

Task Force on Climate-related Financial Disclosures

For the period 1 January 2023 to 31 December 2023

Introduction and Background

Waystone Management (UK) Limited ("WMUK" or "Company") is pleased to present its first annual Task Force on Climate-related Financial Disclosures ("TCFD") report. The WMUK report (see Section A) is structured in line with the recommendations made by the Task Force in June 2017, and subsequent guidance.

WMUK approaches climate-related risks and opportunities from two main perspectives – as a corporate entity whose business activities could impact climate-related risks and as an independent Authorised Fund Manager overseeing the asset of Schemes with Environmental, Social and Governance credentials (see Section B).

The next two sections provide a brief overview of WMUK's relationship with Waystone Group, and WMUK's business.

WMUK's Relationship with Waystone Group

WMUK is a subsidiary of Waystone Group, an unlisted and privately owned company, who provide leading global governance and third-party management company services. As WMUK operates within the Waystone Group structure and is influenced by Waystone Group in its consideration of TCFD factors in its day-to-day business, it is relevant to consider Waystone Group's approach to sustainability prior to setting out WMUK's current and future approach to TCFD (see Section A – WMUK TCFD Report).

Waystone Group leads the way in specialist services for the asset management industry. Partnering institutional investors, investment funds and asset managers, Waystone Group builds, supports and protects investors, investment and strategies worldwide. With over 20 years' experience and a comprehensive range of specialist services to its name, Waystone Group provides its clients with guidance and tools to allow them to focus on managing their investment goals with confidence. It's teams have the expertise, knowledge and technical capabilities to provide fit-for-purpose, efficient and compliant solutions. And it can do so right across the world.

The Waystone Group Sustainability Committee is responsible for setting, driving, and supporting the corporate Environmental, Social and Governance ("ESG") strategy, policy, and initiatives of the group. The committee reports to both the Waystone Group Executive Committee and Waystone Group Board of Directors with the Global COO, as the executive sponsor for ESG.

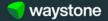
As well as the Global COO, the committee also comprises the Waystone Group General Counsel and Waystone Group Chief People Officer. In addition there is representation from Enterprise Risk, Organisational Controls, Facilities, Public Affairs, Business Management, Marketing, and its Compliance Solutions, Fund Administration Solutions, and Regulated Fund Solutions divisions.

Reporting on corporate sustainability is provided to the Executive Committee and Group Board, as well as other internal boards of regulated entities where requested.

Waystone Group calculates and monitor its carbon footprint [using Position Green] and has committed to set science-based emission reduction targets, in line with the Science Based Targets initiative criteria and recommendations, and submit these targets to the SBTi for validation by June 2025.

Waystone Group is in scope to report under the Corporate Sustainability Reporting Directive and commencing 2026 will produce a corporate sustainability report aligned to European Sustainability Reporting Standards.

Further information can be found on the Waystone Group's ESG approach here: https://www.waystone.com/environmental-social-and-corporate-governance/



WMUK's Business

WMUK is the independent Authorised Fund Manager ("AFM") of a number of Open-Ended Investment Companies ("OEICs") and Authorised Unit Trust Schemes ("AUTs") comprising of Undertakings for Collective Investment in Transferable Securities ("UCITS") funds. WMUK is also the independent Alternative Investment Fund Manager ("AIFM") to a number of Non-UCITS Retail Schemes ("NURS") including a Charity Authorised Investment Fund ("CAIF"), Qualifying Investor Schemes ("QISs") and Authorised Contractual Schemes ("ACSs"): together these are categorised as Alternative Investment Funds ("AIFs").

The combination of both AFM and AIFM (together "AFM") investment funds are known as the "Scheme(s)".

On 9 October 2023, Waystone Group completed the transaction to acquire the Irish and UK businesses (apart from certain excluded assets and liabilities) of Link Fund Solutions (LFS), a division of Link Group. Following completion of the acquisition and the approval of the Financial Conduct Authority ('FCA'), WMUK replaced Link Fund Solutions Limited as Authorised Fund Manager for over 170 UK funds with c.£82.0bn assets under management. This material change to WMUK within 2023 resulted in combined assets under management as at 31 December 2023 of c.£87.0bn and requiring WMUK to present its first TCFD report.

As an independent AFM, WMUK, with limited exceptions, outsources portfolio management to third-party investment managers. The investment managers are appointed, via a discretionary investment management agreement with WMUK, to manage each of the Schemes in accordance with the Scheme's prospectus (that is, the investment objective, policies, and strategies) and all applicable regulations. These third-party investment managers range in size such that a number are not required until 2024, at the earliest, to themselves produce a TCFD entity report. Where a third-party investment manager has produced a TCFD entity report this will be available on their website.

WMUK, as at 31 December 2023, has not set out an obligation on all Schemes to be managed with consideration of climate-related risk targets. However, certain Schemes, as set out in their prospectuses, are designed through their objective, policy and strategy to meet certain ESG investment standards, which may include TCFD considerations.

As WMUK is a significant independent AFM delegating portfolio management, it recognises both ESG and climate-related risks that emerge from each of its Schemes for which it delegates portfolio management. To assess, oversee and manage those risks, the WMUK Board has established a number of formal committees which support the Board in respect of such risks. As these risks are within the Schemes, and are not directly controlled on a day-to-day basis by WMUK, these oversight arrangements are set out in Section B.

Compliance statement

The disclosures in this report, including the product reports cross referenced, comply with the requirements under chapter 2 of the ESG Sourcebook.

Any information provided by third parties is believed to be reliable but has not been verified by Waystone Management (UK) Limited which supports the Board in the monitoring of such risks. As these risks are within the Schemes, and are not directly controlled on a day-to-day basis by WMUK (as the portfolio management of the schemes is delegated to third

party investment managers), these oversight arrangements are set out in Section B.

Signed:

Name: Andrew Berry

Date: 27 June 2024

Waystone Management (UK) Limited TCFD 31/12/23

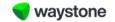


Section A – WMUK TCFD Report

General

In accordance with the requirements of ESG2.2 TCFD Entity Report of the FCA handbook this report sets out the four key matters (commonly known as the "four pillars") which should be addressed by a firm in its TCFD report, with the pillars underpinned by eleven supporting disclosure recommendations. The below report is structured on that basis and is concerned with WMUK as a business entity.

	Governance (Pillar 1)
Disclose the organisation's governance around climate-related risks and opportunities, incorporating disclosure requirements.	The governance of WMUK stems from the direction set by the Board. The Board comprises of three independent non-executive directors and four executive directors. The Board is responsible for directing and overseeing WMUK and its corporate governance framework. The Board is required to act in the best interests of the Company's shareholders and have appropriate regard for the Company's other stakeholders, primarily to act in the best interests of the investors in the Company's Schemes.
	The Board retains overall responsibility for sustainability and ESG, which includes: -
	 Recognition of Waystone Group's Sustainability Strategy which incorporates robust environmental, social and governance focus areas considered to be material to the business, and in due course its formalisation and adoption within the WMUK governance framework;
	 Ensuring the regulatory requirements for sustainability and ESG in the Schemes, which have defined such outcomes in their prospectuses, and for which WMUK acts as independent AFM, are achieved and maintained (see Section B);
	 The continued identification and consideration of any material exposure to any economic, environmental, and social sustainability risks and then monitoring those strategies to address these risks; and
	 Establishing the means to exercise oversight and governance of ESG matters.
	In progressively formalising its oversight of sustainability and ESG, WMUK will in subsequent years, as appropriate, enhance its disclosures in the Company's Annual Financial Report.
Describe the Board's oversight of climate-related risks and opportunities.	As noted above, the WMUK Board is progressively evolving its oversight of climate-related risks and opportunities, and any such enhancements will be detailed in future TCFD reporting.
Describe management's role in assessing and managing climate-related risks and opportunities.	As the WMUK Board evolves its requirements for the oversight of climate-related risks and opportunities, WMUK will develop the metrics and key performance indicators that enable the WMUK Board to fully assess the Company's management of those risks and opportunities.
	To enable this process to operate effectively, reporting to the Board will be achieved through various WMUK Board Committees, the structure of which is shown in Section B.



Strategy (Pillar 2) Disclose the actual and potential impacts of WMUK has not, as of 31 December 2023, assessed, as a Company, the actual and potential impacts of climate-related risks and climate-related risks and opportunities on the opportunities. organisation's businesses, strategy, and financial As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be planning where such information is material. incorporated in Waystone Group's future reporting. Describe the climate-related risks and In the past year, WMUK has introduced new investment strategies through launches of several funds for our delegated investment opportunities the organisation has identified managers with a sustainability or climate-focused objectives. over the short, medium, and long term. During 2023 we launched and established ongoing oversight of a multi-manager sustainable equity fund. We continue to support several funds with benchmark relative carbon limits. Provide support to managers preparing for the implementation of the FCA's sustainability policies. During 2023, the WMUK Board also approved to support investment managers in the development of Long-Term Asset Funds ("LTAF"). The heart of these type funds is to grow the investment across the UK into less liquid private markets and alternative assets, which will support investment into areas of: Infrastructure with ESG upgrade potential Forestry and timber Renewable energy We are focused on embedding our Net Zero Investment Framework ("NZIF") across the business. This is integrated into our Portfolio Analysis Tool to provide our investment teams with a clear overview of key metrics and the ability to assess transition alignment. While it currently only applies to public equities and fixed income, we continue to work on other classes as guidance becomes available. Describe the impact of climate-related risks As of December 2023, there are no matters to disclose in respect of WMUK. and opportunities on the organisation's As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be businesses, strategy, and financial planning. incorporated in Waystone Group's future reporting. Describe the resilience of the organisation's strategy, As of December 2023, there are no matters to disclose in respect of WMUK. taking into consideration different climate-related As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be scenarios, including a 2°C or lower scenario. incorporated in Waystone Group's future reporting.



Risk Management (Pillar 3)	
Disclose how the organisation identifies, assesses, and manages climate-related risks.	As WMUK progressively develops its strategy in relation to climate-related risks, it will then be able to fully identify and assess those risks, and whether they are material to WMUK. WMUK will then develop appropriate mitigation to those risks. In future TCFD reports, WMUK will set out the risks that have been identified, assessed for their materiality and how those risks will be managed.
	WMUK, through its interactions with Waystone Group's Sustainability Committee, supports Waystone Group's identification, assessment and management of climate-related risks.
Describe the organisation's processes for identifying and assessing climate-related risks.	WMUK will be developing, through the latter half of 2024 and into 2025, its approach to identifying and assessing climate-related risks.
Describe the organisation's processes for managing climate-related risks.	WMUK will be developing its approach and processes to identifying, assessing and managing climate-related risks and opportunities.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The WMUK Board, as it develops its governance of climate-related risks, will incorporate within its Committee Structure (see Section B) responsibility for the risk management, as appropriate, of climate-related risks.



Metrics and Targets (Pillar 4)

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	WMUK, as a business entity, has not set for the year-end 31 December 2023 any metrics or targets to assess and manage climate-related risks and opportunities, either as an entity nor imposed such targets on Schemes where it is the independent AFM.
	As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be incorporated in Waystone Group's future reporting.
	However, the FCA published, in December 2021, PS21/24 – Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers.
	PS21/24 introduced the Environmental, Social and Governance ("ESG") sourcebook, with amendments being made to the Collective Investment Schemes ("COLL") sourcebook (the "Regulation").
	This regulatory development requires that WMUK prepares both a TCFD entity report and Scheme reports for each Scheme where WMUK is the AFM.
	The content of the Scheme report is aligned with the Task Force on Climate-related Financial Disclosures – Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (the "Disclosures").
	WMUK has published, on its website, each Scheme report for the year 2023 as of 31 December 2023. The availability of the Scheme report is cross referenced to the Scheme's financial statements, published post 30 June 2024. The full details of the measures applied to climate-related risks are set out in the Guide to the Climate Risk Report ("CRR").
	The Guide to the CRR can be found at https://www.fundsolutions.net/tcfd-reporting/
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	As WMUK develops its Strategy and Risk Management, it will be considering and determining the metrics to assess climate-related risks and opportunities to the organisation.
	As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be incorporated in Waystone Group's future reporting.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	WMUK, as an entity, has not measured its own Scope 1, 2 or 3 emissions and nor their related risks.
	As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be incorporated in Waystone Group's future reporting.
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	WMUK, as of 31 December 2023, had not set any targets for the Company to manage climate-related risks.
	As part of Waystone Group, WMUK's assessed contribution to the Group's overall climate-related risks and opportunities will be incorporated in Waystone Group's future reporting.

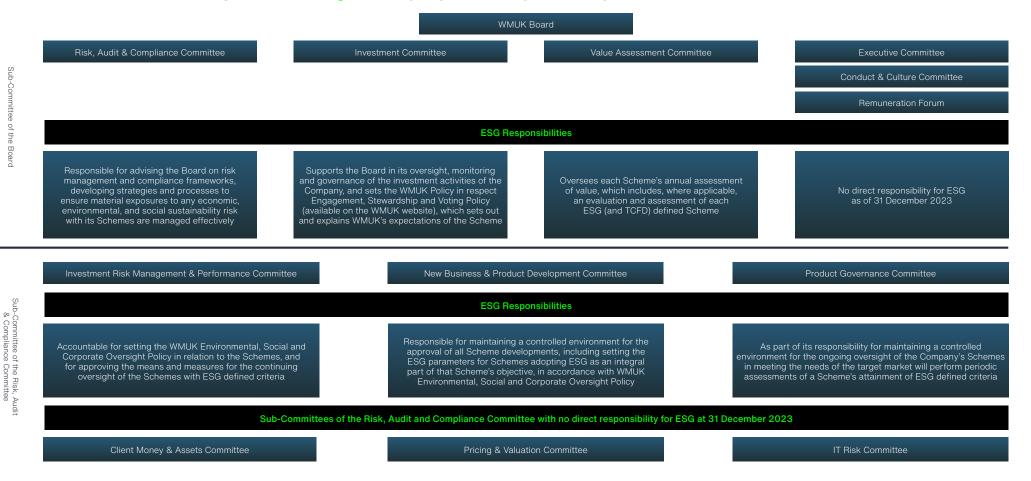


Section B – WMUK Oversight of Schemes with ESG credentials

To ensure that the Schemes operate within the parameters as set out in a Scheme's prospectus, the WMUK Board has in place a robust Committee structure. Each Committee performs an oversight activity in respect of the various stages of a Scheme's life cycle. Those Committees receive specific reports that enable each Committee to assess the appropriate identification and management of the identified risks and whether each Scheme is within acceptable risk tolerances. This approach enables the business to be challenged on the effectiveness of the controls operated and whether enhancements are required to existing process.

The below sets out the WMUK Governance framework, with a brief description of each Committee's responsibility in respect of ESG.

Waystone Management (UK) Limited ("WMUK") Governance Structure



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