2025
Climate Report

PRODUCED IN LINE WITH TASKFORCE ON
CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

STONEHAGE
FLEMING

NOW AND FOR FUTURE GENERATIONS

Important Information

This report relates to the calendar year ended 31 December 2025 and has been prepared based on the activities, governance, and regulatory framework of Stonehage Fleming Investment Management Ltd UK (SFIM UK) during that period.

On 1 June 2026, Stonehage Fleming Group, including SFIM UK, was acquired by Corient International AcquisitionCo Limited and now operates under the global tradename Corient. This report has been issued following completion of that transaction and may therefore be presented under Corient branding.

The disclosures contained herein do not necessarily reflect the current or future strategy, policies, or approach of Corient or any affiliates with respect to climate-related risks and opportunities. All climate-related disclosures in this report represent the approach adopted by SFIM UK during the 2025 reporting period.

SFIM UK and Corient will work together over the coming year to, where appropriate, align our approach to ESG and climate-related strategy on a firm-wide basis going forward.

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Purpose and Scope

As an FCA regulated firm with more than £5 billion of assets under management (£18.9bn discretionary and advisory AUM as of 31 December 2025), we are required to disclose our approach to climate risk management as per the Taskforce for Climate Related Financial Disclosures (TCFD) framework. This report, and additional product level reports, presents our response to this regulatory requirement.

Stonehage Fleming Investment Management Limited is now part of the Corient group of companies. Corient refers to the separate but affiliated entities under common control of Corient Global HoldCo Limited. As a Group, we are a large, independently owned multi-family office that operates in North America, Africa, Europe, and the Middle East. Being independent means that we are free from the commercial pressures and constraints that many other financial services companies face. Our business is explicitly service-orientated rather than product-led.

As investors with a multi-generational investment outlook and as good stewards of our clients' capital, being aware of all financially material risk exposures—both current and developing—is vital. Climate change presents a clearly material risk, but it also presents opportunities for investments that seek to reduce or mitigate the effects of climate change. It therefore requires our engagement, understanding, and monitoring, to make well-informed, long-term investment decisions in the best interests of our clients.

In alignment with TCFD requirements, this report outlines our approach for incorporating climate-related risks and opportunities into governance and strategy, as well as the metrics we use and targets we plan to set for climate-risk management.

TCFD DISCLOSURES

This report covers both our investment and operational approach to assessing and managing climate risks.

Investment Portfolio Climate Risks: Our clients trust us to allocate their capital responsibly. It is therefore crucial for us to understand the potential financial impact of climate change on our investment portfolios as well as the contributions our investment portfolios may make to climate change. Only by having a good understanding of our investment impacts and exposures to material climate risks and opportunities can we meaningfully engage the companies and third-party managers we invest in on climate-related matters.

Operational Climate Risks: As a global business with 19 offices in 14 countries, the Stonehage Fleming Group recognises the need to reduce our own operational emissions footprint and to have a climate risk management system in place that ensures the continued functioning of our infrastructure across locations. SFIM UK, for which this report is prepared, has one office in London. This limits our operational climate risk exposure compared to the wider Group.

COMPLIANCE STATEMENT

The disclosures in this report are consistent with the TCFD Recommendations and Recommended Disclosures and the FCA's ESG sourcebook (chapter 2). Reasonable steps have been taken to ensure that disclosures, to the extent they are relevant and/or possible, also reflect sections C and D of the TCFD Annex entitled 'Guidance for All Sectors' and 'Asset Managers', respectively.

This statement is made pursuant to FCA's ESG sourcebook (section 2.2.7) requiring a firm's TCFD entity report to include a compliance statement, signed by a member of senior management of the firm.

KATIE MUNDELL
Group Head of Risk & Compliance - UK & Investment Management

A Message From Graham Wainer, CEO Investment Management

Climatic conditions in 2025, as in prior years, provide pertinent context for our TCFD report, with the year having been one of the warmest since records began in 1850, following a record-breaking 2024. 2023-25 also marked the first multi-year period where global average temperatures exceeded 1.5°C above pre-industrial levels, to which the Paris Climate Agreement aimed to limit temperature rises.

This highlights the persisting urgency with which global business needs to engage with the matter. Climate change and its consequences present risks and opportunities for our clients and our business which cannot be ignored.

Our goal is to help families and wealth creators sustain their wealth across generations. To achieve this, we go to considerable lengths to understand the perspectives and priorities of our clients, and how these change over time.

Not all of our investing clients are currently requesting that we proactively incorporate sustainability considerations in portfolios, but we expect the numbers to grow over time. Part of our role is educational—to help private investors understand and navigate the nuances of the different approaches to responsible investment. Most importantly, wealth with endowment-style characteristics means investment decisions today need to be considered through the lens of future owners of capital, with climate change a central consideration for the capital deployment.

As an investment manager we can effect positive change, by acting thoughtfully and responsibly in engaging with the companies in which we invest directly and the third-party managers to whom we allocate capital. We need a comprehensive understanding of how they approach the issue of climate change and the steps they are taking either to reduce climate risk in their activities or investments, such as finding investment opportunities in industries which reduce reliance on fossil fuel or champion alternative sources of energy. We believe that our duty to achieve investment returns for our clients and our duty of preserving the planet are mutually compatible. Reflecting our approach, we have been a signatory to the UNPRI since 2021 and to the FRC Stewardship Code since 2022.

As a global business, we recognise the importance of reflecting this approach internally with our conduct as a business. We are making good progress in understanding the extent of our carbon footprint and how we capture emissions data and set targets for their progressive reduction.

We do not underestimate the complexities of achieving this goal, but we are committed to doing so.

GRAHAM WAINER
CEO Investment Management

Climate Reporting, an Ongoing Endeavour

Since our first climate report in 2024, we have made material progress on our journey towards integrating climate risks and opportunities into our investment and operational processes, including on oversight and risk management. Closing remaining gaps remains a priority for us, with a few of the most meaningful developments summarised overleaf.

- We further expanded our 2024 analysis of the risk profiles of our Stonehage Fleming Global Best Ideas Equity Fund (GBI) and multi-asset investment portfolio, using different Network for Greening the Financial System (NGFS) climate change scenarios.
- We continued to refine our approach to procuring and processing GHG emissions data at the operational level. Beyond energy emissions we also started tracking those relating to our business travel.
- Considering most of our climate risk exposure lies within our investment portfolio, we have enhanced our sustainability risk review and due diligence processes. We included various climate metrics in a newly introduced quarterly sustainability risk screening of our third-party managers, as well as in a quarterly controversial activities screening. We further conducted targeted qualitative reviews and engagements with managers that exhibited problematic performance levels, to better understand their risk management practices.
- We further shared a climate risk focused due diligence questionnaire with third-party managers used across our traditional and responsible propositions in late 2025, this a follow-up to a similar exercise we undertook in early 2024. Such undertakings help us better understand practices and ambitions on climate risk management and net-zero across our investment portfolio.
- We continued a climate engagement with the holdings of our Global Best Ideas Equity Fund (GBI), which we initiated in late 2024.

More information on each of these, and other smaller improvements, can be found in the respective sections of this report.

We are cognisant that TCFD alignment of our practices and policies will be a continuing journey for us. Still, we endeavour to work on continuously improving our climate risk management capabilities and see ourselves on a positive trajectory with this year's report.

PHILIPP CYRUS
Sustainability & Stewardship Officer

Stonehage Fleming Overview

Stonehage Fleming Investment Management is a global investment manager that builds high-conviction portfolios aimed at preserving and growing wealth in real terms across generations. As of the end of 2025, we managed £18.9 billion in assets, including discretionary, advisory and other mandates across SFIM UK. Discretionary assets account for roughly two thirds of our AUM.

Given the complexity of our operations, we have chosen to include both types of assets in our business investment portfolio overview.

As stewards of intergenerational wealth, we have always had an extended time horizon. A failure to consider all stakeholders when providing investment solutions would be doing our investors a significant disservice. We view the long-term outcomes of corporate activity as integral to the investment process and the proper functioning of the broader financial system.

INVESTMENT PORTFOLIO

Most of our clients invest with us on a multi-asset basis and harness our portfolio construction and external manager selection capability. In other instances, clients come to us to utilise our direct equity and fixed income selection capability.

We therefore find it helpful to distinguish between our 'external expertise' and 'internal expertise'. External expertise refers to assets held with a selection of third-party asset managers on which we have conducted extensive due diligence. Internal expertise refers to our in-house security selection capabilities.

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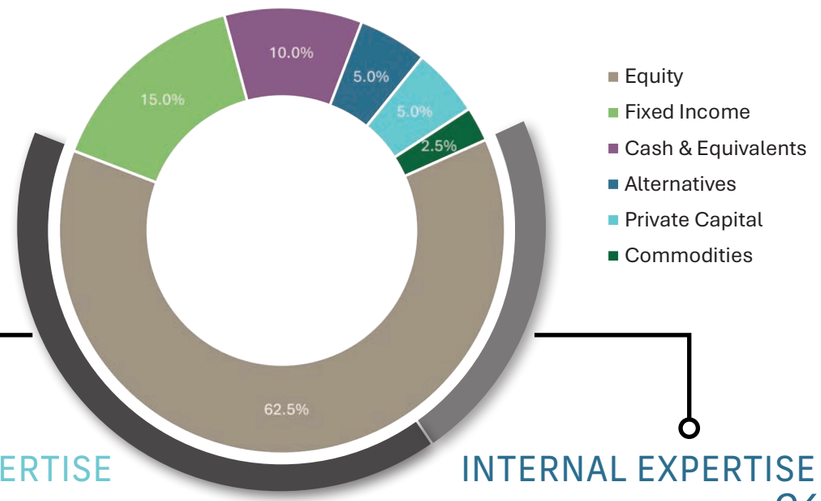
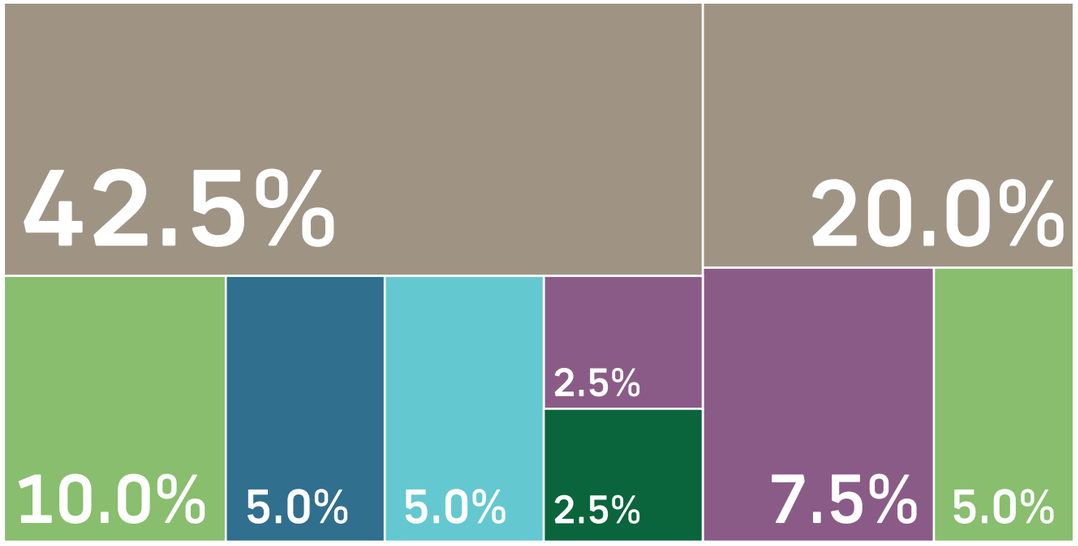
STONEHAGE FLEMING OVERVIEW

ASSET CLASS - AUM BREAKDOWN - 2025[1]



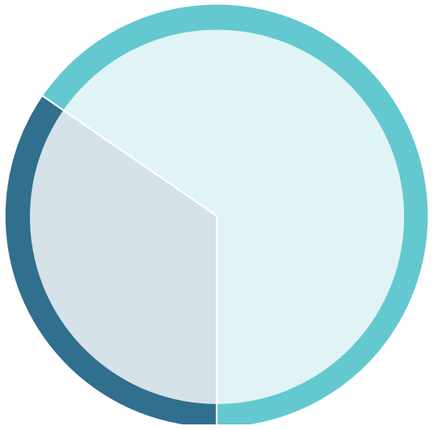
EXTERNAL EXPERTISE
67.5%

INTERNAL EXPERTISE
32.5%



1 *AUM figures have been rounded to the nearest 2.5%, all data as of 31 Dec 2025. Stonehage Fleming Investment Management, Dec 2025*

INTERNAL EXPERTISE



32.5%

The assets managed internally, through our direct equity and fixed income offerings, account for ca. 32.5% of our total AUM.

GLOBAL EQUITY MANAGEMENT (GEM) TEAM (20.0% ASSETS)	▪ Our flagship direct equity investment offering is the Stonehage Fleming Global Best Ideas Equity Fund (GBI), managed by our Global Equity Management team (GEM). Its investment strategy is to own a concentrated portfolio of best-in-class global companies that possess a strategic competitive edge, and to only acquire them at a fair value or less. ▪ The GEM team manages a comparable size of assets in segregated accounts that mirror the Fund's philosophy and holdings (though in some instances regulatory and/or client restrictions may result in minor differences in holdings).
DIRECT CASH AND FIXED INCOME (12.5% ASSETS)	▪ We have a fixed-income team that invests directly in bonds to meet the objectives of clients. These portfolios comprise high quality credit issuers with maturities up to ten-years, including both government and corporate bonds.

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EXTERNAL EXPERTISE

67.5%

The assets managed through our multi-asset portfolios, including cash, fixed income, alternatives, equity, and private capital allocations, account for ca. 67.5% of our total AUM. A core competency is the selection of third-party investment managers, which we use to implement these mandates. There are no shortcuts to identifying the very best managers. We pride ourselves on the rigour of our due diligence.

We select external talent across the multi-asset spectrum and seek out managers who share our values. We expanded our multi-asset offering in 2019 to include dedicated responsible investment mandates.

RESPONSIBLE MANDATES

Within what we classify as external expertise, our responsible mandates allocate capital to managers with a definition of responsible investing similar to our own.

We define responsible investing as a range of practices in which investors aim to achieve financial returns while promoting long-term environmental or social outcomes. Both financial and sustainable objectives can be met, we do not see them as mutually exclusive.

In practice, this means that our responsible mandates invest in managers whose investments show a sufficient revenue and operational alignment with the 17 UN Sustainable Development Goals.[2]

Our clients are increasingly interested in expressing their values through their investment portfolios, and we have developed this proposition to help them achieve their investment return and impact objectives.

2 *UN, 2015*

Four Pillars of Capital

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STONEHAGE FLEMING OVERVIEW

INVESTMENT BELIEFS

Stonehage Fleming has a long history of working with wealthy families, and we believe that capital should not be narrowly defined in purely financial terms. We see wealth as having four distinct, complementary, and mutually dependent pillars. The Four Pillars of Capital are defined below:

Financial Capital	Tangible assets, businesses, properties, investments, and intellectual property – items that have quantifiable financial value.
Social Capital	How we (clients and our firm) engage with society and the communities we live and operate in, to contribute to societal and individual wellbeing.
Intellectual Capital	Skills, knowledge, experience, wisdom, and awareness of where this needs to be supplemented by the expertise of partners and third parties.
Cultural Capital	Approach to business, treatment of others, contribution to society, leadership and values.

The Four Pillars provide a framework through which intergenerational success factors can be considered and positive outcomes achieved.

STRATEGY

Whether we are constructing multi-asset portfolios, selecting third-party managers, individual equities, or corporate issuances, the following is universal to all our approaches:

Long-term	As described above, our timeframe is intergenerational. We select investments and construct 'built to last' portfolios that can withstand market vagaries, systemic risks and geopolitical risks.
Know What We Own	We know that sound investment decision-making is rooted in a thorough understanding of the details. Rigorous due diligence has always been a hallmark of our investment process. It is a source of pride within the firm. We believe that this meticulous care is an essential component of stewardship.
Management Quality	Whether selecting third-party investment managers or assessing company executives, we evaluate their suitability through their past experience, industry track record, and strategic thinking.
Avoidance of Unnecessary Complexity	We believe it is vital that all our clients know and understand how their capital is being deployed. This builds trust in our ability to be good stewards of capital and results in long-term relationships with our clients.

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STONEHAGE FLEMING OVERVIEW

CULTURE

Our corporate culture emphasises the following values:

FAMILY

We are a family and embrace the values that make a family harmonious and successful.

We treat everyone as we expect to be treated ourselves. We harness our heritage, listen, trust each other and act as one to benefit our clients, our partners and ourselves.

MORAL COURAGE

We act with integrity and conviction. We ask difficult questions of clients and colleagues alike and strive to do the right thing without exception.

EXCELLENCE

We strive for excellence in everything we do and demonstrate this passionate aspiration in how we think, talk, and interact.

These values have been regularly assessed for relevance and authenticity as the business has grown, changed shape, and integrated into other businesses. They have remained unchanged for well over a decade.

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STONEHAGE FLEMING OVERVIEW

OUR RESPONSIBLE INVESTMENT AND CLIMATE JOURNEY

In July 2018, our proprietary survey on the Four Pillars of Capital showed that 75% of respondents wanted their values to be reflected in their investments, but only 21% were actively taking this approach. Since then, we have embarked on a journey of helping our clients marry their values and investment outcomes. While we have always held responsible investment and stewardship in high regard, this process has helped us formalise and expand our sustainability practices in alignment with evolving best practices, as well as regulatory and voluntary disclosure requirements.

Starting in 2018, we appointed our first head of Responsible Investments and launched our first dedicated responsible investment offering in the subsequent year – the Stonehage Fleming Global Responsible Investment Portfolio (GRIP). Since then, we have continuously worked on furthering the integration of sustainability across the business, including having been a UN PRI signatory since 2021, a UK Stewardship Code signatory since 2022, and introducing various layers of internal governance and oversight for responsible investment and stewardship over the past years.

These had the aim of increasing transparency and accountability across the business and improving our sustainability and climate risk management. To ensure sufficient oversight over sustainability, we have created two dedicated committees. The Stewardship and Investment Sustainability Committee (SISC), constituted in 2021, and the Responsible Business Group (RBG), constituted in 2024. The SISC has oversight over SFIM UK's stewardship activities, as well as over our sustainability disclosures. The RBG meanwhile has oversight over Group-level sustainability strategy, target setting and monitoring. Beyond this, we created a dedicated function for sustainability and stewardship in 2023.

Important recent developments include:

- Adding resources to our Responsible Investment and Sustainability and Stewardship teams.
- Expanding our responsible investment practices, through risk screenings, topical research and due diligence reviews.
- Partnering with Siemens Awarely for operational energy, water, waste and travel-related emissions data gathering.
- Adding sustainability to the remit of a Group Executive team member.
- Commencing work on a Group sustainability framework.

Once implemented, we hope the framework will enable us to set meaningful targets across a range of sustainability metrics, including those related to achieving net-zero.

Our Journey

2018

- Appointment of first Head of Responsible Investment.
- 4 Pillars Report identifies keen interest among clients to align their values with investment decisions and outcomes.

2019

Launch of first Responsible Investment portfolio offering (GRIP).

2020

Launch of Global Select Equity Fund (GSEF), focusing on generating sustainability outcomes through UN SDG alignment.

2021

UN PRI signatory.

2022

- Sustainability and Climate Risk introduction into internal audit and risk framework.
- UK Stewardship Code signatory.
- GSEF becomes SFDR classified (Article 8 fund).
- Improved Responsible Investment oversight through new Stewardship and Investment Sustainability Committee.

2023

- Creation of Sustainability and Stewardship team through a first dedicated hire.
- Introduction of investment-related climate and sustainability risk oversight at executive committee level.
- Introduction of sustainability exclusions policy for our flagship Global Best Ideas Equity Fund.
- Quarterly controversial exposure screening and exclusions checks for specific products.
- Regular ESG Risk Committee meeting for flagship Global Best Ideas Equity Fund.

2024

- Group level sustainability oversight and strategy development through establishment of Responsible Business Group.
- Climate focused engagements with 50+ third-party managers for traditional and responsible offering and with between 20-30 companies invested in the Global Best Ideas Equity Fund.
- TCFD entity and product reporting including first climate risk assessment of SFIM investment portfolio.
- Two junior hires for Responsible Investment and Sustainability and Stewardship teams.
- Start development on a Group sustainability framework.

2025

- Partnering with Siemens Awarely for operational energy, water, waste and travel emissions data gathering.
- Sustainability oversight added to portfolio of Group Executive member.
- Reporting operational climate risks to the internal R&C Committee.
- Quarterly sustainability and climate risk screenings for key third-party managers and multi-asset products.
- Sustainability due diligence reviews for newly approved third-party managers and for companies within our GBI equity fund.
- Climate and sustainability specific due diligence questionnaire for key third-party managers.

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UNDERSTANDING AND MANAGING CLIMATE RISK EXPOSURES AT SFIM UK

To understand and manage our climate risk exposure, we have separated operational and investment risks.

As a UK-based service business with one office in London, we do not see our organisation as having significant operational exposure to climate risks.

However, considering our global investment profile and that our investment-related climate risks are complex, we view them as considered financially material for the business. As Stonehage Fleming's purpose is to preserve the real wealth of families across multiple generations, being acutely aware of portfolio risks that may impede that goal is critical. Climate risks are no exception. For this reason, we have expanded our assessment of portfolio and product climate and broader sustainability risks, through specific research pieces, regular data reviews, and engagements.

In 2025 our efforts focused on further expanding our climate and sustainability integration efforts, with a particular focus on enhancing our data gathering, risk management and analytical capabilities. All this enables us to better understand and manage our climate risk exposures and engage with climate opportunities.

We recognise that building out our climate risk management will be an ongoing endeavour. Many of the initiatives we started will gradually introduce change within the business. We also need to stay vigilant and ensure we sufficiently challenge ourselves, so we align with evolving industry best practice.

The table below outlines where each TCFD disclosure requirement is covered in this report. An extended summary table of how our practices align with TCFD requirements can be found in the appendix on page 102.

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TCFD RECOMMENDATION	DEFINITION	REQUIREMENT MET	RECOMMENDED DISCLOSURE	PAGE
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	Partially Met – No Change	Board Oversight	24
			Management's Role	28, 24
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Partially Met – Improved	Risks and Opportunities	69
			Impact on Organisation	70
			Resilience of Strategy	71
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Partially Met – Improved	Risk ID and Assessment Process	74
			Risk Management Process	74
			Integration into overall Risk Management	74
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Partially Met – No Change	Climate-related Metrics	96
			Scope 1,2,3 GHG Emissions	88, 90
			Climate-related Targets	97, 101

Effective corporate governance structures are critical for executing and fulfilling our responsibilities to our clients and stakeholders. For SFIM UK, this includes having a clear and robust sustainability and climate governance framework in place.

Governance

- *Describe the Board's oversight of climate-related risks and opportunities.*
- *Describe management's role in assessing and managing climate-related risks and opportunities.*

While SFIM and Group Boards are responsible for the strategic positioning of the business, our Global Investment Management Executive Committee (GinExCo) sets up strategy and priorities and ensures accountability within the business at SFIM level. At Group level this is the responsibility of the Group executive (ExCo).

At SFIM UK, we ensure sufficient attention is given to climate risks by defining clear responsibility for sustainability and climate risk management for investment committees, both for our internal and external expertise. Furthermore, SFIM UK's Stewardship and Investment Sustainability Committee (SISC) continues to oversee our responsible investment and sustainability disclosures. In addition, compliance and executive oversight have been introduced through direct reporting of climate matters to GinExCo and the UK Risk & Compliance Committee, both of which report to the SFIM Board. In early 2025, we presented our first ESG and Climate Risk Report to the UK Risk & Compliance Committee, covering regulatory developments and our qualitative climate risk assessment.

At Group level, meanwhile, we established the Responsible Business Group (RBG) in early 2024. This committee oversees our sustainability and climate strategy, target setting and monitoring, with a specific focus on operational matters. The RBG reports directly into Group ExCo, with a member of ExCo having designated responsibility for sustainability.

Whilst neither SFIM nor Group Board currently have direct climate risk management oversight, we believe that the various designated management committees with climate responsibility provide a robust overall governance framework.

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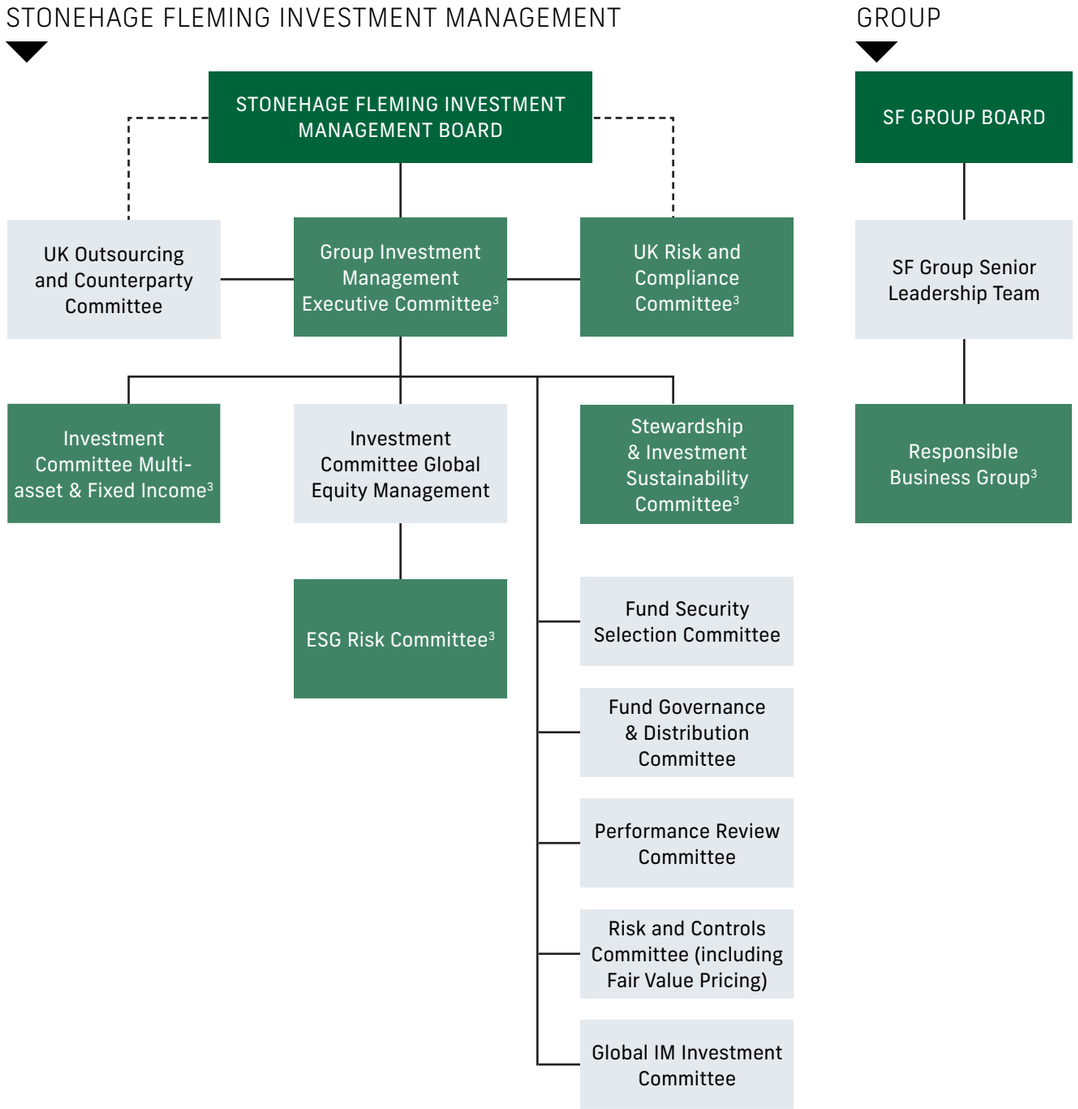
Stonehage Fleming Climate Governance Structure — SFIM and Group



3 *Bodies with sustainability and climate risk management oversight*

GOVERNANCE

Governance Structure for Climate

Over the past few years, we expanded the list of governance bodies within Stonehage Fleming that have formal responsibility for climate oversight, with the committees listed below falling into this category. Schedule for reporting on climate matters varies between committees and is in parts, ad-hoc and needs-based.

GOVERNING BODY / COMMITTEE	MEMBERSHIP	FREQUENCY OF MEETINGS	CLIMATE UPDATE
UK Risk and Compliance Committee (UK R&C) – SFIM Committee The committee is a sub-committee of the Stonehage Fleming UK Board. The role of the committee is to provide assurance to the Subsidiary Boards and Senior Management that there is an effective, scalable, efficient and anticipatory risk and compliance framework. This includes such policies and procedures and a plan for risk management that will enhance the Group's ability to achieve its strategic objectives in line with local regulatory requirements. This committee monitors the risk environment to assess the effectiveness of the UK Group's risk management activities. Any risks which exceed the risk appetite/ tolerance levels are reported by the committee to the Subsidiary Boards.	Chaired by the UK Head of Risk & Compliance. Membership consists of UK senior regulated representatives.	Usually, 4 times per annum, but at least 3 times per annum for consideration of standing agenda matters (as well as occasional matters).	Since late 2023, the role of this committee has included oversight sustainability risks, including climate risks.
Group Investment Management Executive Committee (GinExCo) – SFIM Committee GinExCo is responsible for considering and making recommendations on any matters concerning the implementation of the strategic direction of SFIM UK. This involves consideration of business plans and budgets, project initiatives, and review of risk management, regulation and compliance including exposure to and management of sustainability risks such as climate and wider sustainability risks. GinExCo reports directly to the SFIM Board.	The committee is chaired by the CEO of SFIM. Membership consists of senior representatives from across SFIM.	Fortnightly.	Since late 2023, the role of this committee includes oversight over sustainability, including climate risks. Sustainability is a standing agenda item.

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GOVERNANCE

GOVERNING BODY / COMMITTEE	MEMBERSHIP	FREQUENCY OF MEETINGS	CLIMATE UPDATE
Responsible Business Group (RBG) – Group Committee The RBG is the latest addition to the Group's stewardship and sustainability governance structures and a sub-committee of the Stonehage Fleming UK Board. It has a mandate to propose and set targets relating to our environmental impact as a business, to report progress towards these goals to all stakeholders, and establish a pathway to operationally becoming a net zero business. This group is also responsible for ensuring we have a consistent responsible business narrative for our audiences, through our digital channels and in response to client enquiries. It acts as a centre of knowledge, gravity, and navigation on sustainability matters. The Group captures, and where necessary, advises on how responsible business practices can be implemented at regional/local office level.	Chaired by a senior partner from the SFIM UK client relationship team. Membership consists of senior representatives from across jurisdictions and Group entities, including Investment Management and Family Office.	Monthly.	The role of the committee includes operational emissions data gathering, target setting and enablement of emissions reductions. In 2024, the committee successfully initiated a partnership with Siemens Awarely for operational climate data gathering and performance tracking.
Stewardship and Investment Sustainability Committee (SISC) – SFIM Committee The committee is a designated sub-committee of the SFIM Board. The committee's role is to ensure there is a high level of stewardship across strategies, sharing best practice on sustainability, and helping co-ordinate sustainability initiatives, including new regulatory advances.	Chaired by the Head of Responsible Investment of SFIM UK. Membership consists of senior SFIM UK representatives.	Monthly.	SISC was set up in 2022. Climate and other sustainability-related disclosures, including TCFD, are overseen by SISC and signed off annually. Climate and sustainability risks are monitored through quarterly risk and controversial activities screenings. Stewardship activities, including climate, are overseen.
GBI ESG Risk Committee (GBI ESG RC) – SFIM Committee The committee reviews identified sustainability risks, including controversy-related risks for fund holdings, changes to sustainability ratings and emissions performance. Where a sufficient risk is identified, the responsible analyst will conduct a follow-up review, including engaging with the affected company if necessary.	Chaired by the Lead Portfolio Manager – Equity Management. Membership of representatives from the GBI and sustainability team.	Bi-monthly.	The ESG Risk Committee for our Global Equity Management division was set up in mid-2023 to ensure sustainability and climate risks are sufficiently assessed and monitored for our flagship Global Best Ideas Fund.

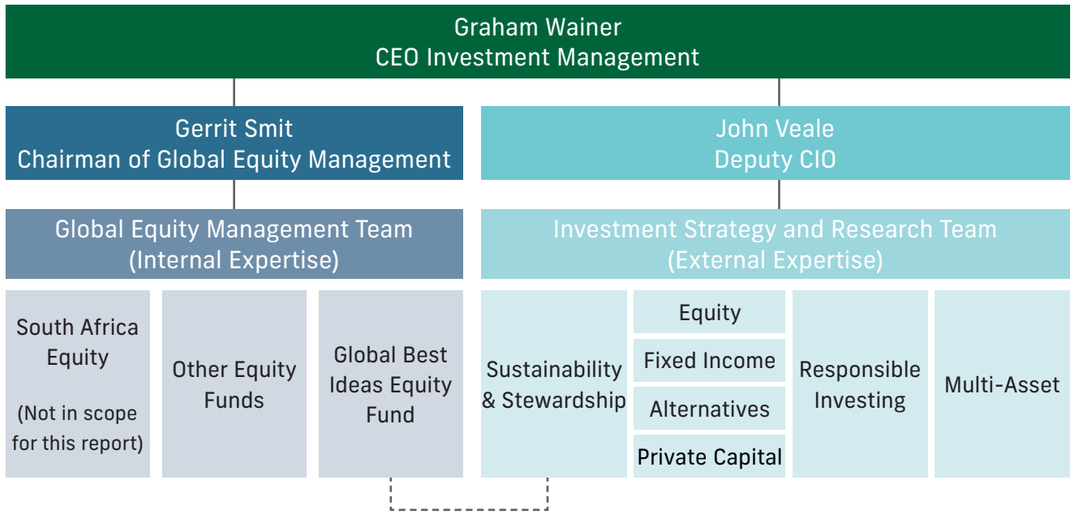
GOVERNANCE

Key Climate Stakeholders Within the Business

Through a dedicated Sustainability and Stewardship team, Stonehage Fleming has centralises its sustainability and climate strategy, disclosure and research capabilities. The team's responsibilities include:

- Planning and conducting of topical engagements.
- Facilitating integration of responsible investment practices within the business, including through new and updated policies and processes.
- TCFD, UN PRI, UK Stewardship Code and SDR disclosures.
- Regular screenings for controversial exposures and sustainability risks.
- Conducting sustainability due diligence reviews and topical research on third-party managers and companies held within the GBI fund.
- Regulatory monitoring and response planning.

The team currently works closely with our internal and external investment functions, and reports into the Deputy CIO. It consists of two people.



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Sustainability & Stewardship Team

DR. PHILIPP CYRUS
Sustainability & Stewardship Officer

Philipp leads on stewardship and investment sustainability. He joined the group in 2023 and oversees ESG data and research, disclosure and engagement projects, sustainability strategy development, policies, and processes.

Prior to joining Stonehage Fleming, he worked as an analyst in the sustainability research division of S&P Global. He also worked in research, development and teaching capacities for various UK and international organisations, including UK-based Social Value Portal, the London City University and the UN Food and Agriculture Organisation.

Philipp holds a Doctor of Philosophy in Economics from the School of Oriental and African Studies, London.

BENJAMIN LAWS
Sustainability & Stewardship Analyst

Ben is an Analyst on the Sustainability and Stewardship team, working on ESG data and research, disclosure and engagement projects for Multi-Asset and direct equity products.

Prior to joining the group in 2024, he worked at Redburn Atlantic as an Equity Research Analyst.

Ben holds an MSc in Environmental Development from the London School of Economics and a BSc in Sustainable Development from the University of St Andrews.

GOVERNANCE

Beyond our dedicated Sustainability & Stewardship team, a group of key stakeholders from across the business, including from the executive, investments, operations and compliance teams, provide oversight and steering on sustainability and climate matters. These include:

GRAMHAM WAINER
CEO Investment Management

Graham is CEO Investment Management with overall responsibility for the firm's investment management business, including oversight for climate matters. He is also Chairman of the Investment Committee and the Stewardship & Investment Sustainability Committee (SISC).

Prior to joining the Group, Graham was GAM's Group Head of Investments – Multi-Asset Class Solutions and Chairman of GAM's Investment Advisory Board where he had overall responsibility for the firm's discretionary mandates and related co-mingled funds.

Graham holds a Bachelor of Commerce (Hons) degree and a Master of Commerce degree from the University of Cape Town.

JOHN VEALE
Deputy Head of Investments

John is Deputy Head of Investments for Stonehage Fleming Investment Management and is responsible for multi-asset investment strategy and research. He joined the Group in 2001, working initially as a Portfolio Manager and Analyst.

John previously practised as a Chartered Engineer, working among others at Arup. He holds a Master of Science degree in Engineering from the University of Cape Town.

CAROLYN BELL
Lead Portfolio Manager - GBI

Carolyn is Lead Portfolio Manager for the Stonehage Fleming Global Best Ideas Strategy. The Global Best Ideas Strategy seeks to achieve favourable returns over time by investing in 20–30 of what we consider to be the world's highest quality growth companies.

Carolyn joined Stonehage Fleming in 2024 from Aegon Asset Management, where she served as Lead Investment Manager for the Aegon US Equity Pension Fund, Co-Manager of the Aegon Technology Pension Fund, and Support Manager for the Aegon Global Equity Market Neutral Fund and Aegon Global Income Fund. Before Aegon she was an Investment Analyst at Baillie Gifford.

Carolyn holds a Master of Arts in English Literature from the University of Cambridge and a Masters in Early Modern Studies with distinction from the University of Aberdeen

TRISTAN DOLPHIN
Head of Sustainable Investments

Tristan is Head of Sustainable Investments at Stonehage Fleming and acts as portfolio manager to the firm's multi-asset and equity-only responsible investment strategies.

He also contributes to broader multi-asset investment strategy and fund research.

He joined the Group in 2011, initially in the Direct Equity team during a period of strong growth, before moving across to the Investment Strategy and Research team.

Tristan holds an honours degree in Psychology from the University of Plymouth and qualified as a CFA Charterholder in 2015.

LORRAINE WHITBY
UK Head of Facilities

Lorraine is UK Head of Facilities at Stonehage Fleming, responsible for overseeing the firm's UK facilities management activities and team, including how we integrate climate considerations. She joined the group in 2020. Her responsibilities include facilities-related procurements, office maintenance, and management.

Prior to joining Stonehage Fleming, she worked in various facilities management roles for UK and international companies, including Waste Management, Reinsurance, Mail, Pharma, IT Services and Consulting.

Lorraine holds a level 4 NVQ in Health and Safety Management and a NEBOSH General Certificate in Health and Safety Management.

SHIVANI DESAI
Senior Risk & Compliance Associate

Shivani is a Senior Risk & Compliance Associate, working on compliance advisory, delivering training and assisting with regulatory ESG and climate reviews, policy development and disclosures.

Prior to joining the group in 2022, she worked at Transact as an Onboarding Associate.

Shivani holds a BA in Philosophy, Politics and Economics from the University of Nottingham and an ICA Diploma in Governance, Risk & Compliance.

STEPHEN KELLY
Consultant

Stephen is a Consultant at Stonehage Fleming and provides research on the investment team's traditional and responsible investment strategies. He also contributes to broader multi-asset investment strategy and fund research.

He joined the Group in 2022 when Stonehage Fleming acquired Maitland Group, where he worked for 5 years on equity-fund selection.

Stephen holds an honours degree in Mathematics from the University of York and qualified as a CFA Charterholder in 2020.

Strategy

- *Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.*
- *Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.*
- *Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*

Our investment portfolio is complex due to our client-centered approach. We have therefore decided to focus our climate risk assessment on two portfolios, which we believe adequately captures our overall investment allocations.

- Our flagship Global Best Ideas Equity Fund (GBI) represents our internal expertise.
- Our multi-asset investment portfolio represents our external expertise.

This assessment is based on a mix of qualitative and quantitative information and aims to help us understand our relative climate risk exposures compared to wider markets.

We continue to work on conducting a fully quantitative investment portfolio-wide scenario analysis, as well as on feeding our climate risk review outcomes into the organisation's business, strategy, and financial planning. Due to the complexity of our investment portfolio, this process is ongoing. We will continue to work on further improving the ambition of our climate risk assessment and scenario analysis going forward.

OUR APPROACH FOR UNDERSTANDING CLIMATE RISKS

Climate change is an increasing threat to the global creation and maintenance of assets and wealth.

While studies on the global economic impact and potential pathways for climate change are manifold, and vary in projected GDP implications, values ranging from an 11%–20% global reduction in GDP by 2050 for moderate 2°C warming scenarios are increasingly common.[4,5,6,7,8] Extreme forms of climate change would, under such models, have catastrophic implications for global productivity and economic activity.

4 *National Bureau of Economic Research, 2024*
5 *WEF, 2024*
6 *Oxford Economics, 2022*
7 *NGFS, 2025*
8 *The Guardian, 2025*

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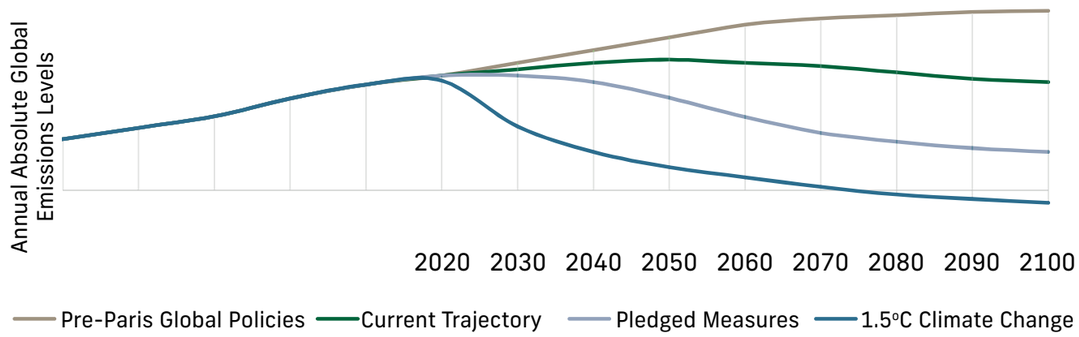
With current climate change projections highlighting a continued misalignment between global greenhouse gas emissions and ambitions for limiting climate change to 1.5°C set under the UN's Paris Agreement, seriously considering climate risks is important.

As a firm focused on long-term, multi-generational wealth creation and management, addressing our climate risk exposures and mitigating potential impacts not only makes sound business sense but also aligns our actions with global ambitions and evolving best practices.

At a Group and operational level, we are therefore in the process of defining a climate strategy, which is likely to involve the setting of emissions targets and include metrics against which we will track our emissions performance, as well as policies and processes to enable us to reach set targets.

Regarding the SFIM UK investment portfolio, understanding portfolio exposures to various types of climate risks within different timeframes and under different magnitudes of climate change (scenarios) is our initial priority.

GLOBAL GREENHOUSE GAS EMISSIONS PATHWAYS[9]



9 *Source: Climate Action Tracker, December 2024*

STRATEGY

TIMEFRAMES

To understand potential climate change impacts within the context of our investment framework, we have defined a short, medium, and long-term time horizon for assessing our climate risk exposures. While we believe that long-term focusing is essential for maximising risk-adjusted investment returns, we do not consider it sufficient for climate risk mitigation. In this context, timely and deliberate action is required to ensure that various types of climate-related risks are appropriately managed—sooner rather than later.

Therefore, when defining our time horizons, we have used time periods shorter than those which we would typically use when referring to our investment time horizons. For our climate risk management timeframes, we have chosen below 1 year for the short-term, 1-7.5 years for the medium-term, and above 7.5 years for the long-term. This enables us to engage with climate-related short-term performance impacts, cyclical medium-term impacts, and long-term structural and technological impacts.

IPCC Definitions for Climate Change Timeframes

The Intergovernmental Panel on Climate Change's (IPCC) approach to timeframes for climate change is more long-term than our investment-focused climate risk assessment time periods. Recognising this, we believe that in the short and medium-term transition risks will be particularly pertinent, as well as isolated impacts of climate change, such as in the wake of severe weather events. Meanwhile, we expect physical climate risks to become particularly relevant in the long-term. The reason being that a shift to a low carbon economy is expected for the coming decades, while the consequences of climate change are expected to increasingly materialise over the course of the next century.[10,11]

TERM	YEARS	TYPICAL FOCUS
Short-term	2025 –2040	Near-term warming, early impacts, adaptation
Medium-term	2041–2060	Mid-century impacts, scenario divergence
Long-term	2081–2100+	End-of-century impacts, tipping points, legacy

10 EPA, 2025
11 Pensions Age Magazine, 2025

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SFIM Timeframes[12]

For our investment timeframes, which aim to cover short-term performance impacts, cyclical medium-term impacts, and long-term structural and technological impacts, we see one off and acute climate events as relevant across periods, but most relevant from a short-term performance perspective. Meanwhile, transition risks are of primary relevance in the medium to long-term, impacting cyclical, structural and technological developments. Finally, persisting large-scale climate impacts will only become relevant in the extended long-term, materially into our current long-term time horizon. For our immediate short to medium-term planning, we therefore see transition risks and acute climate events as key risk factors.

SHORT-TERM	MEDIUM-TERM	LONG-TERM
< 1 Year	1 – 7.5 Years	> 7.5 Years

12 EPA, 2025; Pension Age Magazine, 2025

DEFINING CLIMATE IMPACT MAGNITUDE

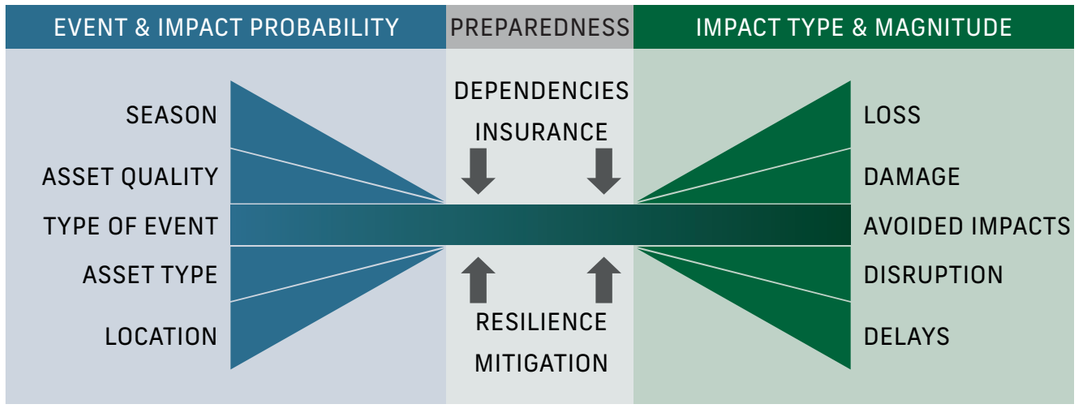
We have defined four magnitudes of climate impacts by 2050 against which we evaluate our portfolio: low, medium/moderate, high, and very high. These are roughly defined as multiples of 8%, with no to low negative impacts ranging from 0% up to 8% loss of GDP or value of our investments, medium ranging from 8%–16%, high ranging from 16%–24% and very high covering any negative impacts above 24%.

Considering the qualitative nature of the analysis we undertook, we decided to not publish exact figures for expected impacts, but rather to provide broad estimates along this four-category scale, as well as transparency on how we arrived at expected impact figures.

Uncertainty of Climate Impacts

Climate change is projected to have negative impacts on the global economy, with significant variation in the expected magnitude of impact both geographically and across sectors, but also depending on the assumptions about how climate change will manifest. Location, time of the year, asset type or quality and other factors might all impact a negative event's impact probability, while factors such as resilience and mitigation measures, insurance and dependency management can moderate said impact's magnitude including incurred loss, damage, disruption and delay.

CLIMATE IMPACT PATHWAYS ARE COMPLEX AND CONTEXTUAL[13]



13 Source: Stonehage Fleming Investment Management, Dec 2025

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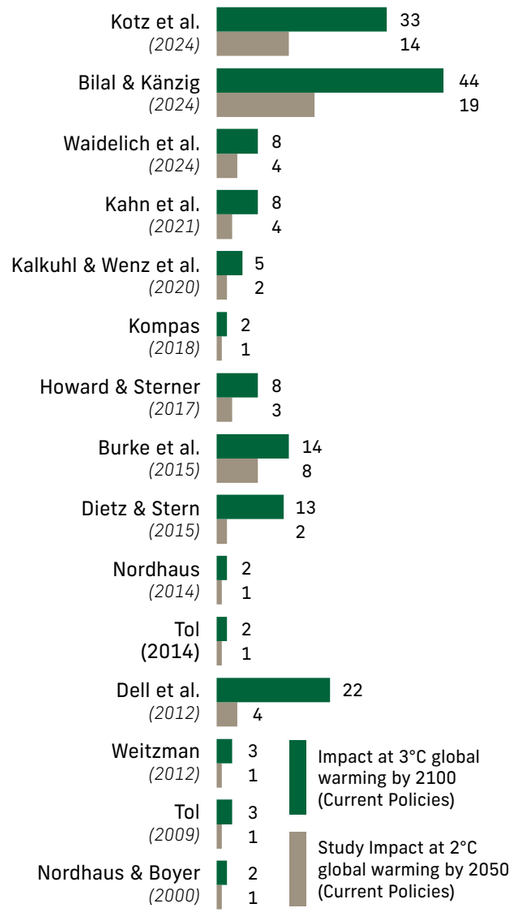
For the global economy, the Network for Greening the Financial System (NGFS) compiled a list of expected negative impacts on global GBP from across 15 academic studies, with significant variation in expected impacts, ranging between 1–19% for 2°C climate change by 2050 and 2–44% for 3°C climate change by 2100. Still, recent studies show increasingly high and rising expected impact levels.[14] For example, a study published in Nature in 2024 found an up to 17% reduction in GDP by the middle of the century without further mitigation actions, this a result of productivity loss, capital reallocations away from more productive activities and direct damages.[15] While damage estimates vary materially, in 2023 the World Economic Forum estimated annual climate damages linked damages to infrastructure, property, agriculture or health alone to sit between USD 1.7–3.1 trillion by 2050.[16] Historically and currently, a large proportion of climate damages has been and remains uninsured, with Munich Re estimating that of historic climate damages up to 2025, 67% were not insured.[17]

This creates material risks for societies and corporates, resulting from a need to shoulder unexpected and potentially severe costs, if not adequately prepared through resilience and mitigation measures, or insurance.

14 NGFS, 2024
15 Kotz et al, 2024
16 WEF, 2023
17 MunichRe, 2025

Erring on the side of caution, we therefore align with the view that more recent estimates of climate impacts, using updated climate models and technology to inform estimates, have merit.

EXPECTED NEGATIVE GLOBAL GDP IMPACTS OF CLIMATE CHANGE AS PER ACADEMIC STUDIES[14]

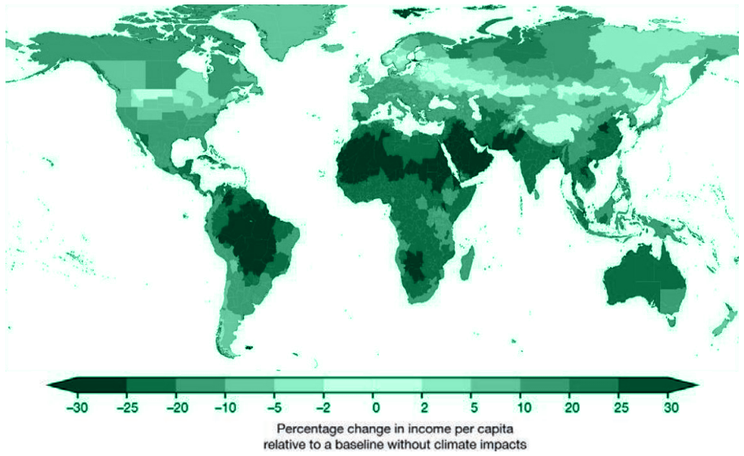


OUR APPROACH TO CLIMATE IMPACT ANALYSIS

Sectoral and Geographic Differences

Using publicly available data on economic impacts of climate change from among others NGFS[18], UNEP[19,20,21], EU-funded ClimateScenarios.org[22] and the World Economic Forum[23], along with climate data from Morningstar, we assessed and mapped relative sectoral and geographic portfolio climate risks, before transposing them onto our investment portfolio. We have cross-checked our impact estimates with publications of large sustainability data providers to ensure sufficient robustness. Our aim was to understand our portfolio's top level risk footprint and compare it to a relevant global benchmark.

THE ECONOMIC COMMITMENT OF CLIMATE CHANGE[18]



Fundamentally, it is our view that sectors and geographies will be impacted by climate change starkly differently under varying climate change scenarios. This may be both the result of potential global regulatory divergences, differences in expected magnitudes and frequencies of weather changes, severe weather, and other climate-related events, as well as differences in the reliance on specific geographies across industries.

18 NGFS, 2024
19 UNEP, 2023a
20 UNEP, 2023b
21 UNEP, 2024
22 Climate Scenarios, 2025
23 WEF, 2021

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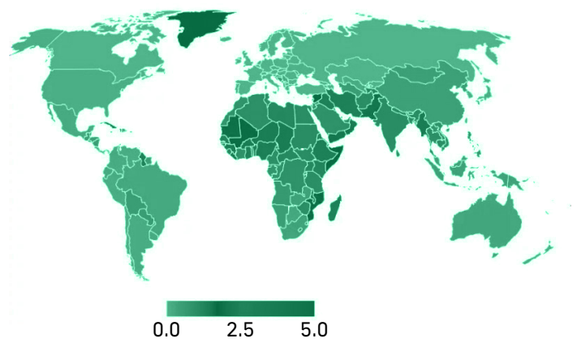
Healthcare, IT, Financials, and communication services will in our view be the sectors least likely to be materially impacted by climate change, both from a transition and physical risk perspective. This is particularly the case under the below 2°C scenario we chose, but also for the above 2°C scenario we applied. Meanwhile, Energy, Utilities, Industrials and Real Estate are the sectors most at risk from 2°C warming, facing both acute physical hazards and significant transition challenges as the world moves toward a low-carbon economy.[24,25] Sectoral differences are, amongst other things, a product of different adaptation costs, reliance of global supply chains, exposure to physical assets, and of exposures to specific geographies.

SECTORAL PHYSICAL & TRANSITION RISKS	BELOW 2°C CLIMATE CHANGE	ABOVE 2°C CLIMATE CHANGE
Information Technology	Low	Medium
Health Care	Low	Medium
Consumer Discretionary	High	High
Financials	Low	Medium
Communication Services	Low	Medium
Consumer Staples	High	Very High to Extreme
Industrials	High	Very High to Extreme
Materials	Very High to Extreme	Very High to Extreme
Energy	Very High to Extreme	Very High to Extreme
Real Estate	Medium	High
Utilities	Medium	High

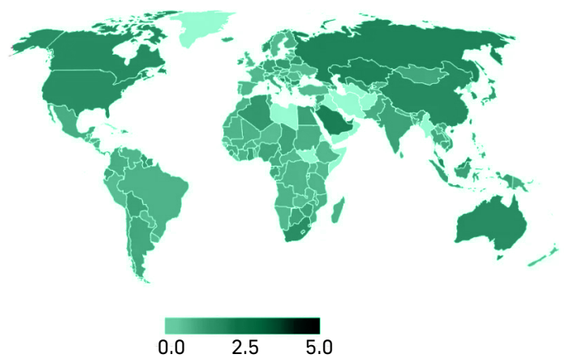
24 Earth Org, 2024
25 UNEP, 2023b

Geographically, while historically having contributed amongst the most materially to climate change, we expect Europe and North America to be amongst the least impacted by physical climate risks, partly due to their robust infrastructure and adaptive capacity. In these regions, transition risks are much more pronounced, due to a need to shift away from or better manage high emissions energy and industrial activities. The ongoing move to service economies in this context can be considered supportive of reducing transition risks. Meanwhile, many developing countries that contributed comparatively little to climate change show the highest levels of physical risk, both for below and above 2°C climate change scenarios. Africa and island nations are to name explicitly here, as places with minimal contribution to global greenhouse gas emissions but severe vulnerability to acute and chronic physical risks including heatwaves, fires, storms and seal level rises. This is largely due to an economic reliance on agriculture, early-stage industrialisation and limited adaptive capacities.[26,27]

PHYSICAL RISK EXPOSURE LEVEL 2030-35 – BY COUNTRY[28]



TRANSITION RISK EXPOSURE LEVEL 2030-35 – BY COUNTRY[28]



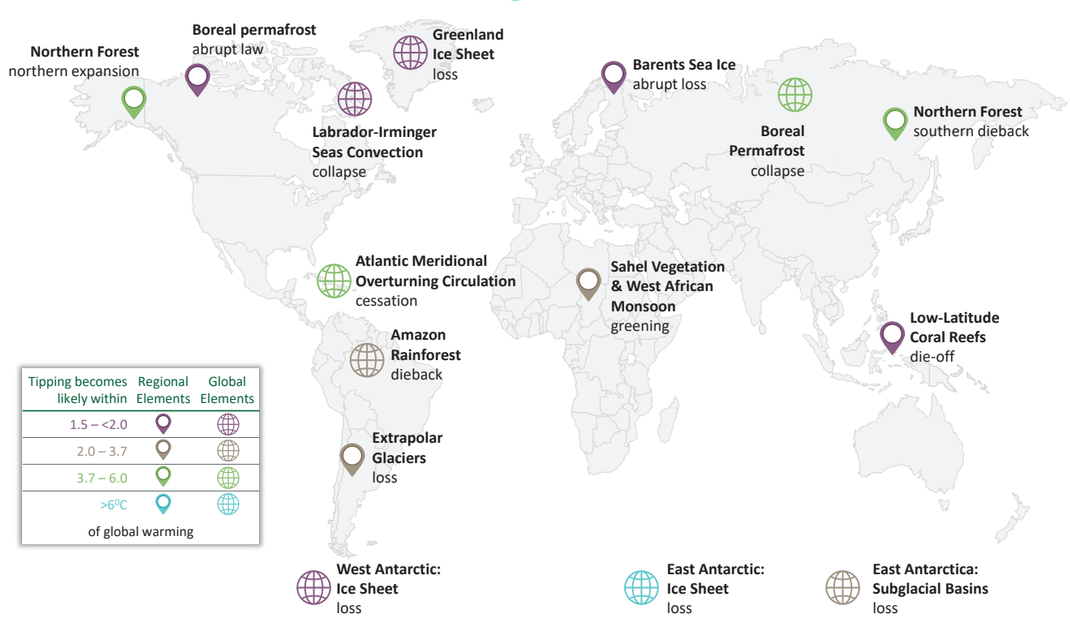
28 Source: Ferrazzi et al, 2025. All scores present combination of relative impact potential vs other countries and vs local GDP – Low score equals low risk.

26 Emission Index, 2024
27 Frontiers, 2024

Climate Tipping Points

Considering existing uncertainty about climate impacts, briefly discussing risks relating to tipping points being breached is pertinent. The below graphic provided by the Potsdam Institute for Climate Impact Research (PIK) highlights significant climate-related tipping points and climate change magnitudes under which they might be breached.[29] The European Space Agency (ESA) describes climate tipping points as "critical thresholds in a system that, when exceeded, can lead to a significant change in the state of the system, often with an understanding that the change is irreversible." Many climate tipping points also hint at another major risk area, nature and ecosystem disruptions, which is beyond the scope of this report.

GLOBAL CLIMATE TIPPING POINTS[30]



29 Marsden et al, 2024
30 ESA, 2023 and PIK, 2026

WHAT ARE CLIMATE TIPPING POINTS? EXAMPLE PROVIDED BY ESA[31]

Climate tipping points are elements of the Earth system in which small changes can kick off reinforcing loops that 'tip' a system from one stable state into a profoundly different state.

For example, a rise in global temperatures because of fossil fuel burning, further down the line, triggers a change such as a rainforest becoming a dry savannah. This change is propelled by self-perpetuating feedback loops, even if what was driving the change in the system stops. The system – in this case the forest – may remain 'tipped' even if the temperature falls below the threshold again.

This shift from one state to the other may take decades or even centuries to find a new, stable state. If tipping points are being crossed now, or within the next decade, their full impact might therefore not become apparent for hundreds or thousands of years.

The economic impact of climate tipping points being reached can be chronic and/or acute, likely affecting households, businesses, and global supply chains where those directly or indirectly dependent on aspects of a "tipped" system for their operations or survival.

For the global economy and investment portfolios, this means that climate risks might be magnified should tipping points be breached. This has the potential for both a change in the financial impacts and a change in time horizon over which these impacts might materialise. The exact impact of breaching climate tipping points is contested, but it is expected that additional and very material negative impacts for the global economy would arise should the current 'sufficient' tipping points be breached.[32]

31 ESA, 2023
32 LSE, 2021

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Climate Scenarios

How climate change will manifest over the coming century is an issue of high uncertainty.

To understand how our investment portfolio and operations might be impacted by climate change over the coming decades, we are guided by information provided by the Network for Greening the Financial System (NGFS), an international network of central banks and financial supervisors, under its Phase 5 estimates. NGFS aims to support the development of environmental and climate risk management, share best practices, and mobilise mainstream finance to support the transition toward a sustainable economy.

NGFS proposes a range of potential climate change pathways, and its mitigation efforts it might take. In 2024, NGFS updated its guidance on climate scenarios using updated academic research. This has led to a significant increase in expected impacts under all scenarios and is in line with a wider trend of expecting increased costs related to climate change compared to older research.

NGFS SCENARIOS FRAMEWORK IN PHASE V[33]

33 Source: NGFS, 2024

STRATEGY

Having carefully considered recent global events, it is our view that uncertainty about which pathway climate change might take is particularly high in the short-term. Transition governance is unclear and diverges globally, with questions about US commitments, and increasing efforts in others, Europe. in particular. It is our view that, in case of reduced transition efforts in the short-term, with increasing acute physical risks, transition efforts will pick up again, though potentially be divergent globally. We have therefore decided that what NGFS terms Below 2°C and Fragmented World scenarios are what we deem likely current pathways to test our portfolio risk exposure against.

In terms of key assumptions, the chosen scenarios assume a temperature rise of 1.8°C for Below 2°C, and 2.4°C for Fragmented World. The former expects a gradual decline of global emissions from 2025, with the latter assuming a much slower and delayed decline starting from 2030. Similarly, global carbon shadow price is assumed to start rising gradually from 2025 under Below 2°C, peaking at ca. USD 130 by 2050, while under Fragmented World this trend is expected to be similarly delayed and less material.

APPLIED CLIMATE CHANGE SCENARIOS AS PER NGFS[34]

	UNDER 2°C CLIMATE CHANGE	ABOVE 2°C CLIMATE CHANGE
Scenario	Below 2oC	Fragmented World
Type	Orderly	Too-little-too-late
Climate Change Impact	Considerable but managed impacts	Severe and unmanaged impacts
Policy Action	Immediate and smooth	Delayed and fragmented
Technology	Moderate rate of supportive change	Slow and un-coordinated fragmented Change
Regional Policy Variation	Low degrees of regional variation	High degrees of regional variation
Physical Risks	Moderate and long-term	High and long-term
Transition Risks	Moderate and immediate	High and delayed

34 Source: NGFS Climate Scenarios Technical Documentation V5; NGFS NGFS Climate Scenarios for central banks and supervisors -Phase V Presentation

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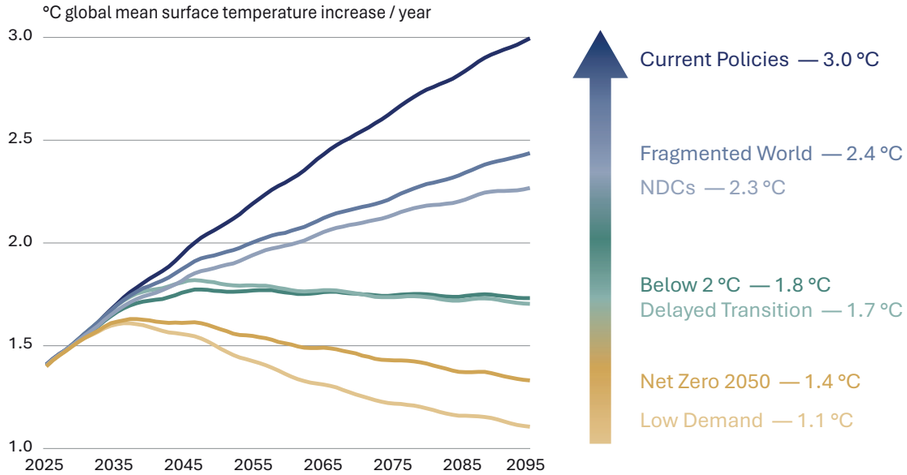
Expected temperature rises and related government action will have effects commonly categorised as transition and physical risks. It is assumed that transition risks will manifest through additional burdens on households, businesses and the broader economy and will be mitigate and adapt to climate change.

Meanwhile, physical climate risks will manifest through rising temperatures and sea levels, which will have a chronic effect on labour productivity and physical assets, and will potentially disrupt businesses in cases of acute events. The magnitude of both physical and transition risks varies considerably between scenarios, and our assumption for each is based on a review and aggregation of sector and geography specific expected climate impacts.

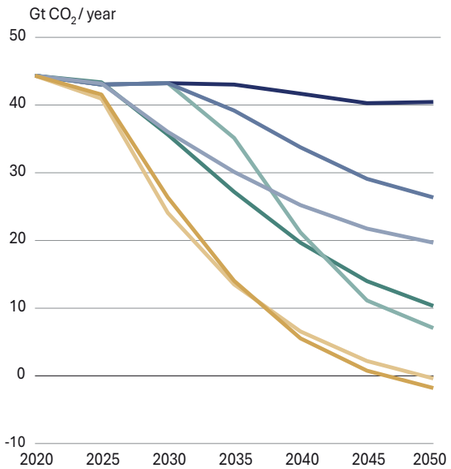
The high degree of uncertainty surrounding short-term global climate change mitigation actions — combined with long-term uncertainty regarding the magnitude of climate change and the potential for breaching critical tipping points—creates significant potential for volatility in environmental, economic, and geopolitical systems. We therefore view a preparation for both eventualities, an orderly below 2°C climate change, and a disorderly above 2°C climate change, as pertinent.

NGFS – Key Climate Assumption by Scenario[35]

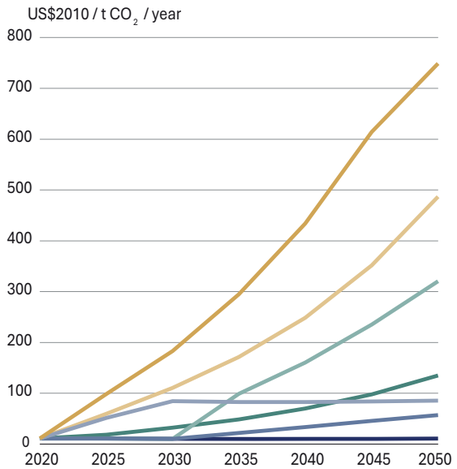
TEMPERATURE RISK



EMISSIONS PATHWAYS



SHADOW CARBON PRICE



35 NGFS, 2024

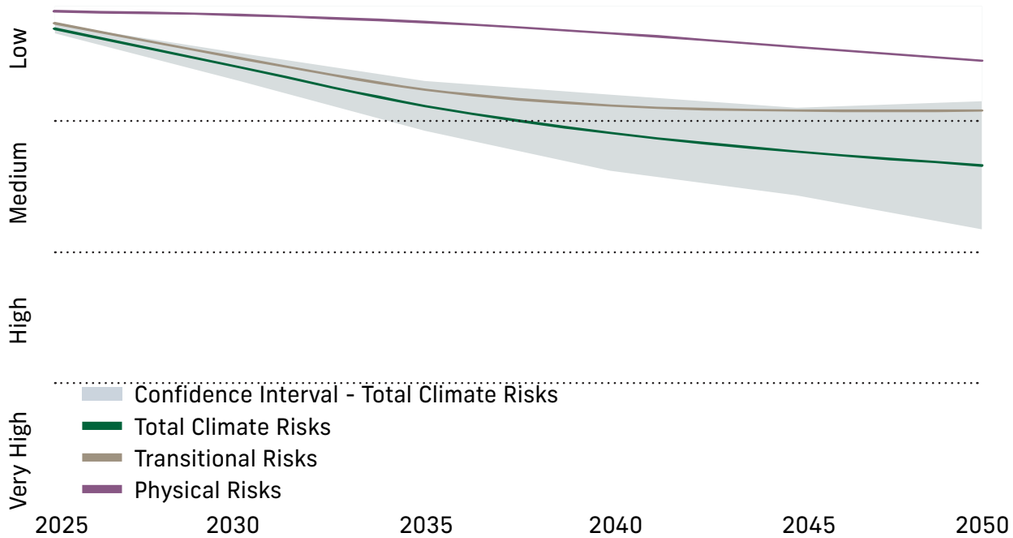
Below 2°C Scenario

The applied below 2°C climate change scenario assumes an orderly transition with moderate long-term overall risk level and is what we would consider, given developments over the past years, a likely scenario.

Climate change impacts are assumed to still be material, but well managed and contained. Global climate change governance is expected to converge over the coming decades, and sufficient technological support and enablement lends weight to global efforts to keep temperature rise and other related risks in check.

Under this scenario, transition risks will likely be most material over the coming decades, with a need for adaptation measures across high-emitting industries in particular. Meanwhile, physical climate risks are kept manageable due to the overall limiting of temperature rises and are expected to only materialise through rare extreme events in the short to medium-term and structurally over the long-term.

BELOW 2°C CLIMATE CHANGE SCENARIO[36]



36 Stonehage Fleming Investment Management, Dec 2025

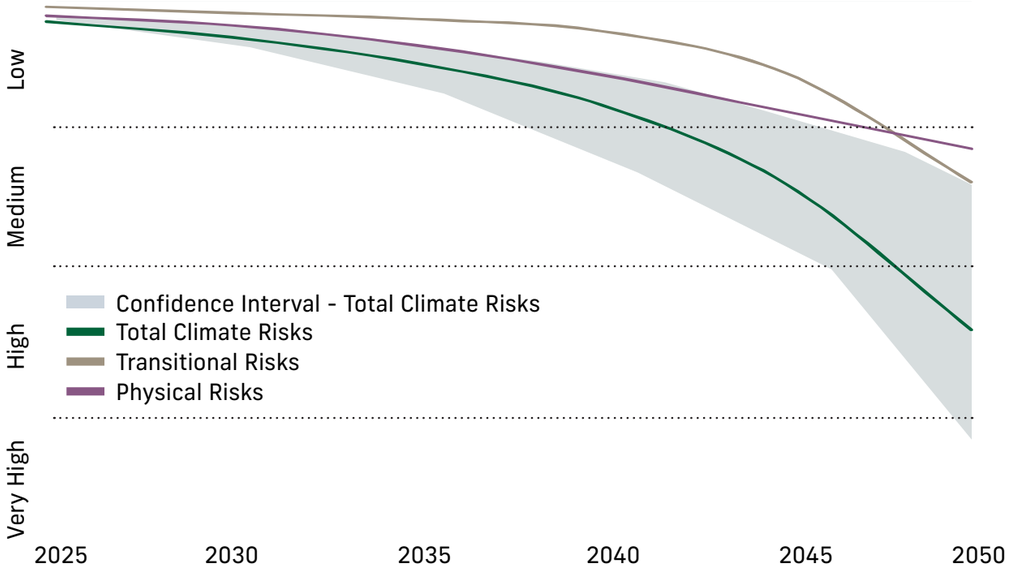
Fragmented World / Above 2oC Scenario

The applied above 2°C climate change scenario assumes delayed and fragmented global climate governance. Considering recent political developments, we deem this scenario a likely one.

Climate change impacts are expected to be severe and unmanaged. Global climate change governance is expected to be diverging and unharmonious, limiting effectiveness. In addition, lacking technological support limits scope for successfully implementing necessary transition and adaptation measures.

Under this scenario, transition risks will be less pronounced in the short-term, but are expected to rise sharply in the medium- to long-term due to delayed regulatory action, with physical risks increasing considerably over the coming decades due to a lack of transition efforts, being significantly more pronounced compared to the applied below 2°C scenario.

ABOVE 2°C CLIMATE CHANGE SCENARIO[37]



37 Stonehage Fleming Investment Management, Dec 2025

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INTERNAL EXPERTISE - CLIMATE RISKS WITHIN SFIM'S GBI FUND

To cover climate risks within our internally managed AUM, we looked at our flagship Global Best Ideas Equity Fund and related strategies, which combined account for roughly 20% of our overall AUM as of Dec 2025. This strategy has a below benchmark exposure to high climate risk sectors and geographies as well as no exposure to energy, utilities and real estate. It only invests in what the GBI team consider to be high-quality companies. This reflects positively in the overall climate dependencies, including risks, emissions levels and investee company climate profiles.

GEOGRAPHIC EXPOSURE IN %[38]

SECTORAL EXPOSURE IN %[38]

38 Stonehage Fleming Investment Management, Dec 2025

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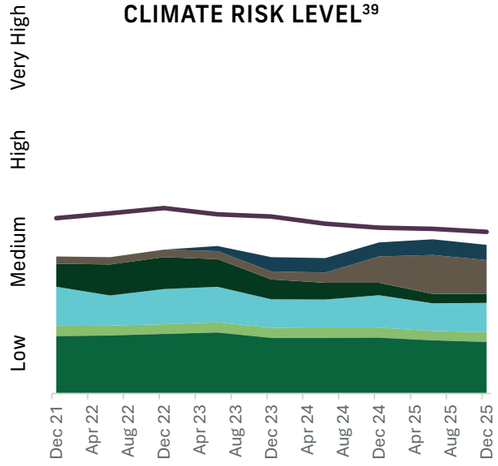
Fund Climate Risk Level

To understand the fund's relative climate risk exposure, we looked at the fund value at potential risk from climate change impacts and consequences by 2050 and compared it to a representative benchmark. We expect the likelihood of risks materialising to vary between sectors and geographies, and the annual risk increase until 2050 to be non-linear. For this exercise, we focused on sectoral exposures.

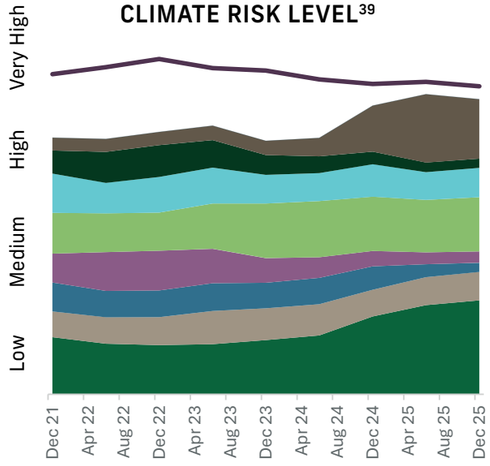
We are pleased to see that the overall climate risk level for our GBI fund for the past 5 years has been below that of the representative equity benchmark used, both for below and above the 2°C scenario. The March 2025 addition to the fund of GE Aerospace has pushed the relative risk level up to be closer to benchmark.

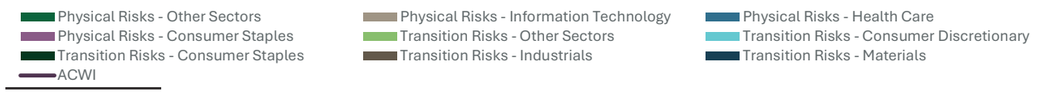
This data was compiled using publicly available information on sectoral climate risk levels, matched with fund and benchmark sectoral exposures. For the past year, the fund has retained slightly below benchmark climate risk level, while historically it achieved a roughly 20% below benchmark risk level.

ASSUMED BELOW 2C SECTORAL CLIMATE RISK LEVEL[39]



ASSUMED ABOVE 2C SECTORAL CLIMATE RISK LEVEL[39]





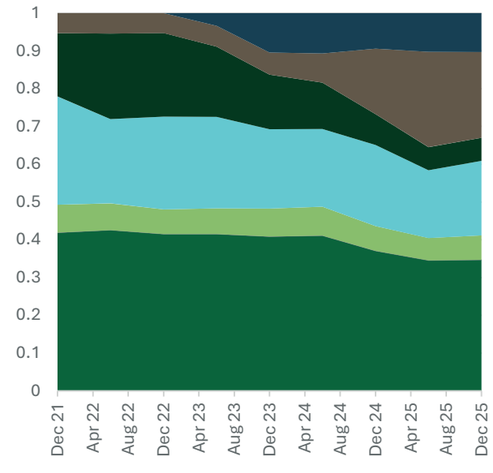
39 Stonehage Fleming Investment Management, Dec 2025

STRATEGY

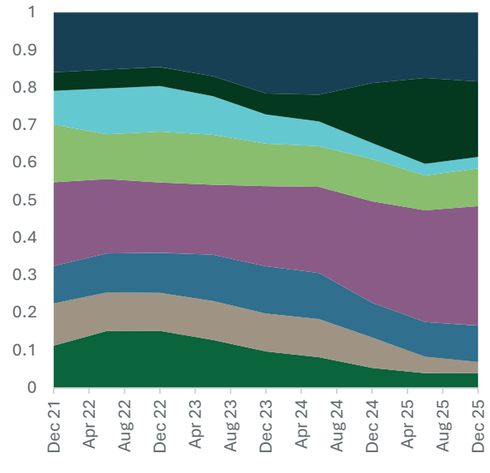
For the applied below 2°C climate change scenario, GBI's risk level is moderate and largely stable, with transition risk accounting for roughly 65% of overall risks. We do note an increase in transition climate risk levels over the past year, primarily a result of increased allocations to the industrials and materials sector. These sectors account for a total of 17.8% of the fund as of December 2025 but made up 40% of identified total climate risk.

Looking at the above 2°C climate change scenario we compiled, the picture is more complex. Firstly, we note that the overall climate risk level increases materially vs below 2°C, by roughly 95%, from moderate to high. This is partly driven by a disproportionate increase in physical climate risk levels, which for this scenario make up ca 50% of total identified climate risks. We further note a pronounced rise in risk level over the past years, particularly due to the already mentioned allocations to industrials. Similarly, for this scenario, industrials and materials alone made up 36% of total identified physical and transition climate risk, highlighting the disproportionate climate risk exposure of these sectors.

BELOW 2C SECTORAL CLIMATE RISK CONTRIBUTION[39]



ABOVE 2C SECTORAL CLIMATE RISK CONTRIBUTION[39]

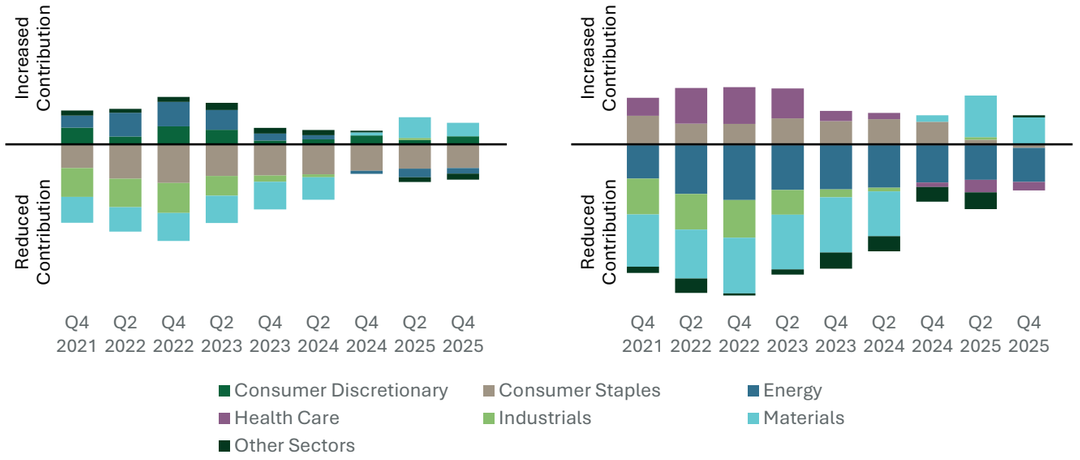


Financials and IT are the fund's largest allocations, making up 45% of the fund as of the end of 2025. These are relatively low emissions and risk sectors. Despite their sizeable allocation, they only make up between 15% (below 2°C) and 30% (above 2°C) of total risk levels. The largest risk contributors are, in addition to industrials, materials, consumer staples and consumer discretionary.

Positive contributors to the lower climate risk level compared to benchmark are primarily GBI's lack of energy exposure, as well as historically its comparatively low industrials and materials exposures, with Industrials as of 2025 being a negative relative contributor vs benchmark. All other sectors currently make marginal contributions to the divergence in climate risk level between GBI and benchmark.

SECTORAL CLIMATE RISK CONTRIBUTION COMPARED TO BENCHMARK - BELOW 2C[40]

SECTORAL CLIMATE RISK CONTRIBUTION COMPARED TO BENCHMARK - ABOVE 2C[40]



Additionally, the fund being overweight with geographies that are expected to be less impacted by climate change, such as North America and Europe, helps reduce potential climate risks. Still, the noted risk levels require us to continue monitoring this closely, to ensure risks are sufficiently addressed before financial impacts materialise.

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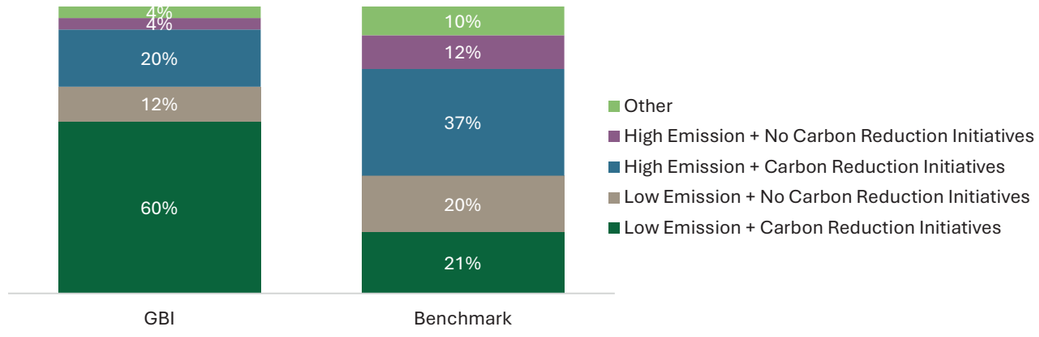
Fund Holdings' Climate Profiles

To not rely solely on approximations about fund level climate risk levels, we have conducted a more granular review of all the fund holding's climate profiles using our ESG data provider. Looking beyond sectoral and geographic allocations, we are also pleased to see that the fund's constituents have overall low emissions footprints, and in large parts, clearly disclosed climate ambitions. We compared the GBI fund to its benchmark specifically on Scope 1, 2 and 3 emissions intensity and carbon emissions reduction plans.

What we see is a slightly more positive picture, with 72% of GBI's allocation having a 25% below mean benchmark emissions intensity, compared to 41% for benchmark, and 80% of fund allocations having emissions reduction initiatives, compared to 58% for the benchmark. We also see that the fund has allocated 4% to companies with high emissions intensity and no transition plans, compared to 12% for benchmark, this being an allocation to an electronic components manufacturer.

The biggest concern for us therefore is the gap in reduction initiatives, especially when paired with high emissions intensity, as well as the credibility of reduction initiatives.

EMISSIONS PROFILE AND AMBITIONS[41]



41 Source: Morningstar, SFDR PAI disclosures, 31st December 2025
Coverage: Benchmark - 73%, GBI - 100%
Low Emissions = 25 below ACWI Scope 1, 2 and 3 emissions intensity; High Emissions = 25 above ACWI Scope 1, 2 and 3 emissions intensity

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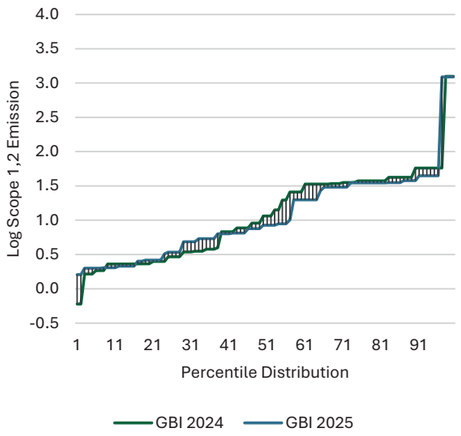
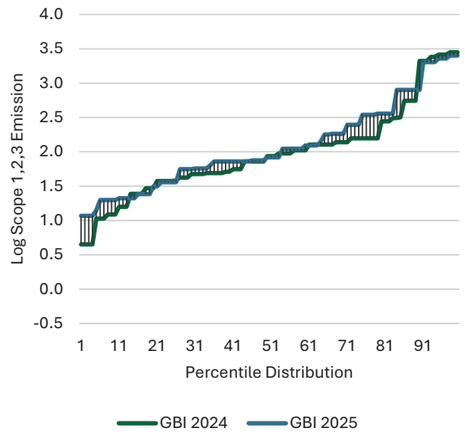
This overall positive climate profile of the fund relative to benchmark is further confirmed when comparing the fund's exposure to emissions intensive companies with that of the benchmark. For better comparability and visualisation, we contrast the weighted log emissions intensity of the fund and benchmark for each percentile allocation.[42, 43]

What we can see is that the fund has retained a largely stable emissions profile between 2024 and 2025, for both Scope 1 and 2 and Scope 1, 2 and 3 emissions intensity, as well as a markedly lower allocation to companies with the highest emissions intensity as compared to benchmark.

LOG SCOPE 1 AND 2 EMISSIONS INTENSITY DISTRIBUTION - CHANGE OVER TIME[44]



LOG SCOPE 1, 2 AND 3 EMISSIONS INTENSITY DISTRIBUTION - CHANGE OVER TIME[44]



42 Aswani et al, 2023
43 NESO, 2024
44 Stonehage Fleming Investment Management, Dec 2025

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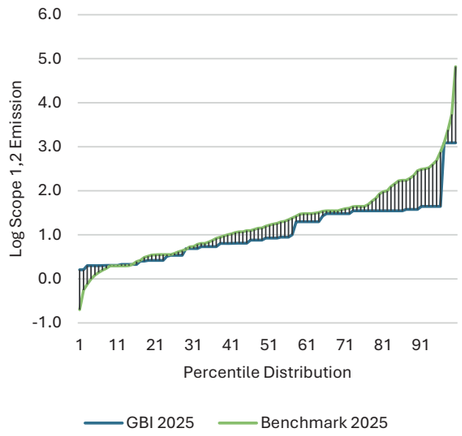
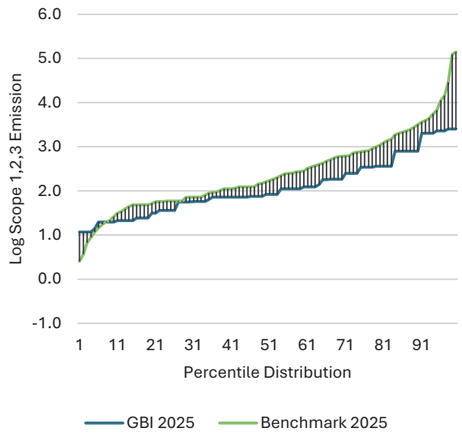
Looking at Scope 1 and 2 emissions intensity, we see the fund largely mirroring benchmark until the 70th percentile, when benchmark allocation goes to materially higher emissions intensity companies as compared to GBI.

Meanwhile for Scope 1, 2 and 3 emissions, the fund shows a persistently below benchmark emissions intensity of its allocations from the 40th percentile.

LOG SCOPE 1 AND 2 EMISSIONS INTENSITY DISTRIBUTION - FUND VS BENCHMARK[44]



LOG SCOPE 1, 2 AND 3 EMISSIONS INTENSITY DISTRIBUTION - FUND VS BENCHMARK[44]



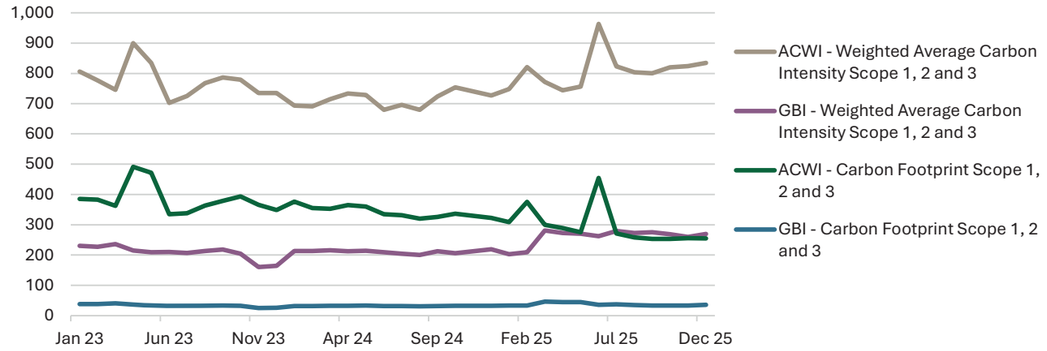
Both for Scope 1 and 2 and for Scope 1, 2 and 3 emissions intensity, the fund therefore performs materially better than benchmark.

From an overall allocation perspective, the fund's emissions profile and climate governance are therefore considered robust relative to the benchmark.

Fund and Fund Holdings' Emissions Trend

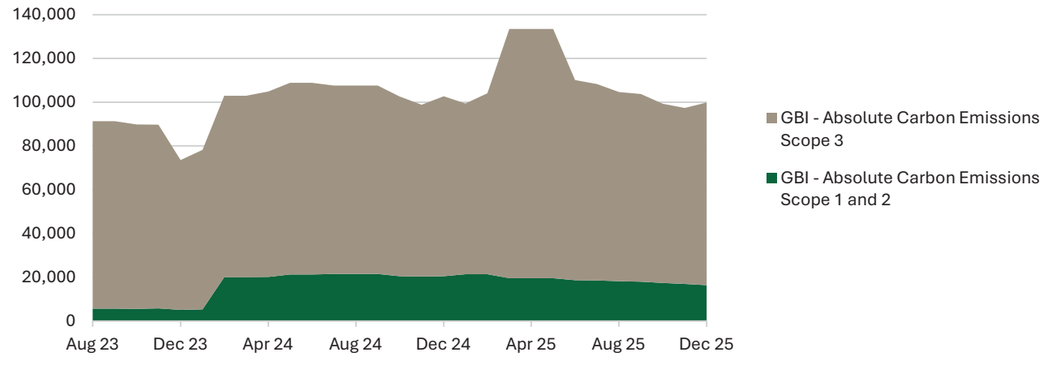
Finally, looking at emissions trends, we see that the GBI fund has had a largely stable emissions performance over the past two years. On absolute emissions, it must be noted that Scope 1, 2 and 3 emissions increased markedly in early 2024 and have plateaued since, excluding a brief period of increase in the second quarter of 2025. This is also noted in the fund's Weighted Average Carbon Intensity (WACI) and carbon footprint, which likewise materially increased in early 2024. Increases in absolute emissions and emission intensity/WACI in early 2024, as well as in Q2 2025, are not due to a significant change to the portfolio, except for the already discussed increase allocations to industrials and materials sectors over the past years. Rather, they are viewed as the result of either a change in emissions coverage or accounting for fund holdings.

RELATIVE EMISSIONS PERFORMANCE - GBI AND ACWI (TONNER PER GBP MILLIONS)[45]



45 *Source: Morningstar Data Service, May 2026*

ABSOLUTE EMISSIONS PERFORMANCE GBI (TONNES)[45]



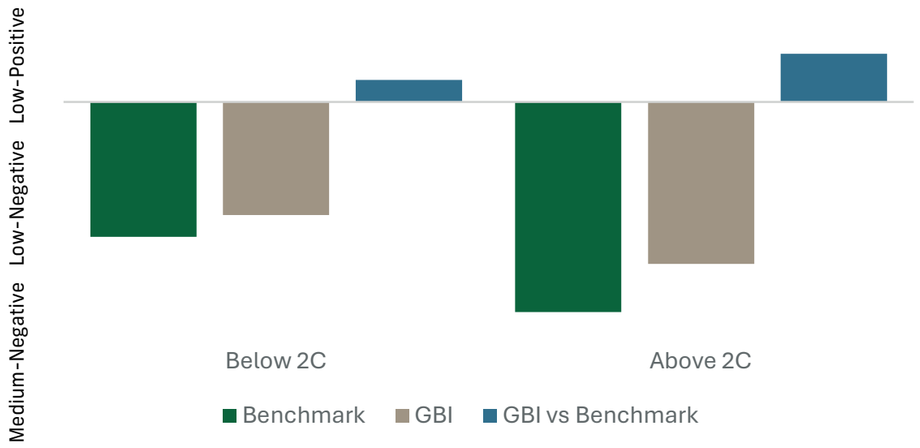
We are pleased to see that the emissions performance of the fund has remained largely stable during the captured timeframe and remains materially below ACWI on relative metrics despite this not being an objective for the fund. This especially, as the benchmark's WACI has increased materially since mid-2024.

As such, the fund has for the past years continuously retained a four-globe or better ESG Risk Rating from Morningstar, as compared to a two-globe rating for the ACWI. It has further been awarded a low carbon designation by Morningstar and an MSCI ESG Rating of AA as compared to an A for the ACWI more broadly, as of end of 2025.

Summary

The presented information provides a clear picture of the GBI fund's climate risk profile. By adjusting geographic exposures and identifying sectoral risk levels for GBI and benchmark, we can confidently assume that GBI maintains a below benchmark climate risk level, for both below and above 2°C climate change scenarios by 2050. When accounting for emissions levels compared to benchmark, this picture gets further reconfirmed, with both WACI and Carbon Footprint at below benchmark levels.

POTENTIAL CLIMATE IMPACTS BY 2050 IN % OF VALUE[46]



This is a result of a persisting focus on investing in comparatively low emissions sectors and large-cap high-revenue companies. In addition, the fund's focus on investing in companies with robust corporate governance, including on climate matters, as well as a focus on geographies which are projected to be impacted comparatively less from climate change, play a material role in it achieving such a comparatively positive climate risk profile.

Overall, the fund is still expected to have a moderate level of fund value at risk from climate change, which we deem material enough to keep closely monitoring developments and exposures.

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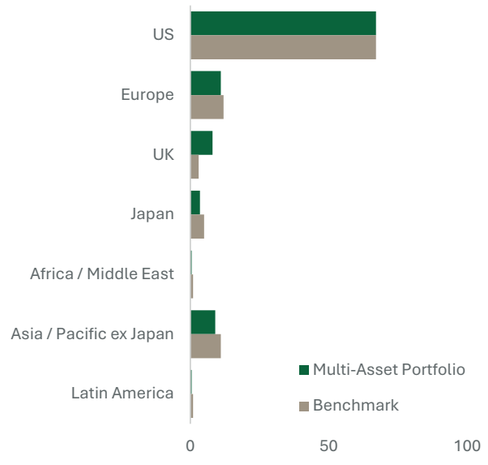
EXTERNAL EXPERTISE
CLIMATE RISKS WITHIN SFIM'S MULTI-ASSET INVESTMENT PORTFOLIO

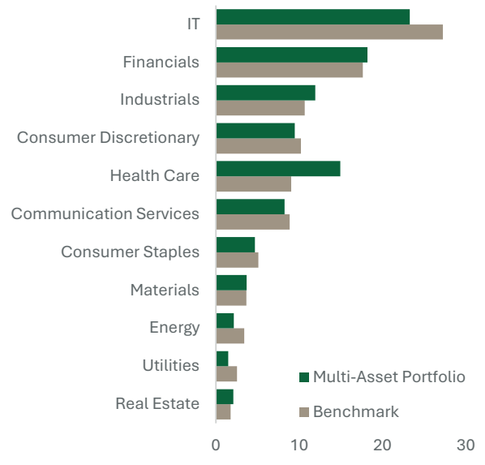
In addition to GBI, a review of our multi-asset climate risk exposures was conducted. Our multi-asset portfolios, excluding their GBI allocations, account for ca. two thirds our total AUM. For this part of our portfolio, direct look through is more limited. As such, we decided to use our traditional GBP Core Balanced portfolio as a proxy for calculating climate risk exposures.

The SFIM UK multi-asset portfolio in large parts aligns with broader market-cap weighted indices in terms of geographic allocation, being overweight to the UK and slightly underweight emerging markets. Emerging markets as per various climate impact analyses are projected to incur comparatively higher climate impacts than Europe and North America.[47]

GEOGRAPHIC EXPOSURE IN %[48]



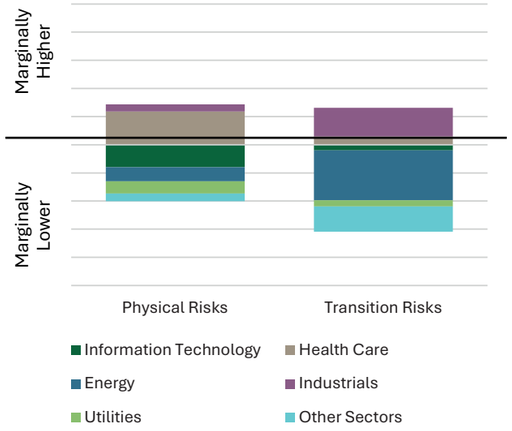
SECTORAL EXPOSURE IN %[48]



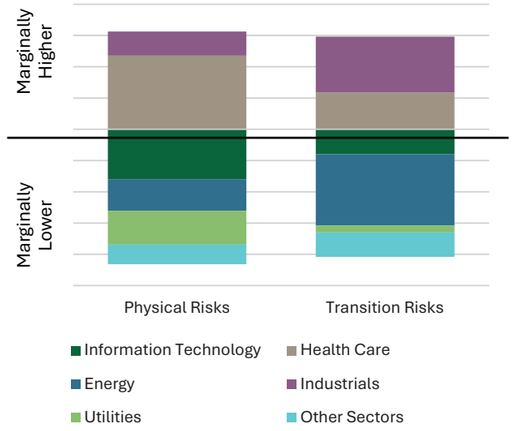
47 WEF, 2021
48 Stonehage Fleming Investment Management, Dec 2025

From a sectoral perspective, a similar picture presents itself. The SFIM UK multi-asset portfolio in large parts aligns with broad market cap weighted indices. In terms of sectors, the largest differences include our above benchmark Health Care, Financials, and Industrials exposures, as well as our below benchmark IT, Energy and Utilities exposures.

SECTORAL CLIMATE RISK CONTRIBUTION COMPARED TO BENCHMARK - BELOW 2C[49]



SECTORAL CLIMATE RISK CONTRIBUTION COMPARED TO BENCHMARK - ABOVE 2C[49]



In terms of contributions to climate risks as compared to the applied benchmark, we see that while our overweight exposure to the Financials and Industrials sectors contributes to increased climate risks related to those sectors, our below benchmark exposures to IT and less so Energy sectors have a positive impact on our multi-asset portfolio's relative climate risk profile. Overall, we believe this results in a risk level very close to that of the applied benchmark, and thereby broader markets.

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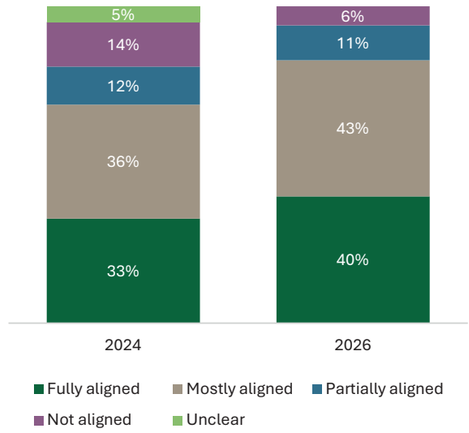
THIRD-PARTY MANAGERS CLIMATE RISK MANAGEMENT APPROACHES

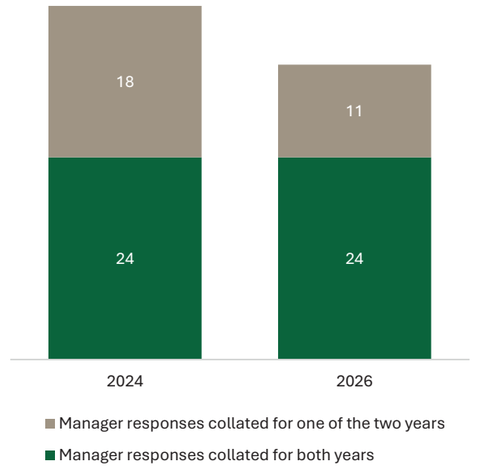
As stewards of our client's capital, scenario analysis does not rely on best-case assumptions for climate risks, particularly given the potential for highly material impacts to crystallise over the short to medium term.

Given roughly two thirds of SFIM UK's assets are managed through third-party managers that we allocate to, we have limited direct control over the climate risks within a significant element of our AUM. A good understanding of the climate risk management processes employed by these managers is therefore a crucial part of our risk management and due diligence process. We engaged with key third-party managers to provide information on their approach to climate risk management and how it evolved across our third-party allocations over time.

CLIMATE & TCFD ENGAGEMENT - THIRD PARTY MANAGERS[50]



TCFD ALIGNED CLIMATE RISK MANAGEMENT - THIRD PARTY MANAGERS[50]



50 Stonehage Fleming Investment Management, Dec 2025

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We engaged with these managers for the first time on climate matters in early 2024, and again in between late 2025 and early 2026. The high response rate, as well as interest in follow up conversations, stands out. While there is a material overlap between managers we engaged in 2024 and 2025/26 (hereafter 2026), roughly a third of managers has changed due to changes in allocations. We focused on managers with material allocations used in our traditional core and responsible propositions, with a slightly smaller cohort of 36 managers.

When we first engaged managers on climate in 2024, we noted that a significant majority of our third-party managers already integrated climate risk as per TCFD requirements, including into governance processes, strategy, risk management, using metrics for performance measurement or target setting. The largest gap at that point existed around board oversight, scenario analysis and on target-setting.

Through our 2026 follow up, a few key developments stand out:

- Reduction in uncertainty: Managers the firm has large allocations to show a reduction in planning to introduce new TCFD-aligned climate related risk governance and oversight, moving to practical implementation. Across the four TCFD disclosure categories, we had noted that in 2024 between roughly 5-28% of managers were still planning to introduce new processes. In 2026 this percentage has materially reduced to between 0-6%.
- Positive overall trajectory: Managers show an overall increasing alignment with TCFD disclosure principles. For all principles, except climate target setting and use of KPIs, managers report increased integration of TCFD requirements into their processes and governance.

Third-party managers that the firm allocates to display a stable or improving level of climate ambitions, and managers with the starkest gaps show improving practices. As such, the percentage of managers with aligned or mostly TCFD-aligned climate risk practices has increased from 69% to 83%, while the percentage of managers with unclear, partial or no material TCFD alignment has reduced from 31% to 17%, including a reduction of managers with no alignment from 14% to 6%. The most material improvement has been made on climate scenario analysis, formal integration of climate into risk management processes, and the use of metrics to track climate risk exposures.

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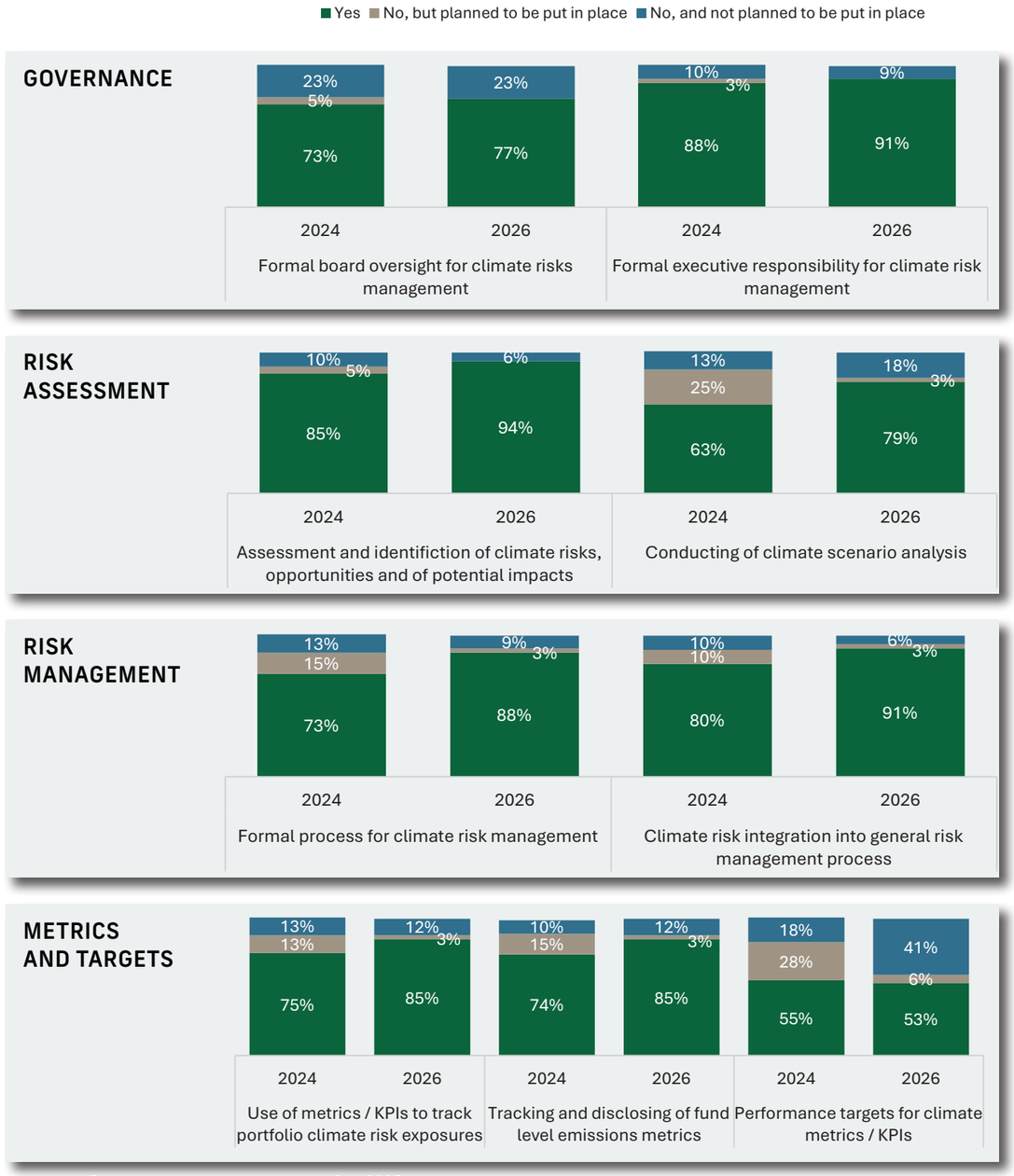

Stonehage Fleming Investment Management, Dec 2025

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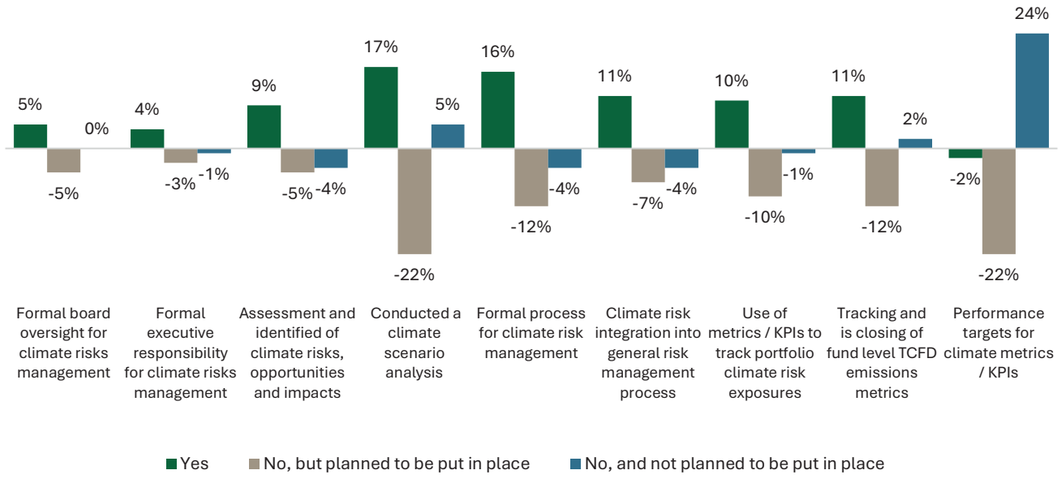
The main note of caution is a material increase in managers that do not currently have or plan to set performance targets on climate. This reflects an ongoing industry debate regarding the feasibility of target-setting, particularly against a backdrop of regulatory and political developments in certain jurisdictions that challenge the adoption of more ambitious climate objectives. As such, the observed trend is not entirely unexpected. Still, this being the only area showing a negative trend across TCFD disclosure topics is viewed as a positive development.

2024-2026 CHANGE IN THIRD-PARTY MANAGER CLIMATE GOVERNANCE & PLANNING[51]



Beyond an assessment of manager TCFD-aligned climate risk management, we also asked about net-zero ambitions for products and at entity level as part of our 2026 due diligence questionnaire. Net-zero commitments form an important part of the financial services industry's contribution to managing and mitigating climate change. Through net-zero commitments, firms and funds communicate an ambition to work with their investments in moving the global economy to a sustainable climate state.

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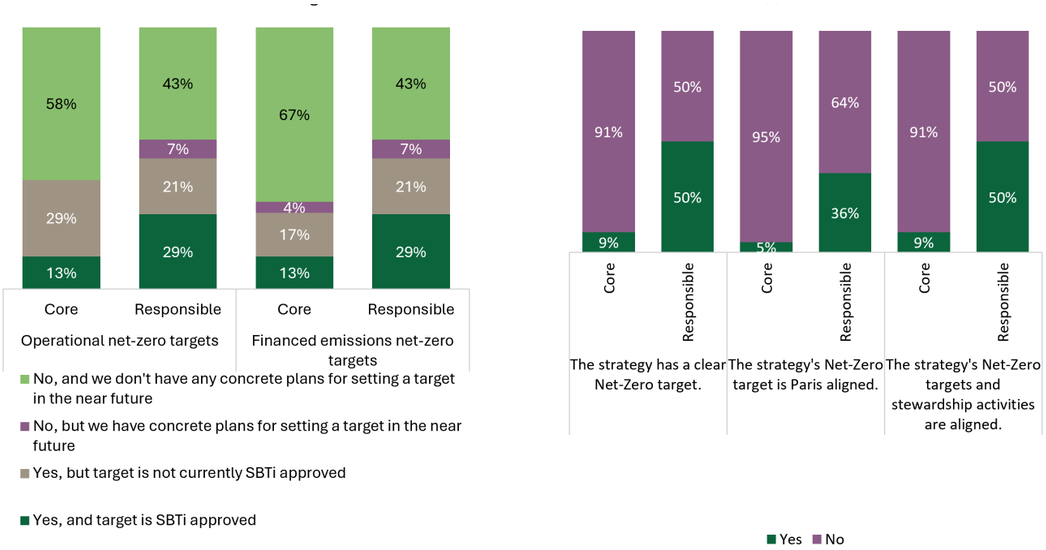
We wanted to understand the approach to net-zero for managers used in our traditional core offering, as well as for our responsible proposition. While material gaps persist at firm level and in regards to product level net-zero targets, we are encouraged to note that ca 40% of managers used across traditional and responsible propositions have net-zero targets for operational emissions, and more than ca 30% for financed emissions. Managers used for our responsible proposition show materially higher percentage figures still for both. Looking at SBTi-approved targets, we note that between 13% and 29% of all engaged managers have SBTi-approved targets for operations or financed emissions. At a strategy level, we see a more significant divergence, with about 10% of funds used in traditional core proposition having a net-zero target, and 5% having Paris-aligned targets, while for our responsible proposition this number sits at 50% and 36%. Likewise, we see a material difference between stewardship practices relating to net-zero, with our responsible proposition seeing 50% of managers aligning their stewardship activities with their net-zero targets, and only 9% of managers in our traditional proposition doing so.

While this does leave material room for improvement, it gives us confidence that many of the managers we allocate to engage with their responsibility of contributing to improving global emissions levels.

STRATEGY

FIRM-LEVEL NET-ZERO TARGETS[52]



FUND-LEVEL SUSTAINABILITY THEMED ENGAGEMENT PRACTICES[52]

Where we identified material gaps in TCFD-aligned climate risk governance at managers we allocate to, we will discuss opportunities for engagement at the appropriate internal governance forums. We are still in the process of completing our review for our 2026 engagement, but similar to 2024, where sufficient material gaps are noted, we will assess how to best encourage the manager to revisit their approach to the topic.

52 Stonehage Fleming Investment Management, Dec 2025

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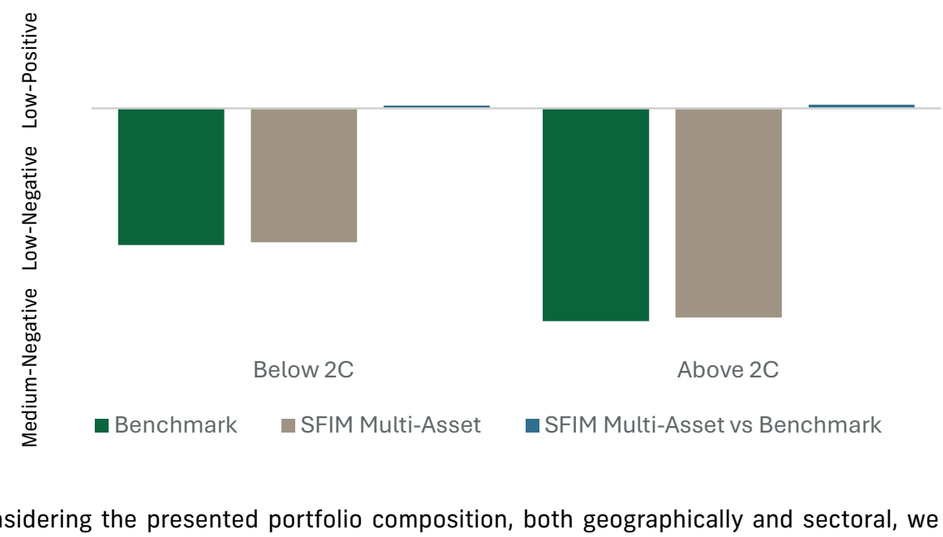
Summary

POTENTIAL CLIMATE IMPACTS BY 2050 IN % OF VALUE[53]



Considering the presented portfolio composition, both geographically and sectoral, we believe that our multi-asset allocations closely mirror their respective benchmark in terms of climate risk profile.

That said, we believe that the expected below 2°C climate change scenario risk level by 2050 is moderate, with lower allocations to the most affected geographies preventing a higher risk level. Through ongoing due-diligence, we are also confident in our third-party managers overall having robust and TCFD-aligned climate risk management processes, providing us with additional confidence in these risks being managed and mitigated adequately.

Still, we believe that climate risk monitoring will become ever more relevant for our multi-asset portfolio considering its broad geographic, sectoral and asset class footprint, and we will continue to engage our third-party managers on the topic to ensure they sufficiently manage their risk exposures.

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LIMITATIONS

The approach we applied, relying on publicly available information and general assumption, naturally has its limitations.

Most importantly, we have limited portfolio-specific climate information at our disposal. While not a concern for the general assumptions we make about global economic impacts of climate change, the analysis depends on these assumptions being sufficiently representative of the portfolio, as well as on the comparability of underlying datasets and expectations relating to risks, opportunities and impacts. As a result, our climate scenario analysis remains high-level and not portfolio-specific.

We recognise this limitation and endeavour to work on procuring portfolio-specific climate data in the future. Despite the diversification level of our investment portfolio, we have confidence in the projected absolute, and especially relative risk levels compared to benchmark. This is driven by the broad range of credible public sources we can draw from.

In addition, data limitations across certain asset classes such as alternatives, fixed in come or commodities continue to present a challenge.

As a result of the discussed limitations, we have not used the outputs of our analysis to inform SFIM UK's businesses, strategy, and financial planning. Our aim is to mature our portfolio climate risk assessment process and align it further with TCFD requirements over the coming years.

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OPERATIONAL CLIMATE RISK MANAGEMENT AT SFIM UK

Considering the nature of our business, we have at this stage not identified financially material climate risks for our operations. This is due to the business currently operating from a single office in London, with flexible working arrangements and remote IT support in place in case of climate-related emergencies. We have started a process of gathering operational Scope 1, 2 and 3 emissions data in 2023 at Group level. Identifying related risks is an ongoing process. For more information, see the Metrics and Targets section.

Accordingly, we do not factor climate risk into our Group financial planning at this stage.

A HOLISTIC LOOK AT CLIMATE RISKS AND OPPORTUNITIES

Having looked at the overall financial materiality of climate impacts for the SFIM UK investment portfolio, we have further assessed climate risks for SFIM UK more broadly, in line with TCFD physical transition risk categories, and opportunities. The aim is to have a more granular understanding of climate risk exposures, not just within our investment portfolio or operationally, but for the business as a whole. To achieve this, we conducted a qualitative assessment using existing expertise from the SFIM UK investment team.

While we have not identified significant physical climate risks for SFIM UK's operations, we do acknowledge the considerable transition risks our operations face.

STRATEGY

Breaking down climate risks and opportunities into TCFD-aligned categories, we identified the evolving regulatory landscape as our most immediate and highest investment-related transition risk, with increasing demands for climate-related disclosures and performance target-setting having a considerable impact on resourcing requirements. Increasing uncertainty as to the direction of travel and ambition for global climate governance further increases the overall complexity of potential regulatory risk exposures. We have further identified changing consumer expectations as an important risk to manage.

The firm sees a growing client demand for values-based investments, particularly among younger cohorts. Ensuring that investment products and services continue to meet evolving client expectations is therefore a key consideration within the firm's business development process. With climate considerations playing an increasingly large role in public discourse, ensuring that we can communicate on the climate performance of our funds and portfolios in a way that resonates with clients will become increasingly important. Finally, reputational implications of not communicating adequately about the investment-related climate risks we face to our clients is another important risk factor we identified as having potentially significant medium-term implications on our business.

In addition to the identified risks, climate-related opportunities have also been assessed. In the near-term, evolving market dynamics present the most significant opportunity, driven by changing client preferences and the continued expansion of the sustainable investment universe. As the range of sustainable funds and investable companies broadens, these segments are increasingly considered a robust and competitive alternative to investments that do not explicitly incorporate sustainability considerations.

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STRATEGY

TRANSITION RISKS

	DESCRIPTION	RELEVANCE FROM	EXPECTED IMPACT MAGNITUDE	RISK MANAGEMENT APPROACH
Policy & Legal	Measures to reduce emissions and promote faster adaptation to climate change have a negative financial impact on our client portfolios or our business. Litigation Risk against SFIM or the businesses in which we invest (either directly or via external fund managers), for example failing to effectively mitigate climate-related impacts.	Short-term	Medium	▪ Increased resources allocated to compliance, enhanced regulatory horizon scanning. ▪ Training on climate and other sustainability matters and regulations to team and executives. ▪ Anti-greenwashing policy and training.
Technology	Our business or the businesses in which we invest (directly or via external fund managers) do not keep pace with climate-related technological advancements.	Medium-term	Medium	▪ Assessment of business climate and sustainability data needs, and review of data providers. ▪ Setup of sustainability risk reviews driven by third-party data inputs. ▪ Screening of exposure to controversial activities, including RepRisk for controversies and Morningstar for among others coal and fossil fuel exposures.
Consumer Markets	Our business or the businesses in which we invest (directly or via external fund managers) do not offer clients and/or consumers appropriate investment services to meet their changing preferences.	Short-term	Medium	▪ Built out a responsible investment offering for clients.
Reputation	Our business or the businesses in which we invest (directly or via external fund managers) do not take climate-related measures expected of them, resulting in reputational damage.	Medium-term	High	▪ Introduction of Anti Green-washing Policy, to ensure accurate and consistent external communications. ▪ Signatory to international responsible investment frameworks (UN PRI, UK Stewardship Code). ▪ Establishment of the Responsible Business Group, to create a forum for reputational risk management.

STRATEGY

PHYSICAL RISKS

	DESCRIPTION	RELEVANCE FROM	EXPECTED IMPACT MAGNITUDE	RISK MANAGEMENT APPROACH
Acute	Increased severity of extreme weather events such as cyclones and floods, with impact on investment portfolio performance.	Short-term	Low	▪ Introduction of sustainability and climate risk factors into regular investment risk reviews. ▪ Long-term investment focus creates natural inclination for factoring in material long-term sustainability. ▪ Executive oversight over portfolio-wide climate risks.
Chronic	Changes in precipitation patterns and extreme variability in weather patterns, rising mean temperatures or rising sea levels resulting in impact on investment portfolio performance.	Short-term	Low	▪ Introduction of sustainability and climate risk factors into regular investment risk reviews. ▪ Long-term investment focus creates natural inclination for factoring in material long-term sustainability. ▪ Executive oversight over portfolio-wide climate risks.

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STRATEGY

OPPORTUNITIES

	DESCRIPTION	RELEVANCE FROM	EXPECTED IMPACT MAGNITUDE	RISK MANAGEMENT APPROACH
Resource Efficiency & Energy Source	Reduced operating costs or market opportunities for businesses we invest in relating to climate change.	Medium-term	High	▪ New investment opportunities emerge through change in resource use and energy efficient characteristics of global investment universe / companies offering products or services to enable energy transition activities.
Products and Services	Increased demand for climate-friendly products and services. Better competitive position for such products, reflecting shift in consumer preferences.	Medium-term	High	▪ Develop new products and services, such as our responsible offering, to meet client needs and engage with market opportunities. ▪ Aim of embedding climate risk assessment across portfolios, including through dedicated sustainability focused risk and due diligence reviews. ▪ Monitoring opportunities (e.g. attaining SDR and SFDR labels for products).
Market	Changes in precipitation patterns and extreme variability in weather patterns, rising mean temperatures or rising sea levels resulting in impact on investment portfolio performance.	Short-term	High	▪ Increasing demand for responsible products creates business development opportunities. ▪ An increased number of labelled or certified funds creates a larger and more robust investment universe for our multi-asset fund-of-funds offering.

Whilst we are aware of potential climate risks and opportunities relating to our investment portfolio, these currently do not form a material part of our investment decision-making process.

Risk Management

- *Describe the organisation's processes for identifying and assessing climate-related risks.*
- *Describe the organisation's processes for managing climate-related risks.*
- *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.*

Climate risk management is important to us, considering the long-term investment horizon we have. We therefore have been on a journey to integrate climate considerations into our overall risk framework over the past years. This to us is an ongoing process.

OPERATIONAL RISK MANAGEMENT

At an organisational level, SFIM UK does not currently conduct climate risk reviews. While we introduced climate risks and broader sustainability risks into our Group risk framework in 2025, the monitoring of these risks is conducted separately to our general risk monitoring and focused on a few key risks. While for 22 out of 48 risk categories in our risk framework we identified a climate or broader sustainability component, the primary climate and sustainability risks are viewed as being of strategic and business development nature.

Our aim is to conduct at least an annual sustainability risk monitoring exercise, including where relevant on cliamte risks, in alignment with our overall Group risk monitoring process.

INVESTMENT RISK MANAGEMENT

Similar to our organisational process for climate risk reviews, we are also in the process of setting up a structured framework for climate risk management in our investment research.

In 2023, we constituted a bi-monthly ESG Risk Committee for our flagship GBI fund. Currently the fund monitors the emissions profile and controversies of its constituents as part of its ESG risk meetings. It conducted the first climate review of all its holdings in Q4 2024 to understand the risk profile of its constituents. We further started introducing more substantial company sustainability reviews in late 2025, a process which is currently still being tested. For further information, please see the Strategy section of this report, as well as the Engagement and Collaboration section on the following pages.

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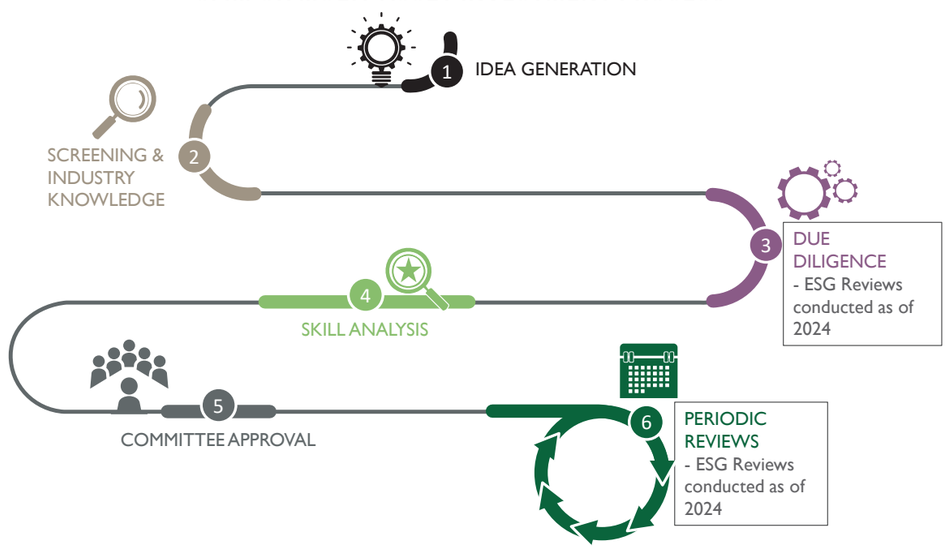
RISK MANAGEMENT

We have further introduced ESG risk reviews for our multi-asset investment portfolio in 2025. In addition, a formal process has been introduced to assess newly added funds for their sustainability practices, credentials, and profiles.

This collaborative process sees our Sustainability & Stewardship team support our multi-asset investment team in forming an understanding of third-party funds' sustainability profiles, through data and qualitative reviews, which we believe provides robust due diligence on climate and sustainability risks.

SFIM UK MULTI-ASSET INVESTMENT PROCESS[54]



In addition to developing a more structured approach to managing climate risks across the investment portfolio, we have always assessed the starkest climate risks both relating to our direct equity and third-party managers through our detailed company and third-party manager research and due diligence process. By investing primarily in high quality growth businesses through our direct equity capability, and by conducting extensive manager due diligence with the aim of understanding process and philosophy of the managers in which we invest, we believe a sensible level of climate risk mitigation already takes place now.

54 *Stonehage Fleming Investment Management, Dec 2025*

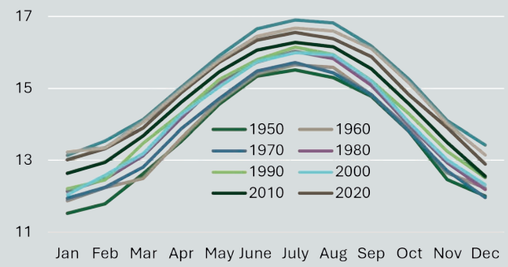
We further conduct product-specific climate research pieces that support both our direct equity and third-party manager selection process where deemed relevant, with the aim being to contextualise investment opportunities from a climate perspective.

The following charts are an example of a research piece conducted for our responsible investment offering in 2023 and have been updated annually since.

Current Climate State

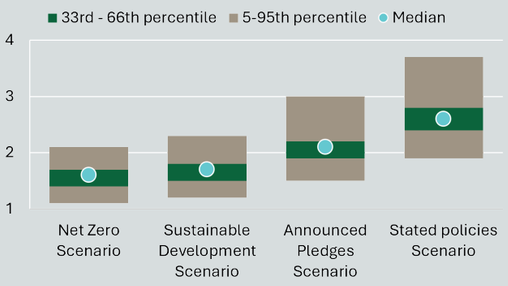
THE WORLD IS WARMING AT A FAST PACE[55]

Global average air surface temperature (oC)



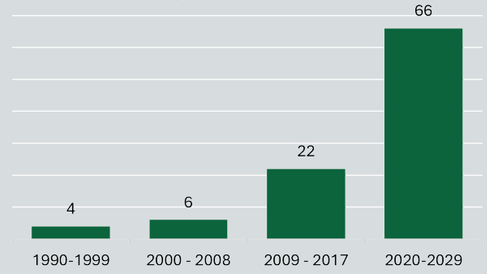
AND SET TO CONTINUE IN ALL SCENARIOS[56]

Temperature rise (oC) above pre-industrial averages



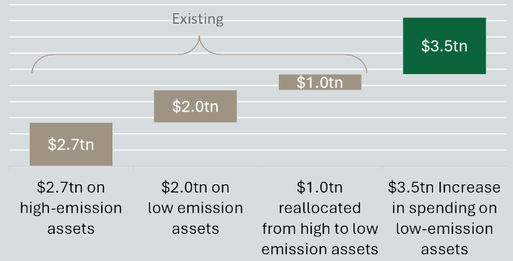
MATERIAL US CLIMATE INVESTMENT IN RECENT YEARS[57]

Average annual US climate spending in different periods ($bn)



BUT MUCH MORE REQUIRED FOR NET ZERO[58]

Global annual spending needed in physical assets to reach net zero ($tn)



55 *Source: Copernicus Climate Change Service, January 2026*
56 *Source: IEA. World Energy Outlook 2021*
57 *Source: Credit Suisse, RMI, November 2022. 2020-2029 are estimates.*
58 *Source: McKinsey, 2022*

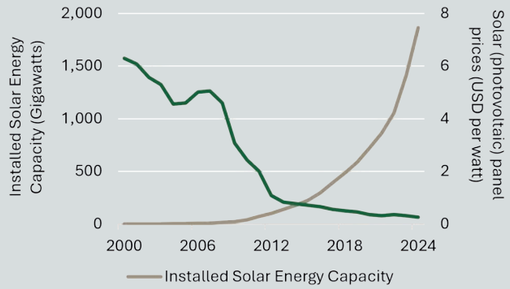
"We are confident that the most significant opportunity we will have to effect positive change to the world's climate will be to act thoughtfully and responsibly in engaging with both the companies in which we invest and the third-party managers to whom we allocate capital."

Graham Wainer
CEO Investment Management, SFIM UK

Energy transition

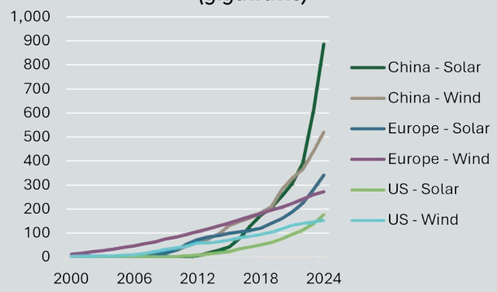
HIGH SOLAR GROWTH AS CHEAPEST FORM OF ENERGY[59]

Cumulative solar energy capacity vs Solar panel price



CHINA LEADING THE WAY IN RENEWABLES[60]

Installed Solar and Wind Energy Capacity (gigawatts)

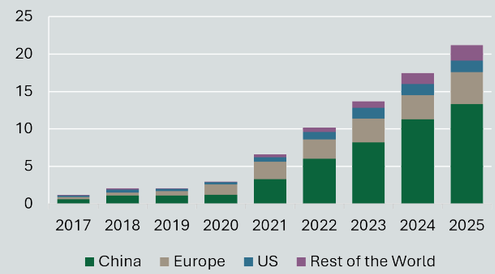


SOME PROGRESS ON BUILDINGS EFFICIENCY[61]

REGION	DATE	PROGRESS
JAPAN	2022	Zero-energy performance buildings for all new buildings by 2030 and existing by 2050
EU	2023	Zero emissions for all new public buildings by 2026 and all new buildings from 2028
US	2023	American Society (ASHRAE) publishes zero net energy and zero net carbon standards
CHINA	2022	Requires all new, expanded, or renovated buildings to be designed for energy efficiency

EV GROWTH CONTINUES[62]

Electric Vehicle sales by region (in millions)



59 *Source: Solar (photovoltaic) panel prices, Installed solar energy capacity, IRENA (2025) – processed by our world in data*
60 *Source: Installed wind energy capacity, Installed solar energy capacity, IRENA (2025) – processed by our world in data*
61 *Source: Buildings - Energy System - IEA, December 2024*
62 *Source: Electric vehicles – IEA, December 2026*

ENGAGEMENT & COLLABORATION

We have identified climate-related engagements as an important contribution to understanding and mitigating climate risks. By increasing the transparency of our expectations for climate risk management with our third-party managers to better understand their governance, strategy, risk management and monitoring of climate risks, we can manage our risk exposure and help to improve industry practices around climate risk management.

For this reason, we continue to conduct climate and TCFD-specific engagements with third-party managers, which we use to assess our own SFIM UK investment portfolio climate risk exposures (see Strategy section).

INTERNAL EXPERTISE – DUE DILIGENCE CASE STUDIES

Depending on which pathway climate change follows, physical and transition risks can materialise and impact companies very differently. Therefore, it is important that we adequately assess and understand climate and broader sustainability risk profiles of the companies within our GBI equity fund.

Our Sustainability & Stewardship team has begun conducting sustainability due diligence reviews of the fund's holdings since late 2025, including where relevant on climate. While these are still being tested, they aim to support our investment analysts in their understanding of company risk profiles.

The below case studies summarise the climate profile of two of the GBI fund's holdings, and how they might be impacted by climate change.

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RISK MANAGEMENT

ALPHABET INC.

A high quality company that has grown into one of the world's largest companies, Alphabet has historically generated significant free cash flow but, more recently, has become increasingly capital intensive due to AI infrastructure, with increasing risk of regulatory and governance constraints alongside technology execution. Energy intensity and emissions trajectory linked to hyperscale AI infrastructure, water use and local environmental constraints from data centre cooling likely present the main climate-related risks.

Physical climate risk exposure is concentrated in Alphabet's global data centre footprint, where operations are becoming more prevalent in regions facing water stress. Large-scale computing infrastructure—particularly for AI workloads—requires significant water for cooling. A growing share of data centres are being developed in areas with elevated water scarcity, increasing the risk of operational constraints, regulatory scrutiny, and community opposition. These pressures have already contributed to delays or challenges in project approvals in certain jurisdictions, creating potential for capital inefficiencies and slower infrastructure deployment.

Transition risks are mainly driven by the rapid growth in energy demand linked to AI and cloud computing. Rising electricity consumption appears to be outpacing the company's ability to fully match this demand with clean energy procurement. At the same time, tightening climate disclosure frameworks and carbon-related regulation—particularly in Europe—are increasing expectations around transparency and emissions control. This creates exposure to higher energy costs, potential carbon pricing mechanisms, and reputational risks if progress toward stated climate targets diverges from expectations.

CLIMATE SCENARIO SENSITIVITIES:

Below 2°C: Transition risks increase in the near-term, driven by stricter carbon regulation and clean energy requirements, informing accelerated investment in low-carbon power sourcing. Physical risks remain present but more manageable and predictable.

Fragmented world: Transition pressures ease due to weaker policy alignment, but physical risks intensify, with greater disruption from water scarcity, extreme heat, and supply chain instability affecting data centre operations. This leads to additional investment requirements, such as into efficient water management for data centres, to limit disruptions.

RISK MANAGEMENT

GE AEROSPACE

GE Aerospace is an industrial aerospace Original Equipment Manufacturer (OEM) with long-cycle aftermarket cash flows. Safety and certification discipline are central to value preservation. Climate relevance is dominated by downstream Scope 3 intensity of sold products and technology adoption timelines, as well as supply chain climate resilience.

Physical climate risk exposure primarily relates to the resilience of a complex, global manufacturing supply chain and testing network. Extreme weather events and rising temperatures have the potential to disrupt component supply chains and affect operational efficiency at production and testing sites. In particular, higher ambient temperatures can influence engine testing conditions, while weather-related disruptions to logistics networks may delay deliveries. Given the scale of GE Aerospace's commercial engine backlog, any sustained disruption could translate into working capital pressure and delivery delays. Overall, physical climate risks are not viewed as high risk though.

Transition risks centre on the aviation sector's decarbonisation pathway. GE Aerospace's strategy is linked to improving engine efficiency and enabling lower-emission flight, notably through next-generation engine designs. These technologies are positioned as a partial hedge against potential future carbon regulation. However, their overall effectiveness depends on broader system-level changes—particularly the availability and affordability of Sustainable Aviation Fuel (SAF). SAF currently carries a significant cost premium relative to conventional jet fuel, which may constrain airline adoption if supply does not scale in line with policy ambition. In summation, transition risks are viewed as more material due to their potential for market disruption.

CLIMATE SCENARIO SENSITIVITIES:

Below 2°C: A more coordinated policy environment supports demand for fuel-efficient engines and accelerates investment in SAF, broadly aligning with GE Aerospace's technology roadmap. Transition risks are present but manageable.

Fragmented world: Varying regulation and uneven infrastructure development limit scalability of new engine technologies and SAF adoption. At the same time, increased physical disruption to global supply chains raises operational risk across manufacturing and delivery networks.

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INTERNAL EXPERTISE – CLIMATE ENGAGEMENT

In late 2024, our Sustainability & Stewardship team initiated an engagement with all companies then owned in the GBI fund, where many of the holdings have a global footprint and supply-chain. We hold the companies to above average standards of execution to ensure their climate risk exposures are robustly managed. Failure to manage climate risks could result in financial penalties, litigation, customer boycotts, product bans, etc., all of which could have a material impact on the sustainable growth and profitability of a company.

Our engagement so far has undergone three distinct phases: Risk assessment, engagements and escalation.

TIME	OCTOBER – NOVEMBER 2024	DECEMBER 2024 – OCTOBER 2025	OCTOBER 2025 – ONGOING
PURPOSE	▪ Assess climate risk exposures and climate risk management at fund holdings.	▪ Engage all fund holdings. ▪ Review response quality, re-engagement until satisfactory response has been received. ▪ Where response quality does not improve, assess adequate escalation measures.	▪ Initiate and pursue escalation measures for companies that have not provided satisfactory response.
SCOPE	▪ Qualitative research, including company reports. ▪ Quantitative reviews, including ESG data providers.	▪ Emails and letters to company contacts. ▪ Quarterly response review and follow-up emails and letters.	▪ Escalation emails and letters, including to board of directors.

RISK MANAGEMENT

PHASE 1
Risk Assessment

Phase 1 – Risk Assessment: For the engagement, we first conducted a data-driven climate risk review of the fund's constituents in late 2024, classifying their climate risk profile along four dimensions, using 20+ datapoints provided by a variety of our ESG data vendors. As seen below[63], the primary risks for the GBI fund were identified as contributing to high-emissions levels and potentially negative revenue impacts relating to climate change for a limited set of holdings. Meanwhile, large parts of the portfolio showed robust climate governance through adequate oversight, ambitions and disclosures, and only a moderate to low level of physical climate risk exposure was noted. These moderated the climate risk profile of fund constituents. Overall, we were satisfied with the presented picture, as it reconfirms our approach to focusing on well-governed high-quality companies with forward looking risk management.

GBI FUND - CLIMATE RISK REVIEW	EMISSIONS LEVEL	PHYSICAL ASSET RISK LEVEL	GOVERNANCE GAP	EXPECTED NEGATIVE REVENUE IMPACT
Below Average Risk	41%	21%	48%	52%
Average Risk	24%	59%	41%	10%
Above Average Risk	31%	10%	10%	38%
No Sufficient Data	3%	10%	0%	0%

63 *Stonehage Fleming Investment Management, Dec 2025*

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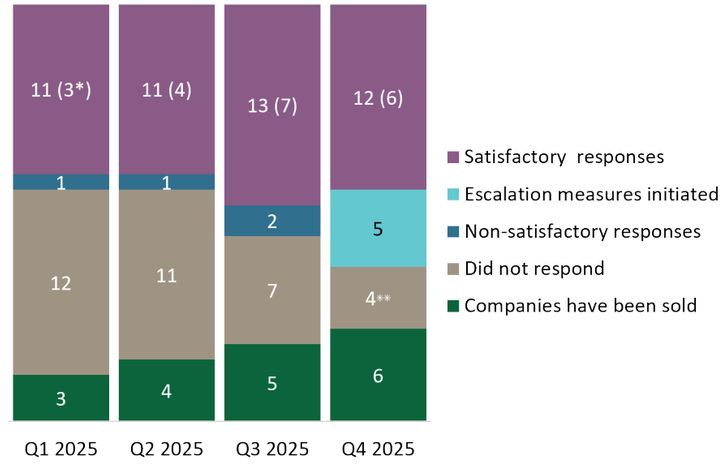
RISK MANAGEMENT

PHASE 2
Engagement

Phase 2 - Engagement: The risk assessment informed the engagement phase, which included various rounds of written exchange with companies aimed at understanding risk awareness, management practices and approaches for addressing identified key risks. Our engagement focused on what we view as potentially financially material climate risks. Engagements were conducted across all fund holdings; however, in certain cases a more targeted approach was adopted, particularly for companies with higher emissions profiles and limited or absent decarbonisation ambitions. Engagement activity was undertaken on a quarterly basis, with assessments focusing on the quality of responses, identification of information gaps, and follow-up requests for additional disclosure where required.

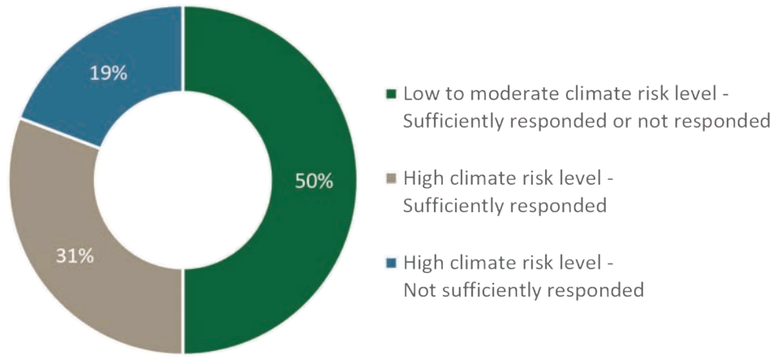
GBI CLIMATE ENGAGEMENT - 2024-2025[64]



64 *Stonehage Fleming Investment Management, Dec 2025*

PHASE 2
Engagement

RESPONSE TREND - Q4 2025 - GBI CLIMATE ENGAGEMENT[65]



Following approximately nine months of engagement with the fund holdings, we observed that around 20% of holdings exhibited elevated climate risks, with engagement responses considered insufficient. For the remaining 80% of holdings, responses were assessed as adequate, or the identified climate risks were deemed not highly financially material.

PHASE 3
Escalation

Phase 3 - Escalation: For the 20% of holdings that did not provide adequate engagement response by Q3 2025, the fund's investment team, together with our Sustainability & Stewardship team, assessed escalation options.

An insufficient response for us constituted one that did not adequately engage with the concerns we raised, either in depth or scope.

Escalation was deemed a pertinent action for five companies still held in the fund at that point, and as a first measure, it was decided to raise noted concerns directly with board members that have responsibility for climate oversight. Escalation was initiated in October 2025 and is still ongoing as of the publication of this report.

65 Stonehage Fleming Investment Management, Dec 2025

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RISK MANAGEMENT

GBI CLIMATE ENGAGEMENT EXAMPLES:

EXAMPLE 1- ADEQUATE ENGAGEMENT RESPONSE

We engaged with a global professional services company to understand its approach for physical climate risk mitigation across its broad global asset base, as well as its approach to SBTi net-zero targets. Key areas of concern included the company's exposure heatwaves, flooding, cyclones and extreme precipitation, and the lack of validated SBTi targets.

The company provided a satisfactory response, explaining that its most significant climate related risks are water-related, encompassing both projected water scarcity and extreme weather events. These risks are addressed through the company's climate adaptation planning, with at risk locations identified using the WRI Aqueduct water risk tool. For sites assessed as higher risk, the company develops Water Resiliency Action Plans (WRAPs).As disclosed in its FY24 360 Value Report, over 90% of offices flagged with elevated water-related climate risks had WRAPs approved and in place by the end of the fiscal year. The company also confirmed that during fiscal year 2024 it received SBTi approval for new net-zero greenhouse gas emissions targets aligned with the SBTi Corporate Net-Zero Standard. Following this confirmation, Bloomberg was contacted to ensure external data sources were updated accordingly.

EXAMPLE 2 - ADEQUATE ENGAGEMENT RESPONSE

We engaged with a global digital payments company regarding validation of its SBTi net-zero targets and the publication of a climate transition plan aligned with those targets.

The company did not initially respond, but upon continued outreach the company confirmed in Q3 2025 that its climate goals had been approved by the Science Based Targets initiative (SBTi). The targets, originally approved in 2022, cover 100% of the company's global operations and include all Scope 1 and 2 emissions, a share of Scope 3 emissions as well as further interim targets. The company's net zero target, aiming for achievement by 2040, was approved by the Science Based Targets initiative (SBTi) in 2024 and is aligned with a 1.5°C pathway, although it has not yet been publicly disclosed. The company also noted that it is in the process of finalising its Climate Transition Plan and intends to publish this on its website once formally approved.

EXAMPLE 3- INADEQUATE ENGAGEMENT RESPONSE

We engaged with a global technology company to understand plans to establish SBTi-approved net-zero targets, as well as new or forthcoming initiatives, processes and policies aimed at reducing Scope 3 emissions and overall carbon intensity. The engagement also sought assurance on the credibility of the company's current climate ambitions, transition plans and climate risk management. Key areas of concern included the scale of company's emissions and carbon intensity, a lack of what we view as credible transition planning, and its exposure to physical climate risks.

The initial response did not sufficiently engage with our concerns, primarily referring to public disclosures available on the company's website. While these did address aspects of our concerns, such as carbon intensity reduction and physical climate risk exposures, they did not explicitly cover our questions, especially relating to SBTi approved targets and transition planning. As a result, we decided to escalate the engagement by issuing a follow-up letter to the board member with responsibility for climate oversight.

EXTERNAL EXPERTISE – CLIMATE RISK & CONTROVERSIAL ACTIVITIES SCREENINGS

Since late 2025 our Sustainability & Stewardship team has conducted quarterly sustainability risk and quality screenings for key multi-asset funds and portfolios, as well as of their third-party allocations, the outputs of which are reported into SISC. The aim of these screenings is to have in place a structured approach for quantifying relative product and third-party sustainability risk and quality characteristics and initiating follow-ups where appropriate.

Where a product or third-party fund negatively deviates sufficiently from benchmark on risk or quality metrics, SISC will request the Sustainability & Stewardship team to provide a written commentary to the lead analyst for the product, to assess whether the noted risk or performance at product or third-party fund level is cause of concern. This information is then reviewed by the analyst and fed back into SISC as well as into our central investment committee. Where deemed appropriate, SISC or an analyst might request follow-up action, such as an engagement with a third-party manager to further assess risk management practices.

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RISK MANAGEMENT

SF SUSTAINABILITY RISK REVIEW - SUMMARY[66]

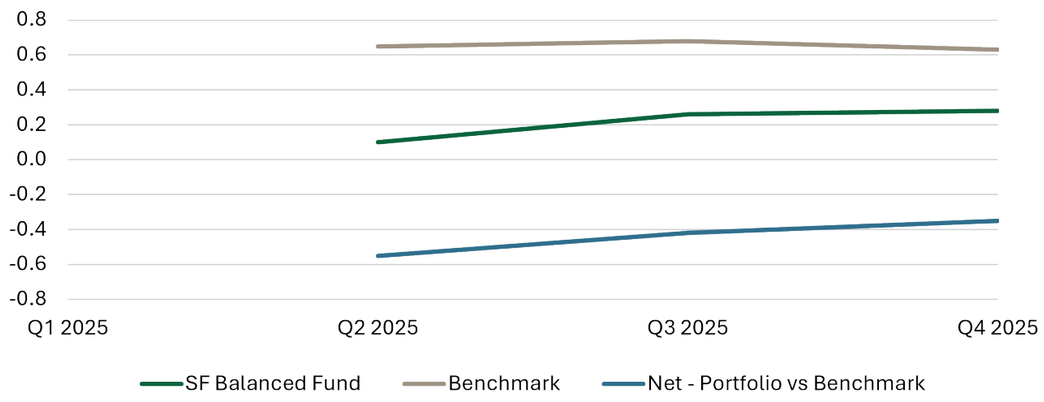
PRODUCT NAME	SF Balanced Fund
TYPE	Multi-Asset Fund of Funds
Sustainability Risk Level - Relative to Equity or Fixed Income Benchmark	**C**
Relative carbon risk level	B
Relative risk level	C
Relative residual risk severity	D
Sustianability Quality - Relative to Equity or Fixed Income Benchmark	**B**
Governance quality	C
Climate performance	B
Social performance	B
Controversies exposures	B

The screening leverages a range of quantitative metrics and assesses performance relative to broader equity and fixed income benchmarks. We procure our data from Morningstar and focus on metrics that we believe can flag potential for negative financially material impacts. A C rating signals a product or third-party fund performing broadly in line with benchmark while B and A signal slightly or materially better, and D and E slightly or materially worse performance respectively. On climate, the screening assesses emissions intensity and footprint, carbon reduction ambitions, coal exposures, as well as the carbon risk level.

66 *Data source: Stonehage Fleming Investment Management, Dec 2025, Morningstar; Date: End of Q4 2025, C rating = performance broadly in line with benchmark, A & B = performance better than benchmark; D & E = performance below benchmark*

Looking at our balanced fund as a representative portfolio for our overall multi-asset allocations, as of late 2025 we noted problematic climate risk and quality characteristics predominantly for our emerging markets and small cap exposures. View from analysts has been that such deviations from broader market benchmarks are expected for these allocations and no immediate cause of concern. At product level, performance on sustainability risks and quality is either broadly in line with or better than benchmark though.

PRODUCT INVOLVEMENT - % ALLOCATION - THERMAL COAL EXTRACTION[67]



Beyond this broad risk and quality screening, our Sustainability & Stewardship team has since late 2024 conducted a controversies specific quarterly screening, with coal extraction being one of the factors for which we monitor exposures to the potential for stranded assets, with our SF Balanced Fund screened since Q2 2025. As of end of 2025 we noted elevated levels to coal extraction with several of our emerging markets managers, while in sum our portfolio has a materially below benchmark exposure to coal extraction. If this persists, it is our plan to seek conversation with these managers to discuss their approach to risk management.

67 Morningstar, December 2025

Risk & Controversial Activities Screening – Sample Reviews

ISSUE	FUND	REVIEW	OUTCOME
Heightened exposure to severe ESG risks and thermal coal in Q4, 2025.	Asian equity fund used in our traditional offering.	The fund's focus on emerging Asian markets (e.g., Indonesia), combined with its ability to invest in fossil fuel-related industries such as mining, inherently creates a risk of higher exposure to weaker sustainability standards and carbon-intensive sectors. Noted exposures relate to companies such as a Singapore-listed automotive and industrial group which has indirect coal exposure in Indonesia. While the company has identified climate risk as a key investor concern, efforts to de-risk are ongoing as it has committed not to invest in new coal assets and is diversifying into non-coal activities.	The observed exposures were deemed consistent with the fund's investment strategy and geographic focus and not sufficiently material to warrant a targeted engagement at this stage.
Heightened exposure to severe ESG and carbon risk in Q4 2025.	US small-cap equity fund used in our traditional offering.	This being a boutique manager not focused on sustainability; they have limited firm-level responsible investment integration. As such, variability in ESG and climate-related metrics is expected. Noted exposures have been identified as elevated due to exposure to defence, energy allocations and the structural characteristics of small-cap companies, which may face greater challenges in adapting to a low-carbon transition. One portfolio company, e.g., is an independent shale-focused E&P company that has faced regulatory uncertainty related to environmental policies and drilling permits.	The changes in sustainability and carbon risk metrics were viewed as aligned with the fund's overall risk profile and investment approach and not considered sufficiently material to warrant a targeted engagement.

ISSUE	FUND	REVIEW	OUTCOME
Heightened exposure to fossil fuels in Q3, 2025.	Thematic sustainability focused fund used in our responsible offering.	The fund's thematic focus on companies supporting climate solutions naturally can bring higher operational carbon intensity and, in some cases, legacy fossil fuel exposures. As these investments support longer-term decarbonisation they are viewed as acceptable exposure issues – if trends are positive. One example is a power generation company with a portfolio spanning both renewable and legacy fossil fuel activities. We see increasing investment in renewable capacity alongside a thermal fleet that presents a material but decreasing component of the overall power generation mix.	The exposure was considered consistent with the fund's sustainability objectives. We will monitor overall trends for names with legacy fossil fuel exposures to ensure performance over time reflects the fund's sustainability ambitions.
Heightened exposure to fossil fuels in Q2, 2025	Global equity fund focused environmental efficiency used in our responsible offering.	The fund presents a diversified approach to environmental efficiency, including in infrastructure investing, combining stable, regulated cash flows with participation in long-term structural shifts in global energy markets. As such, the identified exposures were assessed in the context of the fund's systematic strategy and its focus on resource efficiency. The exposure was driven by fossil fuel involvement within a small number of holdings, primarily energy infrastructure companies operating regulated utility networks and renewable generation assets across Europe and the Americas. While certain assets include transitional exposures, such as LNG infrastructure, the companies are viewed as broadly aligned with decarbonisation trends through investment in renewable capacity, grid modernisation, and energy transition technologies.	To better understand legacy fossil fuel exposures considering their magnitude, the team decided to initiate an engagement with the manager, requesting information on selection criteria and oversight. The manager demonstrated that these holdings are selected under a rules-based framework targeting resource-efficient utility providers, with defined thresholds for fossil fuel exposure and ongoing monitoring. Supporting evidence confirmed the companies' renewable generation capacity and how they meet the fund's eligibility criteria. The manager also evidenced active oversight, including refinement of selection criteria and divestment from positions where alignment with the strategy weakened. On this basis, the exposures were considered consistent with the fund's investment approach and risks adequately managed.

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RISK MANAGEMENT

EXTERNAL EXPERTISE- UNDERLYING MANAGER ENGAGEMENTS

Our third-party managers conducted hundreds of engagements with companies directly during 2025. The below examples are provided by our third-party managers and have been anonymised considering the often-sensitive nature of company engagements.

EXAMPLE 1 –EQUITY MANAGER – CLIMATE TRANSITION STRATEGY AND PHYSICAL RISK RESILIENCE

Company

The manager engaged with a European mining company with significant exposure to commodities including iron ore, aluminium, and copper.

Reasons for Engagement

The manager engaged due to the company's emissions-intensive operations and exposure to climate transition risks. While the commodities it produces support the energy transition, such as copper and aluminium, decarbonisation requires significant investment in renewable energy and emerging technologies, including electrification of mining vehicles.

Physical climate risks are also increasingly relevant, given mining assets' exposure to extreme weather events and potential impacts on operational resilience.

Actions

The manager met with the company's climate and energy team to assess progress against 2030 climate targets and its approach to physical risk management.

The company outlined a strategy primarily focused on renewable energy procurement, including power purchase agreements for key operations and development of renewable energy portfolios.

A reduction in decarbonisation capex guidance was noted, reflecting delays in the commercial viability of technologies addressing hard-to-abate emissions. Ongoing R&D investment was discussed, with deployment dependent on capital expenditure cycles and policy incentives.

The discussion also covered policy engagement, evolving disclosure practices, and improvements in scenario analysis and physical risk reporting, including six site-level water risk assessments and adaptation measures targeting coastal assets and tailings storage facilities.

Outcome

The company remains committed to its 2030 targets, which include reducing Scope 1 and 2 emissions to continue the pathway to net-zero by 2050. Although delivery is now more reliant on renewable energy procurement than technological decarbonisation solutions.

While near-term targets appear achievable, uncertainty remains around post-2030 pathways, given reliance on policy support and technology development.

On physical risk, improved disclosure was noted, particularly around scenario analysis and site-level risks. The manager will continue to monitor progress, focusing on transition plan credibility, emissions reduction drivers, and long-term targets.

EXAMPLE 2 – SUSTAINABLE EQUITY MANAGER – SUPPLY CHAIN SUSTAINABILITY AND SCOPE 3 EMISSIONS

Company

The manager engaged with a European technology company that provides advanced equipment used in semiconductor manufacturing.

Reasons for Engagement

The manager engaged the company on their upstream Scope 3 emissions strategy. Given its position at the beginning of the value chain, emissions management, sustainability-related supplier engagement and disclosure quality are considered financially material.

Actions

The manager discussed Scope 3 emissions alongside other sustainability topics.

Improvements in human rights disclosure were noted positively, which provides a detailed description of the company's due diligence process, reflecting enhanced transparency. On climate, the company presented a clearer Scope 3 roadmap, involving a target for achieving net zero by 2040, which was viewed as a positive development.

However, concerns were raised around limited disclosure on Renewable Energy Certificates (RECs), particularly with respect to sourcing. The company acknowledged this and agreed to review their approach internally.

The discussion also covered supplier engagement targets, aiming to secure emissions reduction commitments from suppliers by 2026, but challenges in securing formal commitments were noted.

The manager further encouraged clearer communication on sustainability targets and ambitions.

Outcome

Progress has been noted in both disclosure and strategy, particularly across climate and human rights. However, the manager sees a need for further improvement in REC transparency and supplier engagement metrics. The manager will also continue to monitor Scope 3 execution and disclosure, with a focus on alignment with evolving best practices.

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RISK MANAGEMENT

EXAMPLE 3 – SUSTAINABLE EQUITY MANAGER – LANDFILL EMISSIONS AND METHANE MANAGEMENT

Company

The manager engaged with a North American waste management company with a significant landfill footprint.

Reasons for Engagement

The company exhibits material methane emissions and elevated temperature landfill (ETLF) risks. Landfill operations are a significant source of methane emissions and are increasingly affected by elevated temperatures, which can intensify underground conditions and thereby increase operational complexity. This in turn creates risks around regulatory compliance, remediation liabilities, and community relations, with direct implications for cost and reputation.

Actions

The manager assessed the company's approach to landfill emissions, focusing on methane capture and ETLF risk management.

Discussions centred on expanding methane-to-power conversion and improving monitoring practices across sites. The manager reviewed current ETLF monitoring and alignment with industry standards, supported by external analysis to assess regulatory expectations and financial implications.

The company outlined plans to increase gas recovery rates and identified sites for further methane capture expansion. The manager emphasised the need to accelerate implementation and improve transparency, particularly around air quality impacts caused by landfills and monitoring outcomes.

Outcome

The company is viewed has having made initial progress in strengthening emissions management, including improvements in reporting on Scope 3 emissions.

However, the manager is of the view that further development is required across monitoring, mitigation, methane capture deployment, and disclosure practices. They will therefore continue to engage, focusing on execution of methane capture initiatives, ETLF risk management, and improved transparency, alongside monitoring regulatory alignment and potential financial impacts.

EXAMPLE 4 – FIXED INCOME MANAGER – CLIMATE STRATEGY AND FOSSIL FUEL FINANCING

Company

The manager engaged with a US-based global financial institution with significant exposure to energy and fossil fuel financing.

Reasons for Engagement

The manager engaged following the company's exit from the Net Zero Banking Alliance (NZBA), to assess any implications for its net-zero commitments. Given its role as a major capital provider to the energy sector, its approach to transition alignment and fossil fuel financing is viewed as financially material.

Actions

The manager discussed the rationale for the NZBA exit and implications for the broader net-zero strategy.

The company confirmed continued commitment to its net-zero targets and ongoing participation in the Glasgow Financial Alliance for Net Zero (GFANZ). It also outlined its internal frameworks for assessing environmental and social risks, including enhanced due diligence for oil and gas exposures. This includes due diligence which is outlined in their Environmental and Social Policy Framework.

While reductions in higher-risk segments such as thermal coal were highlighted, the manager noted that overall fossil fuel financing policies remain less developed relative to best practice.

Outcome

The company reaffirmed its net-zero commitments, with no material change in its approach to fossil fuel financing.

Transition risks remain high given ongoing exposure to fossil fuel financing, and the manager will continue to monitor progress, with a focus on financing policies, transition alignment, and the credibility of climate disclosures.

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RISK MANAGEMENT

EXAMPLE 5 – EQUITY AND FIXED INCOME MANAGER – ENERGY TRANSITION STRATEGY AND CLIMATE RISK

Company

Two of our managers engaged with a European integrated energy company primarily engaged in oil and gas exploration, production, LNG, refining, and chemicals.

Reasons for Engagement

Engagement was driven by the company's high greenhouse gas emissions, generated from ongoing fossil fuel production and processing, and its products.

The company's continued reliance on hydrocarbons, combined with selective investment in lower-carbon activities, makes capital allocation and transition strategy financially material. A 2025 shareholder resolution requesting alignment with a 1.5°C pathway as used to inform engagements, as it was putting increased scrutiny of transition pace, emissions reduction credibility, and investment priorities.

Actions

Both managers assessed the company's transition strategy, focusing on the allocation of capital between hydrocarbon production and lower-carbon activities, including LNG, storage, renewables, and emerging technologies such as carbon capture. Emissions targets and related disclosures were also reviewed.

One manager conducted a structured assessment of the shareholder resolution using company disclosures and external analysis.

The second manager engaged directly with senior management to test assumptions underpinning its corporate strategy, including continued prioritisation of oil and gas and reduced investment in lower-return renewables. This manager also extended engagement to include legacy environmental risks and challenged reliance on emerging technologies, highlighting uncertainties around scalability, cost, and timing.

Outcome

The shareholder resolution did not pass but received meaningful support.

Neither manager supported the resolution due to uncertainties around the delivery of the transition strategy, including continued dependence on hydrocarbons and reliance on emerging technologies that are not yet proven at scale.

The engagements were viewed as having improved the manager's understanding of the company's strategy and ongoing risks related to execution, including the pace of transition, capital allocation alignment with emissions targets, and disclosure quality.

Both managers will continue their engagements, focusing on transition plan credibility, capital allocation, emissions reduction delivery, and improved climate-related disclosures.

Metrics and Targets

- *Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.*
- *Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.*
- *Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.*

Metrics used in this section of the report have been calculated in accordance with TCFD requirements.

The calculation methodology for all metrics can be found in the appendix.

OPERATIONS

Since financial year 2022/23, we have gathered operational Scope 1 and 2 emissions data for Stonehage Fleming's London office, which we collect with support from an external service provider. In September 2022 we moved into a new London office, of which SFIM UK occupies roughly 40% of the floor space. Our new office is in a BREEAM[68] certified building, which has significantly changed our operational emissions profile. As a result, we have not been able to set operational emissions targets. However, we have been able to achieve a considerable reduction in emissions over the past three years, with an annual reduction of Scope 1 and 2 location-based emissions of roughly 13% from Financial Year 23/24 to 25/26. Since moving to our current London office, we have also only procured green energy, therefore having reduced our market-based Scope 2 emissions to zero.

We have further gathered business-related travel Scope 3 emissions since FY 23/24. For these emissions, which encompass business-related travel of all Stonehage Fleming UK staff, either to other Group offices or for client purposes, we have seen a reduction of 14.82% from 24/25 to 25/26.

68 BREEAM (Building Research Establishment Environmental Assessment Method) is a UK originating global standard for assessing the sustainability performance of buildings across their lifecycle, including design, construction, operation and refurbishment.

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METRICS AND TARGETS

STONEHAGE FLEMING UK – OPERATIONAL EMISSIONS IN TONNES[69]

	2022/23[70]	2023/24	2024/25	2025/26[71]	% ANNUAL CHANGE
Scope 1	85.86	27.07	23.05	13.55	-41.23%
Scope 2 – Location Based	56.37	85.31	74.70	65.12	-12.82%
Scope 2 – Market Based[72]	39.48	0	0	0	N/A
Scope 3 – Business Travel	-	454.14	491.80	419.00	-14.82%
Total – Scope 1 & 2 Location Based	142.23	106.57	90.44	78.67	-13.02%

Having signed with Siemens for their Awarely platform in December 2024, we expect our operational emissions data to become more robust going forward. As part of onboarding with Siemens, we have started a process of improving our invoice-based emissions data gathering across Group offices. We are confident that this will enable us to also track data for additional Scope 3 emissions, such as waste, for which we hope to report emissions figures over the coming years.

Our aim behind acquiring a new operational environmental data system is to start monitoring our performance and set long-term and intermediary performance targets, including net-zero targets for Scope 1, 2, as well as potentially for operational Scope 3 emissions. This will be possible by leveraging new data system's capabilities for effectively gathering, tracking and presenting information. Due to recent corporate action, we have paused our work on target setting. This will be resumed in due course.

69 Stonehage Fleming Investment Management, Dec 2025
70 Data for 2022/23 partially covers emissions before our office move to a BREAM certified building in September 2022.
71 Emissions for Q1 2026 have been estimated based on average monthly emissions performance for prior 9 months.
72 With our office move in 2023 we switched to 100% renewable energy for our London office.

METRICS AND TARGETS

Beyond better data quality, we have also implemented a number of initiatives specifically aimed at reducing operational emissions. These include a review of our London canteen meal plan, resulting in a change in early 2024 towards reduced servings of red meat. We also started looking into options for reducing the provision and use of single use plastic in our canteen, as well as reducing printing across the business, thereby cutting down on our waste-related emissions. We have further started exploring options to introduce sustainability requirements into our procurement policy.

SFIM UK does not currently integrate climate-specific requirements into its appraisal process, neither for its investment staff nor other staff with climate relevant exposures such as facilities. The main reason for this being the firm is still early on its journey of understanding, monitoring, and managing climate risks.

For further information on sustainability initiatives at Stonehage Fleming, please visit our homepage.

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METRICS AND TARGETS

INVESTMENTS

Due to the complexity of our investment business, which uses various models and funds to help achieve a wide variety of client objectives, we decided to assess our absolute emissions and emissions footprint and intensity for a representative portfolio, our GBP Balanced Portfolio. This portfolio is used by a large number of our discretionary SFIM UK clients. Investment portfolio-wide emissions have then been calculated by adjusting absolute emissions figures by the size of our overall AUM (£ 18.9 billion). The applied benchmark is the Morningstar Global Target Market Exposure Index, which covers global large and mid-cap stocks, representing the top 85% of the investable universe by float-adjusted market capitalisation. Due to limitations with emissions data for available non-equity indexes, we have decided to not factor other asset classes in for benchmark emissions calculations.

We have noted material year-on-year changes in Morningstar emissions profiles of various funds we allocate to and are in active conversation with Morningstar to better understand these moves. It is our understanding that the noted moves might in large parts a result of changes in company reporting; in summary they translate into an substantial increase in Scope 1, 2 and 3 emissions for our portfolio relative to last year and benchmark. Absolute emissions figures (Scope 1, 2, 3) have been aggregated where necessary to the level of coverage of the relevant benchmark, to reduce risk of under-reporting emissions as a result of year-on-year emissions changes

What we can see is that on absolute metrics the portfolio performs materially worse than benchmark. Scope 1 and 2 emissions levels are markedly above benchmark, as are Scope 3 emissions. For relative metrics, namely carbon footprint and weighted average carbon intensity (WACI), as well as for Implied Temperature Rise, the portfolio shows broadly in line with or below benchmark levels of emissions.

What do these figures tell us?

While the presented absolute emissions picture cannot be fully explained without further clarification from Morningstar, it is our view that this is largely a consequence of data gaps and changes in company emissions reporting for the funds we allocate to, leading to an overestimation of the missing emissions as a consequence of adjusting for benchmark coverage, as well as of our portfolio largely focusing on global large cap which often show high absolute emissions levels.

METRICS AND TARGETS

The portfolio's lower than benchmark carbon footprint reflects its sectoral composition. Our portfolio's comparatively low exposure to high-emitting sectors such as energy, which would have increased the carbon figures materially, comes through in these numbers.

As for WACI, the picture is more mixed and presents a portfolio that for Scope 1 and 2 emissions performs better than benchmark per unit of revenue, while performing slightly worse for Scope 1, 2 and 3.

Finally, the ITR of the SFIM UK investment portfolio shows a marginally better than benchmark level, a fact we attribute to the already mentioned differences in sectoral and geographic allocations. It thereby reaffirms the similarity in overall climate performance and risk exposure between portfolio and benchmark, as discussed in the Strategy section of this report, as well as the assumed slightly better risk performance of our portfolio when compared to benchmark.

With an ITR of roughly 2.3°C for Scope 1, 2, 3, our portfolio does not currently align with Paris ambitions. We see this as a challenge that we will try to engage with over the coming years, through targeted manager engagements and a further integration of climate risks considerations into our processes.

Key negative contributors to our investment portfolio's ITR are an allocation to a US small cap equity fund, as well emerging markets and global large cap exposures.

Captured emissions and ITR figures thereby in large parts mirror the output of our scenario analysis and present an expected picture, with high absolute emissions versus benchmark in parts attributed to already mentioned data reporting uncertainties.

Most concerningly, both portfolio and fund data highlight the persisting need to intensify efforts to align markets with Paris ambitions, as a stark gap between ambition to limit global warming to 1.5° C and actual performance on implied temperature rise persists.

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METRICS AND TARGETS

A summary of the emissions characteristics of the SFIM UK investment portfolio as of 31st December 2025, proxied through our GBP Balanced Portfolio, as well as for a relevant benchmark (Morningstar Global Target Market Exposure Index), is shown in the table below. Absolute emissions figures have been calculated for the full £18.9 billion of AUM covered in this report, thereby covering SFIM UK discretionary and advisory assets.

	METRIC	SFIM UK INVESTMENT PORTFOLIO[73]	PORTFOLIO COVERAGE	BENCHMARK	BENCHMARK - COVERAGE
GHG Emissions	Carbon Emissions Scope 1 Tonnes	553,788	52.28	424,267	99.65
	Carbon Emissions Scope 2 Tonnes	179,737	52.28	103,033	99.65
	Carbon Emissions Scope 3 Tonnes	7,461,569	52.02	4,668,709	99.07
	Carbon Emissions Scope 1, 2 and 3 Tonnes	8,194,600	52.02	5,173,783	99.07
Carbon Footprint	Carbon Footprint Scope 1 and 2 - Tonnes per Million GBP Invested	32.97	52.28	46.97	99.65
	Carbon Footprint Scope 1, 2 and 3 - Tonnes per Million GBP Invested	379.35	52.02	460.91	99.07
Weighted Average Carbon Intensity	Weighted Average Carbon Intensity Scope 1 and 2 - Tonnes per Million GBP Revenue	112.27	52.47	147.67	99.28
	Weighted Average Carbon Intensity Scope 1, 2 and 3 - Tonnes per Million GBP Revenue	1,427.85	51.91	1,392.66	98.67
Implied Temperature Rise	Implied Temperature Rise Score - All Scopes	2.33	51.92	2.41	98.32

Source: Morningstar Data System, December 2025

73 Absolute emissions (Scope 1, 2, 3) for the SFIM investment portfolio have been adjusted, such as to reflect benchmark coverage level across indicators. This, to avoid understating portfolio emissions relative to benchmark.

Appendix & Glossary

- *Disclosure Requirements – Granular Breakdown of SFIM Alignment with TCFD Requirements*

GOVERNANCE

Disclose the organisation's governance around climate-related risks and opportunities.

Recommended Disclosure: Board Oversight

Definition	Describe the Board's oversight of climate-related risks and opportunities.
As of 2025	We added climate and sustainability risk oversight as a responsibility for the UK Risk and Compliance Committee, a delegated Board committee, and currently aim for bi-annual reporting. As of yet, no KPIs have been identified through which the Board is updated on climate risks. No regular training schedule has been put in place yet. The SFIM UK Board itself does not currently have formal oversight over climate-related risks and opportunities.

Recommended Disclosure: Management's Role

Definition	Describe management's role in assessing and managing climate-related risks and opportunities.
As of 2025	We added climate and broader sustainability risk management responsibilities to the following: Global Investment Management Executive Committee SFIM UK Investment Committees Product Committees At executive level (GinExCo) we have added sustainability as a standing item. We continue to work on formalising our reporting process and timelines, including setting KPIs to measure performance and risk exposures. No regular training schedule has been put in place yet. At this point, climate considerations are not factored into financial planning.

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STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning, where such information is material.

Recommended Disclosure: Risks and Opportunities

Definition	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.
As of 2025	We conducted a mixed-methods review of SFIM UK investment portfolio exposures to physical and transition risks, as well as for climate-related opportunities, using a below 2°C and above 2°C scenario informed by NGFS guidance. We engaged with a selection of our third-party managers for the second time to better understand their climate risk management processes and net-zero ambitions. We introduced a quarterly ESG risk screening, that amongst other things, assesses relative performance of third-party managers vs benchmark on a range of climate metrics. While our approach is granular and comprehensive, it relies on public information and assumptions, thereby having limitations as to its robustness. Due to data limitations, we cannot yet conduct a full quantitative scenario analysis.

Recommended Disclosure: Impact on Organisation

Definition	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.
As of 2025	Through our mixed-methods analysis we have identified materially below benchmark exposure to climate-related physical and transition risks for our GBI fund and strategies, as well as a largely on par with benchmark exposure for risks across our multi-asset portfolio. SFIM UK investment portfolio having a lower exposure to high-risk sectors such as Energy, Industrials, as well as a lower exposure to emerging markets and a high exposure the US and large cap in our view means that the likely risk exposures compared to benchmark is lower. Still, we have identified financially material risks within our portfolio, especially for the highest climate risk components of the investment portfolio.

Recommended Disclosure: Resilience of Strategy

Definition	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
As of 2025	We have been able to conduct a mixed-methods scenario analysis to assess the resilience of our products and overall portfolio from a climate risk perspective. This approach has its limitations, relying on a large number of open access sources. We recognise these limitations but are of the view that the approach still provides us with a solid first understanding of the climate resilience of our portfolios. As of now we have not been able to identify a data provider that would have been able to satisfy our expectations for scenario analysis from a physical and transition risk, as well as opportunities perspective.

RISK MANAGEMENT

Disclose how the organisation identifies, assesses, and manages climate-related risks.

Recommended Disclosure: Risk ID and Assessment Process

Definition	Describe the organisation's processes for identifying and assessing climate-related risks.
As of 2025	Climate risks are an emerging risk in our internal risk framework, and they are monitored and managed through a quarterly ESG risk monitoring exercise that we introduced in late 2025. We further engaged all our third-party managers to better understand their climate risk management process, including asking about their governance, strategy, risk management and use of metrics, in alignment with TCFD requirements. We further asked about their net-zero ambitions. Where considerable process or performance gaps have been identified, we conducted a follow-up internal assessment of the materiality of identified gaps. We have further conducted a review of our flagship GBI fund as to its holdings' climate risk profiles in 2024, as well as a follow-up engagement with all companies within the fund throughout 2025, to flag identified risk management gaps.

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Recommended Disclosure: Risk Management Process

Definition	Describe the organisation's processes for managing climate-related risks.
As of 2025	Climate risks are reported bi-annually to our UK R&C Committee. Beyond this, they are not integrated into our formal risk framework. Through our investment due diligence processes, financially material climate risks are covered.

Recommended Disclosure: Integration into Overall Risk Management

Definition	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.
As of 2025	ESG and climate risks are not currently assessed as part of our broader investment risk framework.

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended Disclosure: Climate-related Metrics

Definition	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
As of 2025	We have access to climate and risk metrics such as Implied Temperature Rise, E, S & G scores, physical risk, or emissions data to assess third-party fund and investment portfolio risks, and these are currently only as inputs for our quarterly ESG risk screening. At operational level, emissions, water, waste, printing and travel data is being tracked.

Recommended Disclosure: Scope 1,2,3 GHG Emissions

Definition	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.
As of 2025	We have compiled operational Scope 1, 2 and 3 emissions data for our London office, and prepared TCFD-aligned emissions data for a representative SFIM UK portfolio in this report. Due to the complexity of our portfolio, we are currently not able to disclose information on the emissions performance of the entire SFIM UK investment portfolio. Product-level TCFD reports are also provided in line with FCA requirements.

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Recommended Disclosure: Climate-related Targets

Definition	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.
As of 2025	We do not currently have any climate targets in place, neither at an operational level nor for the investment portfolios which we manage for our clients. In 2023, we set up an internal working group to assess our ability to set and commit to emissions reduction targets for products and at an operational level. This review process is ongoing but work on target setting has been paused in the context of corporate action.

METHODOLOGY

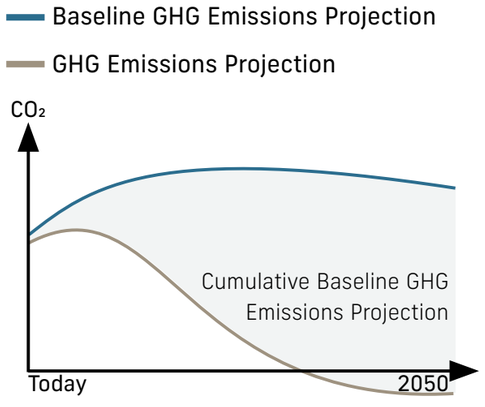
This section outlines how Morningstar calculates emissions metrics. For further information please see Morningstar methodology documentations.

Implied Temperature Rise (ITR) Methodology

ITR is a measure of how much a company's GHG emissions are expected to over or undershoot its fair budget of emissions.

The below chart from Morningstar provides an illustration of this process:

BASELINE GHG EMISSIONS GAP[74]

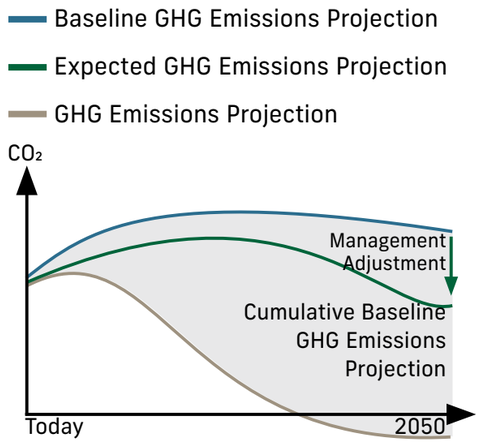


74 *Source: Morningstar*

- The difference between a company's GHG emissions budget – what it's allowed to emit whilst remaining in line with a 1.5°C pathway – and its baseline GHG emissions is calculated. Baseline GHG emissions are the emissions that a company would produce if it continued operating as it did in the current year.[75]
- Baseline projections can be adjusted by Morningstar where they expect management to make changes to the business, which would result in lower (or higher) emissions than were the company to continue its current trajectory. This is illustrated in the chart below, where the example shows that Morningstar expects management to guide the company to produce less emissions than a baseline projection. The Expected GHG Emissions Projection is therefore lower than the Baseline GHG Emissions Projection.

75 *This assumes that the company maintains its market share and that it has the same carbon intensity for each unit of production as it does now.*

EXPECTED GHG EMISSIONS VERSUS GHG EMISSIONS BUDGET[73]



- This is then converted into an ITR using a standard formula derived from the Intergovernmental Panel on Climate Change (IPCC) using the transient Climate Response to Cumulative Carbon Emissions Factor (TCRE). The TCRE is an IPCC derived factor that allows for conversion between GHG emissions and radiative warming.

Absolute Emissions - Scope 1, 2, 3

- For absolute emissions metrics total figures for our investment portfolio and products were calculated based on the proportion of AUM covered by our data provider (Morningstar), adjusted to benchmark coverage for each datapoint. Benchmark emissions are calculated based on total benchmark emissions adjusted for total portfolio or product AUM. Emissions are attributed to the portfolio in line with the share of third-party fund AUM or holdings in underlying companies, with currency adjustments applied where necessary.
- We decided for benchmark coverage adjustments of absolute emissions metrics to ensure comparability between benchmark and investment portfolios and products.
- Overall, this introduces a degree of uncertainty for our investment portfolio and product emission, as we assume that parts of the portfolio without data coverage have the same level of emissions as the proportion of the portfolio with emissions data coverage. We recognise this limitation and will review options for achieving more robust comparability between benchmark and product/portfolio absolute emissions for future reports.

Relative Emissions – WACI/Carbon Footprint

For relative emissions metrics, we calculated figures for our investment portfolio and products by adjusting up the weight of covered AUM. Intensity metrics for each of the third-party funds or companies we invest in are multiplied with the relative weight of each security within the proportion of the product or overall portfolio for which we have coverage, and adjusted from US $ to British £ for exchange rate as of 31st December 2025.

This approach was chosen to not actively understate our relative emissions levels. Considering our overall investment portfolio closely aligns with broader markets in terms of sectoral allocations, and we see relative emissions levels close to benchmark, we do believe that this approach is sufficiently robust.

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APPENDIX & GLOSSARY

GLOSSARY

ACTIVE OWNERSHIP

Driving change in the assets which have yet to reach net-zero emissions, by holding those committed to doing so accountable for their progress and pushing those who have not yet committed to doing so.

ACUTE PHYSICAL RISK

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

ASSETS UNDER ADMINISTRATION (AUA)

AUA represents the total value of assets held by a client.

ASSETS UNDER MANAGEMENT (AUM)

AUM represents the aggregate value of client assets managed, advised or otherwise contracted, from which the Group, including joint ventures and associates, earns operating revenue.

CARBON DIOXIDE EQUIVALENT (CO_2E)

A standard unit for measuring carbon footprints. It enables the impact of different greenhouse gas emissions on global warming to be expressed using an equivalent amount of carbon dioxide (CO_2) as a reference.

CARBON FOOTPRINT

The Carbon Footprint highlights the Fund's emissions relative to activities and market value. It is calculated using the total carbon emissions for a portfolio normalised by the EVIC of the portfolio, expressed in tons CO_2e / $M invested. To calculate an investment's emissions, we have used the EVIC rather than market capitalisation, as we believe this gives a better approximation of a company's overall value.

CHRONIC PHYSICAL RISK

Chronic physical risks refer to longer-term shifts in climate patterns (for example, sustained higher temperatures) that may cause sea level rise or chronic heat waves.

CLIENTS

Within our Investment Management business, we work with a wide range of clients. In addition to our core group of successful families and wealth creators, certain strategies are also offered to professional and institutional investors. At times, 'client' is used to refer to investors in our funds or strategies, in other words, the end client.

APPENDIX & GLOSSARY

ENGAGEMENT

Interactions and dialogue conducted between an investor, or their service provider and a current or potential investee, or a non-issuer stakeholder to understand or improve practice or public disclosure.

In private markets, engagement also refers to investors' dialogue with management teams and/or Board of portfolio companies and/or real assets.

ESG

Environmental, social, and governance.

EXTERNAL EXPERTISE

External expertise refers to assets held with a set of carefully vetted by third-party asset managers.

GBI

Stonehage Fleming Global Best Ideas Equity Fund, a SFIM UK product.

GINEXCO

The Global Investment Management Executive Committee, Stonehage Fleming Investment Management's Executive Committee.

GREENHOUSE GASES

A gas that absorbs and emits radiation in the atmosphere, contributing to the greenhouse effect.

The seven gases covered by the United Nations Framework Convention on Climate Change (UNFCCC) – carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6), and nitrogen trifluoride (NF3). These gases trap heat close to the surface of the earth and are a key cause of climate change.

GREENHOUSE GAS (GHG) PROTOCOL

Comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations, value chains and mitigation actions. The GHG Protocol supplies the world's most widely used GHG accounting standards.

GROUP

The Stonehage Fleming Family & Partners Group.

GRIP

Global Responsible Investment Portfolio, a SFIM UK product.

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IMPLIED TEMPERATURE RISE (ITR)

Implied Temperature Rise is designed to show the temperature alignment of companies, portfolios and funds with global climate targets.

INTERNAL EXPERTISE

Internal expertise refers to our in-house security selection capabilities.

IPCC

The Intergovernmental Panel on Climate Change is the United Nations body for assessing the science related to climate change.

NET-ZERO

Net-zero emissions are achieved when the amount of emitted greenhouse gases is balanced by the equivalent of emissions removed.

PARIS AGREEMENT

A global commitment, agreed at COP21 in Paris in 2015, to limit increase in the global average temperature to below 2°C above pre-industrial levels.

PHYSICAL CLIMATE RISK

Reflect the risks associated with long-term changes in the climate and with more extreme weather events which may impact future business activities.

In particular, the impacts on the value of investments, held on behalf of clients, caused by direct or indirect physical climate changes and events; risk to our businesses and property assets; and those of our suppliers and other partners caused by climate events.

RBG

The Stonehage Fleming Family & Partners Group's Responsible Business Group.

RESPONSIBLE INVESTING

Consideration of environmental, social, and governance factors into investment decisions and ownership practices.

SCIENCE-BASED TARGET

A science-based target provides a clearly defined pathway for companies to reduce their greenhouse gas emissions. The target is considered 'science-based' if it is in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

APPENDIX & GLOSSARY

SCOPE 1 EMISSIONS

Direct greenhouse gas emissions from sources owned or controlled by the company, such as emissions from gas, oil, and company vehicles.

SCOPE 2 EMISSIONS

Indirect greenhouse gas emissions from sources owned or controlled by the company, such as emissions from consumption of purchased electricity, heat, or steam.

SCOPE 3 EMISSIONS

Indirect greenhouse gas emissions from sources not owned or controlled by the company, such as emissions from business travel or investments.

SFIM UK

Stonehage Fleming Investment Management UK.

SISC

SFIM UK Stewardship and Investment Sustainability Committee.

STEWARDSHIP

Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment, and society.

TCO_2E

Tonnes of carbon dioxide equivalent. A unit of measurement that is used to standardise the climate effects of various greenhouse gases on the basis of their global warming potential.

TEMPERATURE ALIGNMENT

The method of interpreting an asset's or portfolio's exposure to abstract climate risk and communicating it as an intuitive implied temperature score measured in degrees Celsius (°C).

TRANSITION CLIMATE RISK

Reflects the risks stemming from changes in the economy that will be required to limit long-run temperature rises, including higher or lower rates of demand growth, costs or risk profiles to companies, sectors or asset classes. These may include new or enhanced corporate climate change laws and regulations, changes in investor demand for climate-focused products, and more volatility in financial markets as asset prices adjust to reflect the increasing regulation of carbon emissions.

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VOTING

The exercise of voting rights on management and/or shareholder resolutions to formally express approval, or disapproval, on relevant matters. This includes being responsible for how votes are cast on topics that management raises and submitting resolutions as a shareholder for other shareholders to vote on, in jurisdictions where this is possible.

WACI

Weighted Average Carbon Intensity (WACI) measures a portfolio's exposure to carbon-intensive companies. An investment's emissions are allocated based on its weight within the portfolio, which is the current value of the investment relative to the current portfolio value. To calculate an investment's emissions, we have used the EVIC rather than market capitalisation, as we believe this gives a better approximation of a company's overall value.

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