Annex IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU)2020/852

Product Name: European Smaller Companies Fund

Legal Entity Identifier: IKNRVTZFJMXVU04INT73

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective: ___%** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 40 % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☒ with a social objective
☐ It made **sustainable investments with a social objective: ___%**	☐ It promoted E/S characteristics, but **will not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the

To promote the environmental and social characteristics, the Fund applied ESG assessment criteria, ESG screening criteria and promoted good governance including social factors.

We used our proprietary research framework to analyse the foundations of each business to ensure proper context for our investments. This included examining the durability of its business model, the attractiveness of its industry, the strength of its financials and the sustainability of its economic moat.

We also considered the quality of its management team and analysed the environmental, social and governance (ESG) opportunities and risks impacting the business and appraised how well these are managed. We assigned a proprietary score to articulate the quality attributes of each company, one of which is the ESG Quality rating. This enables the portfolio managers to exclude companies with material ESG risks and positively skew the portfolio towards opportunities and to build well-diversified, risk adjusted portfolios.

financial product are attained.

Additionally, our proprietary ESG House Score, developed by our central ESG investment team in collaboration with the Quantitative investment team, was used to identify companies with potentially high or poorly managed ESG risks. The score is calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector. This allowed us to see how companies ranked in a global context.

To complement this, we also utilise our active stewardship and engagement activities.

How did the sustainability indicators perform?

As described in more detail within our prospectus, the sustainability indicators applied by the Fund are:

ESG Assessment Criteria

Understanding environmental, social and governance (ESG) factors can complement broader understanding of a business' competitive positioning and help build out an investment case. We believe that integrating ESG analysis helps give us a competitive edge.

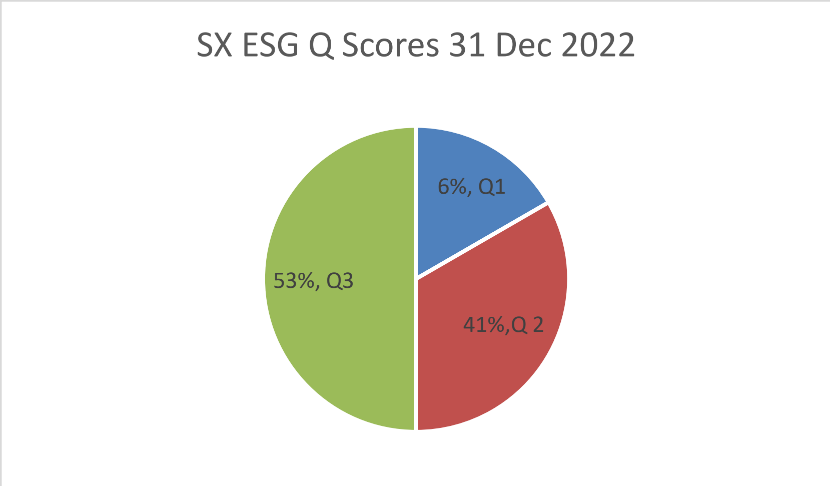
We believe that looking at ESG information, including the way we collect ESG information, gives us an information edge. By considering ESG factors when others do not we have an informational advantage over competitors. The way we systematically integrate ESG factors into the investment process contributes to our analytical edge. Incorporating ESG factors into company analysis and using these factors to understand quality, the drivers of value and risks to that value, we gain an analytical edge over the market where peers do not consider ESG factors. Finally, by better understanding the quality of companies, and with ESG being a component of quality, we can act on more informed and more rational basis during periods of volatility, giving us a behavioural edge. Better understanding the inherent drivers of quality means that we can use volatility to our advantage, and to not get swept up in sentiment.

As part of their company research, our stock analysts evaluate the ownership structures, governance and management quality of the companies they cover. They also assess potential environmental and social risks and opportunities that the companies may face, leveraging the wider ESG resource within abrdn. These insights are captured in the company research notes and form a key part of the process to identify companies which qualify for the Sustainable Leaders strategies.

As part of their stock assessments, our equity analysts assign a proprietary score (1 indicates best in class and 5 indicates laggards) to articulate five Quality attributes of each company (Industry, Business Model, Management, Financial Strength, and ESG) which are used to inform the overall Quality score.

Analyst ESG rating	1	2	3	4	5
	Best in class	Above Average	Average	Below Average	Laggard
Key Considerations	Exceptional ESG risk management Business is taking advantage of ESG opportunities and enhancing its competitive advantage Strong oversight and governance with robust control mechanisms	Strong ESG risk management and/or are utilising ESG factors to improve competitive advantage. But execution not as progressed as best in class peers. Strong oversight and governance with robust control mechanisms	Business has identified material ESG factors. There may be instances of policy or processes failure in recent history but these have been addressed Opportunities to enhance competitive advantage identified, but still nascent. Governance and oversight more limited or lacks strong check and challenge.	Material ESG risks are under managed and opportunities under-developed. Lack of robust processes in place and there is serious potential for something to go wrong and severely impact the investment case.	Business has likely had significant issues arise due to lack of processes and oversight. Failure to properly manage most material ESG factors and no evidence of effort to address. Significant risk to the investment case from poor management of ESG risks and failure to capture revenue opportunities

In carrying out their assessments of ESG Quality, our equity analysts incorporate internal data sources (ESG House Score), external sources (e.g. MSCI reports), thematic expertise from our central Sustainability Group and regional expertise from our on-desk ESG analysts. In many cases we know our companies better than the external ESG ratings providers which are widely used in the market, and we are able to take a forward-looking view of a company's progress (rather than relying on backward-looking point-in-time metrics). Furthermore, our engagements with companies often produce a more in-depth understanding of a company's management of ESG risks and opportunities than the published KPIs (which are affected by wide variation in extent of disclosure by companies) which are relied upon by quantitative scoring mechanisms.



ESG screening criteria

We confirm that during the reporting period, binary exclusions are applied to exclude the particular areas of investment related to UN Global Compact, Controversial Weapons, Tobacco Manufacturing and Thermal Coal. These screening criteria apply in a binding manner and there are **no** holdings in the fund that fail the agreed criteria.

We confirm that during the reporting period the Fund excluded companies with the highest ESG risks, as identified by the ESG House Score. This is implemented by excluding the bottom 5% of issuers with an ESG House Score that are in the benchmark. Our proprietary ESG House Score, developed by our Sustainability Group in collaboration with the Quantitative investment team, was used to identify companies with potentially high or poorly managed ESG risks. The score was calculated by combining a variety of data inputs within a proprietary framework in which different ESG factors are weighted according to how material they are for each sector.

Carbon intensity lower than the benchmark:

We use internal climate tools to monitor the carbon footprint of the portfolio and confirm that during the reporting period the Fund weighted average carbon intensify was below the benchmark.

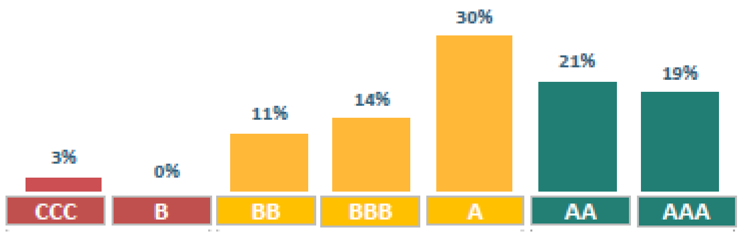
Weighted Average Carbon Intensity (WACI) in tonnes of CO2e / million USD revenue

	Scope 1 & 2	Scope 1	Scope 2	Scope 3 Upstream	Scope 3 Downstream
Portfolio	58.05	35.30	22.75	170.39	248.06
Benchmark	160.94	126.82	34.12	161.45	787.58
Relative carbon intensity %	36.07	27.84	66.68	105.54	31.50

ESG fund rating

We confirm that during the reporting period the Fund achieved the same ESG rating based on MSCI data with the benchmark

ESG Rating Distribution



Benchmark ESG rating:

MSCI ESG Rating

AA

Promotes good governance including social factors

We confirm that during the reporting period the Fund focused engagement and analysis on governance and that using the abrdn ESG House Score as above, we avoided those companies with the worst governance practices.

…and compared to previous periods?

N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund has not set a sustainable objective, however is voluntarily disclosing the Sustainable Investments held within the portfolio, following the sustainable investment methodology outlined below. Please note that in future reporting periods, the proportion of sustainable investments could be higher, lower, or 0%.

Sustainable Investment Methodology

The objective of the sustainable investment is to make a contribution to solving an environmental or social challenge, in addition to not causing significant harm, and being well governed. Each sustainable investment may make a contribution to Environmental or Social issues. In fact, many companies will make a positive contribution to both. abrdn use the six environmental objectives of the Taxonomy to inform Environmental contributions, including: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems. In addition, abrdn use the 17 Sustainable Development Goals and their sub-goals to supplement the EU Taxonomy topics and provide a framework for considering Social objectives

An economic activity must have a positive economic contribution to qualify as a Sustainable investment, this includes consideration of Environmental or Socially aligned revenues, Capex, Opex or sustainable operations. abrdn seek to establish or estimate the share of the investee company's economic activities/contribution towards a sustainable objective and it is this element that is weighted and counted towards the Sub-fund's total aggregated proportion of Sustainable Investments.

abrdn uses a combination of the following approaches: i. a quantitative methodology based on a combination of publicly available data sources; and ii. using abrdn's own insight and engagement outcomes abrdn overlay the quantitative methodology with a qualitative assessment to calculate an overall percentage of economic contribution towards a sustainable objective for each holding in a Fund.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

As required by the SFDR Delegated Regulation, the investment does not cause Significant Harm ("Do No Significant Harm"/ "DNSH") to any of the sustainable investment objectives. abrdn have created a 3-step process to ensure consideration of DNSH:

i. **Sector Exclusions**

abrdn have identified a number of sectors which automatically do not qualify for inclusion as a Sustainable Investment as they are considered to be causing significant harm. These include but are not limited to: (1) Defence, (2) Coal, (3) Oil & Gas Exploration, Production and associated activities, (4) tobacco, (5) gambling and (6) alcohol.

ii. **DNSH Binary Test**The DNSH test, is a binary pass/fail test which signals if the company passes or fails criteria for the SFDR Article 2 (17) "do no significant harm". Pass indicates under abrdn's methodology the company has no ties to controversial weapons, less than 1% of revenue from thermal coal, less than 5% of revenue from tobacco related activities, is not a tobacco producer, and has no red/severe ESG Controversies. If the company fails this test, it cannot be considered a Sustainable Investment. Abrdn's approach is aligned with the SFDR PAIs included within tables 1, 2 & 3 of the SFDR Delegated Regulation and is based on external data sources and abrdn internal insights.

iii. **DNSH Materiality Flag**

Using a number of additional screens and flags, abrdn consider the additional SFDR PAI's indicators as defined by the SFDR Delegated Regulation to identify areas for improvement or potential future concern. These indicators are not considered to cause significant harm and therefore a company with active DNSH materiality flags may still be considered to be a Sustainable Investment. abrdn aim to enhance the engagement activities to focus on these areas and seek to deliver better outcomes by resolving the issue.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considers Principle Adverse Impact Indicators defined by the SFDR Delegated Regulation.

Pre investment, the following PAI indicators are considered:

abrdn applies a number of norms and activity based screens

- Exposure to fossil fuel sector thermal coal extraction (more than 5% of revenue is excluded), thermal coal power generation (more than 20% revenue excluded, unless identified as a Transition Focused Company) and companies investing directly in new thermal coal generation capacity in their own operations are excluded.
- The Fund uses norms-based screens and controversy filters to exclude companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights.
- Exposure to Controversial weapons.
- Exposure to Tobacco production (more than 5% of revenue is excluded).

abrdn considers the following PAI indicators via our ESG integration process, pre-investment due diligence policies and procedures:

- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Biodiversity, waste, water and diversity indicators via our Proprietary House Score.
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance.

Post-investment the following PAI indicators are considered:

- abrdn monitors all mandatory and additional PAI indicators via our ESG integration investment process using a combination of our proprietary house score and 3rd party data feeds. PAI indicators that either fail a specific binary test or are considered above typical are flagged for review and may be selected for company engagement.
- Consideration of portfolio carbon intensity and GHG emissions via our Climate tools and risk analysis
- Governance indicators via our proprietary governance scores and risk framework, including consideration of sound management structures, employee relations, remuneration of staff and tax compliance
- On an on-going basis the investment universe is scanned for companies that may be in breach of international norms described in the OECD guidelines for multinational enterprises and the UN guiding principles on business and human rights, as well as state owned entities in countries which violate norms.

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

Yes, all sustainable investments are aligned with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights. Breaches and violations of these international norms are flagged by an event-driven controversy and are captured in the investment process, and in turn excluded from consideration as a sustainable investment.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.
The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Principle Adverse Impact Considered for Investments:		**Explanation:**
GHG Emissions Scope 1 & 2 and carbon footprint		This is undertaken via monitoring of the carbon benchmark and we confirm that during the reporting period that the portfolio performed better than the benchmark and in line with our overall commitment.
Fossil Fuel Sector Exposure	Share of investments in companies active in the fossil fuel sector	5.66% This figure represents companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. It is not indicative of how active a company is in the fossil fuel sector in terms of percentage revenue, for which this fund deploys maximum revenue threshold criteria to actively minimise exposure to fossil fuels.
Exclusions: UN Global compact, defence, coal, Oil & Gas exploration, production, and associated activities, nuclear weapons and tobacco		We confirm that screening in line with our approach documents has been undertaken during the reporting period

As described above, a number of PAIs are actively screened from the investment universe prior to investment, including norms-based screens and controversy filters. Please see below example engagements which demonstrate where action has been taken

Gaztransport Et Technigaz SA (Goverance and Disclosures) : Met with the company discuss their ESG profile. They are currently working to improve their ESG disclosures. It is more of a technological company rather than an Oil&Gas company, thus most of the Oil&Gas industry concerns are not applicable. They are leading the energy transition by pushing towards more gas usage in Shipping industry. If they improve their ESG disclosure, we believe that their ESG ratings will improve as well. The auditors are in place for 24 years and this is an item that we voted against. We will track progress in due course but we would like to see some improvement in terms of the auditor tenure and the disclosures.

Interpump (Climate Change and Environment): We engaged with Interpump following the publication of the ESG strategy. The company has made some significant steps ahead but we believe time will prove the quality of the ESG strategy and the feasibility of the targets. The company is formalising the CEO succession plan which is a positive development and once they do we will close the outstanding milestone. It is too early to anticipate any change in the dual role of Chair/CEO. There will be an ESG committee at board level created and there is a review and adaptation taking place of the ethics code. A lot of progress but we will wait to see the first tangible progress in order to gain comfort and close some of the outstanding milestones.

Teleperformance (social/employment): On going engagement with Teleperformance regarding the management of their workforce. The company has made notable progress on employee rights in recent years, committing to pay all employees a living wage, adopting ILO principles and improving employee access to vaccination during Covid. However, there are areas where we would like to see further progress, in particular disclosure of key labour metrics and for Teleperformance to find a resolution with labour unions in some of their subsidiaries.

Interparfums (E,S,G): We met the company in order to discuss their upcoming plans in terms of governance and disclosure. The company is lagging peers in governance practices and ESG disclosures and thus the House score and MSCI scores are depressed. Our aim was to get some comfort and reiterate the milestones set in 2020. There are some good steps towards improving their ESG disclosure but we will engage in Q1 2023 to track progress.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investmen**ts of the financial product during the reference period which is:

Date as at 31st March 2022

Largest investments	**Sector**	**Country**	**% Assets (exc. Cash)**
Kesko OYJ	Consumer Staples	FIN	4.46%
Intermediate Capital Group PLC	Financials	GBR	4.09%
Grafton Group PLC	Industrials	GBR	4.01%
Bachem Holding AG	Health Care	CHE	3.97%
Morgan Sindall Group PLC	Industrials	GBR	3.95%
Teleperformance	Industrials	FRA	3.91%
Komax Holding AG	Industrials	CHE	3.68%
YouGov PLC	Communication Services	GBR	3.65%
Diploma PLC	Industrials	GBR	3.64%
CTS Eventim AG & Co KGaA	Communication Services	DEU	3.46%
Dermapharm Holding SE	Health Care	DEU	2.95%
Azimut Holding SpA	Financials	ITA	2.87%
Borregaard ASA	Materials	NOR	2.80%
AddTech AB	Industrials	SWE	2.62%
Marshalls PLC	Materials	GBR	2.51%

Date as at 30th June 2022

Largest investments	**Sector**	**Country**	**% Assets (exc. Cash)**
Teleperformance	Industrials	FRA	4.60%
CTS Eventim AG & Co KGaA	Communication Services	DEU	4.16%
Komax Holding AG	Industrials	CHE	4.09%
Morgan Sindall Group PLC	Industrials	GBR	4.04%
Kesko OYJ	Consumer Staples	FIN	4.00%
Diploma PLC	Industrials	GBR	3.89%
FinecoBank Banca Fineco SpA	Financials	ITA	3.59%
Borregaard ASA	Materials	NOR	3.43%
Azimut Holding SpA	Financials	ITA	3.20%
YouGov PLC	Communication Services	GBR	3.19%
Grafton Group PLC	Industrials	GBR	3.12%
Intermediate Capital Group PLC	Financials	GBR	3.04%
AddTech AB	Industrials	SWE	2.63%
Gaztransport Et Technigaz SA	Energy	FRA	2.61%
Fagron	Health Care	BEL	2.57%

Date as at 30th September 2022

Largest investments	Sector	Country	% Assets (exc. Cash)
Komax Holding AG	Industrials	CHE	5.11%
Teleperformance	Industrials	FRA	4.88%
FinecoBank Banca Fineco SpA	Financials	ITA	4.77%
Diploma PLC	Industrials	GBR	4.75%
CTS Eventim AG & Co KGaA	Communication Services	DEU	4.22%
Morgan Sindall Group PLC	Industrials	GBR	3.83%
Gaztransport Et Technigaz SA	Energy	FRA	3.78%
YouGov PLC	Communication Services	GBR	3.61%
AddTech AB	Industrials	SWE	3.51%
Azimut Holding SpA	Financials	ITA	3.38%
Kesko OYJ	Consumer Staples	FIN	3.23%
Borregaard ASA	Materials	NOR	3.18%
Grafton Group PLC	Industrials	GBR	2.79%
Intermediate Capital Group PLC	Financials	GBR	2.66%
Fagron	Health Care	BEL	2.50%

Date as at 31st December 2022

Largest investments	Sector	Country	% Assets (exc. Cash)
CTS Eventim AG & Co KGaA	Communication Services	DEU	4.96%
Komax Holding AG	Industrials	CHE	4.87%
FinecoBank Banca Fineco SpA	Financials	ITA	4.79%
Diploma PLC	Industrials	GBR	4.79%
Azimut Holding SpA	Financials	ITA	4.45%
Teleperformance	Industrials	FRA	3.85%
YouGov PLC	Communication Services	GBR	3.43%
Gaztransport Et Technigaz SA	Energy	FRA	3.37%
Morgan Sindall Group PLC	Industrials	GBR	3.32%
AddTech AB	Industrials	SWE	3.20%
Borregaard ASA	Materials	NOR	3.14%
Grafton Group PLC	Industrials	GBR	2.99%
Intermediate Capital Group PLC	Financials	GBR	2.85%
Games Workshop Group PLC	Consumer Discretionary	GBR	2.61%
Interparfums SA	Consumer Staples	FRA	2.53%

What was the proportion of sustainability-related investments?

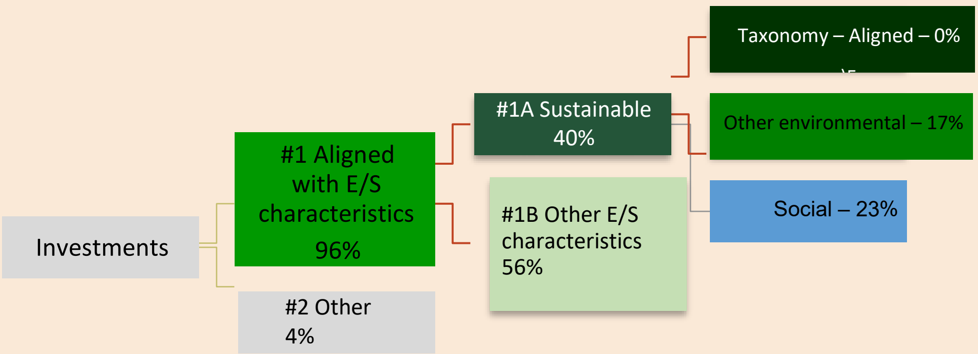
The fund committed to hold a minimum of 70% of the Fund's assets are aligned with E/S characteristics, and held 96% as at the year end. Environmental and social safeguards are met by applying certain PAI's, where relevant, to these underlying assets. The Fund committed to invest a maximum of 30% of assets in the "Other" category, which include cash, money market instruments and derivatives, as per below held 4% as at year end.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics covers**:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Apparel, Accessories & Luxury Goods Application Software Asset Management & Custody Banks Auto Parts & Equipment Biotechnology Construction & Engineering Construction Machinery & Heavy Trucks Construction Materials Diversified Banks Diversified Real Estate Activities	Marine Metal & Glass Containers Multi-line Insurance Multi-Utilities Oil & Gas Storage & Transportation Pharmaceuticals Research & Consulting Services Specialty Chemicals Steel Trading Companies & Distributors	Food Retail Health Care Distributors Human Resource & Employment Services Industrial Machinery Interactive Media & Services Internet & Direct Marketing Retail IT Consulting & Other Services Life Sciences Tools & Services

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

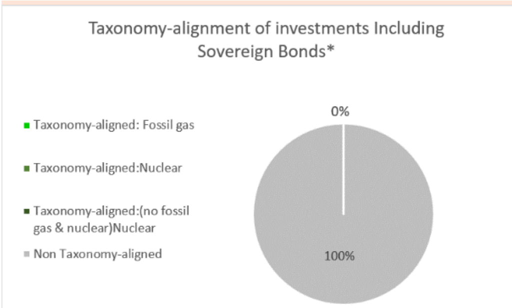
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

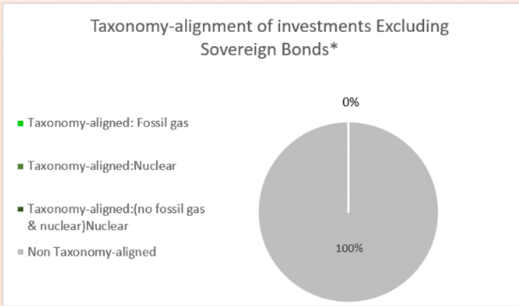
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

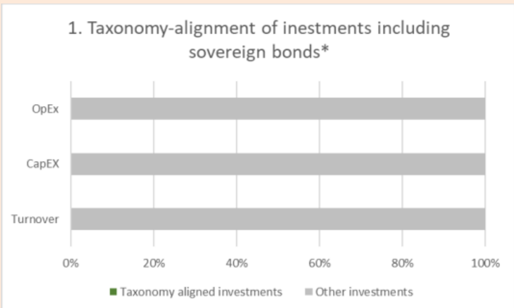
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

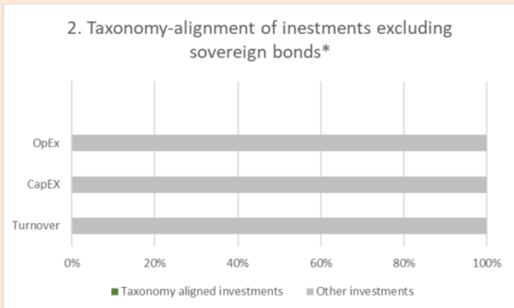




The fund holds 0% sustainable investments with an environmental objective aligned with the EU Taxonomy. This assessment has not been subject to an external review.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The fund holds 0% investments made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with EU Taxonomy is 17 %

What was the share of socially sustainable investments?

The share of sustainable investments with a social objective is 23%

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The Fund invested 4.3% of assets in the “Other” category. The investments included under "other" are cash, money market instruments, and derivatives. The purpose of these assets are to meet liquidity, target return or manage risk and may not contribute to the environmental or social aspects of the Fund.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund invests in high quality companies with the ability to deliver stable and superior growth over the medium to long term. In order to achieve this objective, we believe companies must have sound ESG policies in place.

Our integrated approach to ESG assessment is detailed in the Fund prospectus and evidence of this is reflected in the Fund’s ‘AA’ MSCI rating and lower carbon intensity relative to the benchmark. 6 ‘Priority Engagement’ meetings were carried out during the period and ESG topics were discussed in over 30 company meetings. The team reviewed and discussed various new ideas, some of which were rejected as they did not meet the required ESG criteria.

One example of a stock that the fund is investing in is Vidrala. Vidrala is a Spanish glass container manufacturer that produces a full range of glass containers with end markets the food and drink industry. The company is managing its’ ESG risks successfully and they have recently set decarbonisation plan and targets. Energy management is crucial for the glass industry and thus these targets improve significantly their carbon footprint and the costs associated with that. The company is not rated by MSCI but their disclosure is satisfactory. The company is a play of the recycling theme and the war against plastic. Management was able to withstand the challenges associated with the gas inflation and they are working to expand the share of electricity in their furnaces.

How did this financial product perform compared to the reference benchmark?

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

How does the reference benchmark differ from a broad market index?

N/A

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

N/A

How does this financial product perform compared with the reference benchmark?

N/A

How did this financial product perform compared with the broad market index?

N/A