



## **PUBLIC TRANSPARENCY REPORT**

### **2025**

**Aberforth Partners**

Generated 24-11-2025

# About this report

PRI reporting is the largest global reporting project on responsible investment.

It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders. This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2025 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

# Table of Contents

| Module   | Page |
|--|------|
| SENIOR LEADERSHIP STATEMENT (SLS)                        | 4    |
| OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO) | 7    |

# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection                  | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-----------------------------|---------------|
| SLS 1     | CORE              | N/A          | N/A        | PUBLIC     | Senior Leadership Statement | GENERAL       |

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Aberforth was established in 1990 and remains wholly owned by partners working at the firm. Its purpose is unchanged, to deliver superior long-term investment returns for its client and, by extension, for the ultimate beneficiaries of its clients' portfolios. Three central aspects of the firm - partnership, a focus on small UK quoted companies and a value investment philosophy - support the pursuit of this purpose. The strategy by which all Aberforth's portfolios are invested follows a value investment philosophy. Encouraged by historical evidence, the firm believes that this philosophy plays a central role in the achievement of superior long-term returns. Given this unwavering adherence to value investment, Aberforth's primary consideration in any investment decision is a company's valuation. Aberforth also believes that discreet engagement with the boards of investee companies on matters such as their governance, capital allocation, and environmental and social policies can improve the chances of value realisation, to the benefit of clients.

Careful stewardship of clients' capital has been central to how Aberforth has approached investment and the running of its own business since foundation. This is evidenced by long term commitments to voting and to engagement. Engagement is conducted discreetly by the fund managers and is fully integrated into the investment process. Aberforth actively engages with the executives and non-executives of investee companies on an on-going basis. The intensity of engagement increases whenever issues arise that seem likely to affect a company's value. These issues include operational matters, capital allocation, environmental impact, social considerations and governance. It can extend to efforts to effect change if Aberforth determines that such change is likely to lead to an enhancement of the value of its clients' capital.

Aberforth integrates consideration of ESG factors into the investment process: anything that affects the value of an investee company is relevant and, depending on the significance of its impact, may be the subject of engagement. Aberforth believes that a company's system of governance is crucial to how its environmental and social policies are designed and implemented. It is therefore important that boards describe their approach to managing these issues. There is evidence that investment returns can be enhanced by investment in and engagement with companies that face ESG challenges. Working with companies to address concerns through improved reporting practices or setting formal goals related to issues such as carbon emissions can influence value and enhance returns.

Except when requested by clients, Aberforth does not exclude investments from portfolios on the basis of ESG considerations alone.

#### Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

Aberforth's investment approach is rooted in valuation. ESG issues are considered as part of the investment process and are acted on when they are judged to be material and likely to influence a company's profitability, long-term success, or where they might affect the stockmarket valuation. Governance remains the most consistently relevant factor across the portfolio. Aberforth contends that it is a company's system of governance that is crucial to how all risks and opportunities – ESG and others – are identified and managed. During the reporting year, governance-related engagements focused on themes spanning board composition and effectiveness, capital allocation discipline, and M&A conduct. In light of sustained takeover activity in the small-cap market, Aberforth wrote to all investee company chairs in April 2024 to reinforce the expectation of early and meaningful shareholder consultation on significant corporate events. Subsequent consultations have contributed to better outcomes for shareholders.

Beyond M&A, capital allocation and dividend strategy have been seen active engagement, particularly given the strength of balance sheets across the asset class. Aberforth also engaged on succession planning, including the introduction of experienced chairs in companies such as Marston's. Collaborative engagement was used selectively and pragmatically. In 2024, this included working alongside other shareholders on board composition and remuneration policy, as illustrated by the engagement at NCC. Aberforth also engaged with investor groups and legal experts to understand better the evolving regulatory landscape around consumer finance, relevant to holdings such as Close Brothers.

Aberforth's ESG Integration Framework continued to support this work. In 2025, the Aberforth proprietary database reached its fifth year of portfolio-level data, improving the ability to monitor ESG developments and guide engagement. As part of the framework's annual cycle, sector-level ESG risk scores were reviewed and updated in late 2024. This review drew on the Sustainability Accounting Standards Board (SASB) materiality map to provide additional objectivity and alignment with evolving disclosure expectations.

Several changes were made where analysis indicated that Aberforth's prior risk scores no longer fully reflected the relative materiality of certain ESG subfactors. For example, the health and safety risk score for the Industrial Transportation sector was increased, reflecting recognition of heightened exposure to labour risks, union activity, and contractor safety. The ethics risk scores for Oil, Gas and Coal and for Precious Metals and Mining were also raised to account for governance and transparency concerns in jurisdictions where these companies operate. Additionally, multiple environmental subfactors in the Alternative Energy sector, including climate change, pressure on natural resources, and pollution and waste, were revised upwards to reflect the risks associated with resource-intensive production processes and emerging regulatory scrutiny, particularly in relation to battery technologies and clean energy infrastructure. These adjustments, though modest in number, help maintain the credibility and relevance of Aberforth's ESG framework. They support consistent evaluation of ESG issues across sectors and improve the foundation upon which investment managers assess company-specific exposures and, where necessary, determine engagement priorities.

These developments reflect Aberforth's continued commitment to applying ESG analysis proportionately, consistently and effectively, where relevant to the investment case and the long-term interests of clients. Further engagement examples are available in Aberforth's Examples of Engagement and Voting document, published on the Stewardship section of the firm's website.

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Aberforth will continue to use its integrated ESG approach as part of its broader analysis of companies to determine the issues that are relevant to a company's valuation. Improvements made will continue to provide richer datasets that can be interrogated e.g. to look for performance patterns associated with engagement outcomes (ESG related or otherwise) or changes in ESG evaluations scores. This should allow further enhancements in the reporting of stewardship and engagement activities to Aberforth's clients.

The Stewardship Committee's oversight of the firm's stewardship activities involves periodic review of related practices such as the firm's engagement and voting framework, which is the subject of annual review. As Aberforth's ESG integration framework makes clear, the risk and evaluation scores for sectors and companies will be reviewed annually. Further, updates will be made to the firm's proprietary database and its ESG modules as is required. Aberforth aims to remain a signatory of the UK Stewardship Code through annual reporting to the Financial Reporting Council.

At the firm level, Aberforth's Governance & Corporate Responsibility Statement has been enhanced with new disclosures. These included enhanced reporting of the firm's GHG Scope 3 emissions and, for the first time, reporting on financed emissions (category 15) related to the investment portfolio. The firm progressed its climate-related disclosure plans, which are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This saw the firm quantify its carbon emissions, supported by environmental consultants, and set out actions to begin its own journey to net zero by 2050.

Finally, the training and development of staff and partners will continue with in-house workshops delivered to investment managers and a programme of ESG training for all employees.

### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Samuel Ford

Position

Partner

Organisation's Name

Aberforth Partners

● A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

○ B

# OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

## OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

### OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection   | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--|---------------|
| ORO 1     | CORE              | N/A          | N/A        | PUBLIC     | Other Responsible Investment Reporting Obligations | 6             |

**During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?**

- ☐ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- ☐ (B) Directive on AIFM (2011/61/EU) [European Union]
- ☐ (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- ☐ (D) EU Taxonomy Regulation [European Union]
- ☐ (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- ☐ (F) IORP II (Directive 2016/2341) [European Union]
- ☐ (G) Law on Energy and Climate (Article 29) [France]
- ☐ (H) MiFID II (2017/565) [European Union]
- ☐ (I) Modern Slavery Act [United Kingdom]
- ☐ (J) PEPP Regulation (2019/1238) [European Union]
- ☐ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- ☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- ☐ (M) SFDR Regulation (2019/2088) [European Union]
- ☐ (N) SRD II (Directive 2017/828) [European Union]
- ☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- ☐ (P) Climate Risk Management (Guideline B-15) [Canada]
- ☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- ☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- ☐ (S) Instrucciones para la Integración de Factores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- ☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- ☐ (U) SEC Expansion of the Names Rule [United States of America]
- ☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
- ☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- ☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- ☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- ☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- ☐ (AA) Financial Markets Conduct Act [New Zealand]
- ☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- ☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- ☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- ☐ (AE) Modern Slavery Act (2018) [Australia]

- ☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- ☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- ☐ (AH) JSE Limited Listings Requirements [South Africa]

☒ (AI) Other

Specify:

UK Stewardship Code

- ☐ (AJ) Other
- ☐ (AK) Other
- ☐ (AL) Other
- ☐ (AM) Other
- ☐ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection   | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--|---------------|
| ORO 2     | CORE              | N/A          | N/A        | PUBLIC     | Other Responsible Investment Reporting Obligations | 6             |

**During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?**

- ☐ (A) Asset Owners Stewardship Code [Australia]
- ☐ (B) Código Brasileiro de Stewardship [Brazil]
- ☐ (C) New Zealand Stewardship Code
- ☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- ☒ (E) Stewardship Code [United Kingdom]
- ☐ (F) Stewardship Framework for Institutional Investors [United States of America]
- ☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- ☐ (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- ☐ (I) Luxflag ESG Label [Luxembourg]
- ☐ (J) RIAA Responsible Investment Certification Program [Australia]
- ☐ (K) SRI Label [France]
- ☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- ☐ (M) Code for Institutional Investors 2022 [Malaysia]
- ☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- ☐ (O) Corporate Governance Guidelines [Canada]
- ☐ (P) Defined Contribution Code of Practice [United Kingdom]
- ☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- ☐ (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- ☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- ☐ (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- ☐ (U) UN Guiding Principles (UNGPs) on Business and Human Rights [Global]
- ☐ (V) Net Zero Asset Managers (NZAM) Initiative [Global]
- ☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- ☐ (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]
- ☐ (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- ☐ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- ☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
- ☐ (AB) IFC Performance Standard [Global]
- ☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- ☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- ☐ (AE) Other
- ☐ (AF) Other
- ☐ (AG) Other
- ☐ (AH) Other
- ☐ (AI) Other

- (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.