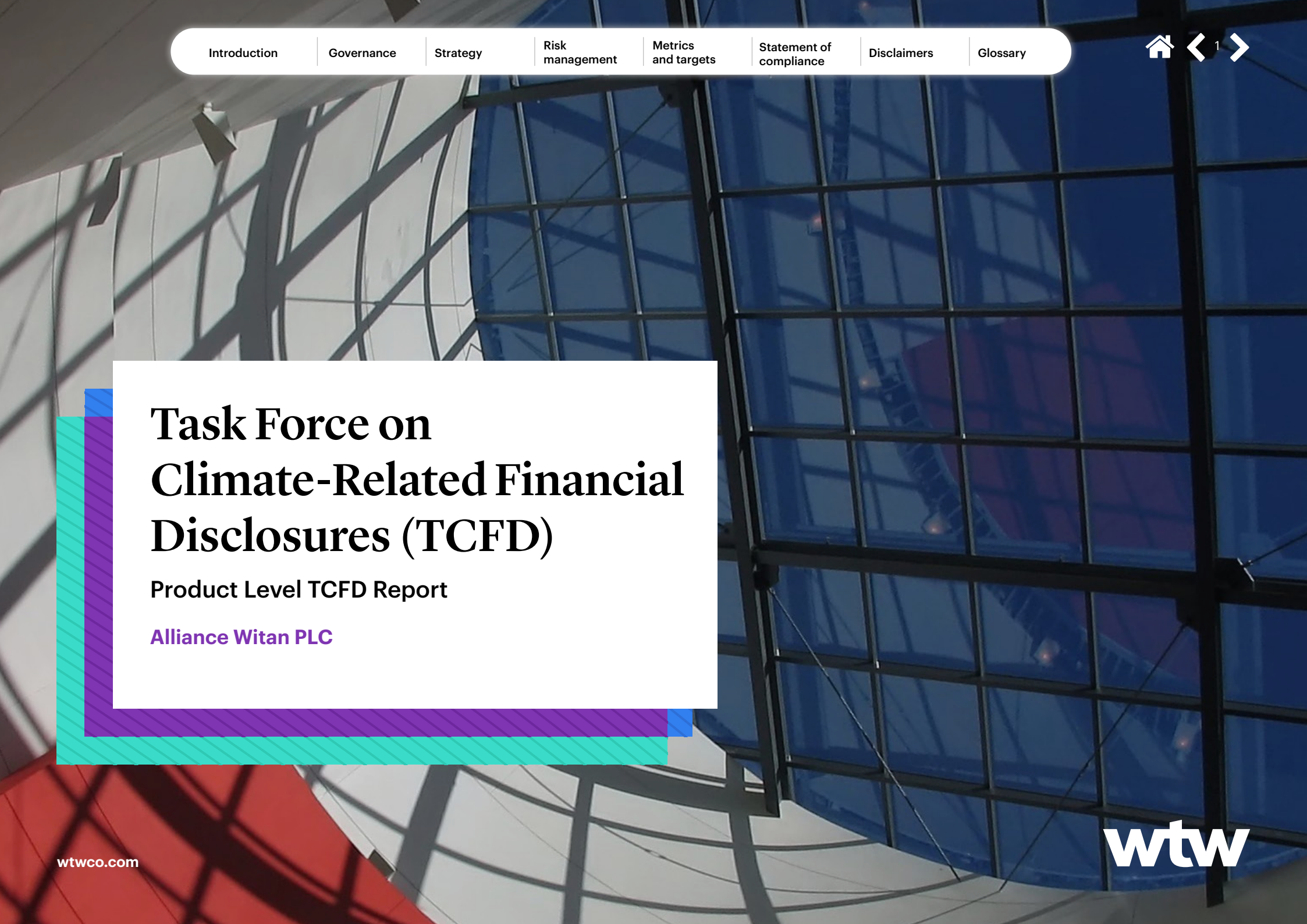

Task Force on Climate-Related Financial Disclosures (TCFD)

Product Level TCFD Report

Alliance Witan PLC

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Introduction

This Report is published by Towers Watson Investment Management Limited[1] ('TWIM' or 'we') in compliance with the product level disclosure requirements set out in Chapter 2 of the Financial Conduct Authority's Environmental, Social and Governance ('ESG') Sourcebook and consistent with the recommendations of the Task Force on Climate-Related Financial Disclosures ('TCFD') for the reporting period 1 January 2025 to 31 December 2025 (the 'Report').

Alliance Witan PLC (the "Company" or "ALW") is a publicly traded investment company, with investment trust status, listed on the London Stock Exchange that trades as ALW. ALW is an Alternative Investment Fund ('AIF') under the Alternative Investment Fund Managers Directive ('UK AIFMD').

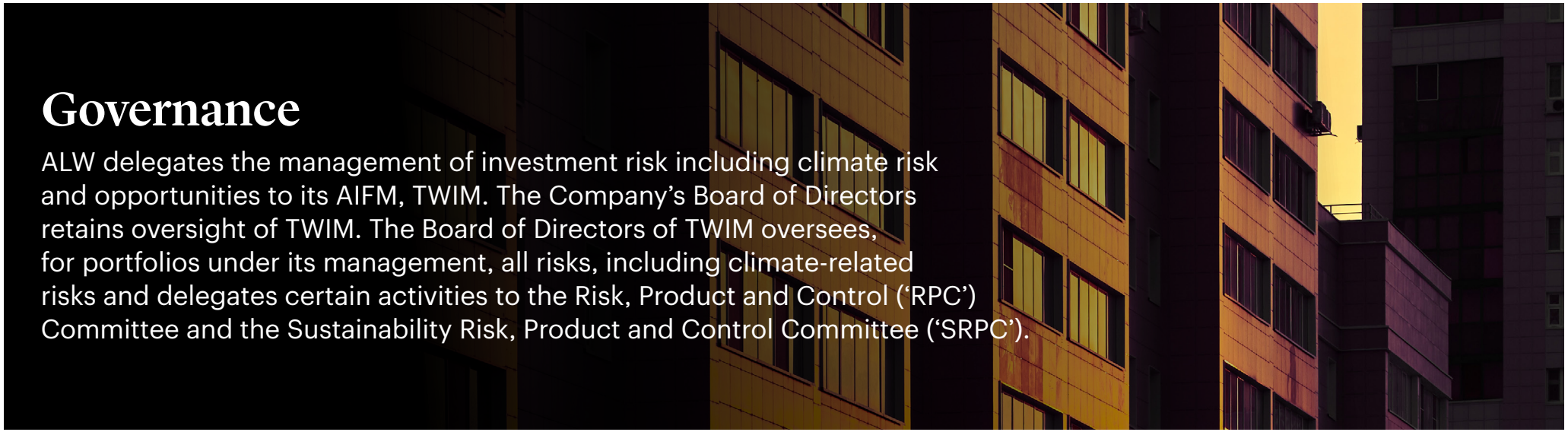
The Company has appointed TWIM as the Company's Alternative Investment Fund Manager ('AIFM'). TWIM is authorised and regulated by the Financial Conduct Authority ('FCA') and is a wholly owned subsidiary of Willis Towers Watson Public Limited Company ('WTW'), a United States ('U.S.') listed global leader in financial services solutions.

ALW's objective is to be a core investment for investors that delivers a real return over the long-term through a combination of capital growth and a rising dividend. ALW invests primarily in global equities across a wide range of different sectors and industries to achieve its objective.

Through its investment manager, TWIM, ALW appoints several third-party investment managers ('Stock Pickers') with different styles and approaches, each of whom select and invest in stocks for the Company's investment portfolio. The Company also holds some legacy investment trust and private equity assets. These represent less than 2% of Net Assets and will be liquidated over time, as such they have not been included in the analysis contained in this Report.

This Report should be read in conjunction with the TWIM 2025 Entity Level TCFD Report located on the WTW Investments webpage. The ALW 2025 Product Level TCFD Report sets out the approach ALW and its AIFM take to address climate-related risks and opportunities within the ALW portfolio. The TWIM 2025 Entity Level TCFD Report details the governance, oversight and management of climate-related risks and opportunities on a firm-wide basis by TWIM.

1. Company number: **05534464**. Registered office address: **Watson House, London Road, Reigate, Surrey, RH2 9PQ**.



Governance

ALW delegates the management of investment risk including climate risk and opportunities to its AIFM, TWIM. The Company's Board of Directors retains oversight of TWIM. The Board of Directors of TWIM oversees, for portfolios under its management, all risks, including climate-related risks and delegates certain activities to the Risk, Product and Control ('RPC') Committee and the Sustainability Risk, Product and Control Committee ('SRPC').

The operations and business activities of TWIM are also overseen and governed by the WTW Investments Global Leadership Team ('GLT'), with some sustainability-related responsibilities delegated to the Sustainability Leadership team.

The ALW Board of Directors maintains oversight of TWIM's management of climate risk through periodic reporting, including TWIM's quarterly 'Responsible Investment' and 'Risk Management' reporting. Climate risks are formally captured as part of Investment Performance Risks within ALW's risk register which is maintained and reviewed by the ALW Board. For more information, please refer to the "How We Manage Our Risks" section of the Company's Annual Report on its website.

The ALW Board of Directors receives periodic updates on the status of environmental issues from TWIM, including updates on the evolving regulatory landscape and on the progress made against goals and ongoing action items. In 2024, with the TCFD reporting requirements coming into effect, the ALW Board received training on climate risks and opportunities, with specific focus on the TCFD regulations and requirements. In 2025, a working group was set up to review the Company's approach to Responsible Investment. To find out more please refer to the Company's ESG Policy on its website.

➔ TWIM manages the climate-related risks and opportunities in the Company's portfolio. For further information, please see the TWIM 2025 Entity Level TCFD Report.

TWIM's Alliance Witan Investment Committee ('IC') is responsible for selecting, appointing and managing the Stock Pickers and the stewardship services provider[1], portfolio construction and risk management (including climate-related risks). The IC has full look-through into individual holdings within the Company's portfolio, allowing them to review climate risks and opportunities at a stock, sector, region, portfolio or Stock Picker level. Financially material climate-related risks and opportunities within the Company's portfolio are evaluated by the IC using several tools. These tools incorporate internal and external ESG data sources and stewardship level data from the appointed stewardship services provider and Stock Pickers. The IC assesses and monitors how existing or potential Stock Pickers integrate climate considerations into their investment decisions as well as how they address stewardship (both voting and engagement) on the topic, in the context of what TWIM considers to be best practice.

1. To boost the stewardship efforts of the Stock Pickers, TWIM has appointed a Stewardship Service Provider.

In addition to the work undertaken by the IC, the TWIM Risk team reviews the Company's exposure to climate-related risks and other financially material ESG factors on a periodic basis and challenges the IC if concerns arise.

While each Stock Picker invests in accordance with its own investment philosophy, considering the factors that they believe may have meaningful impact on the performance of an investee company, each Stock Picker is expected to have a demonstrable process in place that identifies and assesses material ESG factors including climate risks and opportunities. This is one of the many elements considered as part of TWIM's extensive due diligence process on the Stock Pickers, including through quantitative data collection and qualitative assessment.

TWIM acts as a long-term steward of capital. The stewardship responsibilities are carried out on a day-to-day basis by the Stock Pickers and the stewardship services provider, with oversight from TWIM and engagement if appropriate. Stock Pickers are responsible for proxy-voting all shares they hold and engaging with companies. The stewardship services provider provides additional engagement activity with the investee companies on important ESG topics, including climate risks. Further, the stewardship service provider may provide proxy voting research to the Stock Pickers.

➔ For further information, please refer to the TWIM 2025 Entity Level TCFD Report.

Strategy

As a long-term focused investor, TWIM recognises that climate change presents financially material risks and opportunities for the businesses we invest in.

Climate change presents a broad spectrum of risk and opportunity. These risks could materialise over differing time horizons. WTW evaluates climate risks over the short, medium and long-term horizons. The time horizons are reviewed and updated when necessary.

In this section, we outline transition risk, physical risk and measures for mitigating these, as well as climate-related opportunities. The key findings from the scenario analysis are also outlined below. As long-term investors TWIM's focus is often on impacts associated with a longer-term time horizon (generally greater than 5 years). TWIM also recognises that the shocks outlined below could be larger (or smaller) and may well be priced in during a shorter time horizon. As such, TWIM analyses the Company's portfolio using several metrics and time horizon lenses.

The key climate-related risks and opportunities to the Company's portfolio which could have a material financial impact on the investments held within the portfolio over the short (0–1 years), medium (1–5 years) and long-term (5+ years) include:

Transition risk (including regulatory risks)

These relate to reputational, policy and legal, market and economic or operational risks associated with the transition to a lower-carbon economy and have a potential to materialise in a short to mid-term time horizon. Some companies and sectors may become obsolete as consumer preferences shift and regulations come into line with a low carbon transition, while others may undergo major and disruptive transformations and others still may emerge as key beneficiaries. Although many companies across a variety of sectors are likely to be impacted, some sectors such as energy, utilities, industrials or materials may be more impacted by transition risks. Examples of companies with higher transition risks within the Company's portfolio as of 31 December 2025 include TotalEnergies, Shell and Petrobras in the Energy sector. These companies may be exposed to what is known as "stranded assets" risk, which is the potential for some physical/natural assets to become obsolete and worthless ('stranded') due to regulatory, market or technological forces arising from a low-carbon transition.

The potential direct effects of policy actions on operations of companies, but also the potential second and third order effects on their supply and distribution chains can also have meaningful financial impacts. The Company's holdings as at 31 December 2025 exposed to transition risk linked to their operations also include materials sector companies Heidelberg Materials and JSW Steel, utilities such as Algonquin Power and Utilities Corp and NRG Energy and industrials such as Aercap, Airbus, Ryanair and Canadian Pacific Kansas City.

Policy and government intervention potentially increasing to drive action, including increasing disclosure requirements, lead to heightened regulatory, reputational, financial and legal risks for companies and investors. Against the backdrop of an evolving geopolitical landscape, delays in the implementation of appropriate regulations and policies and divergence of approach across regions and sectors can also lead to higher transition risks under a delayed scenario. Alternatively, a lack of sufficient action to transition to a low carbon economy will likely lead to increased physical risk.

Physical risk

These risks are expected to be mid to longer-term in nature but could materialise in the shorter term. They are also expected to transpire through the effects of climate change-related weather and other natural events on the businesses of invested companies held in the Company's portfolio.

Chronic warming and extreme weather could impact physical assets owned by these companies and, therefore, climate resilience will be key and may require investment. Physical risks are likely to have a more significant impact on the Company's portfolio in the Hot House World scenario given the potential for more severe weather and natural event outcomes impacting operations, infrastructure, company assets, supply chains etc.

Mitigation of climate transition and physical risks

Some measures can be taken to help manage the exposure to climate transition and physical risks within the Company's portfolio, including:

- Maintain climate resiliency and management as focus for internal governance structures and relevant Committees
- Monitoring of the Company's portfolio for material transition and physical risks, as well as other portfolio climate-related metrics and evaluate need for portfolio construction adjustments
- Improving metrics and scenario analysis used to measure climate-related risks within the Company's portfolio
- Engagement by TWIM with individual Stock Pickers on the topic of climate risk management and ongoing monitoring of their processes to ensure they evolve with best practice
- Engagement by Stock Pickers and the stewardship services provider with underlying companies to steer those companies towards better practices and help manage climate-related risks
- Engagement by the stewardship services provider and TWIM with regulators, policy makers and industry bodies etc. on climate risk management both individually and through industry efforts

Climate-related opportunities

Efforts to mitigate and adapt to climate change also offer opportunities for some companies in areas such as resource efficiencies and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets and building resilience along the supply chain. Some holdings within the Company's portfolio as of 31 December 2025, that might benefit from the move to a decarbonised world, include 'SAP' (a provider of enterprise application software), who help customers become more sustainable by building long-term strategies around climate, resources and people; powering businesses and their value chains with sustainable practices[1], Kubota, a Japanese multinational corporation, focused on the manufacturing of a wide range of products and technologies to provide solutions in the areas of food, water and the environment and Andritz, an Austrian industrials company which specialises in environmental solutions including renewable fuels, air pollution control technologies and wastewater treatment plants. Companies such as Microsoft and Nvidia could also benefit given their focus on products that assist in the reduction of energy consumption via IT optimisation services and infrastructure and cloud services.

1. https://www.sap.com/products/sustainability/our-approach.html

Climate scenario analysis

Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and are not designed to deliver precise forecasts. Instead, they provide a structured framework to explore how portfolios may be impacted under different combinations of climate-related risks.

In the context of climate change, scenario analysis supports an understanding of how transition risks (arising from the shift to a low carbon economy) and physical risks (arising from climate-related hazards and broader economic impacts) may affect investee companies' business models, strategies and financial performance over time.

Scenario analysis may be:

01 **Qualitative, based on narrative pathways**

02 **Quantitative, based on modelling and data; or**

03 **A combination of both, as applied in this analysis**

The scenarios used are internally consistent, based on explicit assumptions and aligned with widely used industry frameworks, including those developed by the Network for Greening the Financial System (NGFS), with proprietary enhancements.

The purpose of this analysis is not only to assess climate-related risks, but also to support investment decision-making, including portfolio construction, stewardship priorities and risk management actions.

The climate scenario framework has been updated across 2025 to improve its relevance for investment decision-making. Key enhancements include:

01 Improved transition risk assessment, incorporating financial impacts of transition-related policy, technology, consumer behaviour and market shifts with improved granularity

02 Enhanced physical risk modelling, incorporating macroeconomic impacts, in addition to direct asset-level damage

03 Explicit consideration of tail risks, including the potential impact of climate tipping points through more severe outcomes in higher-warming scenarios

We believe these enhancements result in a more comprehensive representation of climate-related financial risks.

Table 1. **Scenarios**

Scenario	Narrative	Temp rise	Physical risk	Transition risk
Net Zero 2050 (1.5°C)	A more ambitious immediate action scenario where more aggressive co-ordinated policy is pursued immediately across all sectors. Faster technological shifts are achieved across power, transport, buildings and industry, with Carbon Dioxide Removal (CDR) used at scale to remove excess emissions due to stringent carbon budget. More drastic socioeconomic change is needed to limit resource consumption to sustainable levels.	1.5°C	Low to medium	High
Below 2°C	Globally co-ordinated climate policies are introduced immediately and low-carbon technology is deployed more rapidly, becoming gradually more stringent over time. Companies and consumers take the majority of actions available to capture opportunities to reduce emissions, with fossil fuels declining in a managed way and renewables, grids and electrification scaling rapidly and the use of CDR technologies is moderate.	1.8°C	Medium	Medium
Delayed Below 2°C	Delays in taking meaningful policy action result in a rapid policy shift around 2030. Policies are implemented in a somewhat but not completely co-ordinated manner resulting in a more disorderly transition to a low carbon economy, with a compressed adjustment period and higher stranded-asset and execution risks.	1.8°C	Medium	Medium
Business as Usual (BAU)	A "business as usual" outcome where policies, low-carbon technology and socioeconomic shifts follow their current trajectory, with no acceleration to incentivise further emissions reductions. Ongoing technology transitions continue, particularly in sectors such as electric vehicles and renewable power, but fossil fuels remain a core part of the energy system for decades and socioeconomic trends do not shift markedly from historical patterns.	2.4–3.0°C	High	Low (assume priced in)
Hot House World	The world follows delayed transition pathway, with rapid policy shift around 2030, however warming significantly exceeds 2°C due to a lower than expected remaining carbon budget and/or the impact of climate tipping points. Physical risks are higher than the average represented in BAU, at the high end (95th percentile) of the modelled range and with more significant impacts on global GDP.	3.0°C	Very high	Medium

➔ For further information on scenarios and their analysis, please refer to Section 6: Scenario analysis in the TWIM 2025 Entity Level TCFD Report.

Source: WTW building on NGFS

Climate Value at Risk
Climate Value at Risk ('CVaR') is a forward-looking measure of the exposure of a portfolio to climate risks and is based on analysis of the impact of climate physical and transition risks on individual companies, by considering a wide range of underlying climate-related issues that are expected to influence the drivers of company cashflows.

The resulting CVaR figures for the Company's portfolio under each of the scenarios considered are set out in the tables (Table 2 and Table 3). This can be thought of as the potential impact on the Company's portfolio if markets were to immediately price in the expected impact of physical and transition risks under each of the scenarios. We recognise the uncertainty in the underlying assumptions.

➔ For further information, please refer to the TWIM 2025 Entity Level TCFD Report.

Table 2. **CVaR under climate scenarios (%)**

Scenario	CVaR (% of portfolio)		
	Physical Risk	Transition Risk	Total
Net Zero 2050 (1.5°C)	–5.5%	–5.4%	–10.9%
Below 2°C	–10.3%	–3.0%	–13.3%
Delayed Below 2°C	–10.8%	–3.7%	–14.5%
Business as Usual (BAU)	–21.2%	0.0%	–21.2%
Hot House World	–38.1%	–3.7%	–41.8%

Source: WTW modelling based on proprietary, MSCI and NGFS data

Table 3. **CVaR under climate scenarios ($M)**

Scenario	CVaR ($M)		
	Physical Risk	Transition Risk	Total
Net Zero 2050 (1.5°C)	–397	–388	–785
Below 2°C	–744	–219	–964
Delayed Below 2°C	–780	–268	–1,048
Business as Usual (BAU)	–1,529	0	–1,529
Hot House World	–2,748	–268	–3,017

Source: WTW modelling based on proprietary, MSCI and NGFS data

The figures above are based on a portfolio size $7,218m at 31 December 2025. Figures shown are subject to rounding.

The scenario analysis incorporates the increasing relevance of climate tipping points while recognising the limitations in modelling them precisely.

01 The impacts of physical risk (both company specific and macroeconomic) are represented based on the average modelled outcome within each scenario except the Hot House World scenario.

02 The potential adverse impacts of tipping points and tail risks are represented in the Hot House World scenario through the temperature rise reaching 3°C, despite delayed transition pathway, and through showing the 95th percentile worst modelled outcome. So in this scenario we are showing more extreme, but plausible, impacts rather than central estimates.

03 Physical risk outcomes are subject to significant uncertainty and may be non-linear.

Scenario outputs should be interpreted as stress tests rather than forecasts and are used directionally to inform risk management and investment decision-making.

Climate scenario modelling continues to evolve, and results are subject to ongoing refinement as methodologies and underlying data improve.

Portfolio Alignment

Portfolio Alignment under relevant industry net zero frameworks and guidance

The table shows the distribution of individual issuers in the Company's portfolio according to their alignment with relevant industry net zero frameworks and guidance. The Alignment methodology assesses how well companies align with the goal of achieving net-zero emissions by 2050, consistent with the goals of the Paris Agreement.

Companies are categorized into six groups: Net Zero, Aligned, Aligning, Committed, Not Aligned and No Data. Companies in the Net Zero category have already achieved net-zero emissions. Companies in the Aligned category have emissions reduction strategies consistent with a net-zero by 2050 pathway. Companies in the Aligning category are on a transition path and making progress toward alignment but are not yet fully aligned. Companies in the Committed category have set net-zero or equivalent long-term targets but are not yet demonstrating sufficient progress. Companies in the Not Aligned category have strategies and emissions trajectories that are not consistent with a net-zero pathway.

Table 4. **Alignment category (under the relevant industry net zero frameworks and guidance)**

ALW Alignment	2024	2025
% of Portfolio Net Zero	0%	0%
% of Portfolio Aligned	21%	23%
% of Portfolio Aligning	53%	51%
% of Portfolio Committed	3%	5%
% of Portfolio Not Aligned	20%	18%
% of Portfolio No Data	3%	2%

Source: WTW.

This categorisation helps assess the progress of company investments toward supporting the transition to a low-carbon economy.

In 2025 the percentage of the portfolio classified as Aligned increased from 21% in 2024 to 23% in 2025, while the proportion of Not Aligned companies decreased from 20% to 18% and companies with No Data declined from 3% to 2%. Although the Aligning category decreased slightly from 53% to 51%, it remained the largest portion of the portfolio, indicating that many companies continue to make progress toward net zero alignment. Overall, these shifts indicate some positive progress of company investments in the transition to a low-carbon economy.

Stewardship activities with many of the companies that are not aligned are ongoing, via both our Stock Pickers and the stewardship services provider.

Risk management

In 2021, as part of management of climate-related financial risks, Alliance Trust PLC[1] set a goal to manage the Company's portfolio in a way that supports achieving net zero GHG emissions by 2050.

Our approach is to align the Company's portfolio net zero goal consistently with other financial objectives.

Given the nature of the transition to net zero and the evolving nature of market conditions in which we invest, we expect portfolio metrics will vary over time rather than necessarily showing smooth year-on-year improvements. We believe that the fundamental aspects for long-term financial outcomes are the destination and the overall trajectory, rather than the precise portfolio metric value at every point along the path to achieve the Company's net zero goal.

More broadly, we note that the investment industry has finite influence over global emissions and cannot deliver a system-level net zero outcome in isolation. Achieving a net zero economy and the resulting reductions in financial risks from climate change is therefore also contingent on the long-term actions of other participants, in particular governments and other policymakers.

How we assess and manage climate-related risks

For the investments selected within the Company's portfolio we, through our Stock Pickers and stewardship services provider, actively engage with these companies and use voting rights with the aim of achieving positive financial outcomes and positively influencing their climate change risk strategy.

TWIM integrates the assessment of financially material sustainability risks, including climate risks, into investment management processes alongside other financial metrics. As such, we include consideration of material ESG factors in the selection of our Stock Pickers, who in turn include these factors in their investment processes. The Stock Pickers are responsible for taking financially material sustainability risks into consideration in their investment decisions at the security level and are expected to be good stewards of capital.

We place particular emphasis on engagement to drive change in harmful business practices that may threaten long-term corporate profitability. Therefore, TWIM engages with the Stock Pickers on various issues including sustainability risk and climate risk management. In turn, the Stock Pickers engage with the companies in which they are investing. In addition, the stewardship services provider engages with companies on various topics including sustainability issues to effect change and TWIM is able to engage with the stewardship services provider on engagement priorities.

➔ For more information, please refer to the TWIM 2025 Entity Level TCFD Report.

1. Alliance Trust PLC and Witan Investment Trust PLC combined to form Alliance Witan PLC in October 2024. The Company's net zero goal was set in 2021 prior to the combination however Alliance Witan PLC has maintained the goal.

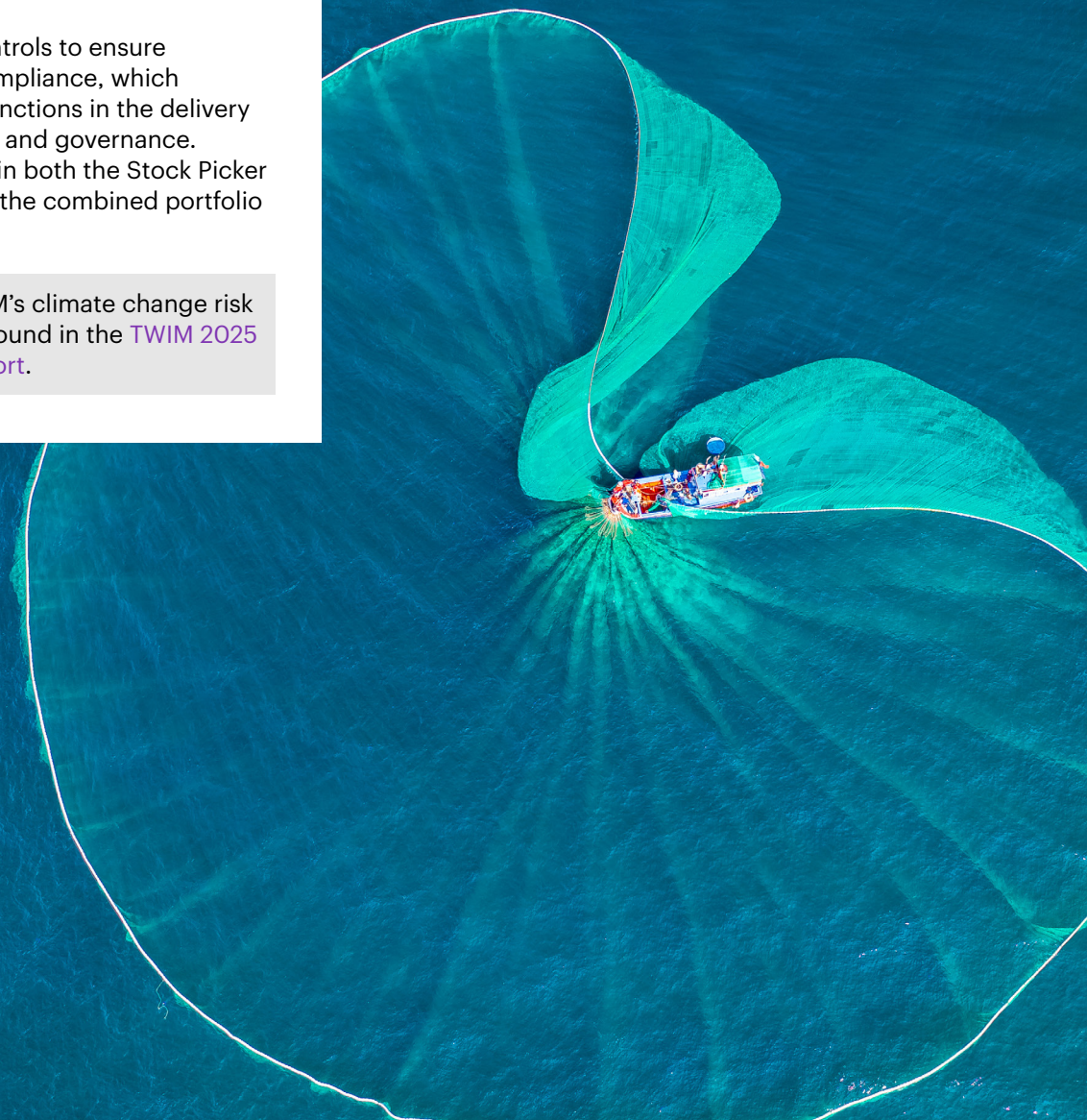
ALW has specific exclusions detailed in its Exclusions Policy agreed between TWIM and the ALW Board. While we would much rather encourage positive change through stewardship and engagement activities, we seek to exclude certain types of stocks from the portfolio that we believe are exposed to significant financially material climate-related risks. For example, in 2021, in conjunction with the ALW Board, we decided to exclude stocks with significant exposure to thermal coal or producing oil from oil sands. We seek to exclude investment in securities issued by companies that:

- Derive more than **25%** of revenues from thermal coal mining or sales to third-parties
- Derive more than **50%** of revenues from thermal coal power generation; or
- Derive more than **25%** of revenue from oil sands extraction

Thermal coal is by far the most carbon-emitting source of energy in the global fuel mix and oil sands are among the most carbon-intensive means of crude oil production. Companies with significant revenue exposure to these activities may be exposed to significant financially material climate-related risks.

TWIM has ESG-specific controls to ensure on-going oversight and compliance, which supports the investment functions in the delivery of strong risk management and governance. This process is embedded in both the Stock Picker due diligence process and the combined portfolio management process.

➔ Further details of TWIM's climate change risk management can be found in the TWIM 2025 Entity Level TCFD Report.



Metrics and targets

Interpretation of climate metrics can be challenging and needs to be done using a holistic approach, looking at a variety of both backward and forward-looking metrics.

Historic carbon emissions are backward looking and so tell us about the past but not the future; scenario analysis and CVaR attempt to tell us about the future but are based on models and assumptions. These metrics are both decision useful and action-oriented, however no one single metric is perfect, a combination helps reduce blind-spots and improve understanding of the climate risks inherent in the portfolio.

Not all companies with high carbon emissions now are "bad", as some are building solutions for a faster decarbonisation. Similarly, companies in industries that are generally considered to be "low carbon", can hide higher climate-related transition risks. A Software company might have a negligible carbon footprint from its operations, however, if it is exposed to a large client base of oil and gas companies, its transition risks could be significant. Whereas an auto manufacturer, with a high current carbon footprint, may have materially lower transition risks if it is increasingly focused on Electric Vehicles. Although the risks inherent in such companies might not be visible if only looking at pure Scope 1 and Scope 2 emission metrics, digging further into metrics such as CVaR or Scope 3 emissions can help identify companies with "hidden" higher climate-related risks, both transition and physical in nature, within their supply chains and subsequently helping to reduce certain blind spots.

It should be noted that climate reporting in the asset management industry continues to evolve, with challenges, including data quality, availability and consistency of methodologies associated with climate reporting. This section represents the metrics for the multi-manager listed equity portion of the ALW portfolio.

Table 5. **Total Emissions, Carbon Footprint and Weighted Average Carbon Intensity (WACI)**

ALW Carbon Profile	2024 data	2025 data	Change	2025 Carbon Data Quality Actual (Proxied)
Scope 1 and 2 Total Emissions (tCO^2e)	285,327	226,649	–21%	98% (0%)
Scope 3 Total Emissions (tCO^2e)	2,962,713	2,629,935	–11%	97% (0%)
Scope 1 and 2 Carbon Footprint (tCO^2e/$M invested)	42	31	–26%	98% (0%)
Scope 3 Carbon Footprint (tCO^2e/$M invested)	436	364	–17%	97% (0%)
Scope 1 and 2 WACI (tCO^2e/$M sales)	107	87	–19%	98% (0%)
Scope 3 WACI (tCO^2e/$M sales)	767	711	–7%	97% (0%)

Source: WTW as at 31 December 2025, using latest available data. 2024 data have been restated to incorporate higher-quality data that became available post-reporting cycle, replacing previous data. This recalculation aims to provide an accurate and consistent historical baseline for assessing climate-related metrics. 'Actual' data quality shown aggregates 'Actual — Reported', 'Actual — Estimated by external asset manager' and 'Actual — Estimated by third-party'.

In 2025 the ALW portfolio saw a decrease in Scope 1 and 2 emissions, falling from 285,237 tCO^2e in 2024 to 226,649 tCO^2e, whilst the carbon footprint per million dollars invested also declined from 42 $tCO^2e/\$M$ to 31 $tCO^2e/\$M$.

The portfolio's Scope 1 and 2 carbon footprint decreased overall during the period, driven primarily by ARGA Investment Management LP being replaced in the portfolio. The decrease in financed emissions outweighed the impact of any new or increased exposures to higher-emitting sectors, resulting in a net decline in both total emissions and carbon intensity metrics.

The portfolio's Scope 3 carbon footprint also decreased over the period, with total Scope 3 emissions falling from 2,962,713 tCO^2e in 2024 to 2,629,935 tCO^2e in 2025 and Scope 3 carbon footprint decreasing from 436 $tCO^2e/\$M$ invested to 364 $tCO^2e/\$M$ invested. The reduction was primarily driven by lower emissions from existing holdings, alongside portfolio rebalancing and reduced exposure to certain higher-emitting companies and sectors. While some holdings experienced moderate increases in emissions, these were more than offset by broader declines across the portfolio, resulting in an overall net decrease in Scope 3 emissions intensity.

The Scope 1 and 2 WACI decreased from 107 $tCO^2e/\$M$ sales in 2024 to 87 $tCO^2e/\$M$ sales in 2025, while Scope 3 WACI also decreased from 767 $tCO^2e/\$M$ sales to 711 $tCO^2e/\$M$ sales.

We continue to monitor progress towards the Company's net zero goal, with engagement from the Stock Pickers and stewardship services provider.

In 2025, the data quality showed some changes compared to 2024. For Scope 1 and 2 carbon footprint, the percentage of data reported directly increased slightly from 97% in 2024 to 98% in 2025, with 2% classified as having no available data. Scope 3 carbon footprint data quality showed no change. For Scope 1 and 2 WACI, the reported data quality increased from 97% to 98%, with 2% classified as having no available data.

Statement of compliance

This statement of compliance is made in accordance with TCFD disclosures for the year ending 31 December 2025 in relation to Alliance Witan PLC. This Report has been sent to the Towers Watson Investment Management Limited Board of Directors, as the alternative investment fund manager of Alliance Witan PLC, for approval.

This Report was approved by the Directors on 17 June 2026 as reflected by the Director's signature below.

Mark Calnan
Towers Watson Investment Management Limited
17 June 2026

Disclaimers

Towers Watson Investment Management Limited

Legal notices

Towers Watson Investment Management Limited ("TWIM") is the appointed alternative investment fund manager to Alliance Witan PLC.

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Scenarios are hypothetical constructs and not designed to deliver exact outcomes or predictions. Instead, scenarios provide a way to consider how the future might look if certain trends continue or diverge and if certain conditions are met.

Metrics selected have been used as they are common business metrics for our industry sector. Data timeframe alignment is as close as is reasonably practical.

For example, emissions data covers the calendar year reporting period, but revenue figures related to the WACI cover the financial year best aligned to the reporting period.

Some of the goals, targets, commitments, impacts, policies and programmes described in this Report are also dependent on future actions, commitments taken by governments, private and public sector firms and wider systems.

Any assumptions, scenario analysis and metrics used in this Report have been derived using a blend of economic theory, historical analysis and opinions provided by external asset managers and/or advisers. They inevitably contain an element of subjective judgement. Any opinions or return forecasts on asset classes contained in this Report are not intended to imply, nor should they be interpreted as conveying, any form of guarantee or assurance regarding the future performance of the asset classes in question. No economic model can be expected to capture perfectly future uncertainty, particularly the risk of extreme events.

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Glossary

C

Carbon Dioxide Removal
Refers to technologies, practices and approaches that remove and durably store carbon dioxide (CO_2) from the atmosphere.[1]

I

Intergovernmental Panel on Climate Change
Is the United Nations body for assessing the science related to climate change.[2]

N

Network for Greening the Financial System
It was launched at the Paris One Planet Summit on 12th December 2017. It is a group of Central Banks and Supervisors willing, on a voluntary basis, to share best practices and contribute to the development of environment and climate risk management in the financial sector and to mobilise mainstream finance to support the transition toward a sustainable economy.[3]

R

Ratio
The relationship between two groups or amounts that expresses how much bigger one is than the other.[4]

S

Scope 1
Direct GHG emissions that occur from sources owned or controlled by the reporting company — i.e., emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.[5]

Scope 2
Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the reporting company. Scope 2 emissions physically occur at the facility where the electricity, steam, heating or cooling is generated.[6]

Scope 3
All other indirect GHG emissions (not included in Scope 2) that occur in the value chain of the reporting company. Scope 3 can be broken down into upstream emissions that occur in the supply chain (for example, from production or extraction of purchased materials) and downstream emissions that occur as a consequence of using the organisation's products or services.[7]

Stock Picker
A third-party investment manager.[8]

Stranded assets
Are defined as assets that have suffered from unanticipated or premature write-downs, devaluation or conversion to liabilitiesr.[9]

W

Weighted Average Carbon Intensity
Measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' Carbon Intensity (emissions/sales).[10]

1. Source: The Intergovernmental Panel on Climate Change
2. Source: The Intergovernmental Panel on Climate Change
3. Source: NGFS
4. Source: Cambridge Dictionary
5. Source: PCAF, WTW
6. Source: PCAF, WTW
7. Source: PCAF, WTW
8. Source: WTW
9. Source: Lloyd's
10. Source: MSCI ESG Research LLC

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