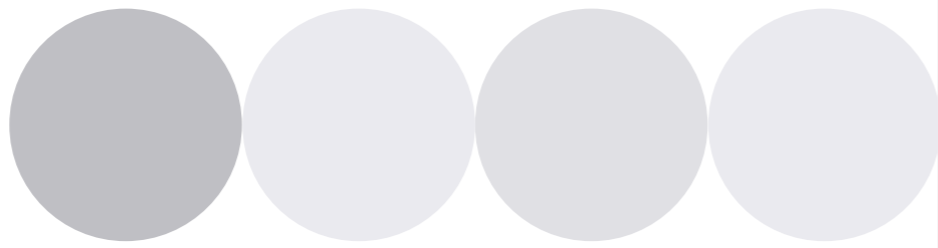




Sustainability entity report for abrdn Fund Managers Limited (aFML)

December 2025



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Compliance Statement

This report should be read in conjunction with aFML's climate-related financial disclosures in line with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). This report meets the requirements of chapter 5.6 of the FCA's Environmental, Social and Governance ("ESG") Sourcebook in disclosure of a sustainability entity report. Where there is cross reference to aFML's TCFD report, this is with reference to the requirements detailed within chapter 2.2 on TCFD entity reports of the FCA's ESG Sourcebook as set out in the FCA Policy Statement 21/24. Our disclosure is, in our opinion, in line with the requirements.

Emily Smart

Signed by:

CB34A3D710C84AD...
 Chief Executive Officer
 aFML
 02 December 2025



Background to aFML

abrdr Fund Managers Limited (aFML)

aFML's principal activity is the provision of investment management and administration services and is part of the Aberdeen Group plc. All investment management activities are sub-delegated to fellow regulated subsidiaries within the Aberdeen Group.

aFML is regulated by the Financial Conduct Authority ("FCA") and acts as Authorised Corporate Director to funds subject to the Undertakings for Collective Investments in Transferable Securities regulatory regime. aFML is also manager to a number of funds governed under the Alternative Investment Fund Manager Directive.

The activities of aFML are overseen directly by the Board.



Purpose of the report

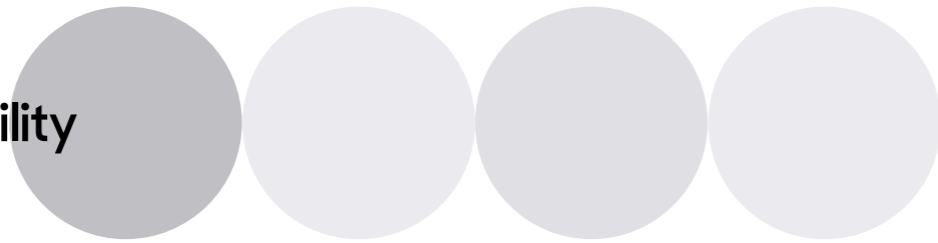
With its Policy Statement on Sustainability Disclosure Requirements (SDR) (Policy Statement PS23/16), the FCA has mandated annual sustainability reporting for legal entities that are undertaking sustainability in-scope business.

This report provides sustainability-related financial disclosures for aFML for the reference period 01 January 2024 to 31 December 2024. aFML separately published its TCFD 2024 report in June 2025, which forms part of aFML's overall sustainability entity report with respect to climate-related disclosures. The aFML TCFD report can be found here: [Climate-related financial disclosures for aFML](#) or accessible within the document library on our website -www.aberdeeninvestments.com.

The FCA prescribes entity-level sustainability disclosures are structured around four thematic areas, notably governance, strategy, risk management and metrics and targets. This report provides disclosure against these 4 areas, as well as explanation where approaches to a particular investment strategy/asset class/product is materially different to the overall entity-level approach in these 4 areas.



Approach to Sustainability



aFML is part of the Aberdeen Group (referred to as 'Aberdeen'). All investment management activities are sub-delegated to fellow regulated subsidiaries within the Aberdeen Group and aFML's approach to sustainability is consistent with that of the parent group.

Aberdeen considers sustainability factors to be integral to its investment approach, recognising its potential financial materiality and impact on asset performance. The firm's sustainable investing strategy broadly encompasses Research and Insights, Sustainable Investment Standards and frameworks, Operational strategy, and Sustainability products and Client delivery. This report references Aberdeen's Sustainability risk integration document to provide details on overarching Aberdeen's governance, strategy, risk management policies and processes, with entity-specific information disclosed where appropriate.

Aberdeen's Sustainability risk integration document details the framework for integrating sustainability risks into investment processes and operating models, noting that approaches vary across asset classes. While sustainability risks can significantly influence financial outcomes for certain assets, their relevance differs by investment type and access route, leading to tailored integration within the overall process. More details can be found here: [Aberdeen's approach to sustainability risk integration](#), or accessible within the document library on our website - www.aberdeeninvestments.com

Governance



The aFML CEO has overall responsibility for ensuring that the aFML Board is kept suitably apprised of its climate and sustainability obligations. aFML is subsidiary of Aberdeen Group plc and, as such, their governance arrangements sit within the wider governance framework of the Aberdeen Group.

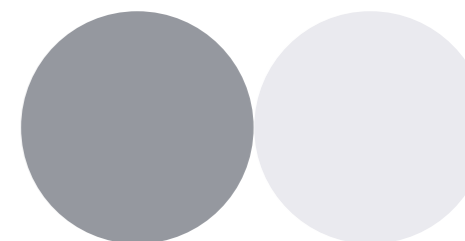
The aFML Board is responsible for interpreting and applying the Group strategy within the context in which they operate, while accountability for setting the Group-wide sustainability strategy ultimately rests with the Aberdeen Group plc Board. The Group plc Board receives periodic updates on progress against strategic actions throughout the year. The aFML Board is supported by forums and teams that have responsibility for overseeing and monitoring broader sustainability and climate-related matters.

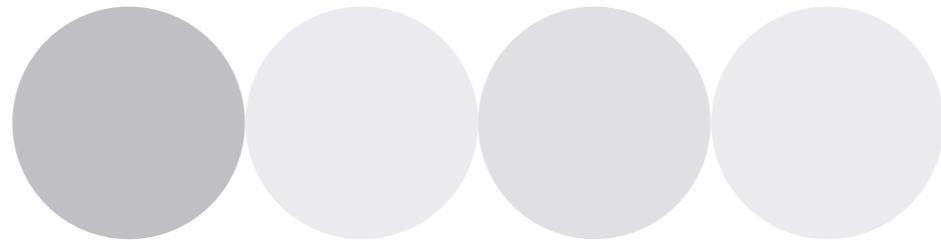
aFML is following Aberdeen's governance, which supports the integration of sustainability issues into our strategy, governance, risk framework and investment processes, enabling us to identify and review sustainability related risks and opportunities, with clear accountabilities.

More details on Aberdeen's governance can be found in Aberdeen's Sustainability risk integration document: [Aberdeen's approach to sustainability risk integration](#) or accessible within the document library on our website - www.aberdeeninvestments.com

In addition, in 2022 Aberdeen implemented a Sustainable Investing governance structure for its investment business, including aFML. The Sustainable Investing governance structure is critical for the development and implementation of Aberdeen's sustainability (related strategy). This includes but is not limited to Aberdeen's approach to integrating sustainability-related risks and opportunities in investment decision-making Sustainability matters are discussed and embedded within the Forums that exist within the Investment Executive. There are three existing forums.

- The Sustainable Investing Strategy Group (SISG) aims to serve two purposes: drive the strategic focus of the investment sustainability strategy and delivery of the strategy via collaboration, consistency, process and integration.
- The Sustainability Standards Group is a formal internal forum to uphold sustainability standards in Aberdeen's actively managed investment products.
- The Regulatory and Standards Forum serves as an information sharing forum on sustainable investing regulations and standards that may impact investment activity across the Group.





Strategy

aFML's approach to sustainability strategy is consistent with that of the Group. Aberdeen has identified and assessed material sustainability-related risks and opportunities that have actual and potential impacts on its business model, strategy, and financial planning. These assessments are integrated into the firm's enterprise risk management framework and strategic planning processes.

For investments, assessing sustainability risks and opportunities focusses on financial materiality and allowing a better understanding of a company or asset's development, performance and financial position. The identification of the most financially material sustainability risks and opportunities for individual assets is the responsibility of Aberdeen's investment managers. Investment managers are supported by the expertise and experience of dedicated ESG analysts and resources, organised within a centralised team as well as embedded within the investment teams. A sustainability risk would not in itself prohibit an investment; instead, the analysis of sustainability risks forms part of the overall portfolio risk management process. Where sustainability criteria are applied to a product or mandate in a more binding manner, this is articulated within its documentation.

Key elements of Aberdeen's sustainability strategy are outlined below.

Aberdeen's Climate Approach

Aberdeen integrates climate considerations across its investment processes, recognising climate change as a material financial risk and opportunity. The strategy focuses on six pillars: research and data, investment integration, client solutions, active ownership, collaboration, and transparent disclosure. Proprietary tools such as carbon footprinting, scenario analysis, and maturity scale alignment support decision-making and stewardship, while engagement with high-emission companies drives credible decarbonisation plans.

More details on Aberdeen's climate approach can be found here: [Aberdeen's approach to climate change](#) or accessible within the document library on our website - www.aberdeeninvestments.com

Active engagement

Through engagement Aberdeen seeks to improve the financial resilience and performance of investments, sharing insights from our ownership experiences across geographies and asset classes. Where the firm believes there is a need to catalyse change, it will endeavour to do so through its strong stewardship capabilities. As a global investor, it aims to leverage its scale and market position to raise standards in both the companies and industries in which it invests and to help drive best practice across the asset management industry.

More information on active engagement can be found in [Aberdeen's Stewardship report](#) or accessible within the document library on our website - www.aberdeeninvestments.com

Integration into Strategy and Financial Planning

Sustainability considerations are embedded into Aberdeen's corporate strategy and financial planning processes. The company's operating model ensures that sustainability-related risks and opportunities are identified and managed across all business units. This includes aligning investment strategies with ESG factors and integrating sustainability metrics into performance evaluation and reporting frameworks where relevant. Aberdeen will continue to evolve its sustainability strategy in response to emerging risks, regulatory developments, and stakeholder expectations.

More details on the Sustainability Strategy can be found here: [Aberdeen's approach to sustainability risk integration](#) or accessible within the document library on our website - www.aberdeeninvestments.com

Delegation

aFML follows the Aberdeen Group's delegation policy. Aberdeen has a Procurement, Outsourcing and Third Party Management policy and Third Party Risk Management Framework which outlines the process and criteria for the appointment of delegates. These consider and reflect sustainability related factors in both the risk assessment and due diligence of our delegates. Risk assessments and due diligence are completed both at the time of appointment of the delegate and at regular intervals on a risk-based approach during the term of the service.

Risk management

aFML's approach to sustainability risk assessment is consistent with that of the Group. Aberdeen identifies and assesses sustainability-related risks for investments using a principle-based approach that is embedded across its investment processes. Sustainability risks are defined as environmental, social, or governance events or conditions that could materially impact the value of an investment. The sustainability risks are evaluated by investment teams for their potential impact on financial performance, with financial materiality serving as the primary determinant of whether a risk influences investment decisions.

Aberdeen leverages a combination of proprietary and third-party ESG data, supplemented by insights gained through direct engagement with companies and sovereigns. Analytical tools, including bespoke internal models and climate scenario analysis, support the identification and quantification of ESG risks. These assessments are tailored to each asset class.

Active ownership plays a critical role in the assessment process, enabling Aberdeen to gain forward-looking insights and influence ESG practices where appropriate. This integrated approach ensures that sustainability risks are considered holistically and proportionately within the broader investment decision-making framework.

Three lines of defence

Aberdeen operates a 'three lines of defence' model in the management of sustainability risks ensuring that there are clearly defined roles and responsibilities within the Enterprise Risk Management Framework:

First line: Investment teams have the primary responsibility for identifying, assessing, and managing sustainability risks alongside other risks to investments. Sustainable Investing governance forums, support investment desks with regards to implementation of the overall sustainability risk integration framework and regulatory requirements.

The Sustainable Investment team supports the investment desks in the implementation of their sustainability risk integration processes, for instance, with research and engagement activities.

Second line: Investment Risk oversees ESG-related portfolio composition factors. The overall RAG status of funds as well as action taken to address moderate / high risks are reported to boards, and relevant committees as required, on a regular basis.

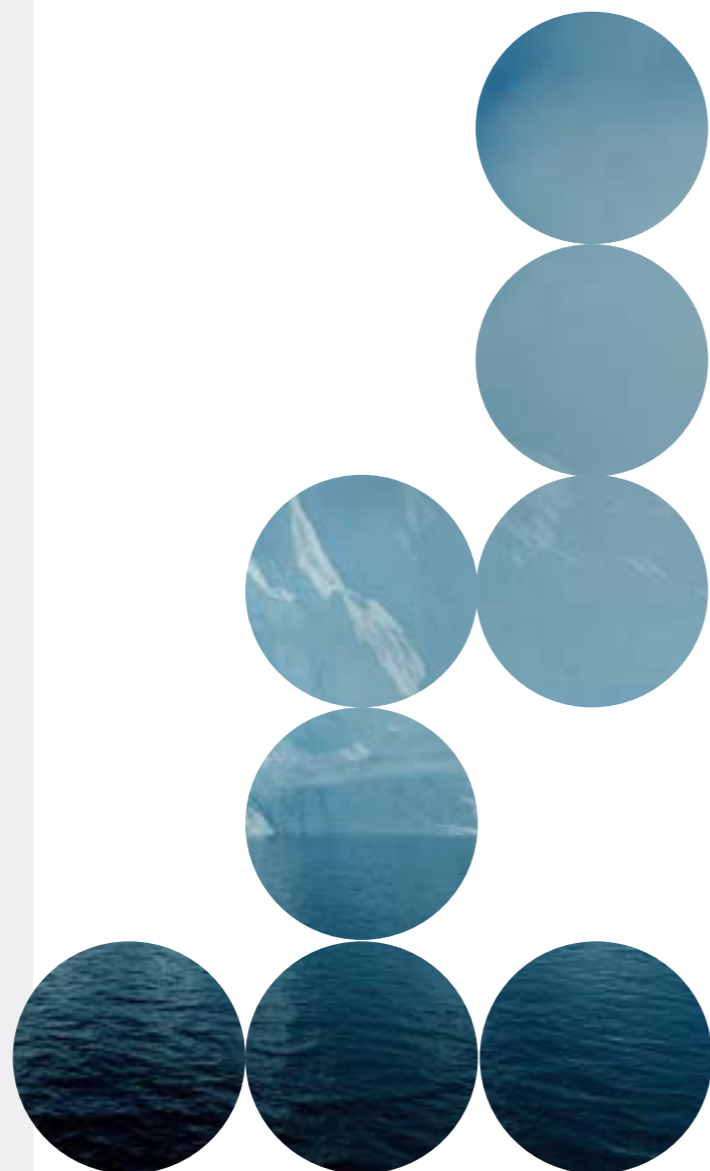
Risk & Compliance, which includes compliance, operational risk and Investment Risk oversight teams, support the implementation of sustainability risk integration and provides challenge to new and existing processes through engagement with internal groups and forums, ongoing engagement with the first line, regulatory change implementation, and regular and/or thematic monitoring. Disclosure documents, including regulatory and product marketing material are subject to a risk-based compliance sign-off to ensure they are fair, clear, non-misleading as well as consistent and proportionate with sustainability-related statements.

Risk management

Third line

Aberdeen’s Internal Audit function conducts internal audits of sustainability rule implementation as part of its internal audit agenda.

In addition, as part of the Group audit plan methodology, risk assessments are carried out considering various factors including changes to regulations and developments impacting the firm, which may result in reviews relating to greenwashing.



Metrics and targets



Metrics

Aberdeen employs a comprehensive suite of metrics and targets to assess and manage material sustainability-related risks across its investment processes. These metrics are tailored to asset class, geography, and investment strategy, supporting risk-based decision-making and regulatory alignment. Additional reviews, governance and oversight are applied to funds or mandates with binding sustainability criteria, such as funds with material sustainability characteristics and labels under the UK’s Sustainability Disclosure Requirements (SDR). For funds with specific sustainability characteristics or labels, detailed information is provided in their respective fund documents and disclosures.

The below tables outline the sustainability metrics provided for aFML under the SDR framework. These include the value of assets under management that apply ESG integration and have sustainability characteristics.

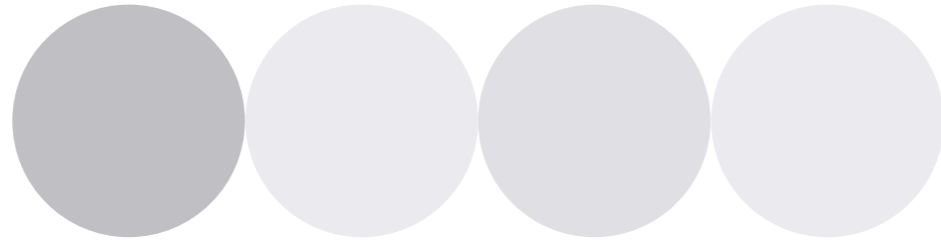
The coverage for this analysis is defined as the share of in-scope assets under management and administration (AUMA) for which complete data is available—either reported or estimated—for calculating each metric.

Funds with sustainable characteristics establish their own objectives and commitments. These are supported by Group-level resources, governance frameworks, and organisational structures, including sustainability expertise, data platforms, and oversight committees.

		2024 (£m)
Amounts of assets under management	aFML Entity total	41,802
Amounts of assets under management that employ :	Integration of ESG issues	23,809
	Products with sustainability characteristics*	1,983
Amounts of assets under management by asset class that employ ESG :		2024 (£m)
	Asset Group	
	Active Equities	9,631
	Alternatives	-
	Cash/Liquidity	809
	Fixed Income	1,537
	Multi Asset	928
	Quantitative	9,079
	Real Assets	1,826
Amounts of assets under management by asset class that apply sustainability characteristics* :		2024 (£m)
	Asset Group	
	Active Equities	656
	Alternatives	-
	Cash/Liquidity	-
	Fixed Income	144
	Multi Asset	289
	Quantitative	342
	Real Assets	552

AUMA figures represent net assets under management as of 31 December 2024. *As at 2nd December 2024 two funds had qualified for temporary forbearance of the SDR naming and marketing rules. The AUM for these two funds have been classified under 'Sustainability characteristics' for the purposes of these disclosures but they subsequently attained an SDR label and the allocation of AUM to labelled funds will be presented in the next round of disclosures

Metrics and targets



Data

We have selected several data sources to support our sustainability assessments and, where relevant, sustainability commitments for funds and mandates. We use a combination of publicly available information, third-party data and ratings providers, proprietary ESG scoring, primary research and directly obtained information through engagement with companies.

The following sources are used by Aberdeen and our third-party data providers to collect company data and form a view on sustainability products and practices:

- Direct disclosures, including but not limited to: sustainability reports, annual reports, regulatory filings, investor updates, company websites and direct engagement with company representatives.
- Indirect information sources, including but not limited to: government agency published data, industry and trade associations, non-governmental organization (NGO) reports and websites, trade union reports, media and periodicals, and financial data providers.

Where direct disclosure is unavailable, we may also choose to leverage estimated metrics based on sector averages or provided by credible third parties. These datasets are built based on proprietary methodologies using the data sources mentioned above.

We work with several third-party ESG data providers and use their data points both as inputs into derived analytics, such as proprietary ESG scoring, as well as in raw format, for example in screening. As part of our onboarding process, we ensure that these providers have appropriate quality assurance in place. On an ongoing basis we have both qualitative governance and challenge processes as well as quantitative checks to understand quality of data, data inputs and gaps where appropriate.

Our third-party providers regularly review their data collection and assessment methodologies. They also have an internal escalation process to allow for cases that require further interpretation or an update to the relevant methodology. At Aberdeen, we expect our third-party data providers to engage with us as appropriate, providing a timely response to queries and any concerns raised about the day-to-day use of their data and assessments within our investment processes.

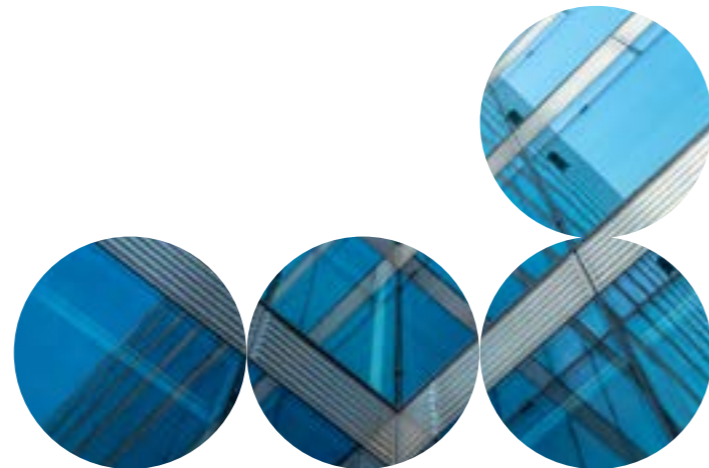
In all cases where we apply our own insights or judgment, this follows a rigorous quality assurance and oversight process.

Data Limitations

For all data sources, the availability and quality of company disclosed data varies. For many investments, a blend of direct and indirect sources, estimated data, and internal insights from our research and engagement are used to form a view. Across our third-party data providers, estimated data is around 20-40%, depending on the particular data point.

In cases where judgement is required, for example within third-party or proprietary ESG scoring or estimates, there may be instances where we reach an incorrect conclusion. For example, a media allegation or controversy may arise, highlighting that a company's remedial action on an identified ESG challenge is not as advanced as we expected. In such instances, we will investigate the issue and take appropriate action within our funds as soon as possible. Once the immediate issue is addressed, we will consider how we can improve our approach or methodologies to avoid similar issues in the future.

Within our screening processes for funds with sustainability characteristics or labels under the UK's Sustainability Disclosure Requirements (SDR) and investment labels, we rely on third-party data providers towards our assessment on companies that do not meet our criteria, based on the parameters and scope of the exclusions that we define for our funds. If we receive information from other sources (e.g., NGO or media reports) that is inconsistent with these screening results, we will investigate this to confirm whether an investment is appropriate for the fund as soon as possible. Our portfolio managers also sense check the results of the screening for their funds and highlight any inconsistencies or unexpected results that we may wish to query with our provider.



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