WALTER SCOTT

BNY MELLON | INVESTMENT MANAGEMENT

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ENTITY REPORT

2023

Stock Examples – This information should not be considered a recommendation to buy or sell any particular security. There is no assurance that any securities discussed herein will feature in any future strategy run by Walter Scott. Any examples discussed are provided purely to help illustrate our investment style, or are given in the context of the theme being explored. The securities discussed do not represent an entire portfolio and in aggregate may represent only a small proportion of a strategy's holdings.

CONTENTS

MANAGING DIRECTOR'S STATEMENT

JANE HENDERSON
Managing Director

This is our second 'entity level' Task Force on Climate-related Financial Disclosures (TCFD) Report, following the publication of our first report in June 2023. This Walter Scott & Partners Limited (Walter Scott or "the firm") TCFD Entity Report covers the reporting period 1st January to 31st December 2023.

Understanding climate considerations, including transition risks and opportunities, and their financial implications, makes us better long-term stewards of our clients' capital. The TCFD recommendations are the leading international framework for disclosing climate-related risks and opportunities, highlighted by their incorporation into the International Sustainability Standards Board, and by their inclusion in the UK Financial Conduct Authority's (FCA) Environmental, Social and Governance (ESG) Sourcebook for asset managers.

Temperature records around the world were again surpassed in 2023, and more regions endured a range of climate-related natural disasters. In addition to physical climate change risks, evolving regulations, changes to taxes and subsidies, and increasing customer expectations are already combining to create new transition risks and opportunities for our investments and indeed for our own operations. Despite limited expectations in the run-up to the December 2023 COP28 meeting, the talks concluded with a milestone agreement to 'begin the global transition away from fossil fuels', the first time that this had made the text of an international treaty of this kind. It is for these reasons that we continue to believe that it is of material financial importance for our holdings to have the ability to successfully operate and grow in climate scenarios where there are more concerted policy efforts to curtail emissions, such as a Paris-aligned economic trajectory, as well as in scenarios where physical risks are more acute.

Building on a number of years of work in this area, climate considerations are embedded within our firm; from the integration of climate factors into the research and analysis of portfolio companies as part of our investment process, through to climate considerations forming part of the decision making within our own

"Understanding climate considerations, including transition risks and opportunities, and their financial implications, makes us better long-term stewards of our clients' capital."

“All of our work on climate and transition is firmly anchored around financial risks and opportunities for our investee companies, and within our investment time horizon and our area of investment specialism.”

business operations. However our approach is ever evolving, and there is always more to do.

It is part of our fiduciary duty to identify and address to the best of our ability all systemic risks to our clients’ portfolios. All of our work on climate and transition is firmly anchored around financial risks and opportunities for our investee companies, and within our investment time horizon and our area of investment specialism. Our focus continues to be on investing in innovative publicly listed firms that we believe can consistently compound wealth for our clients, through business models that successfully manage material ESG risks. This includes addressing material climate-related risks and taking advantage of relevant transition opportunities in their business strategy.

Focusing on 2024 and beyond, our work in this area is continuing to evolve. We are undertaking further work to develop the utility of climate scenario analysis in our investment research and operations, and we are enhancing our analysis of investments that we have determined to be more at risk to climate change and transition considerations. We look forward to providing further information on these developments in our 2024 TCFD Entity Report.

This TCFD Entity Report has been reviewed and approved by the Executive Management Committee (EMC) of Walter Scott. An external consultancy firm has also reviewed the report against Walter Scott’s regulatory disclosure requirements and provided feedback and commentary that has been incorporated into the final report. I can confirm that the disclosures in this report comply with the FCA’s requirements within Chapter 2 of its ESG Sourcebook.

Jane Henderson, Managing Director

2023 TCFD ENTITY REPORT OVERVIEW

The table below provides a summary overview of our 2023 TCFD Entity Report and additional information on key activity to date in 2024. It is set out under the four pillars prescribed in the TCFD guidelines: Governance, Strategy, Risk Management and Metrics & Targets.

Governance	
TCFD Recommendation	"Disclose the company's governance around climate-related risks and opportunities."
TCFD Recommended Disclosures	(a) Board oversight (b) Management's role
Our Response	The Board is responsible for ensuring that financially material climate-related considerations are integrated into our strategy, decision-making, financial planning and business processes. Climate-related considerations are reviewed by the Board on a periodic basis. Management oversight is provided by various committees, quarterly reporting on key data and significant developments.
Focus for 2024	The Board will hold a discussion of climate-related risks, opportunities and disclosures at least annually. We will provide additional training across senior management and the Research team on climate-related risks and opportunities.

Strategy	
TCFD Recommendation	"Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material."
TCFD Recommended Disclosures	(a) Risks and opportunities (b) Impact on organisation (c) Resilience of strategy
Our Response	We seek to understand and integrate into our investment process evaluation of all material climate-related risks and opportunities. As a part of this goal, we expect that our investee companies have the ability to operate and grow in a Paris-aligned global economy, and that their business operations are resilient to physical climate risks under all future scenarios. For new purchases that meet our existing quality growth investment criteria, we are committed to ensuring that we evaluate transition related investment opportunities. We aim to ensure that our operations and business model are resilient to climate and transition related risks. In 2023 we revised our definition of short, medium and long-term time-scales to align with wider industry practice (short 0-5 years, medium 5-10 years, long-term 10+ years). We believe that we managed relevant climate-related risks appropriately in 2023 and that we gave consideration to relevant quality transition related investment opportunities. We believe that our current strategy is resilient, but we continue to evolve our approach to this aspect of our business.
Focus for 2024	We will continue to evolve our approach for identifying and understanding climate-related investment risks and opportunities through developments to our process, and additional training and external insight sessions. We will give further consideration to a transition plan for our own business operations.

Risk Management	
TCFD Recommendation	"Disclose how the company identifies, assesses, and manages climate-related risks."
TCFD Recommended Disclosures	(a) Risk identification and assessment processes (b) Risk management processes (c) Integration into overall risk management
Our Response	We identify climate-related investment risks through our core investment research process, which includes investee company-level climate scenario analysis. We also developed and implemented a new 'Enhanced Climate Assessment' for relevant holdings in 2023 (see Risk Management section for details). We aim to identify and assess climate-related business and operational risks through existing risk management processes. Our Research team and Investment Executive factor analyses of climate risks and opportunities into our long-term selection of and outlook on investments. We factored material business and operational climate-related risks into our existing processes on an ad-hoc basis in 2023. We aim to integrate material climate-related risks into our wider processes for the management of investment risk. We undertook a structured review of operational climate-related risks in 2023 and presented the findings to the Executive Management Committee and the Board, integrating the relevant findings into our existing risk management and business continuity frameworks.
Focus for 2024	We will undertake ongoing climate scenario analysis on all holdings, using three recognised Network for Greening the Financial System (NGFS) scenarios. Using our Enhanced Climate Assessment framework, we will undertake further climate risk research and analysis on selected companies (including at pre-buy stage where merited) engaging with management where required to understand their approach to managing climate and transition risks and / or to push for additional disclosure where required. Strategy-level climate scenario analysis will be undertaken and presented to the Investment Management Committee (IMC) at least annually. We will factor holding level analysis of climate risks and opportunities into our long-term selection and outlook on investments.

Metrics and Targets	
TCFD Recommendation	"Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material."
TCFD Recommended Disclosures	(a) Climate-related metrics (b) Scope 1, 2 & 3 Greenhouse Gas (GHG) emissions (c) Climate-related targets
Our Response	We disclose Scope 1, 2 & 3 operational emissions data and a number of climate-related investment metrics. We disclose aggregated Scope 1 & 2 Weighted Average Carbon Intensity (WACI) data for our holdings in our TCFD Report and Annual Sustainability Report. We monitor but do not currently disclose Scope 3 emissions data for our portfolios due to third party and corporate data limitations. We have set additional climate and environment related operational targets for 2024, disclosed in the Metrics and Targets section of this report.
Focus for 2024	We will continue to refine our approach to climate scenario analysis and our Enhanced Climate Assessment framework for relevant holdings.

GOVERNANCE

The Board of Directors of Walter Scott is responsible for ensuring that financially material climate-related considerations are integrated into our strategy, decision-making, financial planning and business processes. Climate-related considerations are reviewed by the Board on an annual basis, incorporating a discussion of climate-related risks and opportunities, and an update on the firm's disclosures. Board and Executive Management Committee (EMC) training covering climate change and related risks and opportunities was provided in 2022. A number of our Executive Directors took part in training on Climate Scenario Analysis in 2023, and we will provide further climate training for senior management in 2024.

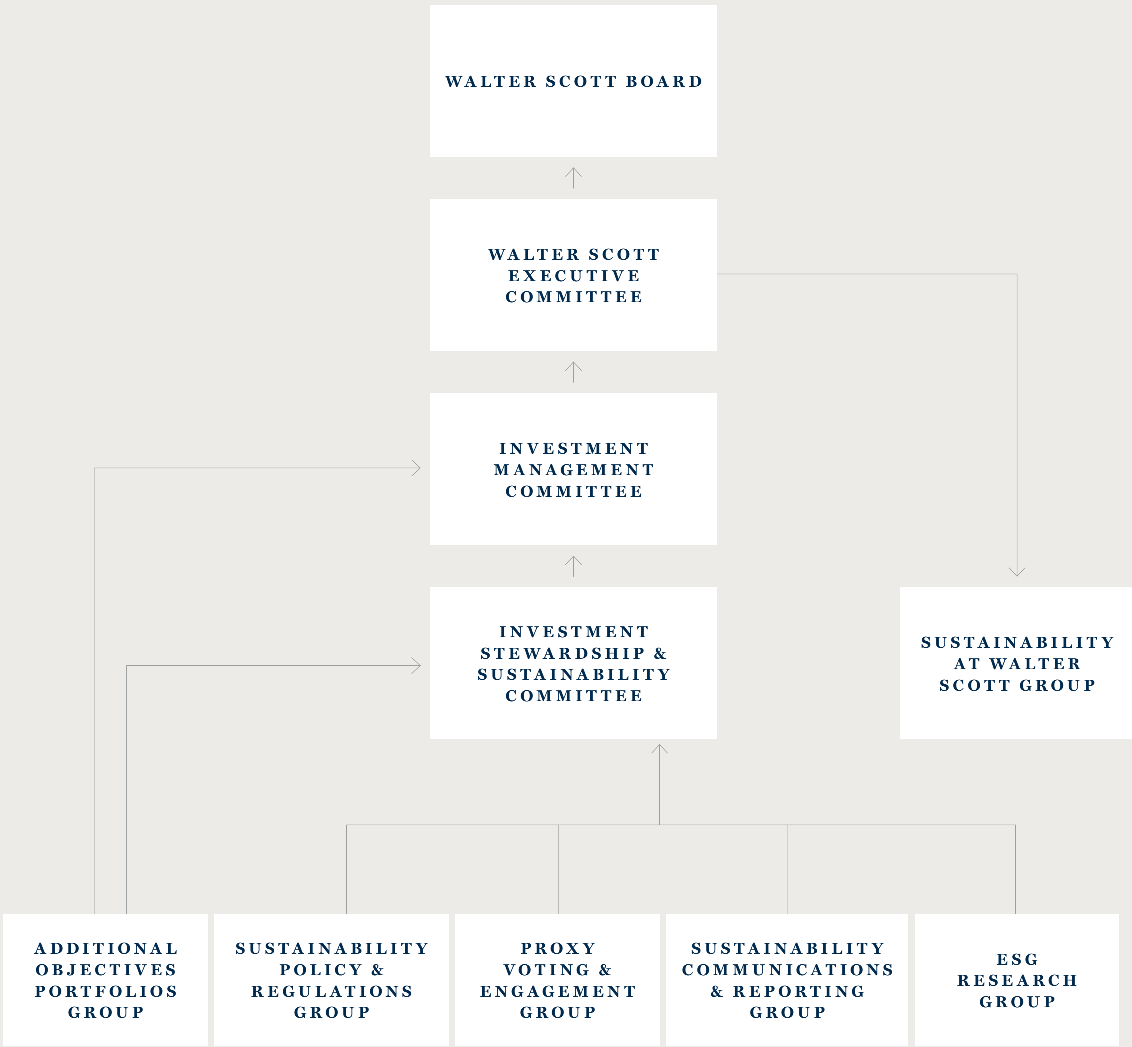
To ensure a clear delineation between the investment and operational functions of the business, the Executive Management Committee delegates responsibility for the ongoing management of investment-related climate risks and opportunities to the Investment Management Committee, and the management of all internal sustainability matters, including our operational climate impact, to the Sustainability at Walter Scott Group.

A number of enhancements have been made by the Board to further strengthen our governance framework over the last few years. As part of that effort, and aligned with greater articulation of responsibilities under the UK Senior Managers and Certification Regime (SM & CR) rules, the Board committee structure was streamlined during 2021 and responsibility for the firm's Environmental, Social & Governance (ESG) Framework was added to the Statement of Responsibilities of the firm's Managing Director.

INVESTMENT STEWARDSHIP AND SUSTAINABILITY COMMITTEE SUB-GROUPS

- Proxy Voting & Engagement Group – responsible for overseeing the firm's ongoing approach to (and reporting on) proxy voting and engagement activity, escalating decisions to the Investment Stewardship and Sustainability Committee (ISSC) as required.
- Sustainability Policy & Regulations Group – responsible for the identification and interpretation of relevant sustainability & disclosure policies and regulations to determine their applicability to Walter Scott.
- Sustainability Communications & Reporting Group – the purpose of the group is to oversee the end-to-end production of all mandatory Stewardship, Sustainability & ESG disclosures, as well as any additional sustainability communications materials.
- ESG Research Group – the purpose of the group is to provide analysis, direction and support to the firm's Investment Research team on ESG issues.
- Additional Objectives Portfolios Group (AOP) – this group is responsible for reviewing and approving supplementary governance and sustainability assessments undertaken as part of the AOP process, in addition to monitoring any relevant additional portfolio level governance and sustainability considerations (such as client specific EU SFDR Article 8 requirements).

STEWARDSHIP AND SUSTAINABILITY GOVERNANCE



Further to establishing the ESG Project Steering Group and the Sustainability at Walter Scott Group in 2020, the Investment Stewardship Committee (ISC) was created in early 2021. Collectively, these groups oversaw the development of a number of new processes, such as our 'engagement for change' framework and our 'additional objectives portfolios' methodology for managing assets in line with sustainability requirements such as SFDR Article 8. The firm has also expanded Walter Scott's sustainability reporting and disclosure over several years, publishing a significantly expanded Sustainability Report and the firm's first comprehensive TCFD Report in 2023.

With a number of such milestones completed, and with an ever-evolving regulatory landscape for ESG and sustainability, the firm undertook a review of our governance and resources in this area. In 2023 we took the decision to merge the two forums established into a 'business-as-usual' structure, and the Investment Stewardship and Sustainability Committee (ISSC). The ISSC provides consolidated senior oversight to all of our investment-related work in this area, embedding the long-term strategic importance to our firm of our approach to managing sustainability related risks and opportunities. Underscoring this importance, the firm's Managing Director is a member of the ISSC.

The ISSC is in turn supported by a number of specialist groups that oversee specific areas of responsibility.

MANAGEMENT RESPONSIBILITY

Hilda West, Head of Investment Operations and Sustainability, leads our efforts across this area of our business, supported by a number of colleagues. The Head of Investment Operations and Sustainability and the Company Secretary work together to coordinate committee updates where the appropriate areas of climate-related risks and opportunities are considered across both our operations and client portfolios. For portfolios, a regular dashboard of climate-related metrics is provided in our ESG Benchmarking and Risk Review, and firmwide holdings level Climate Scenario Analysis is presented to the Investment Management Committee on an annual basis. Periodic updates are included on relevant climate-related issues such as external collaborations and commitments.

An operational dashboard is also presented to the EMC and Board on a quarterly basis which contains usage and emissions data. The Scope 1 and 2 usage and emissions data is presented along with Scope 3 business travel distance and emissions data. Additionally, there is a summary of printing, recycling and general waste metrics.

BOARD OF DIRECTORS

The Board is responsible for ensuring that climate-related risks and opportunities are managed by Walter Scott, both with respect to client portfolios and the firm's own business operations. The Board has

“With a number of such milestones completed, but an ever-evolving regulatory landscape for ESG and sustainability, the firm undertook a review of our governance and resources in this area in 2023 and took the decision to merge the two forums into a 'business-as-usual' structure, the Investment Stewardship and Sustainability Committee (ISSC).”

delegated responsibility for the development and implementation of our climate change strategy, including management and oversight of risks arising from climate change, to the Managing Director in her role as Chair of the EMC. The Managing Director's execution of the firm's climate change strategy is the subject of annual review by the Board.

We are satisfied that there is sufficient knowledge and expertise at Board level to provide oversight on this issue. A number of directors have experience of climate-related investment or business risks and opportunities, and / or experience of collaborative industry initiatives to address climate change.

BOARD RISK COMMITTEE

The Board Risk Committee (BRC) is responsible for escalating all material risks to the Board, including any emerging climate-related risks. A register of such risks is maintained and the consideration of emerging risks is a standing agenda item at each Board Risk Committee meeting. The agenda items also include the consideration of any financially material matters relating to climate and carbon issues.

EXECUTIVE MANAGEMENT COMMITTEE

The EMC is responsible for the management of Walter Scott and the development of the firm's climate change strategy which seeks to manage, mitigate and, where possible, address climate change risks and opportunities relating to the firm. A number of members of our EMC have experience of integrating climate-related risks and opportunities into our investment process, and have attended climate-related training and insight sessions over the last few years.

The Managing Director has a fortnightly meeting with the Head of Investment Operations and Sustainability where any relevant emerging firm-wide issues are addressed. In addition to this, the Managing Director has regular interaction with the firm's stewardship and sustainability specialists, allowing for more detailed discussions on specific risks and opportunities as required. The Head of Investment Operations and Sustainability is a member of the firm's Sustainability Policy & Regulations Group (SPRG), which has a remit to identify, understand and monitor external regulatory and industry developments, including those related to climate.

INVESTMENT MANAGEMENT COMMITTEE

Regarding climate change related risks and opportunities and how these may impact client portfolios, the IMC is responsible for the oversight of all investment activity, and meets regularly to monitor, manage and challenge risks within our portfolios (including any material climate-related risks). While the IMC meets regularly to monitor, manage, and mitigate risks within client portfolios, it is also the responsibility of every member of our Research team to understand the impact of climate-related risks and opportunities on all investee companies.

To assist us with the monitoring of investment risks, we also subscribe to a third party ESG data platform (currently MSCI). This data is used as an input to our analysis of relevant holdings undertaken by our stock champions who lead our research on individual holdings.

SUSTAINABILITY AT WALTER SCOTT GROUP

The Sustainability at Walter Scott Group considers how best to approach sustainability issues in our own company. Consisting of representatives from across the business, the group has responsibility for generating and communicating operational sustainability initiatives. Management of Walter Scott's operational climate impact is in turn delegated by the Sustainability at Walter Scott Group to the Environmental Impact Group, which designs and monitors all climate-related operational initiatives and has responsibility for the provision and development of relevant non-financial metrics.

> *“Knowledge sharing and continuous development are essential to all employees of Walter Scott, and with respect to climate we utilised several external specialists for learning sessions in 2023, including a training session specifically on Climate Scenario Analysis for the Research team.”*

ENVIRONMENTAL IMPACT GROUP

The Environmental Impact Group considers the climate impact of our own operations as a cross-function business risk, with relevant and material analysis from each area of the firm fed back into the EMC. The Environmental Impact Group designs and monitors all operational climate-related initiatives and has responsibility for the provision and development of relevant metrics. To this end, the firm's own operational carbon footprint is measured and reported on a quarterly basis, along with updates on our efforts to reduce our operational climate impact. Annual disclosures are provided in accordance with UK Companies Regulations 2018 under the Streamlined Energy and Carbon Reporting (SECR).

INVESTMENT STEWARDSHIP AND SUSTAINABILITY COMMITTEE

The Investment Stewardship and Sustainability Committee (ISSC) oversees the implementation of the firm's stewardship and sustainability activities and compliance with the firm's related policies. One of its key responsibilities is overseeing the Firm's investment stewardship, sustainability, ESG Integration and climate strategy, escalating any relevant issues or concerns where required. The ISSC meets at least quarterly with additional meetings as and when required.

ADDITIONAL OBJECTIVES PORTFOLIOS GROUP

For clients that are interested in having their portfolios managed in line with additional sustainable investment objectives, including climate-related requirements, we have the capability to offer this through our Additional Objectives Portfolios (AOP) process. The AOP Group oversees this process, providing a recommendation to the firm's investment decision making group with respect to the suitability of holdings for additional objectives portfolios.

TRAINING AND DEVELOPMENT

Knowledge sharing and continuous development are essential to all employees of Walter Scott, and with respect to climate we utilised several external specialists for learning sessions in 2023, including a training session specifically on Climate Scenario Analysis for the Research team.

Every member of the investment team (including Client Service) is encouraged to deepen their knowledge by attending seminars, conferences, and events. In 2023, Alan Edington, Investment Manager – ESG Integration, attended the conference of the Council of Institutional Investors in California, as well as a sustainable investing summit in Amsterdam and an ICGN conference in Toronto. Two members of Research Operations attended an ICGN Governance, Stewardship and Sustainability course. This course was subsequently segmented into three individual courses – Governance Fundamentals, Stewardship Fundamentals and Sustainability Fundamentals. A member of Research Operations completed all three courses. In May 2023, Walter Scott's fifth Research Conference in Edinburgh saw clients from around the world gather with our own team to listen to speakers from academia, politics, journalism, music, and business. Amongst the speakers was Peter Tertzakian, Deputy Director at the ARC Energy Research Institute and author of "A Thousand Barrels a Second", who considered the challenges of analysing, managing and monitoring risk and return in the global energy transition. Also speaking was Helle Kristoffersen, President of Strategy and Sustainability at TotalEnergies, who outlined her company's transition approach to today's energy shift.

As in previous years, we invited several external speakers to present to the Research team throughout the year, with the aim of sharing insights and challenging our understanding of sustainability-related issues. In June, Dr Scott Moore from the University of Pennsylvania presented on the implications of decarbonisation and ESG for China's economic outlook, whilst in July, Rob West of Thunder Said Energy shared his analysis of the global energy transition. On a Research team away day in August, an external training provider held an interactive session on climate scenario analysis. A member of the Research team also presented on the risk and opportunities presented by the energy transition, prompting discussion around potential areas of focus for future research and analysis. It's also important that our wider company understands developments in our approach to ESG and changes in the broader sustainable investing landscape. In 2023, a mandatory knowledge transfer workshop covering ESG Integration, Stewardship and Sustainability was delivered to all Walter Scott employees.

EXECUTIVE REMUNERATION

We have not set specific climate-related metrics in our executive remuneration, however Walter Scott's Remuneration Policy has been designed to promote (amongst other objectives) sound and effective risk management across all categories of risk.

"A member of the Research team presented on the risk and opportunities presented by the energy transition, prompting discussion around potential areas of focus for future research and analysis."

STRATEGY

“Our guiding long-term business objective is to protect and grow our clients’ assets over time by acting as effective stewards of our clients’ capital, supported by excellent client servicing.”

Our strategy with respect to climate-related considerations for our business is two-fold:

i) We aim to ensure that our business model and operations are resilient to climate and transition related risks, and that we identify and execute on material climate-related business opportunities.

ii) We seek to understand and integrate into our investment process all material climate-related risks and opportunities. As part of this goal, we expect that our investee companies have the ability to operate and grow in a Paris-aligned global economy, and that their business operations are resilient to physical climate risks under all future scenarios. We are committed to ensuring that we evaluate transition related investment opportunities as part of our ongoing process for identifying investment candidates. Our process seeks to identify high-quality, growth businesses capable of resilient wealth generation over time. As investment in energy transition continues to accelerate and related technologies mature, we expect more climate-related investment opportunities to meet these criteria.

BUSINESS DEVELOPMENT CONSIDERATIONS

Our guiding business objective is to protect and grow our clients’ assets over the long-term by acting as effective stewards of our clients’ capital, supported by excellent client servicing. To deliver this objective effectively, we must seek to understand, as fully as possible, the full range of risks and opportunities faced by the companies in which we invest and the potential impact on the performance of our portfolios.

With respect to our own business, we believe that we are well positioned to take account of climate-related risks and opportunities, including developing client expectations and requirements. Our business model is already predicated on understanding and integrating risks and opportunities into investment decision-making, and by the very nature of active management, our portfolios can and will evolve to take account of emerging climate risks and opportunities. In 2023 we augmented our existing climate risk analysis that we undertake for all holdings with an additional climate risk assessment for a limited number of companies with higher potential exposure to climate change and transition risks – our Enhanced Climate Assessment (further details are provided in the Risk Management section of this report).

With respect to our product offering, we have recently developed our process for Additional Objectives Portfolios and can therefore accommodate clients who wish to go further with respect to sustainability-related investment objectives. Where there is interest from our clients in investing in line with additional climate-related objectives, we are happy to engage on this topic.

We aim to demonstrate that our investment process takes due account of climate risks and opportunities, but with a clear focus on financial materiality and fiduciary duty. After careful consideration we have chosen not to implement a binding firm-wide transition commitment applicable to all client portfolios. As a firm we are client-led in all that we do, and for clients who wish to go further and prioritise climate-related objectives, we can potentially accommodate those goals. In this way we believe that we offer clarity and choice in our investment approach, ensuring that we are guided by the investment objectives of our clients. We typically meet our clients at least annually and regularly discuss ESG integration and related topics in these interactions.

INVESTMENT-RELATED CONSIDERATIONS

We have always sought to understand and assess material risks and opportunities as part of our investment process, and have long-considered financially material environmental and regulatory-related considerations pertaining to specific holdings.

In recent years, our work has evolved to encompass more analysis of climate-related factors, including decarbonisation strategies, stranded asset risk and technological advances (both at an individual company and sector-wide level). We have incorporated climate scenario analysis into our investment analysis of each company, currently requiring our stock champions to address three different NGFS[1] scenarios in the climate section of our research template. Whilst this high-level climate scenario analysis was sufficient for the purposes of initiating more structured analysis as part of our core investment research on investee companies, we will also be conducting strategy-level scenario analysis and more detailed holding-level analysis on selected companies in 2024, building on work undertaken in 2023. As well as managing proximate risks to their businesses, our long-term aim is to ensure that over the decades ahead all of our investments have the ability to operate and grow within a Paris-aligned global economy, and that their business operations are resilient to physical climate risks under all future scenarios.

As careful stewards of clients' capital, regular engagement with management teams allows us to further assess a company's approach to climate-related risks and opportunities. These interactions afford us a greater understanding of the climate risks and opportunities faced by that business and enable us to support companies as they seek to reduce or limit their contribution to climate change. We encourage all of our investee companies to report according to the TCFD recommendations, as we believe that this not only helps investors understand climate-related risks and opportunities, but also provides a framework which helps management to identify and manage climate-related considerations for their business.

Where we consider it appropriate and constructive, we are open to engaging collaboratively with other investors, such as through the CDP initiative.

With respect to both climate change and potential legal and regulatory, reputational and commercial transition risks and opportunities in the coming decades, there are a wide range of potential variables depending on different scenarios. Furthermore, the physical and transition risks and opportunities of climate change will impact different companies, sectors, and economies in different ways, creating additional complexity with respect to long-term investing. We aim to manage this complexity by performing detailed and rigorous due diligence on each company.

“We have always sought to understand and assess material risks and opportunities as part of our investment process, and have long-considered financially material environmental and regulatory considerations pertaining to specific holdings.”

[1] The Network for Greening the Financial System is a network of 114 central banks and financial supervisors that aims to accelerate the scaling up of green finance and develop recommendations for central banks' role for climate change. The NGFS was created in 2017 and its secretariat is hosted by the Banque de France.

Caveated by this uncertainty, we have identified a number of material investment considerations that we believe could potentially manifest themselves over differing time horizons. We have already factored these considerations into our long-term investment analysis.

Short-Term (**0-5 years**)
In the immediate future, companies will be subject to increasing customer, shareholder and stakeholder scrutiny with respect to factors such as the carbon intensity of their operations, the efficacy of their transition strategies and anticipated regulatory changes. Increasing focus on carbon intensity will not be consistent across all markets and types of business, with very carbon intensive or consumer facing businesses in economies such as Europe facing the most challenge. Companies already exposed to the physical risks of climate change may also face higher operating costs. Businesses in a number of specific sectors such as automobiles will be exposed to increasing transition risks from the growth of Ultra Low Emission Zones and the gradual phase out of Internal Combustion Engines in a number of markets.

Medium-Term (**5-10 years**)
The developments outlined under 'Short-Term' could intensify. In that event, companies with significant carbon footprints would face rising costs of compliance as some governments begin to impose more widespread carbon taxes and introduce more regulation to combat climate change. There would be capital investment costs involved in adopting less carbon-intensive technologies and processes, but this may in time be offset by lower operating costs in some markets. Companies that fail to exhibit sufficient commitment and competence in managing their approach to climate impact may experience reputational and commercial risks, and a higher cost of capital.

Long-Term (**10+ years**)
On a longer-term horizon, based on current country-level governmental climate commitments, the transition to a lower carbon economy will see the growth of a range of lower carbon technologies that are likely to disrupt existing business models, rendering some obsolete. There is a risk of stranded assets for those companies that fail to adapt to changes in technology and regulation. As existing business models are disrupted, there is the opportunity for new leaders to emerge, whether these be incumbents that have successfully adapted to the transition or providers of new solutions and technologies.

Left unaddressed, climate change could foster significant social and economic dislocation and unrest, with a resulting impact on a wide range of companies and economies. The physical impacts of climate change are likely to result in significant population movements, both within but also between countries and regions.

OPERATIONAL STRATEGY

Our strategic aim is to ensure that our operations and business model are resilient to climate and transition-related risks. We have invested in our resources and capability to improve our understanding of operational risks, and in 2023 we undertook our first physical climate and transition risk operational review, to focus our

> *“We continue to invest in technology to improve the resilience of our operations in the event of disruption from extreme weather events. Other operational risks we have considered include regulatory changes and rising energy prices.”*

efforts on the most material risks relating to our business. In the latter part of 2023 the Environmental Impact Group reviewed our operational strategy for managing environmental impacts, resulting in a new set of operational targets (see Metrics and Targets section).

THE IMPACT OF CLIMATE RISKS ON OUR STRATEGY

Climate-related risks and opportunities impact our business at both an investment and an operational level.

INVESTMENT

We are cognisant that a greater emphasis on climate considerations could drive future capital allocation decisions by asset owners. To address this increased focus, it is important that we continue to demonstrate the quality and depth of our climate-risk analysis, while striving where possible to enhance our current approach. We are already undertaking climate scenario analysis (both physical risk and transition risk) for all holdings. We also monitor which companies set Net Zero and / or science based climate targets and those that report to CDP and according to TCFD recommendations. This analysis is recorded and monitored on an ongoing basis and is subject to periodic review.

In the second half of 2023 we also undertook further analysis and evaluation of a number of our more carbon-intensive investments, as well as a number of additional holdings identified as having higher physical climate or transition risks relative to our portfolios (Our ECA process – see the Risk Management section of this report).

OPERATIONAL

Based on the comprehensive physical climate and transition risk related operational review that we undertook in 2023, we believe that the current risk to our operations from physical climate change and transition issues is relatively low, with additional mitigating steps either in progress or highlighted for consideration in several areas of our operations.

Potential risks to our buildings and our ability to work effectively are also analysed and reviewed on a regular basis by our Business Continuity Group as part of the ongoing management of business continuity risks. Business continuity processes cover crisis management, business resumption and technology recovery. This helps ensure the resilience of our business to the impact of climate change on physical assets and day-to-day working.

We continue to invest in technology to improve the resilience of our operations in the event of disruption from extreme weather events. Other operational risks we have considered include regulatory changes and rising energy prices.

TRANSITION PLANNING

The firm has given due consideration to the optional inclusion of a transition plan in this TCFD report, taking account of the FCA's ESG Sourcebook and the UK Treasury backed Transition Planning Taskforce guidance.

Walter Scott has not made a Net Zero commitment for either its own business operations or for client portfolios, and the firm has concluded that it is not in a position to publish a comprehensive, client-backed transition plan for the business at this stage, for the reasons set out below.

Business Operations
For the firm's own business operations, the Executive Management Committee has delegated responsibility for the consideration of transition planning to the Sustainability at Walter Scott group, and the relevant subgroup of this committee, the Environmental Impact Group (EIG).

The firm's Scope 1, 2 and 3 operational emissions are primarily comprised of natural gas for heating, electricity for office operations, purchased goods and services, employee commuting and teleworking; and air travel for investment research and meetings.

On the recommendation of the EIG, the Executive Management Committee has approved the following operational environmental targets (see Metrics and Targets section for further details and context):

- Maintain an average annual recycling rate of 70% of total Edinburgh office waste
- A reduction in total office waste by 5% by the end of 2024 compared to the base year 2019
- An 80% reduction in office printing compared to the base year 2019
- A 5% reduction in business travel related emissions compared to the base year 2019
- A 5% reduction in Scope 1 and 2 emissions compared to the base year 2019

Whilst careful consideration has been given to the challenge of reducing the firm's emissions further beyond these targets to improve alignment with a trajectory to Net Zero by 2050, a number of challenges would need to be overcome to make this a realistic commitment.

Scope 1 and 2 operational emissions
The firm's principal offices, where over 90% of our employees are based, are located in a UNESCO protected World Heritage site (the Edinburgh New Town) and the buildings are 'Category A' listed, meaning that they are buildings of special architectural or historic interest which are 'outstanding examples of a particular period, style or building type'. The offices have very limited outdoor space, and the main office is rented rather than owned. This combination places significant restrictions on the feasibility of both renewable energy generation (such as solar PV, wind power or ground source heat pump technology) and materially significant insulation measures for the 18th century buildings such as double or triple glazing. Energy efficiency measures and greater utilisation of lower carbon energy provided by suppliers is therefore a more feasible pathway to a significantly lower carbon operating footprint for the business. Whilst we already source 100% renewably-generated electricity for our operations (REGO-backed electricity), we have not yet been able to transition to a sustainable alternative to natural gas for heating. Over the longer-term, the replacement of natural gas with green hydrogen may be a feasible pathway to reducing emissions to Net Zero by 2050 if the external supplier market is able to make this transition at scale.

Scope 3 operational emissions
Our most significant Scope 3 operational emissions relate to business air travel. Whilst we have made good progress with respect to transitioning to rail travel for UK trips where possible, international air travel continues to be an important dimension of our business, with demand from clients for face-to-face meetings gradually returning to pre-COVID 19 levels. Our investment business also requires air travel to facilitate investment research and stewardship, including meeting with management teams and attendance at specialist industry conferences. The growth of online video-conferencing has

> *“There continues to be significant debate about the efficacy of carbon offsets as a means of reducing the carbon intensity of business operations.”*

certainly helped to manage this returning demand, and we have also changed our approach to travel planning, aiming to undertake fewer, longer duration trips per year but with more client and company meetings built into the schedule. Beyond these measures, we do not see a feasible way to materially reduce the requirement for air travel in the short to medium term. With respect to technological advances that can further reduce the carbon intensity of air travel, the aviation industry is focussed on the development of Sustainable Aviation Fuel (SAF), comprised of plant-based or recycled fuel sources. This fuel source currently comprises a very small percentage of aviation fuel supply globally, and utilisation is at such a nascent stage that it is not currently possible to choose commercial air travel routes based on this criteria. The industry development of mass electric (and in time renewably powered) air travel, particularly for long-haul routes, is at an even earlier stage of development, and unlikely to make a significant contribution to the decarbonisation of air travel in the next decade.

Carbon offsets and permanent carbon removal

Whilst we utilise carbon offsets on a voluntary basis to help mitigate our environmental footprint, there continues to be significant debate about the efficacy of carbon offsets as a means of reducing the carbon intensity of business operations. At the same time, commercially viable direct carbon removal technologies are at a very early stage of development, with considerable technological and cost challenges still to be overcome.

Conclusion

For all of the above reasons, any commitment to transition to Net Zero emissions relating to our operations would be heavily reliant on technological innovation over the ensuing decades in sectors beyond our immediate sphere of influence. We do not believe that making such a caveated commitment would at this stage be of value to our stakeholders. We will continue to monitor this area closely over the ensuing years, and are committed to continuing to reduce the carbon intensity of our business operations in every practical way we can.

CLIENT PORTFOLIOS

With respect to investment related emissions, we have given careful consideration to setting a firmwide holdings-level Net Zero target. There is considerable political and regulatory uncertainty about the likelihood and pace of a meaningful low carbon transition in most markets, and it is uncertain how regulation and changing customer demand will impact on the financial prospects of current investee companies in many sectors. For this and other reasons we undertake structured climate scenario analysis on all of our investments. Given the unpredictability of the future with respect to climate transition risks, we do not believe that we are currently able to make an absolute commitment relating to the carbon intensity of our holdings. Commensurately, we do not believe that it would be appropriate to commit to a Net Zero focussed transition plan relating to our client portfolios. We will continue to monitor this area of our business closely and engage with clients who are focussed on climate considerations, and we are very open to working with clients who are interested in developing an investment strategy with specific transition-related investment objectives.

RISK MANAGEMENT

We aim to identify, assess and manage all material risks relating to both our business and our clients' assets, including those arising from climate change and related transition risks. Rather than creating additional risk management processes to do this, our preference is to integrate the management of such risks into our core risk management framework. The diagram on the next page sets out the various groups and committees which oversee climate-related risks. Please also see the Governance section of this TCFD Entity Report which sets out the roles of each of the various groups and committees.

Based on our own analysis, physical climate change and related transition considerations are deemed to be a current risk for our investment portfolios. With respect to our own business and operations, our Board Risk Committee is responsible for escalating all material risks to the Board of Directors, including any emerging climate-related risks. A register of such risks is maintained and the consideration of emerging risks is a standing agenda item at each Board Risk Committee meeting. An additional agenda item at that meeting is the consideration of any financially material matters relating to climate.

HORIZON SCANNING AND MONITORING OF CLIMATE-RELATED RISKS

The Head of Investment Operations and Sustainability is an active member of the firm's Sustainability Policy & Regulations Group, which is responsible for identifying, understanding and monitoring external regulatory and industry developments, including those related to climate. A member of our Risk & Compliance team is also part of this group, and we receive regular updates from external vendors and the Investment Association on relevant regulatory developments.

The Sustainability at Walter Scott Group and the Environmental Impact Group monitor emerging operational regulatory developments.

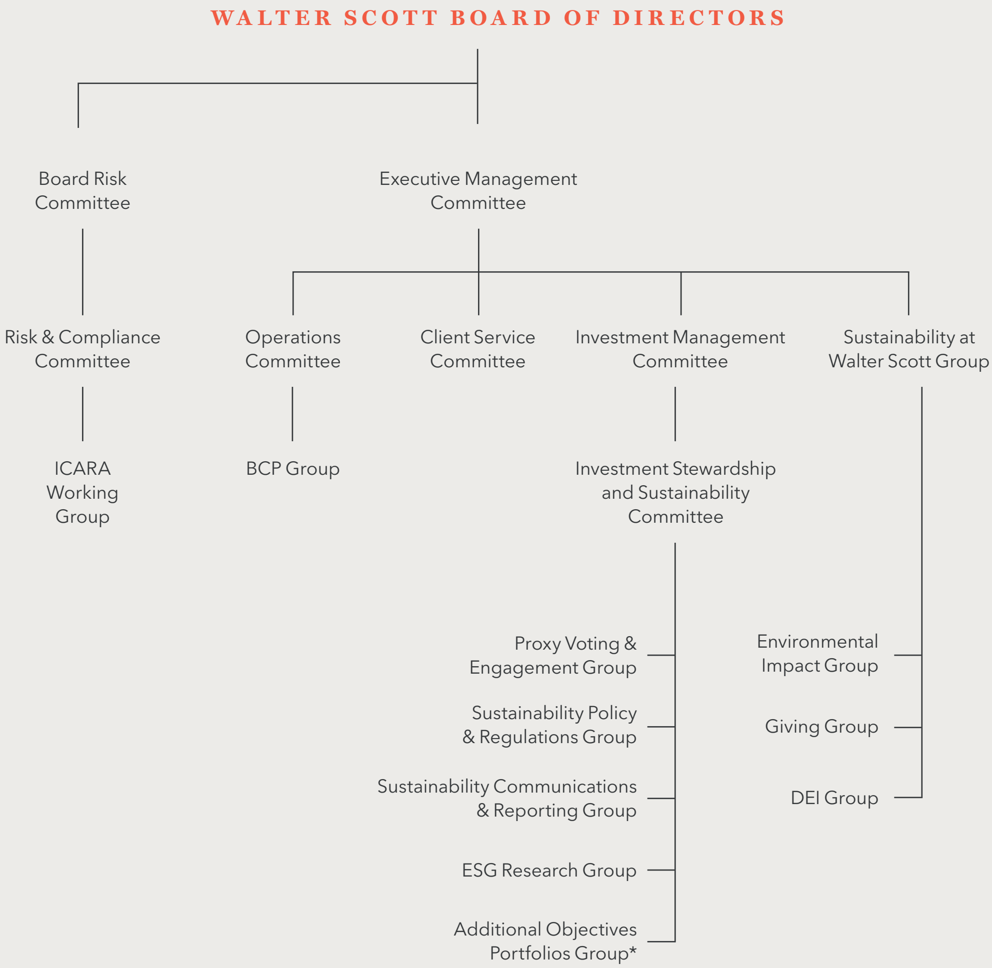
With respect to our holdings, it is the responsibility of Stock Champions to monitor and address any climate-related regulatory developments at the individual company level that could have a material financial impact on our clients' assets.

REGULATORY OUTLOOK

Unsurprisingly, the regulatory environment will continue to evolve in 2024 and the Research team will continue to keep abreast of developments and their potential impacts on our portfolio companies. Europe will again be in the vanguard of regulatory change, with the European Union's (EU) Corporate Sustainability Reporting Directive (CSRD) coming into force for the 2024 financial year for the first tranche of qualifying companies. Many of our investee companies will be in scope. The aim of the directive is to standardise and simplify sustainability reporting, ensuring that "investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities

"Through our fundamental company-focused research, we seek to better understand and measure the risks and opportunities posed by all environmental, social and governance issues, including climate change and the anticipated transition to a lower carbon economy."

RISK MANAGEMENT



*The Additional Objectives Portfolios Group also reports separately to the Investment Management Committee arising from climate change and other sustainability issues." Final details of the EU's Corporate Sustainability Due Diligence Directive are also likely in 2024. The directive will set obligations for "large companies regarding actual and potential adverse impacts on human rights and the environment, with respect to their own operations, those of their subsidiaries, and those carried out by their business partners". Again, many of our investee companies will be in scope and, as with the CSRD, the ramifications will be felt beyond the borders of the EU. In the US, the SEC released new climate disclosure rules in March 2024. The rule will require qualifying companies to report on "climate-related risks that are reasonably likely to have a material impact on their business, results of operations, or financial condition." Given the above, we will continue to invest in the ESG capabilities of our Research and Research Operations teams in 2024 to ensure that we are best placed to understand and manage evolving sustainability-related regulations.

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS TO OUR CLIENTS' ASSETS

Through our fundamental company-focused research, we seek to better understand and measure the risks and opportunities posed by all environmental, social and governance issues, including climate change and the anticipated transition to a lower carbon economy. Our research and analysis of these risks and opportunities is integrated into our investment process.

When we research any company, regardless of geography or sector, the same analytical framework is applied. This framework involves analysis of historical financial records alongside consideration of seven key areas of investigation:

- Business activities and physical footprint
- Integrity (Environmental, Social, Governance)
- Market characteristics
- Control of destiny
- Financial profile
- Management and board
- Valuation and trading

Climate risk is considered as part of our overall company research with analysis detailed in our Integrity document. Using a structured template, we aim to better understand each company's material physical and transition risks and opportunities, and the resulting financial implications. The assessment of the materiality and probability of these risks and opportunities, and how they should be prioritised, is subject to the scrutiny and challenge of the entire Research team. In addition to our own research, we subscribe to a third party ESG data platform which contains additional data analysis on climate risk factors relating to our investments.

Physical Risks
These are the risks to our clients' assets arising from the physical manifestations of climate change and the associated costs. Physical risks can be chronic or acute and can include drought, rising sea levels, failed harvests, and extreme weather events such as flooding and hurricanes that damage the physical infrastructure. Costs can include higher insurance premiums, rising commodity prices and falling asset values.

Transition Risks
These are the risks to our clients' assets arising from the anticipated move towards a less carbon-intensive economy. Transition risks include

> *"Our climate-related analysis is updated at least annually, which enables us to monitor a company's progress on material issues over time. This analysis is subject to the collective scrutiny of the Research team at a formal annual review of each holding."*

higher carbon prices and taxes, stranded assets, increased climate regulation and falling demand for carbon-intensive goods and services. Companies with high carbon emissions are usually more exposed to transition risks.

Our climate-related analysis is updated at least annually. This analysis is subject to the collective scrutiny of the Research team at a formal annual review of each holding. While our research is proprietary, we augment our understanding of climate risks with information and analysis from external sources, including third party research providers, academics, and subject-matter experts.

"Our primary means of managing the climate risks of our clients' investments is through our fundamental company analysis, which applies across all investment strategies and clients."

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS TO OUR BUSINESS AND OPERATIONS

In early 2023 we completed a structured climate and transition risk operational review. We used a operational risk assessment framework to identify and assess climate-related risks to our operations, evaluating a very broad range of operational and business value chain risks including the following:

Business Continuity Risks
- Risks to office facilities and operations: adverse weather events (e.g. localised flooding from high rainfall, extreme heat, extreme cold, high snowfall, high winds)
- Risks to office facilities and operations: sea level rise
- Risks to employees' ability to commute to the office due to adverse weather events
- Risks to employees' ability to work from home due to adverse weather events
- Risks to ability to service existing clients as a result of climate-related travel disruption
- Risks to the resilience of the firm's technology infrastructure from climate-related impacts
- Risk of resource shortages and supply chain disruption (e.g. water shortages, energy supply, IT equipment)

Business Development Risks
- Inability to generate new business as a result of climate-related travel disruption
- Inability to attract and retain talent in economies where key offices are located as a result of climate-related risks and impacts

Operational Cost Risks
- Significant increases in energy costs (heating, cooling, ventilation)
- Capital depreciation of firm assets (e.g. buildings and IT hardware) as a result of climate-related impacts and risks
- Significant increases in business insurance costs as a result of climate-related risks and impacts
- Significant increases in business travel costs (especially long-haul aviation) as a result of climate-related risks and impacts
- Significant rises in taxes and / or local business rates as a result of climate-related risks and impacts
- Rising employee costs as a result of climate-related risks and impacts

The assessment did not identify any immediate areas of significant concern, but did highlight several areas where further work on risk mitigation is being considered.

INVESTMENT CLIMATE-RELATED RISK MANAGEMENT

Our primary means of managing the climate risks of our clients' investments is through our fundamental company analysis, which applies across all investment strategies and clients. Through diligent research, we look to factor climate considerations into our ongoing analysis of current holdings, and avoid investments in companies that are likely to be materially impacted by climate change to an extent which would undermine the investment case in that business.

A mandatory element of that research is the Climate Scenario Analysis that we undertake for all holdings. We have recently enhanced our framework for this, adding a third scenario (NGFS Disorderly – Delayed Transition) to our existing two scenarios. This means that from the start of 2024 all holdings (and proposed new buys) have been reviewed against three NGFS climate scenarios (NGFS Orderly – Net Zero 2050; NGFS Disorderly – Delayed Transition; NGFS Hothouse – Nationally Determined Contributions.) We anticipate that our approach in this area will continue to evolve, and we may make further changes to the type and range of scenarios that we utilise in the future.

Where we have concerns about a company's approach to climate risks, we seek dialogue to facilitate greater understanding of its strategy and the challenges it faces. Regular engagement with management teams allows us to further assess the depth of each company's assessment of climate-related considerations. These interactions afford us a greater understanding of the climate risks and opportunities faced by that business, enabling us to better evaluate the potential impact on the investment case for that company. Our 2023 Annual Sustainability Report (available on our website) provides examples of climate-related engagements. Careful stock selection and investment stewardship are our primary means of mitigating climate-related investment risks. We would typically engage with our holdings to discuss the management of climate-related risks prior to any decision to sell our position. We utilise our 'Engagement for Change' framework to oversee material climate-related interactions with companies.

In addition to the core analysis and stewardship activity outlined above, we also developed a new 'Enhanced Climate Assessment' (ECA) process for analysing climate risks and opportunities pertaining to higher emissions / potentially higher risk holdings, and undertook 20 assessments (c.10% of Walter Scott holdings) in the latter part of 2023. The findings were presented to the Investment Stewardship and Sustainability Committee and the Investment Management Committee. The ECA document for relevant holdings will now be included in the core research material for company reviews, and ECAs will be updated annually for qualifying holdings. An ECA assessment will also be introduced as a step in the investment process for all new buys that meet the qualifying criteria.

To support the above developments, in 2023 we provided externally facilitated climate scenario analysis training for our Research team and included a 'future climate pathways' workshop discussion on the agenda of our Research team away day, as well as an investor-led session on transition-related investment opportunities. The team also receive regular insights from a specialist energy transition focussed research provider, and we have arranged further climate-related external training in 2024.

It is the responsibility of the IMC to ensure that no portfolio is exposed to excessive risk of any form, and we continue to develop the information that we provide to the IMC to help monitor and manage relevant and financially material climate risks. In 2023, we undertook firmwide holdings level Climate Scenario Analysis (CSA) for the first time, presenting the findings to the IMC. In 2024 this will be supplemented with CSA for a number of our strategies' representative portfolios.

To provide additional ongoing monitoring of a range of ESG risks, including those related to climate, we also developed a new process in 2023, the ESG Benchmarking and Risk Review. This quarterly management information pack utilises a number of external vendor data sources to highlight the comparative performance of holdings and portfolios on a range of ESG indicators. The Review is presented to the Research team and shared with the ISSC on a quarterly basis, and a summary version is also presented to the IMC. The introduction of this

> *"To provide additional ongoing monitoring of a range of ESG risks, including those related to climate, we also developed a new process in 2023, the ESG Benchmarking and Risk Review."*

Review complements our primary focus on bottom up fundamental analysis of risks and opportunities, enabling us to monitor potential risks in a systematic manner. The Review is intended to highlight potential issues and generate discussion, and is therefore an input to our research process rather than a screen or portfolio construction tool. In 2024 we are evolving the ESG Benchmarking and Risk Review into two separate outputs, one focussed on holding level data and the other focussed on portfolio-level ESG risks.

OPERATIONAL CLIMATE-RELATED RISK MANAGEMENT

Through the Environmental Impact Group, we consider the climate impact of our own operations as a cross-function business risk, with relevant and material analysis from each area of the firm being fed back into the Executive Management Committee. The Environmental Impact Group designs and monitors all climate-related initiatives and has responsibility for the provision and development of relevant metrics. To this end, the firm's Scope 1 and 2 carbon footprint and business travel emissions are measured and reported on a quarterly basis, along with updates on our efforts to reduce our operational climate impact. Annual disclosures are provided in accordance with the UK Companies Regulations 2018 under the Streamlined Energy and Carbon Reporting. Further details of how we manage our operational climate impact can be found in the Metrics and Targets section of this report.

METRICS AND TARGETS

Included in this section are a number of climate-related metrics and charts which provide the recommended TCFD disclosures.

All charts use an aggregation of Walter Scott composites active at a given point in time (as annotated on each chart), referred to here as 'Walter Scott Representative Holdings'.

Further details on methodology are available in the general explanatory notes in the 'Carbon Emissions for Walter Scott Representative Holdings' section. The climate-related metrics shown below are currently limited to those based on Greenhouse Gas (GHG) emissions.

Analysis of ESG factors such as climate risk is integrated into our investment process with financially material risks and opportunities considered as part of our analysis of the long-term prospects for any business. As part of our integrated company analysis, we track emissions, climate commitments and reporting / climate-related disclosures.

Although no specific quantitative metrics or targets have been identified for climate-related investment opportunities, our investment research process is designed to ensure that we give careful and ongoing consideration to all investment opportunities, including those that are climate-related.

Carbon Footprint (tCO_2e / USDm invested)

$$\frac{\sum_{i=1}^{n}\left[\frac{\textit{Company value of investment}}{\textit{Company EVIC}} \times (\textit{Company Scope 1 \& 2 Emissions})\right]}{\textit{Part portfolio value}}$$

Total Financed Carbon Emissions (tCO_2e)

$$\sum_{i=1}^{n}\left[\frac{\textit{Company value of investment}}{\textit{Company EVIC}} \times (\textit{Company Scope 1 \& 2 Emissions})\right]$$

Total Financed Carbon Intensity (tCO_2e / USDm Revenue)

$$\frac{\sum_{i=1}^{n}\left[\frac{\textit{Company value of investment}}{\textit{Company EVIC}} \times (\textit{Company Scope 1 \& 2 Emissions})\right]}{\sum_{i=1}^{n}\left[\frac{\textit{Company value of investment}}{\textit{Company EVIC}} \times \textit{Company Revenue}\right]}$$

Weighted Average Carbon Intensity (tCO_2e / USDm Revenue)

$$\sum_{i=1}^{n}\left[\frac{\textit{Company value of investment}}{\textit{Part portfolio value}} \times (\textit{Company Scope 1 \& 2 Emissions Intensity})\right]$$

OVERVIEW AND COMPARISON OF KEY METRICS

	Purpose	Description	Strengths and Limitations
Carbon Footprint (tCO_2e / USDm invested)	To understand how the emission intensities of different portfolios compare to each other **per monetary unit.**	The portfolio's total absolute emissions divided by the investment amount in USD. Expressed as tCO_2e/USDm invested.	- Allows for comparison to other portfolios and benchmarks. - Can set a baseline for comparison in the future. - Allows investors to understand how much CO_2e emissions are accounted for each other their USDm invested. - Sensitive to changes in EVIC (Enterprise Value Including Cash) of the companies held in the portfolio.
Total Financed Carbon Emissions (tCO_2e)	To understand the **total climate impact** of investments.	The total GHG emissions of a portfolio. Expressed as tCO_2e.	- Shows the actual climate impact of the portfolio in totality. - Limited use in comparison to other portfolios, benchmarks or points in time.
Total Financed Carbon Intensity (tCO_2e / USDm Revenue)	To understand the **efficiency** of a portfolio in terms of total GHG emissions per dollar of revenue sourced from the portfolio's companies.	The portfolio's total absolute emissions divided by the portfolio's total ownership of dollar revenue from companies held within the portfolio. Expressed as tCO_2e/USDm company revenue.	- Allows for comparison against other portfolios and benchmarks. - Can set a baseline for comparison in the future. - Sensitive to changes in EVIC and Revenue of the companies held in the portfolio.
Weighted Average Carbon Intensity (tCO_2e / USDm Revenue)	To understand **exposure** to emission intensive companies.	The portfolio's exposure to emission intensive companies. Expressed as tCO_2e/USDm company revenue.	- Allows for comparison to other portfolios and benchmarks. - Can set a baseline for comparison in the future. - Can be skewed by 'outlier' companies with abnormally high carbon emission intensity.

Source: Partnership for Carbon Accounting Financials (PCAF), Walter Scott & MSCI
Note: 'tCO_2e' stands for 'tonnes of Carbon Dioxide equivalents'

OPERATIONAL TARGETS

We undertook a review in 2023 of our operational climate and environment related metrics and targets, and have committed to new 2024 targets, detailed below:

- Maintain an average annual recycling rate of 70% of total Edinburgh office waste
- A reduction in total office waste by 5% by the end of 2024 compared to the base year 2019
- An 80% reduction in office printing compared to the base year 2019
- A 5% reduction in business travel related emissions compared to the base year 2019
- A 5% reduction in Scope 1 and 2 emissions compared to the base year 2019

EXPLANATION OF METRICS

The principal carbon emissions metrics listed below are used to describe the positioning of Walter Scott companies against MSCI All Country World Index, and development of emissions over time. Below is our analysis of their purpose, description, strengths, limitations, and formulae can be found on page 26.

CARBON EMISSIONS FOR WALTER SCOTT REPRESENTATIVE HOLDINGS

General notes for all calculations related to investment company or Walter Scott Representative Holdings calculations:

1. Data are for 'Walter Scott Representative Holdings', which is an aggregation of Walter Scott composites active at a given point in time. The proportionate weights of this aggregation are combined with the firm's total discretionary AUM to calculate an implied market value for each company holding.
2. Scope 1 and 2 emissions associated with the investments managed by Walter Scott on behalf of clients are reported using the investment-specific method according to the GHG Protocol. This method involves collecting Scope 1 and 2 emissions from the investee company and allocating the emissions based upon the share of investment. While the reporting guidelines for investment emissions in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard emissions are mostly clear, accurately capturing investment emissions is complex and for this reason emissions reported should be considered as an estimate.
3. Source: Walter Scott & MSCI – MSCI's emissions data has been aggregated by Walter Scott to a portfolio/benchmark-level using TCFD guidance. MSCI's emissions data is based on the most recent financial year available at time of calculation (26 February 2024, unless stated otherwise).
4. Enterprise Value Including Cash (EVIC) has been used as an attribution factor to determine ownership of emissions.
5. An indicative Total Financed Emissions figure has been calculated for MSCI ACWI. This assumes an investment market value equal to Walter Scott's

SCOPE 1, 2 & 3 EMISSIONS

	Scope 1 & 2 Emissions		Scope 3 Emissions	
	Walter Scott Representative Holdings	MSCI ACWI	Walter Scott Representative Holdings	MSCI ACWI
Carbon Footprint (tCO_2e / USDm invested)	24	53	165	337
Total Financed Carbon Emissions (million tCO_2e)	1.9	4.3	13.2	27.3
Total Financed Carbon Intensity (tCO_2e / USDm Revenue)	94	147	650	936
Weighted Average Carbon Intensity (tCO_2e / USDm Revenue)	87	123	505	698

SCOPE 1 & 2 COVERAGE

	Walter Scott Representative Holdings			MSCI ACWI		
	% Reported Values	% Estimated Values	% No Coverage	% Reported Values	% Estimated Values	% No Coverage
Financed Carbon Emissions	91%	9%	0%	91%	9%	0%
Total Financed Carbon Emissions	91%	9%	0%	91%	9%	0%
Total Financed Carbon Intensity	91%	9%	0%	91%	9%	0%
Weighted Average Carbon Intensity	91%	9%	0%	90%	9%	0%

Due to rounding not all sections add to 100%

SCOPE 3 COVERAGE

	Walter Scott Representative Holdings			MSCI ACWI		
	% Reported Values	% Estimated Values	% No Coverage	% Reported Values	% Estimated Values	% No Coverage
Financed Carbon Emissions	0%	100%	0%	0%	100%	0%
Total Financed Carbon Emissions	0%	100%	0%	0%	100%	0%
Total Financed Carbon Intensity	0%	100%	0%	0%	100%	0%
Weighted Average Carbon Intensity	0%	100%	0%	0%	100%	0%

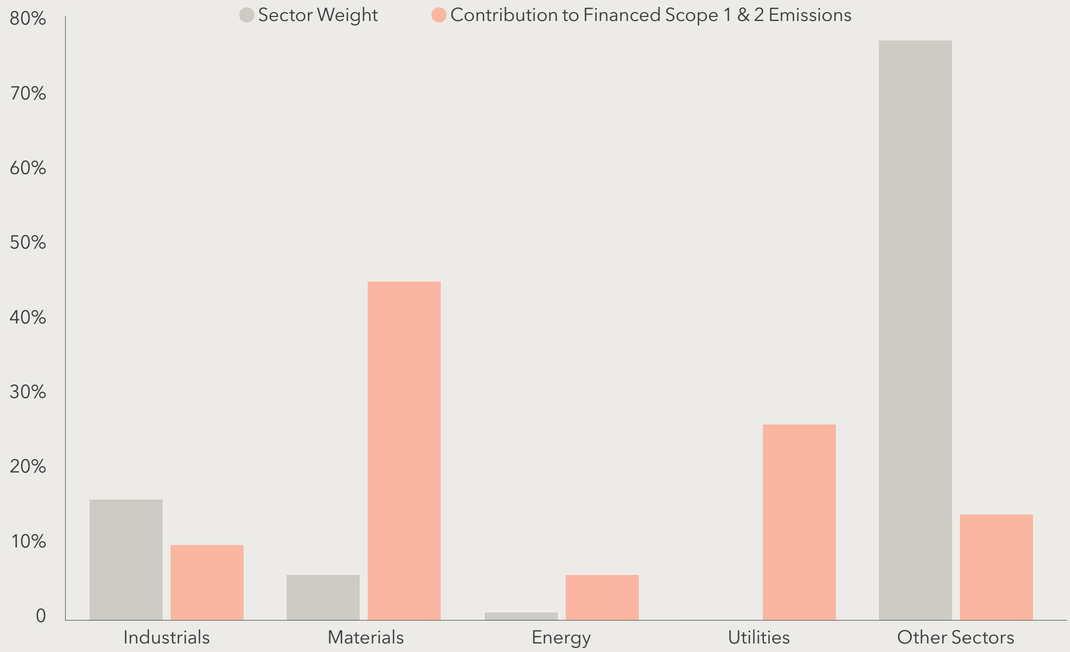
Coverage Notes

Percentages indicate weight of market values in each category. Estimated emissions values are sourced from MSCI. Walter Scott did not make any assumptions or use proxies. Within the 'No Coverage' category, there may be companies held at a low weight, rounding to 0%

discretionary AUM, to allow for direct comparison to Walter Scott Representative Holdings' Total Financed Emissions.

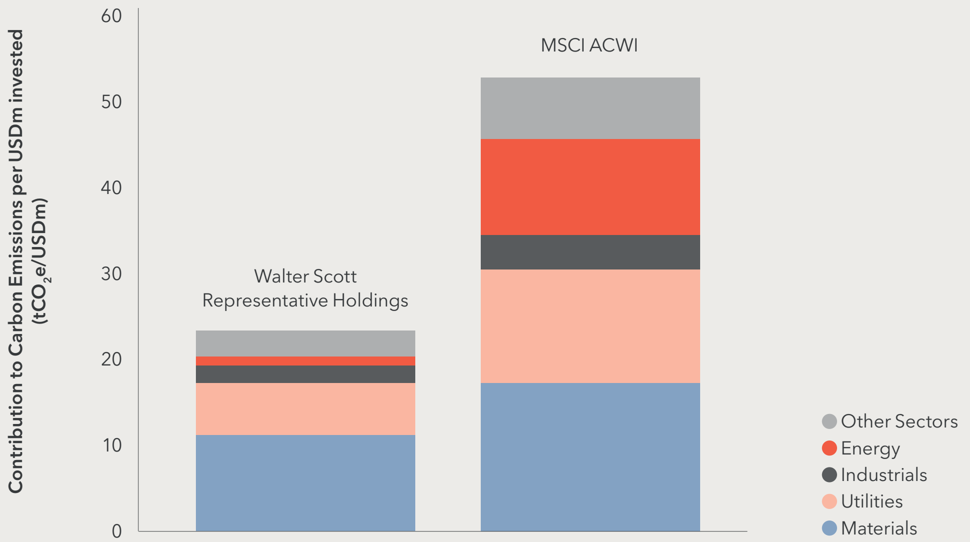
6. Scope 1 and 2 emissions are based on reported emissions or, where reported emissions are unavailable, using MSCI estimated emissions. Walter Scott did not make any assumptions or use proxies.
7. Cash has been excluded and the holdings reweighted for the Weighted Average Carbon Intensity metric in order to avoid understatement. For other metrics, cash is assumed to have zero emissions attributed and is also excluded from the calculation.
8. Where data is missing for any input value needed for the calculation on a company level, whether a constituent of the portfolio or benchmark, the company has been excluded from that calculation entirely. This is represented in the calculations above as "part portfolio value", i.e. the portfolio value excluding cash and excluding any companies with relevant data gaps.
9. Scope 3 emissions are estimated by MSCI. Walter Scott did not make any assumptions or use proxies.

WEIGHT OF SECTORS VS PERCENTAGE CONTRIBUTION TO FIRM EMISSIONS
WALTER SCOTT REPRESENTATIVE HOLDINGS

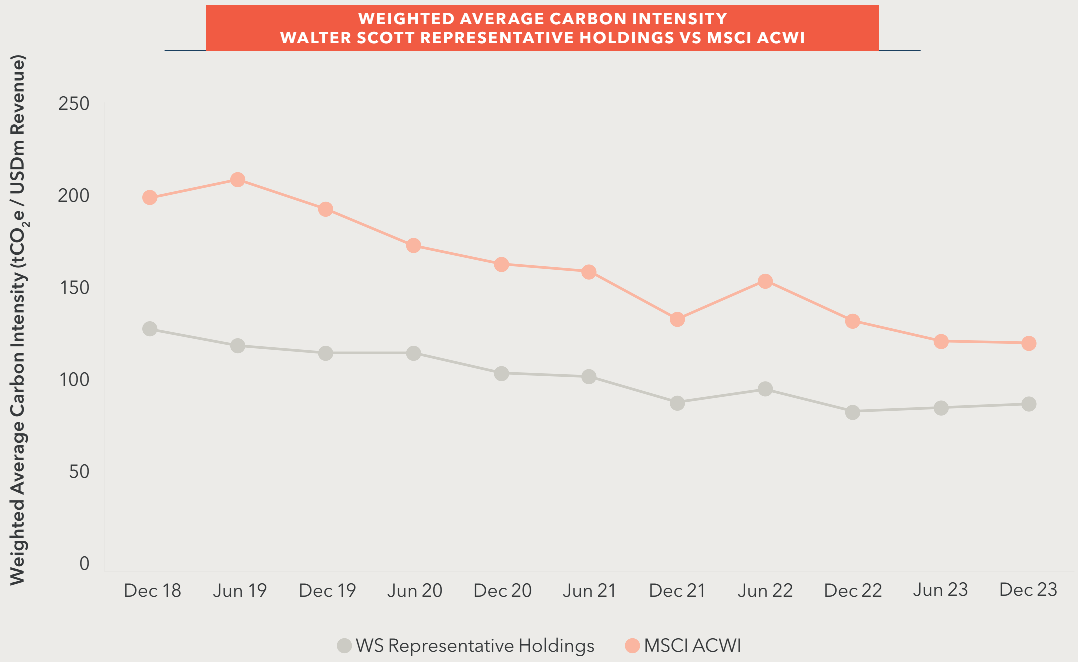


Contribution to emissions is calculated as the financed emissions attributed to the holdings within a sector(s), divided by the total financed emissions attributed to the entirety of the Walter Scott Representative Holdings

SECTOR CONTRIBUTION TO FINANCED EMISSIONS PER USD 1M INVESTED
WALTER SCOTT REPRESENTATIVE HOLDINGS VS MSCI ACWI



Holdings data as at 31 December 2023



- Weighted average tonnes of Scope 1 and 2 CO_2 equivalent emissions per USDm revenue from relevant fiscal year (where available, otherwise using emissions intensity from the prior year).
- Emissions data run on 4 April 2024

CLIMATE VALUE AT RISK AND IMPLIED TEMPERATURE RISE

For this year's report, Walter Scott is not disclosing climate value-at risk or implied temperature rise metrics given data and methodology challenges. In 2024 we will continue to assess data availability and quality and developing third-party assessment methodologies, and will undertake further research with a view to increasing our level of disclosure in this area in the future.

OPERATIONAL METRICS AND TARGETS

The Walter Scott operational energy and emissions table is disclosed on the next page. Whilst the table represents the company's best efforts in capturing the data, it is worth highlighting that methodologies may change or there may be different ways of capturing and presenting the data in the future. The annual reporting period, January 1st to December 31st, is aligned with our financial year. The conversion factors applied, specific to the year reported for 2019 to 2023, have been published by the UK Government: Department for Energy Security and Net Zero.

In accordance with the UK Companies Regulations 2018, the company reports its energy use and associated Greenhouse Gas emissions resulting from energy use in its UK buildings and employees' business travel. Due to the nature of the business' primary commercial activity and location of clients, business travel emissions reported include international travel and are not restricted to travel that both starts and ends in the UK.

The company has voluntarily reported additional emission types, where applicable utilising the calculation methodologies set out per the Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard Revised Edition, defined by the World Resource Institute/World Business Council for Sustainable Development.

Per the GHG Protocol Scope 2 Guidance, Scope 2 emissions using both the location based and market based methods have been reported. The market based method reflects

OPERATIONAL ENERGY AND EMISSIONS

2019 emissions shown as this is the baseline year for operational emissions. Emissions for the year of report (2023) and previous two years are also shown for comparison.

	Units (kWh)			
Energy usage	**2023**	**2022**	**2021**	**2019**
Gas combustion	329,277	331,610	344,627	381,758
Grid electricity consumed	244,944	257,283	241,353	296,111

	GHG Emission (metric tonnes CO_2e)				
Emissions Source	**2023**	**2022**	**2021**	**2019**	**Note**
Scope 1: GHG Emissions	67	68	70	78	1
Scope 2: GHG Emissions (location-based)	51	50	51	74	2
Scope 2: GHG Emissions (market-based)	0	0	0	26	3
Scope 3: GHG Emissions	938	1,765,076	2,086,944	2,394,996	
1. Purchased Goods and Services[a]	111	125	160	n/a	4
5. Waste generated in operations	0.5	0.4	0.3	0.5	5
6. Business Travel	615	359	44	698	6
7. Employee Commuting[a]	211	177	205	n/a	7
(a) of which commuting	100	60	17	n/a	
(b) of which working from home	111	117	188	n/a	
15. Investments[b]	n/a	1,764,414	2,086,534	2,394,297	8
Total Gross GHG Emissions	1,056	1,765,193	2,087,065	2,395,148	

	GHG Emission (metric tonnes CO_2e)			
Intensity Metrics (Per Person Employed unless stated)	**2023**	**2022**	**2021**	**2019**
Scope 1: GHG Emissions[c]	0.37	0.39	1.84	0.50
Scope 2: GHG Emissions (market-based)[c]	0.00	0.00	0.00	0.17
Scope 3: Purchased Goods and Services[a]	0.62	0.72	0.94	n/a
Scope 3: Business Travel per person travelling[d]	7.41	5.89	2.32	10.91

[a] Emissions not provided for 2019 due to a lack of available data.
[b] Emissions associated with the investments managed by Walter Scott on behalf of clients for 2023 are not reported to due a lack of available data.
[c] Persons Employed (PE) figure for 2023 based on average headcount for the year reported.
[d] Persons travelling figure represents the number of individuals for whom the business booked travel for during the year.

emissions from electricity arising from a renewable energy supply contract whereas the location based method does not.

METHODOLOGY NOTES

1. Walter Scott's Scope 1 emissions include emissions from the tracked use of natural gas in occupied facilities. Natural gas usage is tracked using meter readings at each of the buildings occupied in Edinburgh, UK.

2. Location-based Scope 2 grid electricity emissions are estimated based on recorded consumption in kWh which are then converted using UK government emissions conversion factors for each applicable year.

3. Grid electricity usage is recorded through meter readings in each of the buildings occupied in Edinburgh. Our energy provider supplies our Edinburgh offices with 100% renewable electricity. The supplier buys electricity on the wholesale market and for every unit purchased a Renewable Energy Guarantees of Origin (REGO) certificate is bought to match. From 2020 onwards, electricity has been supplied in this manner, meaning that the firm can report a reduced emission figure under the market-based method.

4. Purchased goods and services includes upstream emissions from production of products and services acquired. This includes both tangible and intangible items and has been calculated using the hybrid method according to the GHG Protocol. This involves the use of a combination of supplier provided emissions data and the use of secondary data. Emissions reported are calculated using the most current Scope 1 and 2 emissions data specific to the vendor and where data is not available no estimate has been made. Figures are not provided for 2019 due to a lack of available data.

5. Waste generated in our Edinburgh offices is recorded by our waste manager and the mass of this is then used to calculate the emissions associated with their disposal. Reported emissions relate to those emitted in the end-of-life disposal process, in accordance with the GHG Protocol waste-type-specific-method and have been calculated using the weight of waste materials multiplied by the relevant annual UK government emissions conversion factors.

6. Business travel emissions include international travel due to the nature of the business' primary business activity and location of clients. Our travel provider calculates the average estimated carbon emissions associated with each business trip and as such the calculated emissions will vary depending on the route of travel. Emissions associated with hotel accommodation required for business travel have been included in the 2022 and 2023 figures, however, this was not reported in 2019 due to lack of available data.

7. Employee commuting includes emissions from the transportation of employees between their homes and the workplace. Additionally, emissions from teleworking (i.e. employees working from home) have been included within this category per the GHG Protocol.

   Transportation emissions associated with employee commuting have been calculated in accordance with the GHG Protocol distance-based-method. The calculations were supplemented with the results of a staff survey conducted in 2023, which gathered information at a respondent level to improve overall accuracy. Details including, mode of transport used; distance from the office; and frequency of travel were collected.

   Emissions associated with employee home working have been reported using the results of the staff survey conducted in 2023, in accordance with the GHG Protocol average data-method, as an estimate was required to determine the average energy consumption of an individual when working from home. The survey gathered information at a respondent level including the type of energy tariff the member of staff held at home; the number of electrical devices used; and whether they used additional heating or cooling equipment to enhance the accuracy of the average data-method calculation.

8. Emissions associated with the investments managed by Walter Scott on behalf of clients are reported using the investment-specific method according to the GHG Protocol. This method involves collecting Scope 1 and 2 emissions from the investee company and allocating the emissions based upon the share of investment on the 31 December for the year reported. While the reporting guidelines for investment emissions in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard emissions are mostly clear, accurately capturing investment emissions is complex and for this reason emissions reported should be considered as an estimate. Due to a lack of available Scope 1 and 2 investee company data for 2023, emissions have not been reported.

All emissions reported have been calculated as at 26 February 2024. The calculation methodology has changed compared to prior years and now uses 'market value divided by a company's Enterprise Value Including Cash (EVIC) as an indication of ownership of emissions. In previous years, the calculation methodology used 'number of shares held divided by shares outstanding' as an indication of ownership of emissions. The updated calculation methodology has been used to restate the 2019 and 2021 emissions and the restated values are presented in the table below. Financed emissions have decreased, partly as a result of this change in methodology.

The following information is relevant to further explain the calculation approach that has been taken.

(a) Primary Sources: Walter Scott and MSCI – MSCI's emissions data has been aggregated by Walter Scott to a portfolio-level.

(b) Secondary Source: FactSet – where EVIC data was unavailable via MSCI, FactSet was used as a secondary source for EVIC values.

(c) Cash is assumed to have zero emissions attributed to it.

(d) Ownership of emissions is determined by the proportionate weight of all companies within Walter Scott's Composites (as at 31 December of each calendar

COVERAGE OF EMISSIONS ASSOCIATED WITH INVESTMENTS MANAGED BY WALTER SCOTT

	2023	2022	2021	2020	2019
15. Investments	n/a	1,764,414	2,086,534	2,256,602	2,394,297
% Reported Values	n/a	91%	92%	90%	88%
% Estimated Values	n/a	9%	8%	10%	12%
% No Coverage	n/a	0%	0%	0%	0%

Emissions associated with the investments managed by Walter Scott on behalf of clients for 2023 are not reported to due a lack of available data year), combined with the firm's total discretionary AUM as at 31 December of each calendar year to calculate an implied market value for each company holding. These company market values are then divided by each companies' Enterprise Value Including Cash (EVIC) to determine ownership of the companies' total emissions. This should be considered representative of the firm's exposure.

(e) Emissions data for each company included has been sourced for the relevant financial year, where available at time of calculation (26 February 2024), as indicated by the coverage table below. For 2022, where financial year emissions have not yet been reported or estimated for investee companies, 2021 emissions data has been used as the most recent available.

Percentages indicate weight of market values in each category. Estimated emissions values are sourced from MSCI. Walter Scott did not make any assumptions or use proxies. Within the 'No Coverage' category, there may be companies held at a low weight that rounds to zero.

2022 emissions calculations use the most recently reported data available at time of calculation. Of the 91% reported value for 2022, 9.7 percentage points uses 2021 data since this is the most recently reported available.

APPENDIX A

Abbreviations

CDP: Carbon Disclosure Project
CO_2e: Carbon Dioxide equivalents
CSA: Climate Scenario Analysis
ECA: Enhanced Climate Assessment
EMC: Executive Management Committee
EVIC: Enterprise Value Including Cash
GHG: Greenhouse Gas
IMC: Investment Management Committee
ISSC: Investment Stewardship and Sustainability Committee
MSCI ACWI: MSCI All Country World Index
NGFS: Network for Greening the Financial System
PCAF: The Partnership for Carbon Accounting Financials
SBTs: Science Based Targets
SBTi: Science Based Targets initiative
SECR: Streamline Energy and Carbon Reporting
TCFD: Task Force on Climate-related Financial Disclosures

APPENDIX B

Glossary

Additional Objectives Portfolios (AOPs): These are Walter Scott portfolios relating to clients who have opted to include additional environmental, social, and/or governance requirements in their investment guidelines or mandate.

Additional Objectives Portfolios Process: This is Walter Scott's proprietary process for assessing the suitability of holdings for AOP clients, overseen by the internal AOP Group.

Climate-related Physical Risk: This refers to the risk climate change poses to physical assets or operations, such as direct damage to assets and indirect impacts from supply chain disruption. Organisations' financial performance may also be affected by changes in water availability, sourcing and quality; food security; and extreme temperature changes affecting organisations' premises, operations, supply chain, transport needs and employee safety. Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns.

Acute Risk: Acute physical risks refer to those that are event driven, including increased severity of extreme weather events, such as cyclones, hurricanes, floods or wildfires.

Chronic Risk: Chronic physical risks refer to longer term, ongoing shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise, long-lasting droughts or chronic heat waves.

Climate-related Transition Risk: This refers to the risks associated with the transition to a low-carbon or Net Zero economy. The most common transition risks relate to extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations if they do not comply or adapt.

Net Zero: This describes the state when a corporation reduces its relevant Scope 1, 2 and 3 category Greenhouse Gas (GHG) emissions following science based targets, below 1.5°C pathways as much as possible, with any remaining GHG emissions being fully neutralised by like-for-like removals, for example permanent removals of fossil carbon emissions.

Science Based Targets (SBTs): GHG reduction targets are considered science based if they are in line with what the latest climate science deemed necessary to meet the goals of the Paris Agreement. This is limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Task Force on Climate-related Financial Disclosures (TCFD): The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit and insurance underwriting decisions. The recommended Financial Disclosures are organised into four categories: Governance, Strategy, Risk Management, and Metrics & Targets. The TCFD is unique in that it focuses on assessing the ability of a company to mitigate risks and maximise opportunities related to climate change.

DISCLAIMERS

WALTER SCOTT

The data in this report is sourced from Walter Scott's third-party data provider. Walter Scott has undertaken an internal review of the methodologies used by the third-party data provider against prescribed methodologies as set out within the TCFD recommendations and concluded that the data reviewed is of sufficient quality for use in product-level disclosures as required by the FCA. Please note, however, that whilst Walter Scott has reviewed the methodology used by the third-party data provider, the data may be open to challenge and/or contain inaccuracies due to data gaps, use of estimated data by the third-party provider, and unverified corporate disclosure underpinning the data. Furthermore, the Investment Manager used the data of one third-party provider, which may vary from that provided by other third-party providers.

MSCI TCFD DISCLAIMER

This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Walter Scott's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

MSCI DISCLAIMER: NOTICE AND DISCLAIMER FOR REPORTING LICENSES

Certain information contained herein (the "Information") is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates ("MSCI"), or information providers (together the "MSCI Parties") and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

This document forms Walter Scott's Climate Change approach and is owned by the Investment Management Committee.

REGULATORY INFORMATION

Walter Scott & Partners Limited (Walter Scott or the firm) is an investment management firm authorised and regulated in the United Kingdom by the Financial Conduct Authority in the conduct of investment business. Walter Scott is a 100% owned non-bank subsidiary of The Bank of New York Mellon Corporation. Walter Scott is registered in the United States under the Investment Advisers Act of 1940.

Walter Scott provides investment management and advisory services to non-UK clients and, Walter Scott is responsible for portfolios managed on behalf of pension plans, endowments and similar institutional investors.

Walter Scott is registered with the SEC in the United States of America, as an Exempt Market Dealer in all Canadian provinces and, with the FSCA in South Africa.

IMPORTANT INFORMATION FOR USA

Walter Scott & Partners Limited (Walter Scott) is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Walter Scott is also registered as an investment adviser with the US Securities and Exchange Commission (SEC). Securities offered in the US by BNY Mellon Securities Corporation (BNYMSC), a registered broker-dealer. Investment advisory products offered in the US through BNYMSC employees acting in their capacity as associated investment adviser representatives of BNYMSC.

IMPORTANT INFORMATION FOR CANADA

Walter Scott is registered as an Exempt Market Dealer (EMD) (through which it offers certain investment vehicles on a private placement basis) in all Canadian provinces (Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland & Labrador, Nova Scotia, Prince Edward Island, Quebec, Saskatchewan and Ontario) and is also availing itself of the International Adviser Exemption (IAE) in these same provinces with the exception of Prince Edward Island. Each of the EMD registration and the IAE are in compliance with National Instrument 31-103, Registration Requirements, Exemptions and Ongoing Registrant Obligations.

IMPORTANT INFORMATION FOR AUSTRALIA

This material is provided on the basis that you are a wholesale client as defined within s761G of the Corporations Act 2001. Walter Scott is registered as a foreign company under the Corporations Act 2001. It is exempt from the requirement to hold an Australian Financial Services License under the Corporations Act 2001 in respect of these services provided to Australian wholesale clients.

IMPORTANT INFORMATION FOR SOUTH AFRICA

Walter Scott is registered as a Foreign Financial Services Provider with the Financial Sector Conduct Authority in South Africa. FSP No. 9725.

RISK FACTORS & IMPORTANT INFORMATION

The statements and opinions expressed in this report are those of Walter Scott as at the date stated and do not necessarily represent the view of The Bank of New York Mellon Corporation, BNY Investments or any of their respective affiliates.

BNY Investments and its affiliates are not responsible for any subsequent investment advice given based on the information supplied. This is not intended as investment advice but may be deemed a financial promotion under non-US jurisdictions. The information provided is for use by professional investors only and not for onward distribution to, or to be relied upon by, retail investors.

All investments have the potential for profit or loss and your capital may be at risk. Past performance is not a guide to future results and returns may increase or decrease as a result of currency fluctuations.

Investing in **foreign denominated and/or domiciled securities** involves special risks, including changes in currency exchange rates, political, economic, and social instability, limited company information, differing auditing and legal standards, and less market liquidity. These risks generally are greater with emerging market countries.

The material contained in this report which may be considered advertising, is for general information and reference purposes only and is not intended to provide or be construed as legal, tax, accounting, investment financial or other professional advice on any matter, and is not to be used as such. The contents may not be comprehensive or up to date and are subject to change without notice. Walter Scott assumes no liability (direct or consequential or any other form of liability for errors in or reliance upon this information.

If distributed in the UK or EMEA, this report may be deemed a financial promotion provided for general information only and should not be construed as investment advice. This is not investment research or a research recommendation for regulatory purposes. This report is not intended for distribution to, or use by, any person or entity in any jurisdiction or country in which such distribution or use would be contrary to local low regulation. Persons into whose possession this report comes are required I inform themselves about and to observe any restrictions that apply to distribution of this report in their jurisdiction.

As stated this document does not constitute investment advice and should not be construed as an offer to sell or a solicitation to buy any security or make an offer where otherwise unlawful. You should consult with your advisor to determine whether any particular investment strategy is appropriate.

This document should not be published in hard copy, electronic form, via the web or in any other medium accessible to the public, unless authorised by Walter Scott.

Trademarks, service marks and logos belong to their respective owners.

© 2022 The Bank of New York Mellon Corporation. All rights reserved.

© Ethel Walker

Ethel Walker
Beach on Canna

Walter Scott has been supporting emerging Scottish talent since 1988. In the same way that we believe that different perspectives within the team generate the best investment ideas, so we believe that our art collection should incorporate a wide range of work from an eclectic group of contemporary artists.

Our commitment to that community is reflected in our longstanding partnership with the Royal Scottish Academy and in particular our support of its annual 'New Contemporaries' exhibition that showcases the work of emerging artists from across Scotland's five main colleges of art and of architecture.

WALTER SCOTT & PARTNERS LIMITED, ONE CHARLOTTE SQUARE, EDINBURGH EH2 4DR
TEL: +44 (0)131 225 1357 · FAX: +44 (0)131 225 7997
WWW.WALTERSCOTT.COM

Registered in Scotland 93685. Registered Office as above. Authorised and regulated by the Financial Conduct Authority.
FCA Head Office: 12 Endeavour Square, London E20 1JN · www.fca.org.uk