

AJ Bell Asset Management Climate & Sustainability Disclosure Report



June 2026

Contents

| | | | |
|--|----------|---|-----------|
| 1. Managing Director's statement | 2 | 6. Risk management | 9 |
| 2. Introduction and scope of report | 2 | 6.1 Describe the organisation's processes for identifying and assessing climate-related risks | 9 |
| 3. Compliance statement | 3 | 6.2 Describe the organisation's process for managing climate-related risks | 9 |
| 4. Governance | 4 | 6.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management | 9 |
| 4.1 Board oversight of climate-related risks and opportunities | 4 | 7. Metrics and targets | 9 |
| 4.2 AJ Bell Asset Management's specific governance committees | 4 | 7.1 Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | 9 |
| 4.3 Management's role in assessing and managing climate-related risks and opportunities | 4 | 7.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | 9 |
| 4.4 Governance of broader sustainability risks and opportunities | 4 | 8. Data methodology and limitations | 10 |
| 5. Strategy | 5 | 9. Products and assets under management | 10 |
| 5.1 Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term | 5 | 10. Stewardship | 10 |
| 5.2 Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning | 5 | | |
| 5.3 Broader sustainability risks and opportunities, and the impact on products | 5 | | |
| 5.4 Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | 7 | | |

1. Managing Director's statement

Climate change is one of the most significant global challenges we face today. It is a critical issue impacting all our stakeholders and wider society. As an investment manager, we recognise the growing importance of understanding and appropriately managing sustainability and climate-related risks within our business and across the portfolios we oversee.

We are pleased to present our first set of entity-level disclosures for AJ Bell Asset Management Limited (AJBAM), in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the FCA's Sustainability Disclosure Requirements (SDR). This report aims to set out how sustainability risks and opportunities are considered in relation to the investment solutions that we manage and distribute.

In line with a continuously evolving regulatory environment, we seek to adapt and deliver regular and transparent sustainability reporting in relation to our range of investment products. Both TCFD recommendations and SDR requirements provide a robust framework for high-quality reporting on the management of climate-related risks. They also support ongoing engagement with regulators, helping to strengthen and continuously improve our approach.

2. Introduction and scope of report

This report has been prepared by AJBAM, as the entity responsible for reporting on the assets that it manages under the discretionary permission granted to it by the FCA. AJBAM is a wholly-owned subsidiary of AJ Bell Plc.

The report has been structured around the four pillars of the TCFD framework (governance, strategy, risk management, and metrics and targets) and incorporates the additional requirements of SDR within a single, integrated framework. The disclosures in this report, including cross-references to AJ Bell Plc Group disclosures, fulfil the regulatory requirements under the following specific sections:

- ESG Sourcebook chapters 2.1 and 2.2, which document entity reporting requirements for our 'TCFD in-scope business', and cover activities performed by AJBAM.
- ESG Sourcebook chapters 5.4 and 5.6, which document entity reporting requirements for our 'sustainability in-scope business' under the Sustainability Disclosure Requirements (SDR) framework. AJBAM falls in scope in our capacity as an authorised fund manager for UK UCITS funds and a MPS provider.

AJBAM designs and manages simple, transparent and cost-effective investment solutions, including a range of authorised funds (the Funds) and managed portfolio services (MPS). Broadly, our approach is to provide investors with well-diversified investment solutions offering a range of risk-adjusted returns, with reasonably predictable outcomes, where possible. Investor outcomes are primarily driven through our active asset allocation decision making, grounded in the belief that diversification provides investors with the best opportunity to generate positive outcomes, given a relative level of risk.

We primarily access markets through passively-managed index-based products offered by third-party asset managers, providing the diversification we seek when implementing our decision making. This is referred to as a 'fund of funds' approach. As a result, whilst we broadly consider climate and sustainability risks within our overall decision-making framework, these are within the context of

delivering optimally risk-adjusted portfolios, rather than being driven by the impact of those risks at an individual (stock-level) basis.

An overlay to this approach is adopted within our 'Responsible' product offerings – in the form of the Responsible Screened Growth Fund and Responsible MPS – where we seek to specifically address climate and sustainability risks.

Where we construct portfolios with adviser firms, tailored to their investor base, we incorporate climate and sustainability characteristics within the investments we select, where appropriate. These can include selecting investments that employ Environmental, Social and Governance (ESG)-specific strategies.

The information disclosed within this report is a consequence of this approach, as we seek to achieve the best outcomes for our customers by helping them meet their financial objectives.

Both the Fund range and the MPS range are included within the scope of this report.

The Authorised Corporate Director (ACD) of the funds, Carne Global Fund Managers (UK) Limited (CG), is responsible for the production of product-level TCFD documents for the funds which can be found here.

Below, we outline our progress on each of the TCFD recommendations. We set out in the table below our statement of consistency with the TCFD recommendations and recommended disclosures. Where disclosures have been partially omitted, we explain the reasons for the omissions, the steps being taken to enable future disclosure, and the timeframe in which we expect to provide the information. We have incorporated the relevant SDR entity-level disclosure requirements within this structure (shaded in grey), alongside additional sections where appropriate.

Our participation in the TCFD and SDR framework aligns to our purpose, which is to help people invest. AJBAM is committed to transparency, and acts in the long-term interest of clients. As such, we believe that understanding and managing climate-related risks and opportunities is an important consideration when managing overall investment risks, and delivering long-term, sustainable investment solutions.

3. Compliance statement

The disclosures contained in this report comply with the relevant requirements of the FCA ESG Sourcebook, including ESG 2.2.7R and ESG 5.6.8R, in respect of the firm's TCFD entity report and sustainability entity report.

This report should be read in conjunction with the AJ Bell Group TCFD report, as well as the individual Funds' TCFD reports.

Disclosure summary

| Recommendation | Status |
|---|--|
| Governance: Disclose the organisation's governance around climate-related risks and opportunities. | |
| a) Describe the Board's oversight of climate-related risks and opportunities | We have reported how the Executive Committee (ExCo) and its sub-committees oversee our climate-related risks and opportunities on page 4 |
| b) AJBAM committees and oversight structure | We have reported the committees specific to the AJBAM product range on page 4 |
| c) Describe management's role in assessing and managing climate-related risks and opportunities | We have reported management's roles and responsibilities in assessing and managing climate-related risks on page 5 |
| d) Management of broader sustainability risks and opportunities | |
| 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. | |
| a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term | We have disclosed the climate-related risks identified over the short, medium and long term on page 5 |
| b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning | We have detailed the financial impact and our strategic response for each risk identified on page 6 |
| c) Broader sustainability risks and opportunities, and the impact on products | We have identified broader sustainability risks outside of climate-focused risks and the specific impact on AJBAML products on page 6 |
| d) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | We have performed scenario analysis over our identified risks, details of which have been disclosed on page 7-8 |
| Risk management: Disclose how the organisation identifies, assesses and manages climate-related risks. | |
| a) Describe the organisation's processes for identifying and assessing climate-related risks | Our approach to the identification, assessment, and management of climate-related risks is integrated our business processes, further detailed on page 9 |
| b) Describe the organisation's processes for managing climate-related risks | Climate-related risks are managed regularly throughout our investment process, further detailed on page 9 |
| c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management | Further details of how we integrate climate-related risks into our wider risk management framework can be found on page 9 |
| Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. | |
| a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | We report the climate-related impact of our investment products on page 9 |
| b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | We have disclosed our investments' Scope 1 and 2 emissions on page 9 |
| c) Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets | We have provided details surrounding our targets to move to net zero on page 10 |

4. Governance

4.1 Board oversight of climate-related risks and opportunities

4.2 AJ Bell Asset Management's specific governance committees

4.3 Management's role in assessing and managing climate-related risks and opportunities

4.4 Governance of broader sustainability risks and opportunities

AJBAM is a subsidiary of the wider AJ Bell Group, and as such its Board committees and their responsibilities towards climate-related risks and opportunities are relevant to us. All the details of this can be found in the wider AJ Bell Group's TCFD report, documented on pages 50-56 of the annual report¹. Wider climate governance is also captured in the broader responsible business governance framework, as detailed on page 31 of the annual report.

The governance committees and forums below are specific to AJBAM, and provide oversight specific to our Funds and MPS range. The Investment Committee (IC) is a sub-committee of the broader Executive Committee (ExCo), which, under delegated authority from the Board, is responsible for implementation of strategy as well as day-to-day operations. The other forums detailed directly report into the IC. Further details on ExCo and the IC can be found in the Corporate Governance report on page 77 of the group annual report.

Investment Committee (IC)

This committee ensures that investment products operate within the risk framework determined by the AJ Bell Group Executive Committee (ExCo). This includes ensuring that all products are managed in accordance with their IPS and any relevant climate-related constraints.

Asset Allocation Forum (AAF)

This forum provides oversight of all asset allocation processes and decisions undertaken by AJBAM. It provides oversight of the Strategic Asset Allocation (SAA) process, as well as putting forward any Tactical Asset Allocation (TAA) proposals. This involves ensuring that asset allocation decisions for the Responsible Screened Growth Fund and Responsible MPS range are made in conjunction with MSCI methodology, and making any SAA or TAA changes in line with changing climate-related regulations that may impact these products.

Departmental Risk Forum (DRF)

The role of the forum is to provide oversight of operational risk matters, including climate-related risks relevant to AJBAM. By providing oversight of risk and controls, the forum seeks to avoid foreseeable harm materialising.

Portfolio Implementation Forum (PIF)

The role of this forum is to provide a decision-making environment and oversight of the construction and performance of all AJBAM products including AJ Bell Funds and model portfolios. Sustainability characteristics of investment products are researched and considered within this forum.

Customer Outcomes Forum (COF)

The role of this forum is to provide oversight of the manufacture and distribution of investment products, for the purposes of monitoring appropriate client outcomes, ensuring target market distribution and ensuring compliance with the PROD handbook, and the principles of the Consumer Duty.

¹ ajbell.co.uk/group/sites/ajbell.co.uk/files/accounts/FY25-annual-report.pdf

Assessment and management of climate-related risks and opportunities are built into each of the above forums, and are an integral aspect to every part of AJBAM's operations.

The Chief Financial Officer (CFO) of AJ Bell Group has the delegated authority from the Board to manage our ESG strategy, including our climate-related risks and opportunities. The CFO is supported by our cross-functional ESG working group for the consolidation of our approach and co-ordination of day-to-day activities. AJBAM is represented in this working group, and is therefore fundamental in the Group's wider approach to ESG. In addition to the ESG working group, climate-related risks and opportunities relevant to AJBAM are governed in line with the Group's risk management framework, further details of which can be found on pages 58-60 of the annual report. In addition to climate-related risks, we recognise that there are broader sustainability risks and opportunities, such as environmental, social, and governance (ESG) factors that must be considered when developing our investment strategies.

Given our investment approach, we consider these factors within the selection process of funds that make up our investment propositions. We believe that it is vital to gain a detailed understanding of a fund, and how it invests behind the scenes, before it makes it through the selection process. Our rigorous research process looks at not just the management and performance of the individual fund, but also the firm's philosophy and approach to ESG.



5. Strategy

5.1 Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term

5.2 Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning

5.3 Broader sustainability risks and opportunities, and the impact on products

There are two major categories of climate-related risks that all companies face: physical risk (such as an increased frequency of extreme weather) and transitional risk (such as policy and regulation changes).

Physical risk

Physical risks are caused by changes in the climate and can be event driven (acute), through the increased frequency and severity of extreme weather events such as hurricanes or floods, or result from longer-term shifts in climate patterns (chronic) such as rising sea levels or chronic heat waves

Transitional risk

Transitional risks are caused by the adjustment towards a net zero economy, which will involve significant changes to policy, technology, law, and investor and consumer attitudes

Both physical and transitional risks have an impact on the wider environment, our investment landscape, and in turn our investments. Although we deem the impact of physical risk on our operations to be relatively low, we're aware that these risks can impact the underlying companies of our investments. Additionally, we are exposed to transitional risk through changes in attitudes and regulatory change. Alongside the risks, we consider the climate-related opportunities available to us by embracing migration towards a more climate-focused environment, as well as working to manage climate risks.

We have summarised each of the climate-related risks identified below, including the potential impact of these risks, and our strategic response.

| Risk | Definition | Potential impact | Strategic response |
|--|--|--|--|
| Reputational (Transitional) | The risk that customers are unhappy with the level of responsible investment options, or that the ones available are inadequate. | Customers direct capital to alternative providers. | <p>We provide a responsible managed portfolio service (MPS) range and a Responsible Screened Growth Fund which aim to track the MSCI indices. Both of which we believe offer core benefits to a sustainability-focused investor, and are regularly monitored to ensure they continue to deliver good customer outcomes.</p> <p>All investment literature is reviewed to ensure it complies with regulations, such as the anti-greenwashing rule.</p> |
| Market (Transitional) | The risk that climate change or the transition to a lower-carbon economy negatively impacts the global economy, and therefore the value of our investment solutions. | Solutions with exposure to climate-related risks could face reductions in value, impacting customer returns. | <p>We offer responsible investment solutions with ESG-specific considerations.</p> <p>Market (Transitional) The risk that climate change or the transition to a lower-carbon economy negatively impacts the global economy, and therefore the value of our investment solutions. Solutions with exposure to climate-related risks could face reductions in value, impacting customer returns. We offer responsible investment solutions with ESG-specific considerations.</p> <p>We maintain discretionary management decisions across our solutions, and are therefore equipped to respond to market changes.</p> |
| Policy, legal and regulatory (Transitional) | The risk that there is a need to comply with increasing legal, regulatory, and disclosure obligations. | <p>Tightening climate regulations could negatively impact underlying companies held in our portfolios, especially in carbon-intense industries such as energy and utilities, and potentially reduce the investment universe.</p> <p>Increased regulatory and disclosure requirements could increase reporting costs.</p> | <p>The AJBAM team has a wide-breadth of knowledge and experience, as well as relevant forums in place to adapt our asset allocation in line with a changing regulatory environment.</p> <p>Our Risk and Compliance functions conduct regular horizon scanning and review regulatory publications on an ongoing basis.</p> |
| Acute and chronic (Physical) | The risk of longer-term changes in climate patterns such as flooding, extreme weather and higher temperatures impacting our operations. | Increased risk to the business due to risk of flooding at our offices or reduced employee productivity. | Our hybrid working model provides operational resilience to the potential impact of flooding at our offices. |

As previously mentioned, for our 'Responsible' range of products we have specifically integrated climate-related risks and ESG factors within the implementation of active asset allocation decision making, where we can. This involves the adoption of a rules-based methodology in the form of a series of MSCI Socially Responsible Indices (MSCI SRI). The methodology aims to be sector- and region-neutral through the index construction process, employing a negative screening approach to firms conducting certain activities that do not meet specific ESG criteria. These include UN Global Compact violators, companies deemed to have high controversy scores (according to MSCI) and any company with material exposure to a number of business areas, such as tobacco, alcohol, weapons, oil and gas extraction / fossil fuel reserves, GMO, or adult entertainment.

The methodology also employs a 'best in class' approach – i.e. picking the best ESG focused companies within sectors, as scored by MSCI's own proprietary criteria.

The Responsible Screened Growth Fund and Responsible MPS range will predominately select from a universe of products (i.e. other mutual funds / ETFs) that are managed within the MSCI SRI methodology. In response to the growing importance of ESG in the industry and the risks associated with it, AJBAM has applied to become a United Nations Principles of Responsible Investing (UNPRI) signatory. This will result in us further integrating ESG issues into investment analysis and decision-making processes, incorporating them into our ownership policies and practices, and seeking appropriate disclosures on ESG issues by the entities in which we invest.

The SDR labelling regime provided us with the opportunity to clearly define the adopted approach of our responsible products to investors. Although we did not pursue a label for our Responsible Screened Growth Fund, launched in 2020, we adjusted the investment objective of the Fund, altered the naming convention, and produced a public-facing disclosure document². We continue to monitor changing client needs and demand, and retain discretion to act accordingly to enhance our product offering to benefit the end investor.

Our ongoing response to climate-related risks and opportunities ultimately supports long-term brand value for AJBAM and a strengthening reputation.

5.4 Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

To help inform the assessment of the identified climate-related risks and opportunities, we have considered their potential impacts under different transition pathways using climate-related scenario analysis. These scenarios are not predictions of climate-related outcomes but are used as hypothetical scenarios to aid our understanding of the impact that climate change could have on our business.

We selected four scenarios based on those constructed by the Network for Greening the Financial System (NGFS) (Phase IV). Many central banks, including the Bank of England, carry out assessments based on NGFS scenarios. We have intentionally selected four complementary scenarios, structured around distinct pillars, to provide a robust and holistic assessment of our climate-related financial exposure.

Climate Value-at-Risk (VaR) provides a forward-looking and returns-based valuation assessment that measures climate-related risks and opportunities under climate change scenarios. It estimates the potential financial loss or gain from the underlying investments as a result of climate change. As part of this, we have measured the potential impact of the following scenarios³.

Scenarios

Policy Climate VaR isolates transition risk and measures the potential impact of climate-related policy and regulatory changes on AJBAM products.

Technology Opportunities Climate VaR measures the upside technology opportunity exposure, expressed as a percentage of the portfolio’s market value.

Physical Risk Climate VaR captures the variance driven by the physical impacts of climate change on AJBAM. It highlights the expected downside or upside potential, expressed as a percentage of the fund’s market value, assuming trends in extreme climate conditions, and is broken down by acute and chronic risks.

| | Portfolio |
|---------------------------------------|-----------|
| Aggregate Climate VaR (Value at Risk) | -4.6% |
| Policy Climate VaR | -2.6% |
| Technology Opportunities Climate VaR | 0.2% |
| Physical Risk Climate VaR | -2.2% |

| | 2°C NGFS Orderly | 1.5°C REMIND NGFS Orderly | 1.5°C REMIND NGFS Disorderly | 2°C REMIND NGFS Orderly | 3°C REMIND NGFS NDC |
|--------------------------------------|------------------|---------------------------|------------------------------|-------------------------|---------------------|
| | Portfolio | Portfolio | Portfolio | Portfolio | Portfolio |
| Policy Climate Var (Scope 1,2,3) | -2.6% | -14.3% | -14.4% | -2.6% | -4.1% |
| Technology Opportunities Climate VaR | 0.2% | 1.5% | 1.9% | 0.2% | 0.4% |
| Physical Risk Climate VaR Aggressive | -2.2% | -1.3% | -1.3% | -2.2% | -3.2% |
| Aggregated Climate VaR | -4.6% | -14.0% | -13.9% | -4.6% | -6.8% |

² doc.morningstar.com/document/6338fa30daf31b1fea42ac629eb15bf6.msdoc/?key=e33ffc7c69edde8eb9cc33e90c47cccaca9c6eb3a0f372

³ Source: MSCI 2026

Climate VaR Portfolio Coverage Summary

| | Portfolio |
|--------------------------------------|-----------|
| Policy Climate VaR (Scope 1,2,3) | 74.8% |
| Technology Opportunities Climate VaR | 66.9% |
| Physical Risk Climate VaR | 74.4% |

Physical Climate Risk

| | Portfolio |
|---------------------------------|-----------|
| Tropical Cyclones | -0.4% |
| Coastal Flooding | -0.6% |
| Extreme Heat | -1.1% |
| Extreme Cold | 0.3% |
| Precipitation | -0.3% |
| Extreme Snowfall | 0.0% |
| Extreme Wind | -0.1% |
| Fluvial Flooding | -0.1% |
| River Low Flow | -1.0% |
| Wildfire | 0.0% |
| Aggregated Physical Climate VaR | -2.2% |

Portfolio Temperature Alignment

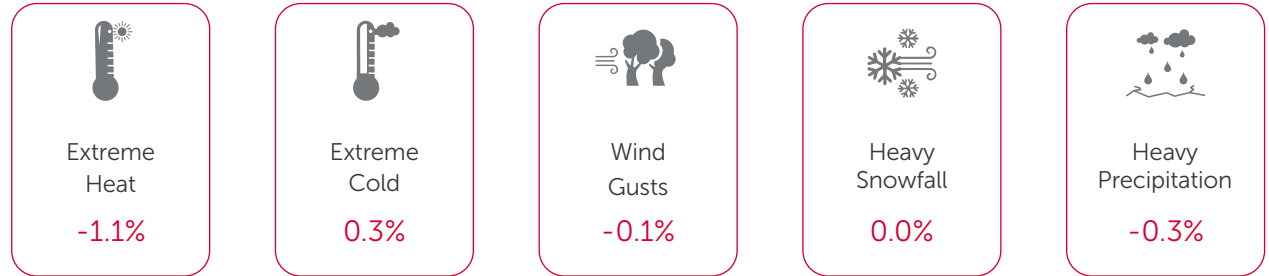
MSCI Implied Temperature Rise

| | Portfolio |
|-----------------------------------|-----------|
| Implied Temperature Rise | 2.6°C |
| Implied Temperature Rise Coverage | 81.2% |

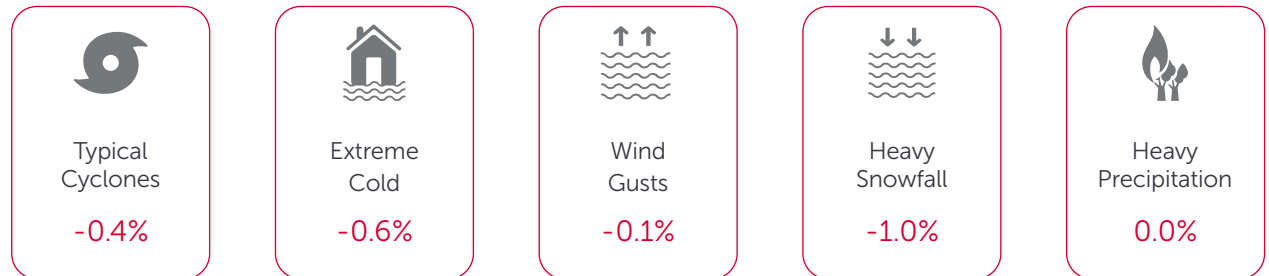
Physical Climate Value at Risk Detail

Selected Scenario: Aggressive

Chronic Risks (0.5° global grid)



Acute Risk (high-res)



Aggregate Physical Climate VaR

-2.2%

⁴ Source: MSCI 2026

⁵ Source: MSCI 2026

6. Risk management

6.1 Describe the organisation's processes for identifying and assessing climate-related risks

6.2 Describe the organisation's process for managing climate-related risks

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

AJBAM recognises that climate-related risks pose a significant impact to both our business and the wider economy, and we continually evolve our processes in line with this. As a fund of funds manager, our approach to ESG is also through this indirect lens, compared to a more active, direct holding approach. We rely on MSCI as our external data source to provide climate metrics in relation to our organisation and products.

AJBAM screens investments before they are added to our 'Responsible' products to ensure they are consistent with our definition of responsible investment, as described previously.

As a broad undertaking across the portfolios that we manage, it is our policy to only invest in products offered by managers who comply with the principles outlined in the UK Stewardship Code, or equivalent, or who can provide a robust explanation as to why they do not comply.

This framework facilitates a structured and consistent approach for the identification and assessment of climate-related risks across portfolios, leveraging third-party data, manager due diligence, and ongoing monitoring to inform investment decision-making and risk oversight.

Throughout the year we regularly engage with the various external fund managers that we hold within our product range, part of which includes assessing any climate-related risks that may arise and could impact our ongoing investment in the underlying funds.

The committees referenced above also provide an additional layer of oversight; their monitoring of investment constraints through the IC and AAF, alongside operational risk oversight via the DRF, further enhances the identification and assessment of climate-related risks.

In addition to our approach to risk management above, the wider group risk management framework provides a high-level oversight to manage key climate-related risks. As well as promoting a strong 'tone from the top', risk management is an integral part of every area of the business and is embedded within all aspects of AJBAM's activities. Further details on our Group's Risk Management Framework can be found in our [annual report](#).

⁶ Source: MSCI 2026

7. Metrics and targets

7.1 Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

Climate-related risk remains an integral consideration within our overall Group risk management strategy. We also recognise our obligations in relation to climate-related reporting and disclosures, in addition to the demand from customers and advisers to obtain access to sustainable investment options.

Our climate-related metrics focus on the impact our business activities have on the environment. Details on the impact of our operations at the AJ Bell Group level can be found in the Group's TCFD report. The impact on the environment through AJBAM's discretionary management investment solutions is measured, and we report the carbon footprint and weighted average carbon intensity (WACI) of our discretionary AUM.

We utilise the WACI and carbon footprint as the key metrics for measuring the impact of our AJBAM Funds and MPS on the environment. We use these metrics as they represent our portfolios' exposure to carbon-intensive companies. WACI provides information on the level of Scope 1 and 2 emissions within our Funds and MPS per million US dollars of revenue that is generated by the underlying entities. Carbon footprint represents the share of Scope 1 and 2 emissions generated by underlying holdings per million US dollars that is invested in our Funds and MPS.

At this time, Scope 3 emissions are excluded from our calculations as available data does not yet provide sufficient accuracy or completeness. We are actively improving our data sources and intend to incorporate Scope 3 emissions into our reporting framework as these improvements materialise.

7.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks

Our investments' emissions data as at 31 December 2025. Individual fund-level data can be found in the product-level TCFD reports produced by our Authorised Corporate Director, Carne Group.

| Product | Carbon intensity (Scope 1 & 2) (Tonnes per \$m AUM) | AUM coverage – carbon intensity (%) |
|---------------|--|--|
| AJ Bell Funds | 49.45 | 88% |
| MPS | 49.67 | 78% |

| Product | WACI (Scope 1 & 2) (Tonnes per \$m revenue) | AUM coverage – carbon intensity (%) |
|---------------|--|--|
| AJ Bell Funds | 105.00 | 88% |
| MPS | 114.49 | 78% |

Access to reliable climate-related data covering all underlying holdings is an industry-wide challenge. In calculating our footprint and WACI, we currently have some gaps, such as emissions from sovereign bonds. Therefore we have reported a coverage percentage which represents the proportion of total assets within our Funds and MPS for which we have sourced the required data, and which are included within our calculation. We will continue to monitor industry-wide developments for an aligned approach to quantifying sovereign bonds' financed emissions. Going forwards, we aim to continue to increase the coverage of our financed emissions reporting through improvements to our data collection process.

8. Data methodology and limitations

We have defined our methodology in line with the Partnership for Carbon Accounting Financials (PCAF), the global emissions standard for the financial industry as recommended by the TCFD supplemental guidance for asset managers. In line with the standard, we have performed our calculation using the enterprise value including cash (EVIC) methodology.

We have sourced the relevant emissions data at the fund level from MSCI One, aligned to the way in which our Funds are managed. MSCI collects reported emissions data once per year from the most recent corporate sources. When companies do not disclose data, or where an underlying equity's emissions are not aligned with GHG Protocol framework or do not represent emissions across all its geographies and operations, MSCI ESG Research uses proprietary Scope 1 and 2 carbon emissions estimation models to derive the data. Due to the volume of data, it is not practical to undertake an independent verification of MSCI's data. We have therefore placed reliance on the accuracy of data provided by MSCI for the purposes of the calculation.

The calculation is based on our portfolio asset allocation as at 31 December 2025. Due to data limitations, where we have gaps, we reweight our portfolio to 100%.

Investments' net zero

AJBAM doesn't set specific carbon emissions reduction targets, however as a firm which focuses on constructing portfolios to maximise long-term risk-adjusted returns for clients, we recognise the important role the financial services sector can have in creating a more sustainable economy.

Therefore, we will continue to measure the climate impact of our investments, as well as monitor the development of net zero standards for financial institutions, and seek to understand the impact of net zero on our investments business as the business continues to grow. In doing so, if we identify a carbon emissions reduction framework that further enhances our risk management and helps to meet our clients' climate-related goals, we will explore the opportunity to integrate it into our investment framework.

⁷ AJBAM_Voting_Stewardship_Policy.pdf

9. Products and assets under management

AJBAM manages a range of nine multi-asset funds including the Responsible Screened Growth Fund.

We also offer a range of MPS portfolios across a broad risk spectrum, range of investment objectives (such as growth, income and tax efficiency), and implementation styles (such as passive, active, blended ('pactive') and responsible). A split between our Funds and MPS Assets Under Management (AUM) as at 31 December 2025 can be found below:

| AJ Bell MPS total AUM | AJ Bell Funds total AUM |
|-----------------------|-------------------------|
| £4.2bn | £5.3bn |

The FCA's Sustainability Disclosure Requirements (SDR), introduced through Policy Statement PS23/16 and coming into effect from late 2024, represented a significant shift in the regulatory landscape for UK-domiciled funds making sustainability-related claims. With the regulations aiming to improve transparency in sustainable investment products and reduce greenwashing, one of our funds, the CG AJ Bell Responsible Screened Growth Fund, was impacted. As this fund does not seek to achieve a specific sustainability goal or objective, it does not have one of the four introduced SDR labels. However, as SDR requires non-labelled products with sustainability characteristics to meet enhanced naming and marketing requirements, the Responsible Screened Growth Fund underwent a name change and alteration to its investment objective in December 2024. More detail can be found in our [sustainability disclosure](#).

10. Stewardship

As a fund of funds manager we are effectively one step removed from the direct ownership of underlying companies, limiting our direct engagement with them, including on climate and sustainability matters.

We do incorporate general information from the managers whose products we use within our research process. A minimum requirement for consideration is for those managers to be signatories to the UK Stewardship Code (or equivalent), or provide a compelling reason for not being so. Further details on our approach can be found in our Voting and Stewardship Policy⁷.