

Product name: Bridgewater Active Sustainable Equities, LP

Legal entity identifier: 254900L2J757GONLOQ45

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments 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

It will make a minimum of **sustainable investments with a social 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 ___% of sustainable investments

with an environmental objective in economic activities that 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 promotes E/S characteristics, but **will not make any sustainable investments**

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

The Bridgewater Active Sustainable Equities, LP (the "**Fund**" or "**Active Sustainable Equities**") strategy represents Bridgewater Associates, LP's (the "**Investment Manager**", "**we**" or "**Bridgewater**") approach for incorporating both environmental and social impact objectives and traditional financial risk and return objectives into an actively managed equity allocation.

The strategy is designed to outperform global equities while only holding equities that are or are on a clear and credible path to be positively aligned to the UN Sustainable Development Goals ("**SDGs**"), and, as an integral part of the SDGs, the transition to a net zero emissions world. The SDGs cover a broad range of environmental and social matters.

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

We measure, track, and report on the SDG-alignment of Active Sustainable Equities at the portfolio level:

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

- *Average overall SDG alignment:* We produce and will report an overall assessment of SDG alignment by aggregating the internally generated SDG alignment scores of each of the portfolio's individual assets.

The SDGs are a collection of 17 global goals set by the United Nations General Assembly for the year 2030 that have been ratified by 193 countries. The SDGs represent a broad global framework for social and environmental impact.

Although not explicitly designed for investors, the SDGs are emerging as a widely agreed-upon framework for governments and increasingly for asset owners and asset managers. The SDGs are expansive, ranging from ending poverty to providing affordable and clean energy, and the Investment Manager believes they address many investors' most important sustainability goals, including the transition to a net zero emissions world.

We have built a systematic assessment process for evaluating whether securities across asset classes are aligned with the UN SDGs. We have selected the alignment to the UN SDGs as the foundational framework for this approach because they are oriented towards positive environmental and social goals, are widely accepted by governments and asset owners, and contain specific and measurable indicators that help investors and researchers to assess whether a given entity is helping to achieve any of the 17 goals.

- ***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?***

N/A. The Fund does not seek to make sustainable investments.

- ***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?***

N/A

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

N/A

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.

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

N/A

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

We will consider the principal adverse impacts of investment decisions on sustainability factors by investing in assets that are assessed to be aligned or on a clear and credible path to alignment with the United Nations Sustainable Development Goals, which we determine based on a proprietary assessment methodology that takes into account relevant adverse sustainability impact indicators among many other indicators as part of our multidimensional sustainability data system.

No

What investment strategy does this financial product follow?

The strategy is designed to outperform a global equity index while only holding equities that are or are on a clear and credible path to be positively aligned to the UN Sustainable Development Goals. The strategy embraces a three dimensional approach to portfolio engineering to pursue its goals—we use a fundamental and systematic process to assess the alignment of different assets to the SDGs and then build a portfolio of assets using our active views and our portfolio construction process, which includes allocating more weight to the most aligned assets.

- ***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?***

In seeking to achieve to its objectives, Active Sustainable Equities systematically assesses and selects only equities that we determine as being positively aligned or on a clear and credible path to alignment to the SDGs, rather than simply excluding all companies not currently aligned. We believe it is important to aid in the transition to alignment by directing capital to those companies on a clear and credible pathway toward alignment. Bridgewater has developed a proprietary methodology drawing on a range of external data sources in order to determine the extent to which a security is aligned with the SDGs.

We approach the challenge of sustainable investing in public equity markets by applying Bridgewater’s fundamental, systematic, and diversified approach. Using this approach, we have built a systematic assessment process for evaluating whether instruments are aligned with environmental and social goals. This process assesses the alignment of equities to the SDGs, as well as whether issuers are on clear and credible pathways towards alignment (evaluated by considering multiple factors, potentially including: feasibility of improvement path, intention to improve, concrete actions and results regarding improvement, etc.).

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

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

The Investment Manager assesses issuers against these factors on an ongoing basis throughout the holding period and will divest in cases where an issuer is not considered to be SDG aligned or on a clear and credible pathway towards alignment.

The strategy invests only in public market equities.

- ***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 to reduce the scope of the investments considered prior to the application of the Active Sustainable Equities strategy.

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

Good governance is assessed as part of our analysis of the SDG-alignment of investee companies. In particular, in order for an investee company to qualify as SDG aligned or on a clear and credible path to alignment under our framework, we will assess both what the company does (defining the revenue generating lines of a business, mapping each to applicable SDGs and scoring that alignment), and how the company does it (mapping key business parameters (e.g., corporate governance, environment/labor practices) to the applicable SDGs and scoring that alignment).

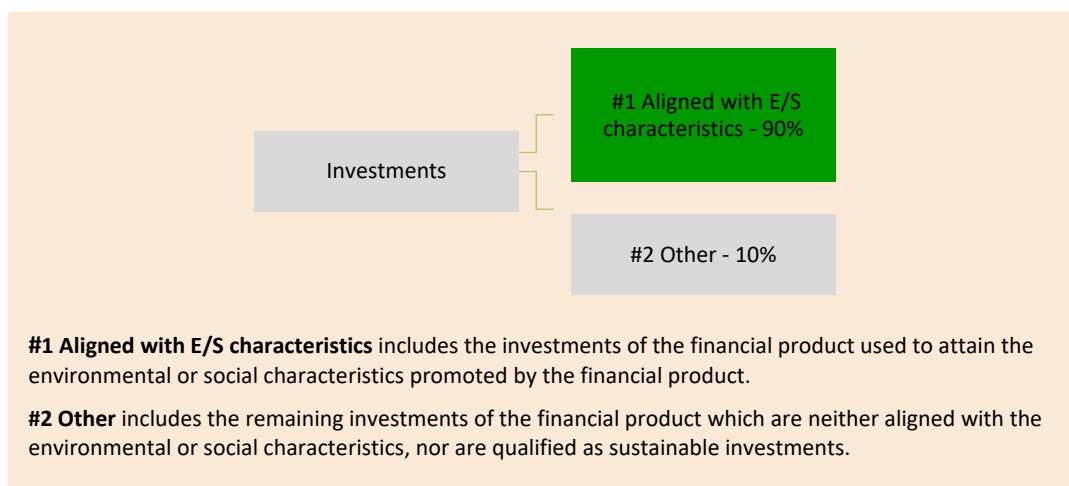
Asset allocation describes the share of investments in specific assets.



What is the asset allocation planned for this financial product?

#1 Aligned with E/S characteristics. As the investible universe for Active Sustainable Equities is defined by determining those that have positive alignment or are on a clear and credible path to alignment with the SDGs, all of the securities and instruments in which Active Sustainable Equities may invest (other than cash held for liquidity purposes and investments used for hedging purposes, each as described below) are aligned with the environmental and social characteristics that the Company seeks to promote. Overall, the Fund expects that at least 90% of its assets will be invested in such securities and instruments and therefore aligned with its environmental and social characteristics.

#2 Other. See response below. “Other” investments include cash held by the Fund for liquidity purposes and hedging positions. Overall, the Fund expects that, at most, 10% of its assets will fall under this category.



**Percentages above reflect the estimated market value of holdings as a percentage of net asset value for the reporting period. These percentages do not reflect how Bridgewater would calculate risk and exposure to cash and hedging instruments of a levered portfolio for its own management or reporting purposes.*

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

Active Sustainable Equities does not specifically use derivatives to attain the environmental or social characteristics; however, derivatives will generally be used where they enable us to obtain relevant exposures at a reduced cost of capital. Accordingly, derivatives (other than those used for hedging purposes) will also be assessed as being positively SDG aligned or on a clear and credible path to alignment.



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

N/A

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

N/A



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

N/A



What is the minimum share of socially sustainable investments?

N/A



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

“Other” investments include cash held by the Fund for liquidity purposes and hedging positions.

The Investment Manager may use hedging positions, for example, foreign currency hedges to remove currency exposure that can come with foreign equities.

No minimum environmental or social safeguards are applied to such cash or hedging positions.



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?

N/A The Fund does not use a reference benchmark.

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

N/A

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

N/A

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

N/A

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

N/A

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



Where can I find more product specific information online?

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

www.bridgewater.com/sustainable-finance-disclosure-regulation-disclosures/