Waverton Global Credit Opportunities Fund TCFD Product Report 2025

Fund aim

To achieve capital growth and income through investment in UK and international government and corporate bonds. The Fund's performance benchmark is ICE USD SOFR 1 Month.

Investment style

The Fund has a highly flexible approach to duration, credit and currency. Fund duration can be reduced to a minimum of -3. In addition the Fund can take short currency positions up to a combined maximum of 20%. Investment decisions are fundamentally driven using a combination of quantitative analysis with qualitative judgement calls. Derivative instruments are also utilised to manage risk.

Fund facts

Launch Date	13 January 2013
Morningstar Category	Global Corporate Bond - USD Hedged
Benchmark	ICE BofA Global Corporate & High Yield Index USD Hedged
Fund Size	USD 50.1m
No. of Holdings	69
Domicile	Ireland
Sedol	BW1T7C0
Bloomberg Code	
Fund Type	OEIC
Base Currency	USD
Other Currencies	GBP, EUR
Ex Dividend Dates	31 Jan, 30 Apr, 31 Jul, 31 Oct

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 Global Credit Opportunities Fund emissions	2024*	2025	% change
Scope 1 & 2 Financed Emissions tCO2e	-	1,602	-
Scope 3 Financed Emissions tCO2e	-	16,435	-
Total Portfolio Financed Emissions tCO2e	-	18,037	-
Total Carbon Footprint tCO2e / £m Invested Capital	-	677	-
Total Portfolio Sales Intensity tCO2e / £m Sales	-	1,206	-
Weighted Average Carbon Intensity tCO2e / £m Sales	-	925	-

15 largest contributors to financed emissions

	Bond weight %	Emissions fiscal year	Share of Co's total emissions tCO2e	Total financed emissions %	Scope 1&2 tCO2e	Scope 3 tCO2e	Total tCO2e
Repsol SA	2.6%	2024	5,212	28.9%	14,000,000	195,600,000	209,600,000
Prysmian S.p.A.	2.3%	2024	2,512	13.9%	620,788	111,344,092	111,964,880
Ford Motor Company	2.7%	2024	1,530	8.5%	2,946,791	354,139,008	357,085,799
General Motors Company	2.2%	2024	1,393	7.7%	2,309,657	388,443,359	390,753,016
BP PLC	1.7%	2024	1,297	7.2%	35,200,000	321,900,000	357,100,000
Volkswagen AG	2.7%	2024	1,127	6.3%	7,500,000	408,581,376	416,081,376
Air France-KLM SA	1.6%	2024	1,032	5.7%	25,736,000	11,200,000	36,936,000
Toyota Motor Corp.	2.3%	2024	808	4.5%	4,970,000	584,520,000	589,490,000
Renault SA	1.8%	2024	737	4.1%	911,290	107,414,956	108,326,246
Aviva plc	3.2%	2024	223	1.2%	14,797	7,418,055	7,432,852
Enbridge Inc.	2.0%	2024	192	1.1%	13,886,000	33,847,300	47,733,300
Seadrill Limited	1.5%	2024	185	1.0%	437,452	534,029	971,481
Deere & Company	1.2%	2024	175	1.0%	577,900	81,736,000	82,313,900
Standard Chartered PLC	2.4%	2024	174	1.0%	90,533	38,749,672	38,840,205
Credit Agricole SA	2.0%	2024	148	0.8%	44,660	164,423,267	164,467,927

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%	-
Scope 2	-	100.0%	-
Scope 3	-	99.2%	-

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.

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