Waverton European Dividend Growth Fund TCFD Product Report 2025

Fund aim

The investment objective is to generate income and capital growth by investing in a concentrated portfolio of equities selected from European markets. Overwhelmingly, but not exclusively, the managers invest in companies that are at the larger end of the capitalisation scale.

Investment style

The Fund invests in wealth creating companies at attractive valuations. Building concentrated portfolios from the bottom up, unconstrained by the composition of the Fund's benchmark index, the managers seek to make a small number of long-term investments, primarily in growing companies, with strong management and operating in favourable business environments.

Fund facts

Launch Date	1 November 2005
Morningstar Category	Europe Ex-UK Equity
Benchmark	MSCI Europe ex UK Index
Fund Size	GBP 181.2m
No. of Holdings	39
Domicile	Ireland
Sedol	BF5KV51
Bloomberg Code	WAVEDAG ID
Fund Type	OEIC
Base Currency	GBP
Other Currencies	EUR
Ex Dividend Dates	30 April and 31 October

W1M's approach to TCFD

At W1M, we fully recognise our responsibility to help drive positive environmental change, but also acknowledge that meaningful change on a global scale will take time. We believe this necessitates a pragmatic approach, where we actively engage with companies in all sectors and focus on their direction of travel. We seek to identify those that can successfully adapt to and mitigate environmental, social and governance (ESG) risks over time and, while we invest in many companies with good ESG credentials, investing in companies that play an important role in the transition to a low carbon economy is also an important consideration.

This TCFD product report aligns with UK regulatory requirements as well as with W1M overall approach to managing climate-related risk and opportunities, which we set out in our TCFD report.

Climate risk

There are various metrics used to identify, measure and report on the climate-related risks of companies. Regulatory disclosure requirements, and a full understanding of the data, have been key considerations for our metric selection and information disclosure. Avoiding anything that could be subject to significant recalculation on an annual basis, misleading or misinterpreted, has been a primary focus. The key component across many metrics is carbon emissions. While companies' measurement and reporting of emissions have improved markedly in recent years, gaps remain (e.g. Scope 3). We therefore continue to collate data across all scopes to support consistent reporting for the W1M firm and Waverton funds*.

This year we are expanding our disclosures by adding financed emissions from corporate bonds to our direct equity holdings to report a firm-level view of W1M combined financed emissions. This represents 61% of W1M's total AUM as at 31 December 2025. We are also enhancing disclosure through the inclusion of climate-risk heatmaps under different NGFS (Network for Greening the Financial System) scenarios in the W1M firm-level TCFD report (link above). These provide an illustration of sector sensitivities that are relevant to global equity and corporate bond portfolios.

*At this stage, our fund range has retained its Waverton brand name.

Waverton European Dividend Growth Fund emissions	2024*	2025	% change
Scope 1 & 2 Financed Emissions tCO2e	4,999	13,167	+163.4%
Scope 3 Financed Emissions tCO2e	46,090	81,515	+76.9%
Total Portfolio Financed Emissions tCO2e	51,089	94,682	+85.3%
Total Carbon Footprint tCO2e / £m Invested Capital	610	540	-11.4%
Total Portfolio Sales Intensity tCO2e / £m Sales	1,125	992	-11.8%
Weighted Average Carbon Intensity tCO2e / £m Sales	1,253	1,213	-3.2%

*2024 data has been restated to take into account revisions to reported emissions.

15 largest contributors to financed emissions

	Equities weight %	Emissions fiscal year	Share of Co's total emissions tCO2e	Total financed emissions %	Scope 1&2 tCO2e	Scope 3 tCO2e	Total tCO2e
Galp Energia, SGPS S.A. Class B	2.1%	2024	12,295	13.0%	3,152,598	42,717,945	45,870,543
GEA Group Aktiengesellschaft	2.2%	2024	11,801	12.5%	33,404	25,350,720	25,384,124
Acerinox SA	3.3%	2024	7,717	8.2%	1,951,404	4,424,631	6,376,035
Aperam S.A.	2.3%	2024	7,479	7.9%	1,123,499	4,242,051	5,365,550
Kongsberg Gruppen ASA	2.3%	2024	7,236	7.6%	9,573	30,318,081	30,327,654
Barry Callebaut AG	3.3%	2024	7,012	7.4%	225,372	13,161,670	13,387,042
Smurfit Westrock PLC	3.1%	2024	3,997	4.2%	10,372,000	9,452,000	19,824,000
Wienerberger AG	2.4%	2024	3,892	4.1%	1,790,095	2,531,291	4,321,386
Konecranes Oyj	3.0%	2024	3,889	4.1%	37,400	5,236,700	5,274,100
Deutsche Post AG	3.5%	2024	3,666	3.9%	7,740,000	32,030,000	39,770,000
UPM-Kymmene Oyj	2.4%	2024	3,461	3.7%	3,820,000	8,178,000	11,998,000
Autoliv Inc.	2.4%	2024	2,018	2.1%	306,000	3,767,000	4,073,000
Unilever PLC	2.6%	2024	1,992	2.1%	690,000	56,610,000	57,300,000
Viscofan, S.A.	2.5%	2024	1,826	1.9%	416,334	576,506	992,840
ASR Nederland N.V.	3.0%	2024	1,782	1.9%	1,892	7,037,542	7,039,434

Sources: W1M, Morningstar, MSCI, FactSet, Company data. Data as at 31 December 2025.

Data and Methodology

We acknowledge that measurement and reporting of GHG emissions by companies still needs to show significant improvement and we have made every effort to manually standardize the reported data to ensure more consistent reporting. For full transparency, we include the data inconsistencies across fiscal year and coverage in the tables below.

Profile of emissions data availability - % of AUM	2024	2025	Difference in %
Scope 1	100.0%	100.0%	+0.0%
Scope 2	100.0%	100.0%	+0.0%
Scope 3	100.0%	98.1%	-1.9%

The methodology used to calculate financed emissions and intensity metric is in line with the TCFD, FCA ESG Sourcebook and PCAF. The financed emissions of a loan or investment in a company are calculated by multiplying the attribution factor by the emissions of the respective borrower or investee company. The total financed emissions of a listed equity and corporate bonds portfolio are calculated as follows:

$$\textit{Financed emissions} = \sum_{c} \textit{Attribution factor}_c \times \textit{Company emissions}_c$$

(with c = borrower or investee company)

The attribution factor represents the proportional share of a given company - that is, the ratio of the outstanding amount to EVIC for listed companies.

For listed companies:

$$\textit{Financed emissions} = \sum_{c} \frac{\textit{Outstanding amount}_c}{\textit{Enterprise Value Including Cash}_c} \times \textit{Company emissions}_c$$

A key consideration in applying these formulae is the consistency between the calculation of EVIC and the value of portfolio holdings, which determines the share of GHG emissions. We have found in some third-party models this rigour is absent. Therefore, we have created our own model for firm and product level reporting, developed in conjunction with FactSet, predominantly utilising MSCI GHG emissions data and FactSet financial data. The MSCI GHG emissions data is supplemented by data taken directly from the latest investee company disclosures, which is some cases is more up to date, or judged to be more accurate.

The protocols we are using for the calculation of a company EVIC and revenue are:
- Total market value as at portfolio valuation date and aligned with portfolio currency.
- Company balanced sheet values (minorities and total debt) aligned to the latest GHG emissions fiscal reporting period and portfolio currency.
- Company revenue aligned to the latest GHG emissions fiscal reporting period and portfolio currency.

Some of the climate metrics shown in the report are based on historical emissions data, which may not be a reliable indicator of future emissions and these should not be the sole basis on which you base your investment decisions. The source of the data used in the report includes W1M, FactSet, MSCI and Company data. While every care has been taken in populating this output, however it must be appreciated that neither W1M Wealth Management nor the sources used guarantee the accuracy, adequacy or completeness of this information or make any warranties regarding results from its usage.

For more information or questions on this report please contact sustainability@w1m.com