

No consideration of adverse impacts of investment decisions on sustainability factors at the entity level for the purposes of SFDR reporting

Threadneedle Management Luxembourg S.A. ("TMLSA"), LEI Code: 549300CN40D22L8BMK21, does not publish an annual statement on how it considers the principal adverse impacts ("PAI") of investment decisions on sustainability factors at the entity level ("PAI entity level statement"), for the purposes of meeting reporting requirements under the Sustainable Finance Disclosure Regulation ("SFDR").

The PAI entity level statements that were previously published were made on a voluntary basis, largely to provide transparency to market participants on our aggregated exposure to certain PAI indicators. To prepare these statements, TMLSA had to use estimated data, disclosing, where possible, the data coverage for each adverse sustainability indicator that was reported on, and caveating to market participants that the figures presented were likely to be unreliable. As such, the year-on-year disclosure of aggregated PAI indicator data across multiple products is not considered to be generally helpful nor insightful to market participants on how TMLSA manages adverse impacts as part of its investment decision-making process.

Policy makers in the EU are currently reviewing the SFDR reporting requirements to focus on the disclosure of information that is relevant and meaningful to investors. Because of separate policy proposals, the quality and availability of data used to support the publication of the PAI entity level statement is not expected to improve over the short- or medium-term owing to the number of companies in scope of sustainability reporting requirements decreasing and the publication of information being delayed.

Existing commitments to consider adverse sustainability impacts at a product level, made by funds and separately managed accounts, remain in place. These impacts will continue to be reported annually in their respective periodic reports prepared for investors. Furthermore, the additional product-level data on PAIs will continue to be made available via the European ESG Template ("EET") to support our clients' own reporting requirements under SFDR.

TMLSA continues to make entity level disclosures available on its website outlining its approach to managing financially material risks stemming from sustainability issues. Columbia Threadneedle also provides information in our Stewardship Report on how we support long-term investment returns by mitigating risk, capitalizing on opportunities linked to Environmental, Social and Governance ("ESG") factors, and reducing any material negative impact that investment decisions may have on these factors.¹

The decision on whether to publish a PAI entity level statement will be reviewed on an ongoing basis, factoring in client preferences and further regulatory developments relating to SFDR.

30 June 2025

¹ [Document Centre - UK - EN - Institutional](#)