

### SDR Consumer Facing Disclosure

Date of disclosure: 30<sup>th</sup> June 2025

The Fund is managed by Waystone Management (UK) Limited.  
The delegated investment manager is Montanaro Asset Management.



Sustainable investment labels help investors find products that have a specific sustainability goal.

The Fund invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet.

### Sustainability Goal:

To achieve capital growth, over any five year period, after all costs and charges have been taken, by investing in high-quality, profitable companies which make a positive impact on society or the environment.

The Fund aims to protect the Earth's environment, tackle climate change and support the energy transition by investing in three "Planet Themes": Environmental Protection, Green Economy and Innovative Technology.

This is achieved via companies whose activities deliver impact by:

- i) advancing the circular economy
- ii) enhancing water efficiency
- iii) accelerating the energy transition
- iv) developing sustainable infrastructure & transportation
- v) enhancing the efficiency of manufacturing processes
- vi) enhancing the sustainability of the product lifecycle

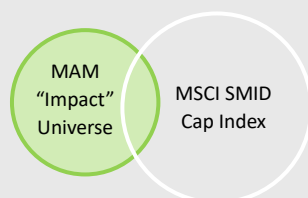
The Fund aims to deliver better health and well-being outcomes for society by investing in three "People Themes": Healthcare, Nutrition and Well-being.

This is achieved via companies whose activities deliver impact by:

- i) advancing medical innovation
- ii) delivering improved healthcare treatments
- iii) enhancing nutritional health
- iv) improving the sustainability of food production and distribution
- v) enhancing physical and mental well-being
- vi) expanding access to education and training
- vii) enhancing financial inclusion and access

Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.

### Risk & Return:



The MSCI World SMID Cap Index (Total Return) is the Sub fund's 'comparator benchmark'.

We have defined an "Impact" Universe of stocks that deliver, or have the potential to deliver, positive environmental or social impact, with **only a c.10% overlap with the benchmark**.

This limited overlap, along with the **exclusion of certain industries** (outlined below), results in greater exposure to healthcare, technology and industrials. While this may increase volatility relative to the index, it also offers potential for higher returns with associated risks.

#### Material negative impacts:

The Investment Manager will not invest in companies where material negative impacts are identified that cannot be adequately managed, or where business activities conflict with the Fund's sustainability and impact objectives.

### Sustainability Approach: the key sustainability characteristics of assets in which the Fund will and will not invest



To meet the sustainability goal, the Investment Manager implements a **Theory of Change** identifying companies whose core business activities generate positive environmental or social impact through the products and services they provide (**Enterprise Contribution**) and through the Fund's investment decisions, engagement and stewardship activities (**Investor Contribution**).

An "Impact Profile" is completed for every company considered for the Fund.

**At least 50% of a company's revenue must align with one of the Fund's six impact themes**, which are based on the UN Sustainable Development Goals (SDGs), ensuring a material and immediate contribution to the Fund's sustainability goals.

Using a bespoke MAM framework, companies are assessed for:

- 1) positive impact
- 2) differentiation
- 3) investor contribution
- 4) intentionality
- 5) impact risk



A proprietary "ESG Checklist" is completed during the research process, forming part of the Investment Manager's assessment of a company's overall "Quality".



On ethical grounds, the Investment Manager does not invest in companies that are involved in any of the following controversial activities: **Fossil Fuels; Weapons; Tobacco; Alcohol; Gambling; Pornography; High Interest Rate Lending; Animal Testing (Ex-Healthcare & Regulatory)**.

For more information on MAM's Ethical exclusions and ESG process please see the **ESG Handbook**, which can be found in the sustainability section of MAM's website:

<https://montanaro.co.uk/sustainable-investing/>

For more information on the Fund's impact reporting, please see the **Impact Report**, which can be found on the Fund's webpage:

<https://montanaro.co.uk/fund/ws-montanaro-better-world-fund/>

## Stewardship & Engagement:

Investor contribution is demonstrated through a structured engagement approach that follows a series of "Engagement Phases", illustrated below. Engagement may take the form of:

- Long-term engagement
- Direct & collaborative engagements
- Capacity building in Small & Midcap companies
- Voting & advocacy
- Escalation & divestment

Phase 1:  
recognition

Phase 2:  
information disclosure or  
commitment to action

Phase 3:  
implementation  
and monitoring

Phase 4:  
outcome  
achieved

The Investment Manager will have open engagements with at least 70% of its portfolio holdings in any given year. Some engagements may extend beyond a year or even span multiple years to achieve the desired outcome, aligning with the long-term shareholder approach favoured by the Investment Manager.

## Sustainability Metrics:

The **Key Performance Indicators (KPIs)** shown below are used to measure the progress of the Fund's investments towards the achievement of its sustainability goal. As this is an active investment strategy with a continually evolving portfolio, the KPIs and their units may change. Selected KPIs are based on robust, evidence-based data, allowing for the monitoring of both short-term results and long-term change. The KPIs below show the positive impact generated by investee companies for the 12 months to 30 June 2025.



KPI:	Waste recycled	Volume of water saved / treated	Renewable energy capacity / carbon emissions avoided	Reduction in the carbon footprint of manufacturing processes
Impact:	1,540 million pounds (Mlb)	1,620 million cubic metres (Mm <sup>3</sup> )	76.6 gigawatts (GW) & 65 million metric tonnes of carbon dioxide equivalent (MtCO <sub>2</sub> e)	20 million metric tonnes of carbon dioxide equivalent (MtCO <sub>2</sub> e)

## People Theme KPIs:



KPI:	Discovery of new drugs	Number of healthcare treatments	Increased safety and security for people
Impact:	4,430 clinical trials; products & services supporting clinical trials; new medical products launched; and scientific papers published	229.2 million patients receiving treatment/care, patients saved and medical procedures performed	2.88 million people benefiting from enhanced safety measures, those who have gained new employment opportunities

KPI:	Access to healthy nutrition	Enhanced physical and mental well-being	Access to quality education	Development of sustainable finance
Impact:	1.2 billion individuals reached & 700 million healthy products manufactured and sold	50 million people conducting physical activity	8.3 million students & 98,900 educational tests taken	130,000 sustainable reports generated & 13 companies in the portfolio with verified climate targets

## Further information:

For the Fund's prospectus, factsheet, Key Investor Information document (KIID) and information such as costs and charges, please visit:

<https://www.fundsolutions.net/uk/montanaro-asset-management-limited/ws-montanaro-funds/ws-montanaro-better-world-fund/>

Share class	ISIN
GBP A Accumulation	GB00BJRCFP12
GBP B Income	GB00BMW2NP33

## Disclaimer:

This document is intended for information purposes only and does not constitute an invitation or offer to subscribe for or purchase shares in the Fund. Montanaro Asset Management is not authorised to directly market or offer advice to retail investors. Retail investors should seek independent financial advice before making any investment decisions.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

Montanaro Asset Management Limited (Reg. No. 03246931) is the delegated Investment Manager of the Fund and has its registered office at 53 Threadneedle Street, London, EC2R 8AR. Montanaro Asset Management is authorised and regulated by the Financial Conduct Authority (FCA Firm Reference Number: 183211). Waystone Management (UK) Limited is the Authorised Corporate Director of the Fund and is authorised and regulated by the Financial Conduct Authority with Firm Reference Number 429093 and has its registered office at 3rd Floor Central Square, 29 Wellington Street, Leeds, LS1 4DL.

For more information on the Sustainability disclosure and labelling regime, please see: <https://www.fca.org.uk/firms/climate-change-and-sustainable-finance/sustainability-disclosure-and-labelling-regime>