

SDR and TCFD Entity Report

For the period from 1 January 2025 to 31 December 2025



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Section 1 – Introduction and Background

Waystone Management (UK) Limited (“WMUK” or the “Company”) is pleased to present its first combined SDR and TCFD Entity Report, covering the 2025 calendar year. Since 2023, WMUK has been required to publish a Task Force for Climate Related Financial Disclosure (“TCFD”) Entity Report on an annual basis, covering each calendar year. Following on from the introduction of the Financial Conduct Authority’s (“FCA”) Sustainability Disclosure Requirements (“SDR”) regime, managers with assets under management above £50bn were required to produce an annual SDR Entity Report by 2 December 2025. WMUK published its first report in November 2025, covering the period from 1 July 2024 to 30 June 2025. After the publication of the first SDR Entity Report, the rules allow a firm to publish a combined TCFD and SDR Entity Report. The content of this report is structured in line with the regulations and guidance included within Chapters 2 and 5 of the Environmental, Social and Governance (“ESG”) Sourcebook.

Compliance Statement

The disclosures in this report, including the SDR and TCFD Product-Level Reports cross-referenced, comply with the requirements under Chapters 2 and 5 of the FCA’s ESG Sourcebook, which set out the rules and guidance concerning the content of a firm’s SDR and TCFD Entity Reports. The report is intended to disclose how WMUK manages sustainability risks and opportunities, in order to help consumers make more informed decisions when investing and to enhance the credibility of the sustainable investment market.

The report is signed by the Head of ACD Product Governance who is a Director of WMUK.

Any information provided by third parties is believed to be reliable but has not been verified by WMUK. Corporate sustainability risks are actively managed by WMUK; the processes to manage these risks are set out in Section 2 of this report. Where risks are within the Schemes, they are not directly controlled on a day-to-day basis by WMUK as investment management responsibilities are delegated to third-party investment managers; the oversight arrangements are set out in section 3 of this report.

Signed:		Name:	Andrew Berry
Role:	Director - Head of ACD Product Governance	Date:	22/06/2026

Scope and Boundary

WMUK is the independent Authorised Fund Manager (“AFM”) of Open-Ended Investment Companies (OEICs) and Authorised Unit Trust Schemes (AUTs) comprised of Undertakings for Collective Investment in Transferable Securities (UCITS) funds. It is also the independent Alternative Investment Fund Manager (“AIFM”) to a range of Non-UCITS Retail Schemes (NURS) including a Charity Authorised Investment Fund (CAIF), Qualifying Investor Schemes (QISs), Authorised Contractual Schemes (ACs) and Long-Term Asset Funds (LTAFs). Collectively, these are referred to in this report as “the Schemes”.

As an independent AFM, WMUK does not determine investment strategies or make investment decisions but retains ultimate regulatory responsibility for the Schemes. Investment management is delegated to third-party investment managers, but an obligation is not imposed on all Schemes to be managed with consideration of ESG-related issues. Certain Schemes are designed through their investment objective, policy and strategy to include sustainability characteristics or to meet certain ESG standards, which may include climate-related targets, SDR naming and marketing rules, and related disclosure requirements.

This combined Entity Report therefore covers WMUK in two contexts:

- WMUK as a corporate entity, including the way its operational activities may create climate-related risks and opportunities (for example, through energy use, offices, travel, and supply chain activities).
- WMUK as an AFM/ACD and AIFM, including how it oversees sustainability-related risks and opportunities in Schemes that have sustainability characteristics and are subject to SDR and/or TCFD product-level reporting requirements.

WMUK’s Relationship with Waystone Group

Waystone (“Waystone Group” or the “Group”), an unlisted and privately owned company, is a global asset-servicing solutions provider of institutional governance, administration, risk and compliance services. WMUK is an FCA-authorised firm and wholly owned subsidiary of Waystone Group. As the FCA is the UK regulatory body, its ESG Sourcebook applies to UK-authorised firms. This report therefore relates to WMUK only. WMUK operates within the Waystone Group structure and is influenced by the Group in its consideration of sustainability-related factors.

WMUK’s corporate sustainability approach is driven by Waystone’s overarching corporate sustainability strategy, policy and initiatives. The Group Sustainability Policy and related targets apply across all Waystone entities, including WMUK. WMUK does not operate a separate corporate sustainability strategy but integrates the Group strategy into its operations and governance to support consistency and accountability.

Waystone identified climate change mitigation as material to the business through its 2024 double materiality assessment. In response, climate action has accelerated across the business, supported by stronger corporate sustainability capabilities, a policy framework, and a global sustainability programme. Waystone’s approach is guided by its Group Sustainability Policy, its Science Based Targets initiative (SBTi) validated emissions reduction targets, and its commitment to proactively managing both transition and physical climate risks.

Reliance on Group Disclosures and How WMUK Applies Them

WMUK relies on certain Group-level disclosures, policies, targets and metrics where these have been developed at Group level for application across all Waystone entities. The table below sets out the principal Group-level items relied upon in this report.

Group item relied upon	Where it is used in this report	Why it is relevant to WMUK	Cross-reference/hyperlink
Group Sustainability Policy Statement	Governance; Strategy; Risk Management	The Group Sustainability Policy applies across all Waystone entities including WMUK	https://www.waystone.com/wp-content/uploads/Policy/Global/Waystone-Group-Sustainability-Policy-Statement.pdf
Group SBTi-validated targets and net-zero target	Metrics and Targets	Climate-related targets are set at Group level and apply across the Group, including WMUK	https://www.waystone.com/our-impact/
Group carbon footprint (Scopes 1-3) and methodology;	Metrics and Targets	WMUK emissions are derived from Group footprint and allocated on a per-capita basis	Waystone Group and WMUK’s Scope 1, 2 and 3 emissions can be found on page 10 under "Greenhouse gas emissions"
Group climate-related Metrics	Metrics and Targets	Climate-related metrics are set at Group level and apply across the Group, including WMUK	Waystone Group’s metrics can be found on page 10 under "Group climate metrics applied to WMUK"
Group double materiality assessment (2024)	Strategy; Risk Management	Assessment covers all Waystone entities including WMUK and informs prioritised ESG topics	Details of the Group double materiality assessment can be found in the Sustainability Policy Statement https://www.waystone.com/wp-content/uploads/Policy/Global/Waystone-Group-Sustainability-Policy-Statement.pdf

Group Corporate Sustainability Data

The Group’s corporate sustainability information is primarily sourced internally and is therefore considered to be reliable. When calculating the Group’s carbon emissions, Waystone utilises "Position Green", which supports the calculation of its carbon footprint using data provided by Waystone. Position Green is a sustainability reporting and management platform which helps businesses collect and manage sustainability data, track emissions, improve carbon accounting, and manage supply chains. Position Green is an accredited software partner with the Carbon Disclosure Project (CDP), a global non-profit that evaluates Accredited Solutions Providers (ASPs). As Position Green is CDP-accredited, it is considered reliable by Waystone.

Section 2 –TCFD Pillars



Section 2 – TCFD Pillars

Governance

Group governance relevant to WMUK

At Group level, the Group Head of Sustainability is responsible for setting, driving and supporting the corporate sustainability strategy, policies and initiatives across all Waystone entities. Executive sponsorship for ESG sits with a designated senior leader who provides oversight at Group Board level. The Group Head of Sustainability reports to the Global Chief Operating Officer and keeps senior management and relevant internal boards informed of progress and key developments. Reporting on corporate sustainability is provided internally to the Waystone Executive Team and Group Board. Sustainability is formally discussed at least annually as part of the Group Board agenda.

Climate strategy and decarbonisation are led by the Group Sustainability function. Delivery is supported by a global network of Sustainability Champions across regions, who support practical local action such as energy saving, recycling and behavioural change initiatives. WMUK participates in and supports this Group programme through adoption of Group policies and participation in the relevant reporting and engagement processes.

WMUK Board oversight

WMUK's governance is set by the WMUK Board. The Board is comprised of three independent Non-Executive Directors and four Executive Directors. The Board is responsible for directing and overseeing WMUK and its corporate governance framework, and for acting in the best interests of shareholders and other relevant stakeholders, including the investors in WMUK's Schemes.

The WMUK Board retains overall responsibility for sustainability and ESG matters which includes:

- Recognising Waystone Group's sustainability strategy and, where applicable, its adoption within WMUK;
- Ensuring that regulatory requirements for sustainability and ESG are met in Schemes that include such outcomes in their prospectuses;
- Maintaining oversight of WMUK's exposure to sustainability risks; and establishing governance and reporting mechanisms for ESG matters.

ESG and climate-related risks that are recorded in WMUK's risk management framework are reported to the WMUK Board on a quarterly basis.

Management responsibilities and escalation routes

Responsibilities for sustainability and climate-related matters are shared between WMUK management and Group functions. WMUK's operational management is responsible for ensuring that Group policies are embedded within WMUK operations, and that WMUK meets applicable regulatory requirements. The Group Sustainability function leads on climate strategy, decarbonisation planning, and Group-wide reporting.

Within WMUK, climate and sustainability matters are managed through existing risk and governance processes. ESG and climate-related risks are reported monthly via the WMUK risk dashboard to the Executive Committee ("ExCo") and quarterly to the Risk, Audit and Compliance Committee ("RACC"). Where issues arise that require escalation, the relevant first-line owner will raise them to ExCo and RACC, and then to the WMUK Board on a quarterly basis. Reporting to the WMUK Board is delivered through the various committees, as set out in the "WMUK Committee Oversight" section.

WMUK's Conduct and Culture Advisory Committee (a sub-committee of ExCo) includes ESG as a standing agenda item and is responsible for promoting sustainability and ethical practices across WMUK, including ESG integration in line with regulatory expectations. The Group Head of Sustainability presents to this Committee, supporting oversight of ESG strategy and its integration into day-to-day operations, governance and long-term planning.

Strategy

Sustainability topics prioritised by Waystone

Waystone’s 2024 double materiality assessment identified several ESG topics as material to Waystone’s strategy and long-term success. These are separated into Environmental, Social and Governance sections, and are listed below, together with how Waystone has interpreted and is responding to each topic in practice.

Type	Topic	Interpretation and response
Environmental	Climate Change Mitigation	— Waystone calculates and monitors its global carbon footprint. The Science Based Targets initiative (“SBTi”) has validated its near- and long-term science-based emissions reduction targets
		— Waystone has completed energy audits in selected offices
		— Waste emissions are included in the company’s Scope 3 footprint and recycling facilities are provided across all offices
		— Waystone seeks to prioritise suppliers that demonstrate responsible environmental practices
Social	Gender Equality and Equal Pay	— Waystone supports responsible e-waste disposal and repurposes equipment in line with the EU Directive on Waste Electrical and Electronic Equipment
		— As set out in the Group Diversity, Equity and Inclusion (“DEI”) Policy, Waystone is committed to gender equality and equal pay for equal work at all levels of the organisation. The DEI Working Group and the People and Talent function oversee the DEI roadmap, which focuses on awareness, education and engagement
	Training and Skills Development	— Waystone provides access to a Learning and Development platform with a broad range of courses to support professional growth and role-specific capability
	Access to Quality Information	— Waystone collects key performance indicator (“KPI”) data for certain service areas and conducts regular client reviews
Governance	Corporate Culture	— Waystone collects key performance indicator (“KPI”) data for certain service areas and conducts regular client reviews
	Cybersecurity	— Waystone’s culture has evolved through strategic acquisitions, uniting diverse teams under a shared commitment to client excellence, collaboration, and ethical conduct. It has adopted a global Ethical Labour (Modern Slavery) Policy Statement, which applies the principles and requirements of the UK Modern Slavery Act across all Waystone operations globally
	Data Privacy and Security	— Waystone has adopted a Cybersecurity Framework and Personal Data Protection Framework, based on the requirements of the EU’s General Data Protection Regulation

The identification of these topics informs the Group’s sustainability strategy, targets and reporting, and is relevant to all Waystone entities.

Climate-related risks and opportunities

Waystone's double materiality assessment identified business activities relevant across Waystone Group. These activities create impacts, risks and opportunities which are relevant to WMUK and inform the actions described in this report.

Business activity	Impact	Risk	Opportunity	Actions
Energy use in Waystone's own operations	Energy consumption results in greenhouse gas emissions, contributing to climate change.	Rising energy prices and increasing regulatory requirements related to energy efficiency and emissions could increase operating costs and create compliance risk.	Improving energy efficiency and increasing the use of renewable energy can reduce emissions and costs over time, while enhancing reputation with clients, investors and employees.	Energy transition: in 2025, 76% of Waystone's Scope 2 purchased electricity was matched with renewable electricity through supply arrangements and/or renewable energy instruments such as Renewable Energy Certificates ("RECs"), up from 46% in 2024. Waystone is mapping landlord energy arrangements to identify further opportunities and has introduced global energy efficiency measures following a formal energy saving audit in its Ireland offices.
Operation of a global office footprint and digital infrastructure	Operational emissions from offices and digital infrastructure contribute to climate change, posing risks to communities, ecosystems and economies.	Physical climate risks, such as extreme weather events, could disrupt operations, impact employee health and wellbeing, and damage offices and data infrastructure, leading to financial and operational losses.	Investing in resilient, low-carbon office operations and infrastructure can reduce exposure to physical climate risks and support business continuity.	Real estate optimisation: moves to more energy-efficient offices in Mumbai, Singapore, New York and London, and consolidations in Dublin and Leeds are reducing emissions overheads. Environmental certifications (e.g. LEED, BREEAM, WELL) are now a growing part of office selection criteria.
Business travel and supply chain activities	Business travel and supply chain activities generate greenhouse gas emissions and contribute to climate change.	Transition risks, including higher travel costs, changing supplier pricing, and increasing client and investor expectations on emissions, could affect costs and competitiveness if not managed effectively.	Reducing travel emissions and engaging suppliers on climate performance can support Waystone's climate commitments and strengthen relationships with clients and investors.	Commuting emissions: a third consecutive global commuting survey has improved Scope 3 data quality, and may assist developing support for lower-carbon travel options. Supply chain engagement: environmental expectations for suppliers in procurement and vendor due diligence lay the groundwork for reducing Scope 3 emissions. One of the actions Waystone has assigned in relation to its Scope 3 emissions is to engage suppliers to align with SBTi targets.
Provision of services to clients with climate and ESG requirements	Supporting clients' climate and ESG objectives contributes to wider climate change mitigation efforts.	Failure to meet client climate and ESG expectations could lead to reputational damage, loss of business, or reduced competitiveness.	Assisting clients in achieving their climate and ESG objectives can strengthen client relationships and create a competitive advantage.	During 2025, WMUK supported a number of its delegated investment managers in adhering to the FCA's Sustainability Disclosure Requirements ("SDR") Reporting, including compliance with the anti-greenwashing rules, production of Consumer Facing Disclosures ("CFD") and SDR Product-Level Reports. It has also continued to support several funds with benchmark-relative carbon limits. In 2024, WMUK assisted its investment managers with the launch of two LTAFs. The purpose of these types of funds is to facilitate investment across the UK in long-term, less liquid private markets and alternative assets. This will support investment in areas of: — Infrastructure with ESG upgrade potential — Forestry and timber — Renewable energy WMUK has maintained governance and oversight of these schemes to ensure they are operating as expected within the regulatory environment and are adhering to the sustainability-related claims set out in their prospectus. Waystone is focused on embedding its Net Zero Investment Framework across its wider AFM/AIFM business. This is integrated into the Portfolio Analysis Tool to provide Waystone's Investment Oversight teams with a clear overview of key metrics and the ability to assess transition alignment. While it currently applies to public equities and fixed income, Waystone continues to expand its application to other asset classes as relevant guidance becomes available.

WMUK-specific ESG and climate risks recorded

As WMUK is a subsidiary of Waystone, the above business activities and their associated impacts, risks and opportunities also apply to WMUK. However, WMUK also operates its own risk management framework and has identified three additional ESG/climate-related risks:

- Sustainability Risk: the risk of potential adverse effects of environmental, social and governance factors that could negatively impact the firm’s viability and success or are caused by the firm’s operations.
- Fund Ethical and ESG Investing: the risk that a fund is unable to empirically evidence that its investments adhere to the ESG criteria set out in its objectives and policies.
- ESG Climate Change: the risk of increased extreme weather frequency and reduced safety.

The "Sustainability Risk" and "Fund Ethical and ESG Investing" risks are recorded on the WMUK risk register, which includes current risks that are monitored and managed and therefore treated as short to medium-term risks. The "ESG: Climate Change" risk is recorded on the emerging risk radar which includes risks that, while not currently present, are recognised as becoming applicable in the future. This risk is therefore treated as medium- to long-term.

Scenario analysis and resilience

WMUK has undertaken initial climate scenario analysis using ‘Unwritten’, a third-party climate risk analytics platform. The Group Head of Sustainability is the internal owner of the climate scenario analysis. The analysis is intended to support risk identification and prioritisation by assessing both physical and transition climate risks and estimating potential cost and revenue sensitivities under different scenarios. This relies on modelling assumptions and underlying third-party or company-provided inputs that can be incomplete, outdated, or imperfect. The outputs are used as decision-support rather than as precise forecasts. The analysis uses internally calculated emissions data and financial information and, where company-specific inputs are unavailable, some outputs rely on sector-average estimates.

Scenario analysis has been calculated for WMUK’s corporate operations but not in relation to assets managed or administered by the firm. The analysis covers three topics: physical risks, transition risks, and financial impacts.

As WMUK’s scenario analysis is in its initial phase, it has not been formally incorporated into its Enterprise Risk Management ("ERM") Framework and has not influenced its budgeting or financial planning. WMUK will look to incorporate this analysis into its ERM Framework and its effects on budgeting and financial planning.

Risks		
Physical risks	Physical risks relate to climate hazards that could impact WMUK’s office locations and operations. The analysis assessed hazards across multiple time horizons (2030, 2035 and 2050) and three climate pathways:	– SSP1–2.6: Sustainability – strong cooperation, cleaner growth, and lower emissions, representing a future with strong climate action and warming of roughly 1.8°C by 2100. – SSP2–4.5: Middle of the road – development broadly follows historical trends, with some climate action, but not enough to meet the most ambitious goals. It is associated with roughly 2.7°C warming by 2100. – SSP5–8.5: Fossil-fuelled development – strong economic growth and high energy demand, but continued reliance on fossil fuels. It is associated with roughly 4.4°C warming by 2100.
Transition risks	Transition risks relate to business impacts that may arise from the shift to a lower carbon economy, including changes in costs, regulatory expectations, legal exposure, and reputation. The analysis assessed transition risks across multiple time horizons (2030, 2035 and 2050) and four transition pathways:	– Net Zero 2050 – A rapid, orderly transition consistent with global net-zero emissions by 2050. It assumes early and strong policy action, faster decarbonisation, and tighter transition pressure across the economy. Associated temperature rise: 1.5°C – Below 2°C – Warming is limited to below 2°C but is generally less stringent than a full 1.5°C net-zero pathway. Associated temperature rise: below 2°C – Delayed Transition – A pathway that still ends below 2°C, but action comes later and more abruptly, creating sharper policy, cost, and market disruption as companies have less time to adapt. Associated temperature rise: below 2°C – Nationally Determined Contributions ("NDCs") – A pathway based on countries’ stated NDCs under the Paris Agreement. It reflects implementation of existing pledges, but not the stronger action needed for a 1.5°C or well-below -2°C outcome. Associated temperature rise: 2.3°C

Physical risks are mainly classed as low, however subsidence is classified as medium across all scenarios, and water stress is classified as medium in SSP1-2.6 and SSP5-8.5. Transition risks are mainly assessed as low, with higher ratings for cost of raw materials, cost of energy, legal exposure, and negative consumer preferences.

For full Physical and Transition risk ratings, please refer to Appendix A.

Financial impacts

The analysis includes scenario-based projections of revenue and cost-sensitivity relative to a current policies baseline. Total revenue and total cost movements of plus or minus 5% are classed as significant. WMUK's estimated revenue and cost movements remain below this threshold across the scenarios and time periods assessed. Projected costs and revenue are shown below:

Scenario	2030 Revenue	2030 Costs	2035 Revenue	2035 Costs	2050 Revenue	2050 Costs
Net Zero 2050	-0.94%	-0.07%	-1.50%	0.22%	-0.57%	0.97%
Below 2°C	-0.55%	-0.58%	-0.94%	-0.91%	-0.49%	-0.37%
Delayed Transition	0.00%	0.00%	-0.83%	-0.71%	-0.73%	0.36%
NDCs	-0.70%	-0.32%	-0.94%	-0.49%	-0.69%	-0.33%

Impacts on WMUK's business, strategy and financial planning

WMUK's business model, as an independent AFM, means that its exposure to climate-related risks is typically indirect. Operationally, WMUK may be exposed to physical climate risks affecting office operations and staff, and to transition risks through energy costs, supplier costs, regulatory change, and stakeholder expectations. In its role overseeing Schemes, WMUK is exposed to sustainability and climate-related risks primarily through regulatory obligations, reputational risk, and the need to maintain robust oversight of delegated investment managers.

Risk Management

Identifying and assessing climate-related and sustainability-related risks

Waystone Group's 2024 double materiality assessment identified climate-related risks applicable across Waystone entities, including WMUK. It considered both physical risks, such as energy performance and reliance on landlords, and transition risks, such as policy change and stakeholder expectations.

WMUK identifies climate-related risks relevant to its business through its own risk management framework, supported by the Group double materiality assessment. It records relevant risks on its risk register and emerging risk radar, assigns sponsors, and assesses inherent and residual risk. Risk Champions support the identification of risks across WMUK and escalate them through the relevant governance committees.

Managing climate-related and sustainability-related risks

WMUK manages physical climate risks primarily through adherence to the Group's corporate sustainability strategy and operational controls. These include the Group carbon footprint process, decarbonisation strategy, office-level energy efficiency initiatives, and supply chain engagement to support Scope 3 emissions reductions. WMUK incorporates this Group approach into its operations and governance.

Transition risks are managed through a combination of compliance and delegated oversight controls. WMUK's Compliance team reviews regulatory publications to identify new legislation or changes to existing requirements and notifies responsible persons within WMUK to support adherence. For Schemes with sustainability characteristics or claims, WMUK's investment oversight and product governance processes monitor compliance with the prospectus and regulatory requirements.

Integration into WMUK’s overall risk management framework

WMUK integrates the climate and sustainability risks described in this report into its ERM taxonomy. The Sustainability Risk and Fund Ethical and ESG Investing risks each have a designated sponsor responsible for managing the risk. The ESG: Climate Change risk is owned by RACC.

Risks included on the risk register are assessed using two fields, Likelihood and Impact, with five rankings for each.

Likelihood	Impact
Almost Certain	Significant
Likely	Material
Possible	Moderate
Unlikely	Minor
Rare	Insignificant

This assessment is conducted twice: firstly, to determine the inherent risk and secondly, to evaluate the residual risk. Inherent risk is the natural level of risk present before any controls or mitigation strategies are implemented. Residual risk is the risk that remains after controls and mitigation have been applied. Please see the risk rankings below:

Risk	Inherent likelihood	Inherent impact	Residual likelihood	Residual impact
Sustainability Risk	Possible	Minor	Unlikely	Minor
Fund Ethical and ESG Investing Risk	Possible	Moderate	Possible	Minor

Risks on the emerging risk radar are assessed based on Timeframe and Impact.

Timeframe	Impact
Within 1 year	High
1-2 years	Medium
2+ years	Low

The ESG: Climate Change risk has been assessed to have a medium impact, with a timeframe of ‘within 1 year’.

Risks identified by WMUK and included on the risk register and emerging risk radar are reported in the monthly risk dashboard to the ExCo and quarterly to the RACC and Board.

Metrics and Targets

Group climate metrics applied to WMUK

Waystone has developed its sustainability strategy and risk management processes to incorporate climate-related metrics that inform decision-making across the business. Key metrics include:

- Group carbon footprint (Scopes 1, 2 and relevant Scope 3 categories) calculated annually;
- SBTi-validated emissions reduction targets;
- Operational indicators such as energy use monitoring, and initiatives to improve Scope 3 data quality;

WMUK does not track formal staff engagement metrics, but local Sustainability Champions and office-level initiatives play an important role in encouraging participation in activities such as energy saving, recycling and behavioural change in the UK.

WMUK does not operate its own corporate sustainability strategy and instead follows the Group's strategy, so it has not adopted WMUK specific climate-related metrics.

Greenhouse gas emissions

Waystone follows the Greenhouse Gas Protocol for carbon accounting, categorising emissions into Scope 1 (direct emissions from Waystone owned or controlled sources), Scope 2 (indirect emissions from the generation of purchased or acquired energy that is consumed by Waystone) and Scope 3 (other indirect value chain emissions). The table below sets out the Group emissions (tCO₂e) for 2023 (baseline), 2024, and 2025. WMUK's emissions are calculated as a proportion of the Group footprint and allocated on a headcount basis.

	2023 (Baseline)		2024		2025*	
	Emissions (tCO ₂ e)	% of 2023	Emissions (tCO ₂ e)	% of 2024	Emissions (tCO ₂ e)	% of 2025
Scope 1 – Waystone	10	0.03%	7	0.02%	7	0.03%
Scope 1 – WMUK	3	0.03%	2	0.02%	1	0.03%
Scope 2* – Waystone	472	1.52%	191	0.61%	150	0.57%
Scope 2* – WMUK	119	1.52%	48	0.61%	32	0.57%
Scope 3 – Waystone	30,527	98.45%	31,049	99.37%	26,166	99.40%
Scope 3 – WMUK	7,672	98.45%	7,803	99.37%	5,605	99.40%
Total – Waystone	31,009	100%	31,247	100%	26,323	100%
Total – WMUK	7,794	100%	7,853	100%	5,638	100%

* Market-based.

To date, Waystone has not completed a formal assessment of the specific risks and opportunities associated with its emissions profile. Further analysis is planned as part of the ongoing commitment to climate change mitigation and decarbonisation.

Targets and performance against targets

The Science Based Targets initiative has approved Waystone’s near- and long-term science-based emissions reduction targets and verified its net-zero science-based target, confirming alignment with a 1.5°C pathway. Waystone has committed to the following:

- 1. By 2035: reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 63% and Scope 3 emissions by 38%, from a 2023 baseline.
- 2. By 2050: reduce absolute Scope 1 and 2 GHG emissions by 100% and Scope 3 emissions by 90%.
- 3. By 2050: achieve net-zero GHG emissions across the value chain.

Performance against these targets is measured annually by comprehensively calculating the Group’s global carbon footprint. WMUK has not set separate WMUK-specific climate targets; climate targets are set at Group level for application across all Waystone entities. To reach these targets, Waystone is prioritising the following actions:

Scope 1 and 2 Actions	Scope 3 actions
Transition to 100 % renewable electricity across offices	Engage suppliers to align with SBTi targets
Improve energy efficiency of equipment and reduce energy use across offices	Support low-carbon commuting through flexible and sustainable travel policies
	Improve IT procurement and e-waste disposal practices

Please see below examples of how Waystone has applied these actions:

- In 2025, 76 % of Waystone’s Scope 2 purchased electricity was matched with renewable electricity through supply arrangements and/or renewable energy instruments such as RECs, up from 46% in 2024
- Waystone is mapping landlord energy arrangements to identify further opportunities and has introduced global energy efficiency measures following a formal energy saving audit in its Ireland offices
- Environmental expectations for suppliers are laid out in procurement and vendor due diligence, laying the groundwork for reducing Scope 3 emissions
- Waystone’s third consecutive global commuting survey has improved Scope 3 data quality and may assist targeted support for lower-carbon travel options
- Waystone supports the responsible disposal of e-waste to prevent landfill and repurposes equipment wherever appropriate to support its broader sustainability objectives

Section 3 – WMUK Oversight of Schemes with ESG Credentials

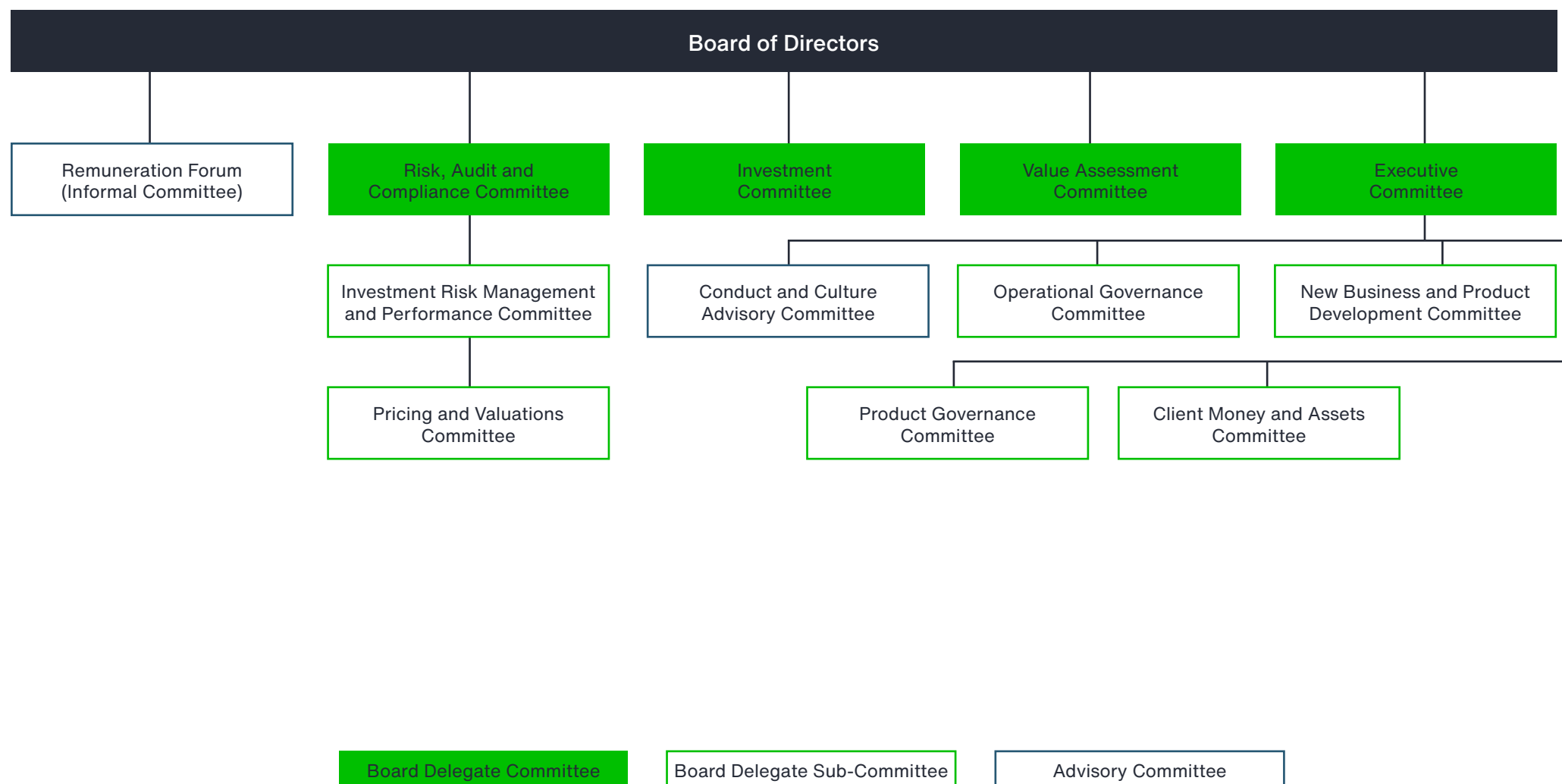


Section 3 – WMUK Oversight of Schemes with ESG Credentials

WMUK Committee Oversight

WMUK's oversight of Schemes with sustainability characteristics is a core element of its sustainability in-scope business. WMUK has established a committee structure to provide governance over the Scheme lifecycle and to ensure Schemes operate within the parameters set out in their prospectuses. Committees receive reporting that enables them to assess the management of identified risks and whether each Scheme is within acceptable tolerances, and to challenge the business where enhancements are required.

WMUK's governance framework includes the committees below, with ESG responsibilities as stated in this report.



Committee	ESG Responsibilities
Risk, Audit and Compliance Committee	Responsible for advising the WMUK Board on risk management and compliance frameworks, developing strategies and processes to ensure material exposures to any economic, environmental, and social sustainability risk within its Schemes are managed effectively
Value Assessment Committee	Oversees each Scheme's annual assessment of value which includes, where applicable, an evaluation and assessment of any ESG and climate-related criteria defined in the prospectus
Executive Committee	Implied responsibility for ESG. In its deliberations, any implications to climate change are considered in relation to day-to-day operations, product development, budget and strategy
Conduct and Culture Committee (advisory only)	An advisory committee to ExCo, responsible for driving sustainability and ethical practices across the organisation, including promoting ESG integration consistent with regulatory guidance and ethical expectations of financial services firms
Investment Risk Management and Performance Committee	Accountable for setting the WMUK Environmental, Social and Corporate Oversight Policy in relation to the Schemes, and for approving the means and measures for the continuing oversight of the Schemes with ESG-defined criteria
New Business and Product Development Committee (NBPDC)	Responsible for maintaining a controlled environment for the approval of all Scheme developments, including setting the ESG parameters for Schemes adopting ESG as an integral part of their objective, in accordance with WMUK Environmental, Social and Corporate Oversight Policy
Product Governance Committee	As part of its responsibility for maintaining a controlled environment for the ongoing oversight of the Company's Schemes in meeting the needs of the target market, it performs periodic assessments of a Scheme's attainment of ESG-defined criteria as well as reviewing and approving the SDR Product Level Reports
Remuneration Forum	No direct responsibility for ESG
Client Money and Assets Committee	
Pricing and Valuation Committee	
Operational Governance Committee	
Investment Committee	

WMUK Approach to Sustainable Investing and Product Governance

As an independent AFM, WMUK does not determine investment strategies or make investment decisions but retains ultimate regulatory responsibility for the funds. It delegates investment management to third-party investment managers but has not set out an obligation on all Schemes to be managed with consideration of ESG-related issues. The investment managers are appointed by WMUK, via a discretionary investment management agreement, to manage each of the Schemes in accordance with its prospectus (i.e. the investment objective, policy, and strategy) and all applicable regulations.

Certain Schemes are designed through their objective, policy and strategy to meet defined ESG investment standards, which may include climate-related risk targets, as well as naming and marketing rules, reporting and disclosure requirements under the FCA's SDR reporting regime.

WMUK has supported several of its delegated investment managers in adhering to the FCA's Sustainability Reporting Requirements, including compliance with the anti-greenwashing rules, the production of Consumer Facing Disclosures ("CFD") and applications to the FCA for approval to use fund sustainability labels. WMUK has reviewed its funds' prospectuses and managers' marketing materials to ensure they are not making false sustainability claims, which ensures compliance with the anti-greenwashing rule. This assessment is conducted on an ongoing basis by reviewing proposed fund changes which incorporate sustainability characteristics, as well as regular reviews of managers' websites and marketing materials. WMUK has also produced the first annual SDR Product-Level Reports, which show the funds' performance against their sustainability characteristics. WMUK has also continued to support several funds with benchmark-relative carbon limits.

WMUK does not set or control client or portfolio-level climate metrics or KPIs. Where climate metrics are intrinsic to a fund's investment strategy, WMUK's role is oversight, not target setting. For that reason, it would not be appropriate for WMUK to set outward-looking portfolio KPIs or targets.

Rather than operating a specified sustainable investment approach, WMUK's overarching approach to investment sustainability is to support investment managers, where relevant, in the design, manufacture and ongoing governance of Schemes, and to assist managers in incorporating sustainability characteristics into the funds they manage, if they wish. For each Scheme for which WMUK acts as independent AFM, it reviews the fund's investment objective, policy and strategy to ensure it complies with applicable regulations and guidance and regularly monitors the funds to ensure they are managed in accordance with the requirements set out in the prospectus. The Investment Oversight Team is responsible for monitoring the investment limits of the funds, which includes monitoring compliance with any baseline exclusion criteria or sustainable investment limits set out in the prospectus.

The Product Development team collaborates closely with investment managers to design products and, if required, incorporate sustainability characteristics into the funds. The Investment Oversight team is consulted to ensure any proposed sustainability characteristics are reasonable and do not present any challenges from a fund oversight perspective. The Product Governance team ensures the proposals comply with any applicable regulations. Ultimately, fund launches and changes are subject to review and approval by NBPDC.

As part of the Assessment of Value (AoV) process, where a fund has sustainability features in the objective (e.g. carbon footprint compared to the benchmark), this is measured as part of the performance assessment. Where sustainability features are included in the investment policy/strategy, it is measured as part of the Quality-of-Service Assessment.

Oversight of Schemes with Sustainability Characteristics

WMUK applies a four-tier approach to ongoing governance and monitoring of funds with sustainability characteristics. The intensity of oversight, reporting, and governance differs by tier, reflecting the nature of sustainability claims and the applicable regulatory requirements. This tiering is used to allocate oversight resources and to ensure that appropriate product-level disclosures are produced.

Tier	Includes	WMUK's oversight and responsibilities
1) Labelled funds	Funds with prospectus disclosures to facilitate the use of an SDR sustainability label	- Conduct an annual review to ensure the use of the sustainability label remains appropriate - Ongoing monitoring of the fund against its sustainability objective - Ensure the fund is managed in accordance with the sustainability criteria as defined in the investment policy/strategy - Produce and regularly review/update CFDs - Produce annual SDR Product-Level Reports (please see assessment criteria below) - Produce annual TCFD Product-Level Reports
2) Non-labelled funds subject to naming and marketing rules	Retail funds using sustainability-related terms and therefore requiring CFDs and product-level reporting	- Ensure the fund is managed in accordance with the sustainability criteria as defined in the investment policy/strategy - Produce and regularly review/update CFDs - Produce annual SDR Product-Level Reports (please see assessment criteria below) - Produce annual TCFD Product-Level Reports
3) Other funds with sustainability characteristics or exclusion criteria	- Funds which have sustainability characteristics, but are not available to retail clients - Funds with sustainability characteristics which are not material to the management of the fund, e.g. baseline exclusion criteria	- Ensure the fund is managed in accordance with the sustainability criteria as defined in the investment policy/strategy - Produce annual TCFD Product-Level Reports
4) Funds with no sustainability characteristics	All other funds	Produce annual TCFD Product-Level Reports

CFDs for labelled and non-labelled funds in scope of the naming and marketing rules can be found on the individual fund's page on the WMUK website.

The SDR rules permit that a fund's SDR and TCFD Product-Level reports may be published in one combined document. WMUK published combined reports for the 32 funds which fall in scope of the naming and marketing rules on 30 April 2026, which can be found on the WMUK website: <https://www.fundsolutions.net/jurisdictions-and-investment-managers/>.

The two labelled funds for which WMUK acts as AFM will have separate SDR and TCFD Product-Level reports in 2026. The TCFD Product-Level reports, covering the calendar year 2025, will be published by 30 June 2026. The SDR Product-Level reports have reporting dates of 7 April 2026 (WS Guinness Sustainable Energy Fund) and 30 June 2026 (WS Montanaro Better World Fund). They will be published four months following the reporting date.

The purpose of the SDR Product-Level report is to measure the fund's performance against its sustainability criteria to ensure the manager is not making any sustainability claims which it cannot or is not currently adhering to.

Assessment criteria for non-labelled funds:

- Has the fund invested in accordance with its investment policy and strategy on an ongoing basis?
- Performance against any Sustainability Metrics defined in the prospectus.

The TCFD Product-Level report includes a baseline set of consistent, comparable disclosures related directly to the fund. Its purpose is to provide stakeholders with meaningful, decision-useful information on climate-related issues at the product level. The full details of the measures applied to climate-related risks are set out in the TCFD Helpful Guide for Investors. This guide has been produced to help investors better understand what TCFD is and assist them in interpreting the product-level reports and key metrics provided. It can be found at: <https://www.fundsolutions.net/tcfd-sdr-reporting/>

Assessment criteria for labelled funds:

- Progress towards meeting the sustainability objective.
- Has the fund invested in accordance with the investment policy and strategy on an ongoing basis?
- The proportion of the fund's assets invested in accordance with the sustainability objective, as well as a review of any assets that either do not contribute to the sustainability objective or that breach the sustainability objective.
- Performance against its sustainability KPIs and any other relevant Sustainability Metrics.
- Application of the fund's stewardship strategy and escalation plan.
- Progress which the fund's assets are making towards achieving a positive environmental and/or social impact (Sustainability Impact Labelled Funds only).

The findings of this report will be used as part of an assessment to determine whether use of the sustainability label remains appropriate.

These reports are produced by the Product Governance team on an annual basis and are subject to scrutiny and review by representatives from Product Governance, Investment Risk, and Compliance. The reports are reviewed and approved by the Product Governance Committee.

Funds' sustainability metrics and targets are defined by the investment manager. Governance and risk management of schemes are consistent across asset classes but differ depending on tier allocation. Labelled funds are subject to the highest level of oversight, including increased assessment criteria as part of the SDR Product-Level Report as explained above. Non-labelled funds have similar oversight requirements but have less assessment criteria as part of the SDR Product-Level Report. Whilst funds not in scope of the naming and marketing rules are still monitored against their sustainability criteria, they are not required to publish SDR Product-Level Reports.

Funds in Scope and AUM by Sustainability Tier

As at 31 December 2025, two funds met the relevant criteria for use of an SDR sustainability label, and 32 funds fell into the non-labelled tier that is subject to naming and marketing rules.

Labelled Funds

- WS Montanaro Better World Fund – Sustainability Impact
- WS Guinness Sustainable Energy Fund – Sustainability Focus

Non-labelled Funds subject to naming and marketing rules

- Crystal Fund
- Trojan Ethical Fund
- Trojan Ethical Global Income Fund
- Trojan Ethical Income Fund
- Trojan Fund
- Trojan Global Income Fund
- Trojan Income Fund
- WS T. Bailey UK Responsibly Invested Equity Fund
- WS Amati Global Innovation Fund
- WS Amati Strategic Metals Fund
- WS Amati UK Listed Smaller Companies Fund
- Buxton Fund*
- WS Ruffer Absolute Return Fund
- WS Ruffer Equity & General Fund
- WS Ruffer Gold Fund
- WS Ruffer Total Return Fund
- WS Ruffer Diversified Return Fund
- Heriot Global Fund
- Heriot Global Smaller Companies Fund
- WS Montanaro Europe (ex-UK) Small and Mid-Cap Fund
- WS Montanaro Global Select Fund
- WS Montanaro UK Income Fund
- WS Guinness Global Energy Fund
- WS Guinness Asian Equity Income Fund
- WS Guinness European Equity Income Fund
- WS Guinness Global Equity Income Fund
- WS Guinness Global Innovators Fund
- WS Guinness Global Quality Mid Cap Fund
- WS Epworth Global Equity Fund for Charities
- WS Epworth UK Equity Fund for Charities
- WS Epworth Multi Asset Fund for Charities
- WS Epworth Climate Stewardship Fund for Charities

*The Buxton Fund transferred out via a Scheme of Arrangement on 11 June 2026.

Finally, there are 31 funds which fall into the third tier, whereby the funds have sustainability characteristics but are not within scope of SDR either because they are not available to retail investors or their sustainability features are not material to the fund.

Please see below a breakdown of WMUK’s Assets under Management ("AUM") by sustainability tier, as at 31 December 2025.

Category	Number of funds	AUM (£bn)	% of total AUM
Labelled funds	2	0.06	0.05%
Non-labelled funds subject to naming and marketing rules	32	14.66	13.72%
Other funds with some sustainability characteristics/exclusion criteria	31	18.65	17.45%
Funds with no sustainability characteristics	161	73.49	68.78%
Total	226	106.86	100%

The majority of funds for which WMUK acts as ACD do not have sustainability characteristics, accounting for 68.77% of WMUK’s total AUM. However, 65 funds have some form of sustainability characteristics, representing 31.23% of total AUM.

Data Governance and ESG Data Provider Oversight

From a fund oversight and risk perspective, WMUK utilises ESG data from MSCI. MSCI is acknowledged as a market leader in ESG and sustainability data and rating methodologies, and WMUK therefore considers its data to be reliable. Given its large volume, WMUK does not conduct ongoing due diligence of MSCI’s data but engages with MSCI where there is cause to challenge their methodology due to a change in approach. The objective of this process is to understand any change in methodology as opposed to challenging data quality.

Section 4 – Appendices



Section 4 – Appendices

Appendix A – Scenario Analysis

Physical risk ratings (risk ratings consistent across time periods)

Hazard	SSP1–2.6	SSP2–4.5	SSP5–8.5
Cold waves	Low	Low	Low
Cyclones	n/a	n/a	Low
Drought	Low	Low	Low
Hail	Low	Low	Low
Rain flooding	n/a	Low	Low
River flooding	n/a	Low	Low
Storm surge	n/a	n/a	Low
Wildfire	Low	Low	Low
Landslide	Low	Low	Low
Coastal flooding	n/a	Low	Low
Extreme heat	Low	Low	Low
Subsidence	Medium	Medium	Medium
Water stress	Medium	n/a	Medium
Heat stress	n/a	n/a	Low

Transition Risk Ratings

[illegible]

Appendix B – Glossary

Alternative Investment Fund Manager (“AIFM”)

The entity performing the investment management function, responsible for ensuring compliance with the Alternative Investment Fund Management Directive (“AIFMD”) regulations and responsible for providing the legal, regulatory and risk management framework for the alternative investment funds through its oversight and governance process.

Anti-Greenwashing Rule

The SDR Anti-Greenwashing Rule mandates that all FCA-authorised firms must ensure any sustainability-related assertions regarding their financial products or services are consistent with the actual sustainability characteristics of the product or service, and are fair, clear, and not misleading.

Authorised Corporate Director (“ACD”)

In Waystone Management (UK) Limited’s (“WMUK”) capacity as Authorised Fund Manager we act as the ACD (Authorised Corporate Director) where we are responsible for providing the legal and regulatory framework for each fund through our extensive Product Governance process, Value Assessment, Risk Monitoring and Reporting.

Authorised Fund Manager (“AFM”)

WMUK is an independent, regulated provider of AFM services for a range of UK-regulated funds.

Baseline Exclusion Criteria

Refers to the minimum fund-level rules that may define which companies, sectors, or activities must be excluded from investment portfolios due to their inconsistency with environmental, social, or governance (“ESG”) standards.

Building Research Establishment Environmental Assessment Method (“BREEAM”)

A method of identifying the sustainability of buildings. BREEAM is an assessment undertaken by independent licensed assessors using scientifically-based sustainability metrics and indices which cover a range of environmental issues.

Climate Change Mitigation

Refers to actions and strategies aimed at reducing or preventing the emission of greenhouse gases (“GHGs”) and enhancing processes that remove them from the atmosphere, in order to limit the magnitude and rate of long-term climate change.

Consumer Facing Disclosures (“CFDs”)

A disclosure produced under ESG 5.2 in respect of a sustainability product that provides a clear, concise, retail-focused summary of a product’s key sustainability characteristics.

Double Materiality Assessment

A process used in sustainability and ESG reporting to evaluate how ESG factors affect the company and how the company affects the world.

ESG Sourcebook

A dedicated section of the FCA Handbook that consolidates environmental, social, and governance (“ESG”) regulations and guidance for financial firms.

Financial Conduct Authority (“FCA”)

The body which regulates the financial services industry in the UK. Its role includes protecting consumers, keeping the industry stable and promoting healthy competition between financial service providers.

Greenhouse Gas (“GHG”) Emissions

Refers to the release of gases into the Earth’s atmosphere that trap heat and contribute to the greenhouse effect, leading to global warming and climate change.

Key Performance Indicator (“KPI”)

A quantifiable measure used to assess the performance of a process.

Leadership in Energy and Environmental Design (“LEED”)

A green building certification programme used worldwide. Developed by the non-profit U.S. Green Building Council (“USGBC”), it includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, homes, and neighbourhoods, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

Nationally Determined Contributions (“NDCs”)

The self-determined climate action plans that each country prepares and submits under the Paris Agreement, including how much they will cut emissions and how they will adapt.

Part B Product-Level Sustainability Reports

A mandatory report required under the FCA’s Sustainability Disclosure Requirements for labelled funds and funds that utilise the terms in ESG 4.3.2R(2). The purpose of these reports is to assess the fund’s performance against the sustainability criteria included in its prospectus and CFD to ensure the manager is appropriately applying its sustainability criteria and not making any sustainability claims which it cannot or is not currently adhering to.

Renewable Energy Certificates (“RECs”)

Tradable instruments that represent proof that one megawatt-hour (MWh) of electricity has been generated from a renewable energy source

Science Based Targets initiative (“SBTi”)

A corporate climate action organisation that develops standards, tools and guidance which allow companies to set greenhouse gas (“GHG”) emissions reduction targets in line with what is needed to reach net-zero by 2050 at the latest.

Scope 1 Emissions – Direct emissions from Waystone owned or controlled sources.

Scope 2 Emissions – Indirect emissions from the generation of purchased or acquired energy that is consumed by Waystone.

Scope 3 Emissions – All indirect emissions (not included in Scope 2) that occur upstream and downstream of the organisation’s value chain.

SDR Sustainability Label

SDR Sustainability Labels are designed to help retail investors identify and compare investment products based on their sustainability objectives and strategies, reducing the risk of greenwashing and improving transparency. There are four types of Sustainability Labels:

1. **Sustainability Focus** – For products investing mainly in assets that are already sustainable or aligned with environmental/social objectives
2. **Sustainability Improvers** – For products aiming to invest in assets that improve their sustainability performance over time
3. **Sustainability Impact** – For products seeking to deliver measurable positive environmental or social impact, beyond financial returns
4. **Sustainability Mixed Goals** – For products combining elements of the above strategies (focus, improver, impact) in a balanced approach

Software as a Service (“SaaS”) Applications

A cloud-computing service model in which a provider delivers application software to clients, while managing the required physical and software resources.

Stewardship

The use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social, and environmental assets on which their interests depend.

Sustainability Disclosure Requirements (“SDR”)

The SDR is a comprehensive regulatory framework introduced by the UK’s Financial Conduct Authority to enhance the trust, transparency, and comparability of financial products that are marketed based on sustainability credentials. It contains:

1. An Anti-Greenwashing Rule
2. The Sustainable Labelling Regime
3. Naming and Marketing Rules
4. Disclosure Obligations

Task Force for Climate-Related Financial Disclosure (“TCFD”)

The Task Force on Climate-related Financial Disclosures (“TCFD”) was an international initiative established by the Financial Stability Board (“FSB”) to develop a standardised framework for companies and financial institutions to disclose climate-related risks and opportunities in their reporting. It was disbanded in October 2023, having fulfilled its remit.

Value Chain

A value chain is a series of consecutive steps that go into the creation of a finished product. The chain identifies each step in the process at which value is added, including the sourcing, manufacturing, and marketing stages of its production.

Vendor Management

Vendor management is the process of strategically overseeing and controlling relationships with third-party suppliers or service providers to ensure they deliver goods or services that meet an organisation’s quality, cost, compliance, and performance standards.

WELL Building Standard (“WELL”)

WELL is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact human health and wellness, through air, water, nourishment, light, fitness, comfort, and mind.

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