monitors holdings using governance risk flags, which identify governance failures or risks which should be addressed by further research, voting or engagement where relevant.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Portfolio invests primarily in a diversified Portfolio of equity and equity-related securities (excluding convertible bonds and bonds with warrants) of global small- and mid-capitalisation companies, which may be headquartered anywhere in the world and be in any industry or sector.

All assets in which the Portfolio invests are subject to the sustainability criteria, which may include assets where the Investment Manager believes it can make a difference through a positive contribution to the environment and society, under the "invest" and "improve" elements of the strategy.

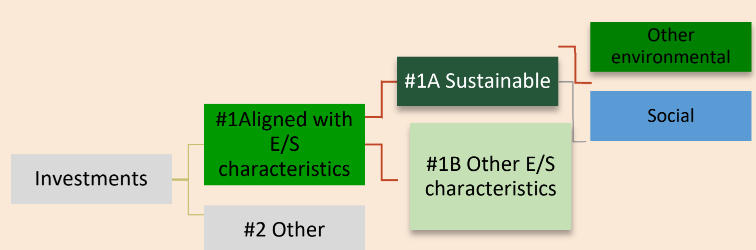
As a result of the Portfolio's sustainability philosophy, the Portfolio will invest in sustainable investments. The Portfolio will hold a minimum proportion of 67.5% in sustainable investments. However, the expected proportion of sustainable investments is 75%.

The minimum proportion of investments held in the Portfolio used to promote the environmental or social characteristics is 90%. Nevertheless, the expected proportion of investments aligned with the environmental and social characteristics is 100%.

An investment is considered sustainable where the issuer has at least 50% of its revenue net positively derived (or be on a credible short to medium-term pathway to be net positively derived) to the Sustainable Development Goals (SDG), or an issuer contributing to a sustainable objective by embedding sustainability into the economic purpose of its business (e.g. growing the proportion of revenue aligned with sustainability objectives, or delivering its enterprise impact in a way which contributes to a sustainable outcome).

Investments which do not meet the criteria for sustainable investments are not included in the Portfolio's proportion of sustainable investments. To calculate the Portfolio's overall proportion of sustainable investments, each investment that meets the above criteria is included in the calculation of sustainable investments (without adjusting for example for the percentage of revenue that contributes to SDGs) held in the Portfolio. It being noted, however, that the percentage of revenue that is not linked to a contribution to SDGs will also need to meet the "do no significant harm test" in order to for the entire investment to be considered a sustainable investment. The entire position of these investments is included in the calculation and added together to determine the total proportion of sustainable investments within the Portfolio.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

Derivatives are permitted within the Portfolio in order to assist with efficient management of overall asset class positions such as mitigating interest rate fluctuations, hedging against price falls in equity markets, or managing currency exposure. Derivatives are not used for the purposes of attaining the environmental or social characteristics promoted by the Portfolio but ESG criteria are considered when assessing counterparties.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

None. There is no commitment to Taxonomy-aligned investments at the present time.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

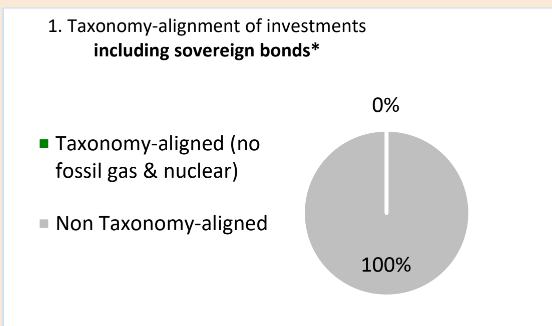
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[15]?

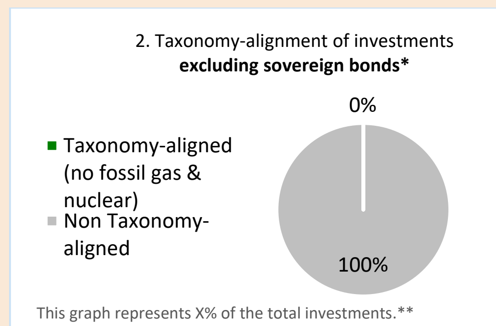
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

*** As the investments are not Taxonomy-aligned, the exclusion of sovereign bonds has no impact on the graph and therefore no such percentage is shown here.*

What is the minimum share of investments in transitional and enabling activities?

None. There is no commitment to Taxonomy-aligned investments at the present time.

[15] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Portfolio's minimum allocation to sustainable investments with an environmental objective is 1%. The actual allocation will depend on the investment opportunities considered by the Investment Manager. This is to ensure that the Portfolio can allocate capital to those sustainable investments available offering the most potential upside from a sustainability and financial returns perspective (maintaining a minimum of 67.5% across both environmental and/or social sustainable investments).

What is the minimum share of socially sustainable investments?

The Portfolio's minimum allocation to sustainable investments with a social objective is 1%. The actual allocation will depend on the investment opportunities considered by the Investment Manager. This is to ensure that the Portfolio can allocate capital to those sustainable investments available offering the most potential upside from a sustainability and financial returns perspective (maintaining a minimum of 67.5% across both environmental and/or social sustainable investments).

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

This category includes ancillary liquid assets, money market instruments, money market funds and eligible deposits as well as hedging assets used for treasury management, defensive or hedging purposes. Derivatives are permitted within the Portfolio in order to generate additional income, assist with efficient management of overall asset class positions such as mitigating interest rate fluctuations, hedging against price falls in equity markets, or managing currency exposure.

Derivatives are not used for the purposes of attaining the environmental or social characteristics promoted by the Portfolio but ESG criteria are considered when assessing counterparties.

Currency exposure may arise from unhedged equity positions or a currency strategy and are limited to developed markets or major emerging markets. No ESG screens are applied to currencies.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Investment Manager does not use a reference benchmark in respect of the environmental and social characteristics promoted. As such, the benchmark should only be used by investors as a comparison against the Portfolio's financial performance.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

Where can the methodology used for the calculation of the designated index be found?

Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website:

Columbia Threadneedle Investments - Funds and Prices - CT (Lux) SDG Engagement Global Equity R Acc GBP- SF55-LU1987908693 - Luxembourg - EN - Intermediary