



**Bosera International  
Engagement Policy for Climate-related Risk**

**November 18, 2022**

In view of climate change, Bosera International's investment and research teams would, aligning with clients' interests, promote a change towards sustainable development in Bosera International's investee companies and reduce the climate-related risks they faced through active participation and voting in shareholders' and bondholders' meetings. When voting on issues related to climate risks, Bosera International's analysts make recommendations based on their research and analysis, to facilitate climate-related risk management in investee companies.

If any malpractice, which may lead to a significant impact on long-term investment return, is found in Bosera International's investee companies' management and disclosure of ESG and climate-related matters, the investment and research teams will communicate with the companies concerned and bring up such malpractice to their attention. In the communication, the subjects included are not limited to climate-related risks and opportunities, but also the emission-reduction strategies and their cost-benefits, and the overall transition strategies. Through such communication, Bosera International strive to exert a positive influence on the activities and behaviors of the investee companies.

The public information obtained by the investment and research teams through active participation in the investee companies will be taken into consideration in Bosera International's investment decision process. If any investee company is found to be engaged in inappropriate or unsustainable practices that can hardly be rectified, Bosera International may consider reducing the holdings of such a company in its portfolio.

Overall speaking, Bosera International envisages that its active participation will facilitate the identification of investee companies, evaluation and management of climate-related risks and enhance the disclosure of information, and thereby, the climate-related risks will be better managed and the interests of investors will be safeguarded.