ESG Rating Methodology and Governance Disclosure

The Overall Sustainability Assessment (OSA)

July 2026

aberdeeninvestments.com

This disclosure is provided in accordance with Regulation (EU) 2024/3005 (the EU ESG Ratings Regulation) and has been prepared having regard to the disclosure requirements set out in Annex III, point 1 to that Regulation.

Replace with paragraphs: The Overall Sustainability Assessment (OSA) is Aberdeen Investments' proprietary framework for assessing how companies manage environmental and social impacts, supported by an assessment of governance structures enabling long-term sustainability.

The OSA is developed and overseen by Aberdeen Investments' Sustainable Investment Team and used to support investment analysis, fund oversight and sustainability profiling for companies in listed markets.

The OSA is not marketed or sold as a standalone commercial ESG rating and does not represent a regulatory classification or external sustainability label. This disclosure applies solely to the OSA methodology for companies in listed markets and does not extend to other ESG tools or scores produced by Aberdeen Investments.

Rating Product Disclosure

1. **1(f) information on the ESG rating's clearly defined objective and marking whether the rating is assessing risks, impacts, or both, according to the double materiality principle, or any other dimensions, and in the case of double materiality the proportion of the risk and impact materiality;**

The objective of the OSA is to assess impact materiality, namely how companies affect the environment and society.

The OSA forms part of a broader double materiality framework when combined financial materiality assessments conducted by the Aberdeen Investments' equity and credit investment teams. The OSA itself is an impact-focused ESG rating.

2. **1(g) the ESG rating's scope, namely, whether it covers an individual E, S, or G factor or whether it is an aggregated rating aggregating E, S and G factors, or whether it covers specific issues such as transition risks;**

The OSA is an aggregated ESG rating, combining three underlying components: a Governance score, an Operations score, and a Products and Services score.

Governance score

The governance component assesses whether a company's governance arrangements support sustainable, long-term success.

The assessment begins with a third-party governance score benchmarked to the company's home market, i.e. the primary country or region where the company is based and/or conducts most of its business activities home market. This score may be adjusted where the Sustainable Investment Team's analysis identifies differences that are not adequately reflected in third-party data.

Key elements assessed include:

- ownership characteristics
- board and committee composition
- remuneration structures
- governance-related policies and practices
- business and geographical exposure
- governance-related controversies

The governance assessment produces five possible outputs, ranging from "worst in class" to "best in class".

Operations score

The operations component assesses how a company's operating practices affect environmental and social outcomes. Given differences in business models and data availability across industries, this assessment is conducted on a sector-specific basis, using sector mappings developed by the Sustainable Investment Team.

The operations score considers eleven environmental and social factors:

- climate transition assessment
- water and waste pollution
- air pollution
- water use
- high-risk natural commodities
- land and ocean use
- labour standards
- employee health and safety
- diversity and inclusion
- community relations
- data privacy

These factors are assessed for relevance by sector and classified as high, medium or low impact materiality, which informs their relative influence within the operational assessment.

The operations assessment produces five possible outputs. Results are reviewed regularly, and the Sustainable Investment Team may apply qualitative adjustments where appropriate to reflect company-specific circumstances or recent developments.

Products and services score

The products and services component evaluates the alignment of a company's products and services with environmental and social objectives, based primarily on alignment with the UN Sustainable Development Goals (SDGs).

Third-party data is used to identify the proportion of revenue or bond proceeds associated with SDG-aligned or SDG-misaligned activities. This analysis is supplemented by internal research, including review of research and development activity, investment budgets and capital expenditure where relevant.

A 20 % quantitative threshold is applied:

- products and services are considered positive where SDG-aligned activities exceed 20%.
- products and services are considered negative where SDG-misaligned activities exceed 20% and are greater than aligned activities.

3. 1(h) in the case of an aggregated ESG rating, the weighting of the three overarching E, S and G categories of factors (for example 33 % for the E factor, 33 % for the S factor, 33 % for the G factor), and the explanation of the weighting method, including weight per individual E, S and G category;

The OSA does not apply fixed numerical weights to Environmental, Social or Governance factors. Instead, predefined logical rules are applied across the governance, operations, and products and services components to determine the overall OSA result.

OSA result[1]	Description
Laggard	Sustainability concerns identified
Limited	Limited progress in managing environmental and social impacts
Moderate	No significant concerns identified; scope for improvement
Strong	Clear efforts to support strong environmental and social standards
Advanced	Advanced efforts to support environmental and social standards

[1] The OSA result reflects a company's progress in mitigating adverse impacts and supporting standards. A "Limited" outcome indicates limited progress rather than the presence of isolated issues.

The aggregation framework applies the following key principles:

- Companies scoring poorly in any one of the three components (governance, operations, or products and services) will generally receive an overall result of Laggard or Limited, even where performance in other areas is stronger. This approach prevents material concerns from being averaged out.
- Only companies with above-average or best-in-class governance can achieve Strong or Advanced results, reflecting the role of governance in supporting long-term sustainability. These outcomes also require strong performance in operations and/or products and services.

OSA outcomes are used as analytical inputs within Aberdeen Investments' broader investment and oversight processes, taking into account the objectives and constraints of individual funds. The OSA does not constitute investment advice or a standalone investment recommendation.

4. 1(i) within the E, S or G factors, specification of the topics covered by the ESG rating, and whether they correspond to the topics from the sustainability reporting standards developed pursuant to Article 29b of Directive 2013/34/EU;

The OSA assesses, among others:

- Environmental topics: climate transition, land use, water use, pollution and high-risk natural commodities.
- Social topics: labour standards, health and safety, diversity and inclusion, community relations and data privacy.
- Governance topics: ownership, board structure, remuneration, policies and controversies.

These topics partially align with sustainability reporting standards developed under Article 29b of Directive 2013/34/EU; however, a formal one-to-one mapping is not applied.

5. 1(j) information on whether the rating is expressed in absolute or relative value;

The governance score is expressed relative to home-market peers. Operational and products and services assessments are expressed on an absolute basis.

6. 1(o) if an ESG rating of a rated item covers the E factor, information on whether that rating takes into account the targets and objectives of the Paris Agreement or any other relevant international agreements;

Climate transition assessments explicitly consider alignment with the objectives of the Paris Agreement, including net-zero ambition, emissions targets and capital allocation alignment. The Taskforce on Nature-related Financial Disclosures - (TNFD) also informs the assessment of other environmental factors.

7. 1(p) if an ESG rating of a rated item covers the S and G factors, information on whether that rating takes into account any relevant international agreements;

Where social and governance factors are assessed, scoring is informed by the objectives of internationally recognised standards, including International Labour Organisation (ILO) Core Conventions, United Nations Guiding Principles on Business and Human Rights (UNGPs) and the SDGs.

General Methodological Disclosures

8. 1(a) Overview of the rating methodologies used and changes thereto, including whether analysis is backward-looking or forward-looking and the time horizon covered;

The OSA is Aberdeen Investments' proprietary framework for assessing how companies manage environmental and social impacts, supported by an assessment of governance structures enabling long-term sustainability.

The methodology combines three components (governance, operations, and products and services) into a single headline assessment. The methodology incorporates:

- Backward-looking analysis, based on reported data on governance arrangements, operational practices and products and services.
- Forward-looking elements, including climate transition ambition, forward-looking targets, capital allocation alignment and planned investment in sustainability-aligned activities.

Where climate-related factors are assessed, the analysis may consider pathways extending to 2050, particularly for net-zero alignment.

Methodology changes

The OSA was introduced in March 2026. The methodology and its underlying data points are reviewed at least annually by the Sustainable Investments Team in response to changes in disclosure standards, data availability and regulatory expectations.

9. 1(b) Industry classification used;

Companies are assigned to industries using:

- GICS sub-industry classification
- Bloomberg industry classification

Further documentation on these classifications is available at **www.msci.com** and **www.bloomberg.com**

Industry classification informs the relevance (high, medium or low) of environmental and social issues assessed within the operational score of the OSA. For selected indicators, peer comparisons based on Bloomberg industry groupings are also used to contextualise performance.

10. 1(c) an overview of data sources, including whether data is sourced from sustainability statements required under Directive 2013/34/EU [the EU framework for preparing financial statements] or from information disclosed under Regulation (EU) 2019/2088 [SFDR] and whether sources are public or non-public, and an overview of data processes, estimation of input data in case of unavailability and frequency of data updates;

The OSA draws primarily on publicly available data, supplemented by internal research and engagement insights. Third-party data providers include:

- MSCI
- Transition Pathway Initiative (TPI)
- Carbon Disclosure Project (CDP)
- Climate Action 100+
- Matter
- MainStreet

The OSA makes use of corporate sustainability disclosures where available, including information prepared under evolving EU sustainability reporting requirements. However, the methodology does not rely exclusively on sustainability statements prepared under Directive 2013/34/EU nor on disclosures made under Regulation (EU) 2019/2088.

Where data is incomplete:

- A minimum 30 % data-coverage threshold applies for operations scoring; if this threshold is not met, no score is calculated.
- Manual qualitative assessments may be applied by the Sustainable Investment Team.
- Sector averages may be used for products and services assessments.

Third-party data is updated in line with providers' review cycles. Internally adjusted or manually input scores are typically reviewed at least every 18 months or following material developments.

11. 1(e) information on whether and how the rating methodologies are based on scientific evidence;

The OSA methodology is informed by internationally recognised research, standards and frameworks, including:

- the Institutional Investors Group on Climate Change (IIGCC) Net Zero Investment Framework
- the International Sustainability Standards Board (ISSB)
- TNFD
- ILO Core Conventions
- UNGPs
- SDGs

These frameworks inform topic selection, indicator design and assessment thresholds. The resulting scores represent analytical judgements rather than outputs of a scientific model.

12. 1(k) where applicable, reference to the use of artificial intelligence in the data collection or rating process including information about current limitations and risks of using artificial intelligence;

Third-party data providers used within the OSA may employ artificial intelligence and automated techniques to collect and process sustainability-related information from public disclosures.

Within Aberdeen Investments, AI-enabled tools may be used to support research and information gathering. Artificial intelligence is not used to make decisions, assign scores or determine OSA results. Assessments are subject to human analysis, review and oversight by the Sustainable Investment Team.

Limitations in Data Sources, Methodologies and Information

13. 1(m) any limitation in data sources and methodologies used for the construction of ESG Ratings;

Sustainability assessments are subject to inherent limitations, including differences in data availability, quality and inconsistency across sectors, jurisdictions and issue areas. Certain environmental and social impacts (particularly nature-related and social outcomes) are not yet supported by fully standardised quantitative data.

Where data is unavailable, reasonable estimates, sector-level proxies or qualitative judgement may be applied. Sustainability assessments should therefore be interpreted as analytical views at a given point in time and may be revised as data and disclosure practices evolve.

14. 1(q) any limitation on the information available to ESG rating providers.

The OSA relies on information that is publicly disclosed or otherwise reasonably accessible. Disclosures may be incomplete, prepared using different methodologies or subject to reporting delays. Data availability may also vary by jurisdiction, affecting comparability across regions.

Organisational Disclosures

15. 1(d) the ownership structure of the ESG rating provider;

Aberdeen Investments is the global investment management business of the Aberdeen Group and is not a standalone legal entity, but a business name and trading identity used by regulated investment management entities within the Group. The ultimate parent undertaking is Aberdeen Group plc, a United Kingdom-incorporated public limited company with its registered office at 1 George Street, Edinburgh, which provides group-level governance, strategic direction and oversight.

Aberdeen Group operates through three principal businesses: Investments (operated under the Aberdeen Investments brand), Adviser and interactive investor. The investments business is delivered through regulated subsidiary entities operating in multiple jurisdictions, all of which are wholly owned, directly or indirectly, by Aberdeen Group plc and subject to local regulatory supervision.

Group-wide governance frameworks apply across Aberdeen Investments, while day-to-day responsibility for investment activities and internal analytical tools rests with dedicated teams within the relevant regulated entities.

16. 1(l) general information on criteria used for establishing fees charged to clients, specifying the various elements taken into consideration, and general information on the business/payment model;

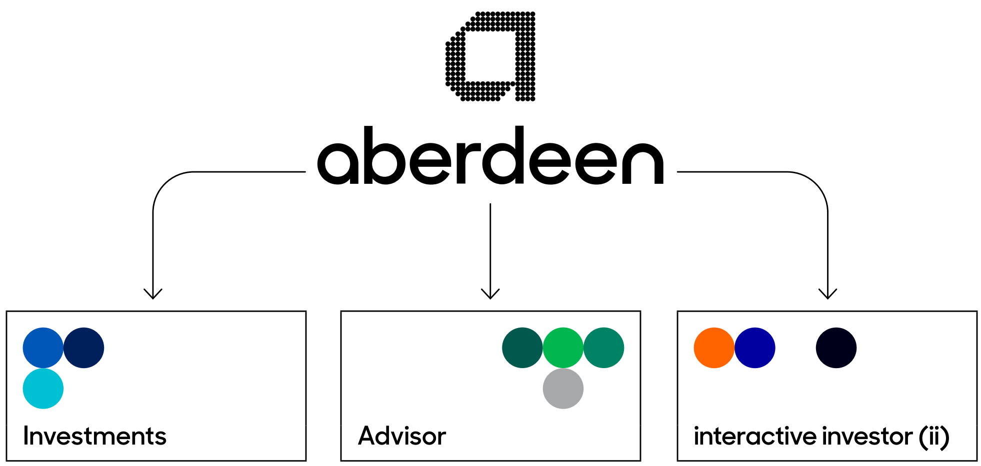
The OSA is an internal analytical framework. It is not offered as a paid, standalone ESG rating service, and rated companies do not pay for assessment.

17. 1(n) the main risks of conflicts of interest and the steps taken to mitigate them;

In the context of the OSA, potential conflicts of interest may arise from the OSA being produced within a diversified asset management group that also undertakes investment management and product-related activities.

These risks are mitigated through organisational separation between the Sustainable Investment Team and investment functions, and group-wide policies on conflicts of interest and business conduct, which are published on Aberdeen Investments' website and apply to the OSA.

Further information on relevant policies and governance arrangements is available at: **Document library | Aberdeen Investments**



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