

First Sentier Investors
Europe Holdings Limited
Report and Financial
Statements for the year
ended 31 December 2022
Registered Number 03904310



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Contents

	Page
Report of the Directors	1
Strategic Report	5
Independent Auditors' Report	11
Statement of Income and Retained Earnings	14
Balance Sheet	15
Notes to the Financial Statements	16

First Sentier Investors Europe Holdings Limited

Annual Report

Report of the Directors for the Year Ended 31 December 2022

The Directors present their report and the audited financial statements of First Sentier Investors Europe Holdings Limited ("the Company") for the year ended 31 December 2022.

The Directors have chosen, in accordance with section 414C (11) of the Companies Act 2006, to set out in the Company's Strategic Report information required to be contained in the Report of the Directors.

Registered Office Address

Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB

Principal Activity

The Company is a private company limited by shares and is incorporated in England, United Kingdom.

The principal activity of the Company is the First Sentier Investors ("FSI") Europe Middle East and Africa ("EMEA") Group ("the EMEA Group") holding company.

Directors

The Directors of the Company who held office during the year and up to the date of signing the financial statements were as follows:

G N Cotton
S C Evans
C E Johnson*
C F Johnson* (resigned 21 November 2022)
V W C Kubitscheck*
M D Steinberg

*denotes Independent Non-Executive Director.

Company Secretary

The Secretaries of the Company who held office during the year and up to the date of signing the financial statements were as follows:

S R Allen (resigned 30 June 2022)
R S Sheppard

Directors and their Interests

The Directors of the Company during the year were those listed above. There are no Directors' share interests requiring disclosure under the Companies Act 2006.

Directors' and Officers' Insurance

Subject to the Companies Act 2006, qualifying third party indemnity insurance policies have been effected for the Directors and Officers of all the FSI companies in the UK (the "FSI UK Group") in respect of potential liabilities arising from negligence or error.

Report of the Directors for the Year Ended 31 December 2022

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each period. Under that law, the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Section 172 of the Companies Act of 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. Matters to which Directors have regard when fulfilling these duties are outlined in the Company's Strategic Report.

Equal Opportunities and employment of disabled persons

The First Sentier Investors Group ('FSI Group') believe a diverse workforce and inclusive workplace is vital for the development and success of First Sentier Investors, and leads to better outcomes for our staff, our clients and the wider community.

Drawing on the Group's organisational values, the business encourages and promotes equality and acknowledges the many different dimensions of diversity that contribute to achieving this. These dimensions include gender, marital or family status, sexual orientation, gender identity, age, cognitive or physical abilities, religious beliefs, cultural background, socio-economic background, perspective or experience and allows for reasonable adjustments for those with special requirements during both the recruitment process and during employment. All employees are offered training, career development and, if available, promotion opportunities during their course of employment.

Employee Engagement and Business Relationships

The Section 172 Statement within the Company's Strategic Report provides statements that summarise:

- a) how Directors have engaged with employees,
- b) how Directors have had regard to employee interests, and
- c) how Directors have had regard to the need to foster the Company's business relationships with suppliers, clients and others.

For items b) and c) above, any effect of that regard, including on the principal decisions taken by the Company during the financial year, are also disclosed.

Report of the Directors for the Year Ended 31 December 2022

Disclosure of Information to Independent Auditors

In the case of each of the Directors in office at the date the Report of the Directors is approved, the following applies:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Energy and carbon disclosure

How we report our GHG Emissions

At First Sentier Investors (FSI), we believe that society must drastically reduce greenhouse gas emissions if we are to avoid the worst consequences of the climate crisis. We accept the science of climate change and support the transition to a low carbon economy, in line with the goals of the Paris Agreement that is already underway.

In March 2022, we made a firm-wide commitment to reduce greenhouse gas emissions across our business operations in line with a target of net zero emissions by 2030 (or sooner).

In line with best practice corporate reporting, we calculate our emissions in alignment with the WRI/WBCSD Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (revised edition). We focus our reporting on Scope 1 and Scope 2 emissions arising from our operations, and will endeavour to report on our Scope 3 emissions (our indirect emission through our value chain) in the future.

Scope 1 emissions are from sources that are owned or controlled by FSI. This includes emissions from combustion (natural gas).

Scope 2 emissions are from the generation of purchased energy consumed by FSI, including electricity, heat and steam. We have reported using both the location and market-based method.

As we continue to decarbonise our operations, we seek to transition our office operations to renewable energy. In our London, Edinburgh and Sydney offices, for example, we have transitioned to 100% renewable electricity, and in our other office locations, we are actively planning the transition to renewable energy in consultation with our building management, or through the purchase of Renewable Energy Certificates ("RECS"). In our Edinburgh office, we have transitioned to a 100% Green Gas (via tariff).

Our FSI UK Group GHG Emissions

Below we have tabled our FSI UK Group-related GHG operational emissions using the WRI/WBCSD Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (revised edition).

GHG Emissions for the period 1 January 2022 to 31 December 2022

	kWh	tCO ₂ e
	Energy	GHG Emissions
Scope 1 (direct emissions)	268,683	45
Scope 2 (indirect emissions) – purchased electricity - market method	359,965	76
Scope 2 (indirect emissions) – purchased electricity - location method	359,965	16
Total Emissions (Scope 1 & 2 – market based)		122
Total Emissions (Scope 1 & 2 – location based)		62
Emission Intensity (Scope 1 and 2) Market method	78.236 Per m ²	0.017 Per m ²
Emission Intensity (Scope 1 and 2) Location method	78.236 Per m ²	0.004 Per m ²

Emission factors for Scopes 1 and 2 reference published regional emissions factors from government and utility publications.

FSI does not own any company fleet, and therefore there is no associated transport fuel for Scope 1 (mobile combustion).

Report of the Directors for the Year Ended 31 December 2022

Energy and carbon disclosure (continued)

Our scope 1 reporting currently excludes diesel (as part of stationary combustion) and refrigerants. While they are immaterial to our operational GHG inventory, we will look to include this in the future for completeness. Since 1 October 2022, we have purchased Green Gas (via tariff) to replace the natural gas in our Scope 1 emissions.

Our Scope 1 and Scope 2 emissions reflect our typical occupation as an office tenant. Where we are a tenant, we have included the energy consumed within the leased space and in Edinburgh, energy consumption for the building has been included to reflect our operational boundary of this facility.

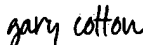
Independent Auditors

The independent auditors, Deloitte LLP, have indicated their willingness to continue in office.

Post balance sheet events

Refer to Note 14 for disclosure of post balance sheet events.

Approved by the Board and signed on its behalf by

DocuSigned by:

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G N Cotton

Director
London
16 March 2023

Strategic Report for the Year Ended 31 December 2022

Company Structure and Purpose

The Company's principal activity is to act as the Holdings Company for the UK and Ireland Operations of First Sentier Investors, which is part of the international operations of FSI Group headquartered in Sydney, Australia.

On 2 August 2019, First Sentier Investors was acquired by Mitsubishi UFJ Trust and Banking Corporation, a wholly owned subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG Group), a company incorporated in Japan.

The FSI Group operates as standalone global asset management business within the MUFG Group and is governed by a Board comprising representatives from First Sentier Investors, MUFG and independent non-executive Directors.

The FSI Group houses a number of different investment teams and provides a range of specialist investment management services. The core areas of investment expertise includes listed equities, fixed income and infrastructure real assets.

The FSI Group offers a variety of strategies across each of these asset classes for different client types operating within a common set of client-centric values and standards, including responsible investment principles. These investment teams retain complete investment autonomy to make decisions on investment philosophy, process and fund capacity.

The FSI Group's clients range from institutional investors such as defined benefit pension funds and sovereign wealth funds, to retail investors whose assets are usually aggregated by intermediaries.

The FSI Group's distribution activities are performed throughout Europe with offices in United Kingdom, Republic of Ireland, Germany and France.

Strategy Update

The Company's strategic goals operate over a three to five year horizon and are in line with those of the global FSI Group. The five pillars of this are to:

1. Energise people by creating an inclusive culture which attracts and retains talent who feel valued and supported to succeed
2. Differentiate the organisation as a leading advocate of, and performer in, responsible investing and corporate sustainability
3. Simplify the way business is done, for employees and clients
4. Invest to accelerate growth in sustainable and complementary capabilities both organically and via acquisition
5. Reimagine client experience to ensure FSI is well placed in an increasingly digital world

During the year ended 31 December 2022, the Company continued to develop successfully and in line with the key goals outlined above.

Key Performance Indicators

The key performance indicators ('KPIs') of the FSI UK Group, for which the Company is a member are:

Expenses:

Expenses of the Company arise from administration costs incurred. Administration expenses of the Company was unchanged year on year.

Operating Profit:

Operating Profit has decreased due to non-recurrence of dividend income but also because of foreign exchange fluctuations recorded in the current year.

Net Assets:

The decrease in net assets is primarily due to retained losses after tax for the year.

Strategic Report for the Year Ended 31 December 2022

Review of Business, Risks and Uncertainties, and Future Developments

The Company is a wholly owned subsidiary of the FSI Group headquartered in Sydney, Australia.

The FSI Group is a global investment management business operating through a number of legal entities in Australia, Asia, the United Kingdom, Europe and North America. The FSI Group manages assets across a diverse range of global asset classes including equities, fixed income and credit, cash and direct infrastructure. Investments are managed on behalf of institutional investors and superannuation/pension funds, wholesale distributors and platforms, financial advisors and their clients.

The FSI Group managed AUD 216 billion (2021: 251 billion) in assets under management ('AUM') globally as at 31 December 2022.

Under MUFG Group ownership, the FSI Group operates as a standalone business, governed by a Board comprising representatives from FSI and MUFG and independent non-executive directors.

During 2022, the ongoing impact of the COVID-19 pandemic continued to affect many countries around the globe. Notwithstanding the FSI Group has not been subject to a material adverse outcome with respect to COVID-19 over the last three years, it has maintained an active approach to managing the impacts of the pandemic on its business operations.

During 2021, initial hybrid working principles were implemented across the FSI Group, allowing for flexible working arrangements either from home or within an office environment, for its employees. FSI's risk management framework has been reviewed to address associated non-financial risks, including those associated with hybrid working principles for its employees. Potential supply chain risks for clients and suppliers, are identified, assessed, managed and governed through timely application of FSI's risk management framework.

The FSI Group continues to monitor the developments and the implications of the spread of the COVID-19 virus, advice from health and government authorities and the World Health Organisation, as well as taking advice from our external advisers (International SOS) on international security.

Highlights for the reporting period include;

- A focus on the FSI Group's corporate strategy to accelerate growth by offering its clients differentiated investment capabilities and innovative thinking. This strategy will be enabled by simplifying the business and energising its people to succeed today while reimagining tomorrow. The five 'pillars' articulating this strategy are mentioned in the Strategy Update on page 5.
- The rebrand of the Direct Infrastructure business globally to Igneo Investment Partners. This rebrand has coincided with several asset acquisitions during the year on behalf of the funds and significant expansion of the team
- Following a review of the FSI Group's existing investment capabilities against its strategy and consideration of a number of options, it was decided to proceed with a closure and orderly wind-down of the St Andrews Partners investment business during the period. As at 31 December 2022 the various activities to enable this closure were materially completed.
- Significant work to ensure FSI was compliant with the EU SFDR regulatory change ahead of the enforcement date of 1st January 2023, including enhanced disclosures into fund prospectus', fund annual reports, websites and various reporting as well as a focus on governance for all sources of ESG requirements.
- The FSI UK Group published its third Assessment of Value report that reflects the assessment of value delivered to investors in the UK OEIC fund range over the period to 31 July 2022
- Work commencing on extending the lease in London and initial design phases of FSI's premises in London and Edinburgh to provide an enhanced working experience for employees, particularly in the post-COVID hybrid working environment
- Further research papers released by the First Sentier MUFG Sustainable Investment Institute ('the Institute') which was established in 2021 with a purpose of providing insights to investors that will contribute to a better understanding of how sustainability should be considered in investment approaches. During the period the Institute released three research papers on such items as microplastic and microfibre pollution, the challenges experienced by fund governance on the rapid evolution of sustainable investment and the increasing volume of regulatory responses to the growing popularity of sustainable investments
- In November 2022, FSI became a Certified B Corporation (B Corp). This makes FSI part of a community of more than 6,000 companies (including only a handful of global asset managers) with a shared goal to transform the communities in which we live and operate for the benefit of the people and our planet.

The principal risk to the level of profitability of the FSI Group is the event of a market correction or a sustained period of underperformance that leads to a significant decrease in AUM and ultimately revenue and shareholder confidence.

The long term investment philosophy of the FSI Group's investment management professionals provides mitigation to its clients' investments and therefore revenues should any market correction materialise.

The FSI Group is also exposed to key staff risk associated with investment teams and key management staff. The Directors are of the opinion that, whilst a level of residual key staff risk will always exist for the Company, this has been mitigated as far as possible by, amongst other things, succession planning, the use of long term incentive schemes and developing and maintaining a culture that attracts and nurtures talent of high integrity and conduct in line with its strategic pillars.

These, and all other material risks relevant for the Company have been assessed and reported in the Company's Internal Capital Adequacy Risk Assessment Process ("ICARA")

Strategic Report for the Year Ended 31 December 2022

Company Activities

The Directors consider that the Company's activities will continue unchanged in the foreseeable future.

Section 172 Statement

Section 172 of the Companies Act 2006 imposes a general duty on every Director to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so, to have regard to various other matters designed to ensure that boards consider the interests of other relevant stakeholders. These matters include:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, clients and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

The Directors of the Company, given its position as part of the FSI Group, share a common purpose to deliver sustainable investment success for the benefit of clients, employees, society and the shareholder.

A long term focus

The Company takes a long-term approach to investment that is aligned to its strategic priorities, corporate resources and risk appetite. The Company recognises the importance of responsible investment and integrates environmental, social and governance ("ESG") principles in driving long-term investment outcomes through active engagement with companies and by exercising the equity ownership rights held on behalf of clients.

Under the Board's stewardship, the FSI Group continued to make adjustments to how the business operated during the COVID-19 pandemic. Over the period, the Company remained resilient and continued to operate effectively over the period as a result.

The Directors of the Company discuss, challenge and ultimately approve the strategy for the UK Group across a three to five year horizon. The strategy aligns to that of the FSI Group corporate strategy and is client-centric, complements profitable growth activities, and therefore becomes measurable over these time horizons.

The five pillars of the Company's strategic goals over the next three to five years are outlined on page 5 above.

Relevant matters considered, discussed, challenged and reviewed by the Directors of the Company during the period 1 January 2022 to the date of this Report:

- FSI's response to the global COVID-19 pandemic, including monitoring and oversight of financial and operational resiliency of the Company and the initiation of hybrid working principles
- FSI's vision, values and 3 to 5 year strategic goals
- FSI's approach to ESG, corporate sustainability and philanthropy and its impact on the Company
- briefings on FSI UK Group's approach to internal capital and risk assessment process and 3 year capital plan in the UK
- briefings on material change projects and the project pipeline that impact the Company
- FSI's approach to information security
- briefings from the Money Laundering Reporting Officer to ensure systems and processes remain appropriate and current
- briefings from FSI's investment management divisions, to ensure market knowledge remains current
- briefings from FSI's Chief Audit Officer in relation to the results of audits performed
- FSI's B Corp certification
- climate-related risks and opportunities and their implications for the Company
- FSI's Group Insurance arrangements

Strategic Report for the Year Ended 31 December 2022

Section 172 Statement (continued)

Employee engagement

The Directors consider the employees of FSI to be a key success factor for the Company and this success is contingent on developing and maintaining an environment that creates and develops a diverse, high integrity, high performance culture. FSI seeks to attract and nurture talented individuals to support the success of its strategic goals. FSI has embedded effective retention and succession planning initiatives to further enhance the culture of long-term partnerships.

The FSI Group conducts an annual employee engagement survey to gather employee's views and opinions on a wide range of topics pertaining to their employment with the business. Employee feedback from this survey provides valuable information for the business to consider matters that are important to its employees.

Employees receive regular updates (at least quarterly) with regards to the FSI Group's performance and business outcomes and are provided a range of staff benefits and incentives that promote active engagement and correlation with business performance.

Furthermore, the Directors firmly believe that the Company's strategy to encourage and develop 'diversity of thought' in all its forms contributes to better decision-making in both investing for FSI's clients and in the management of FSI's business. The Board regularly receives reports and discusses wide ranging matters regarding Human Resources, including the following:

Relevant matters considered, discussed, challenged and reviewed by the Directors during the period 1 January 2022 to the date of this report

- the impact of the COVID-19 pandemic on staff and appropriate responses with regards to employee well-being and safety
- FSI's approach to hybrid working, following the pandemic
- FSI's approach to the Modern Slavery Act Statement and Gender Pay Gap Reporting
- staff rewards and benefit schemes enhancements and updates
- FSI's learning and development and diversity and inclusion programmes
- key staff hires, changes and team developments
- FSI's vision and values and 3 to 5 year strategic goals

Acting at all times in clients' best interests and in partnership with suppliers and others

The Company's purpose and values are founded in delivering on FSI's commitment to being the best stewards for clients' assets. Directors have a legal, regulatory and ethical obligation to ensure clients' interests are protected as the highest priority, in order to ensure clients' continued confidence and trust in FSI and its investment capabilities. In this way, long term client relationships are developed and investment managers are aligned with the outcomes they deliver for clients.

The Company engages with suppliers with a mindset of partnership and mutual respect. The Company has outsourced numerous core activities to third party suppliers and in each case the Directors' receive, where appropriate, various reports and insights to ensure proper governance and oversight of these outsourced functions is fulfilled.

Relevant matters considered, discussed, challenged and reviewed by the Directors during the period 1 January 2022 to the date of this report

- distribution updates and insights to keep abreast of changing client behaviours and requirements
- the client impact of all material initiatives and decisions
- various product initiatives to ensure a continued level of relevance and appropriateness for clients

Strategic Report for the Year Ended 31 December 2022

Section 172 Statement (continued)

FSI and the Environment and Community

The Company is a responsible business as the interests of all stakeholders are considered in both the stewardship of clients' assets and in the management of the business and the culture which underpins it. The firm sees business value in its support and adoption of the highest international standards and codes of corporate responsibility practice.

The Company seeks to minimise its direct environmental and social impacts as well as those of investee companies through its investment activities. The Company also expects its service suppliers to uphold the highest standards of corporate conduct and ethical business behaviour and through its charitable foundations, the Company provides both financial and other resources to support a number of community and environmental projects and programmes.

FSI is a founding member of the Cambridge University – Investment Leaders Group, part of the world renowned Cambridge Institute for Sustainability Leadership and since 2007 has been a signatory to the United Nation's Principles for Responsible Investment (also referred to as PRI) and has had group-wide stewardship principles in place since 2013. FSI has also partnered with its parent entity, MUFG, to create the First Sentier MUFG Sustainable Investment Institute as explained above.

FSI actively supports employees who want to give time and support to their communities and has a charitable foundation in place, the First Foundation, which is employee driven, and encourages staff to contribute to social and environmental activities for the benefit of their local communities. Charities are selected and contributions are made based on the nominations of employees. Staff are provided with time out to volunteer and any donations they make to the First Foundation charities are matched by the firm.

Relevant matters considered, discussed, challenged and reviewed by the Directors during the period 1 January 2022 to the date of this report

- FSI's approach to responsible investment, climate risk, ESG, corporate sustainability and philanthropy and its impact on the Company
- the approach taken by each investment team in relation to responsible investment, climate risk, and ESG
- overview of the regulatory horizon, to ensure that FSI is well prepared to implement changes as they arise, including in relation to sustainable disclosure regulation and consumer duty

Highest Standards of Integrity and Conduct

FSI is regulated by the FCA and its permission to operate is conditional on appropriate expectations and standards of conduct. Conduct risk is considered by the Board in its capital planning and risk management program which includes stress and scenario analyses of risks to FSI. To ensure this risk is controlled and mitigated appropriately, the Board oversees a comprehensive program of regulatory compliance that is focussed on the protection of clients' interests and that of the broader industry and community.

FSI places the interests of its clients at the core of the business, with a clear focus on earning and maintaining clients' confidence in its investment capabilities and operations. The Company strives for the highest degree of transparency and accountability and places strong emphasis on the values of honesty and integrity.

Whilst conducting their duties, the Directors, through their stewardship of the Company, consider that conduct of the highest integrity should not exist simply for the purpose of fulfilling regulatory obligations but as a prerequisite for FSI's long term success. These standards apply in the way the Company engages with all its stakeholders, which include its clients, partners, staff, regulators, shareholders and FSI's ultimate parent company.

Relevant matters considered, discussed, challenged and reviewed by the Directors during the period 1 January 2022 to the date of this report

- the operation of the Senior Managers Certification Regime ('SMCR') across FSI. SMCR is a regulatory initiative designed to increase focus on corporate accountability and raise standards of professional behaviour
- conduct risk as part of the Company's annual internal risk assessment
- regulatory change and horizon scanning updates to ensure that FSI is well prepared to implement any change as it arises

Strategic Report for the Year Ended 31 December 2022

Going Concern

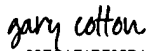
As noted in this Strategic Report, as part of the FSI Group, the Company has not been subject to a material impact with respect to COVID-19 during 2022. On the basis of their assessment of the activities of the Company, together with its current financial position, and the effect of the COVID-19 virus outbreak and the situation in Ukraine, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for a period of at least twelve months. Accordingly, the Directors continue to adopt the going concern basis of accounting in the preparation of the statutory financial statements.

Results and Dividends

The loss for the year after taxation was £133,000 (2021: profit of £10,071,000). The Directors did not elect to pay an Interim dividend during the year (2021: £10,006,000). The Directors do not recommend the payment of a final dividend (2021: nil).

The balance of profits retained in the Statement of Income and Retained Earnings as at 31 December was £24,996,000 (2021: £25,129,000).

Approved by the Board and signed on its behalf by

DocuSigned by:

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G N Cotton

Director
London
16 March 2023

Independent Auditors' Report to the Members of First Sentier Investors Europe Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of First Sentier Investors (Europe) Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the balance sheet; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of First Sentier Investors Europe Holdings Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, FCA regulations and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the report of the directors.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

FIRST SENTIER INVESTORS

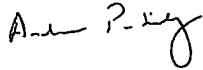
First Sentier Investors Europe Holdings Limited

A member of MUFG, a global financial group

Independent Auditors' Report to the Members of First Sentier Investors Europe Holdings Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Partridge CA (Senior statutory auditor)

For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
16 March 2023

Financial Statements

Statement of Income and Retained Earnings for the Year Ended 31 December 2022

	Note	2022 £'000	2021 £'000
Administrative Expenses		(16)	(16)
Other operating (expense) / income		(149)	101
Operating (loss) / profit	2	(165)	85
Group dividend received	3	-	10,002
(Loss) / Profit before taxation		(165)	10,087
Tax credit / (charge)	6	32	(16)
(Loss) / Profit after taxation		(133)	10,071
Retained earnings at the beginning of the year		25,129	25,064
(Loss) / Profit after taxation		(133)	10,071
Dividends paid	4	-	(10,006)
Retained earnings at the end of the year		24,996	25,129

There were no material acquisitions or discontinued operations during either period.

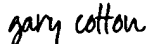
Financial Statements

Balance Sheet as at 31 December 2022

	Note	2022 £'000	2021 £'000
Assets			
Fixed Assets			
Investments	7	113,876	113,014
Current assets			
Debtors	8	96	110
Cash at bank and in hand		13	27
Creditors: amounts falling due within one year	9	(17,260)	(16,293)
Net current assets		(17,151)	(16,156)
Total assets less current liabilities		96,725	96,858
Net assets		96,725	96,858
Capital and reserves			
Called up share capital	10	71,729	71,729
Retained earnings	11	24,996	25,129
Total shareholder's funds	11	96,725	96,858

Company Registration Number: 03904310

The financial statements and notes on pages 16 to 20 were approved and authorised for issue by the Board of Directors and were signed on its behalf by

DocuSigned by:

 99ECAF1DF35D455...

G N Cotton
 Director
 London
 16 March 2023

Notes to the Financial Statements for the Year Ended 31 December 2022

1. General information and accounting policies

General information

The Company is incorporated and domiciled in the UK and registered in England and Wales under Company Number 03904310. It is a private limited company. The registered office address is Finsbury Circus House, 15 Finsbury Circus, London, England, EC2M 7EB.

The Company's immediate parent entity is First Sentier Investors Europe Holdings Limited (Company Number 630725558, Australia) and its ultimate parent entity is Mitsubishi UFJ Financial Group, Inc. ("MUFG") (Company Number 0100-01-073486, Japan).

Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The Company is utilising the reduced disclosure exemptions in section FRS 102 1.12 from presenting a cash flow statement and certain related party disclosures.

Principal accounting policies

A summary of the accounting policies, which have been applied consistently, is set out below. There are no significant judgements or management estimates.

(a) Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention. The principal accounting policies which have been applied consistently throughout both periods are set out below. The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings will be included in the consolidated financial statements of its ultimate parent, MUFG, as at 31 March 2023.

(b) Interest Received

Interest received (and paid) is recognised on an accruals basis by applying the appropriate rate of interest.

(c) Administrative expenses

Administrative expenses are recognised in the period in which they are incurred and include amounts recharged from other group companies.

(d) Taxation

The charge for taxation is based on the profit or loss for the period as adjusted for disallowable items. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the Balance Sheet date, together with adjustments to tax payable in respect of prior periods.

(e) Investments

Investments in subsidiaries are shown in the Balance Sheet at cost less impairment, where applicable. Investments are subject to review for impairment by the Directors annually or otherwise when determined to be required. There is an obligation to identify whether there are any impairment indicators at the reporting date.

(f) Cash at Bank and in hand

Cash balances represent cash at bank and in hand. These are recognised at fair value.

(g) Dividend received

Dividends received from subsidiaries are recognised in the statement of income and retained earnings when the right to receive the dividend is established.

(h) Other operating income

Other operating income includes revenue from all other operating activities which are not related to the principal activities of the Company.

(i) Foreign currencies

Income and expenses are recorded at the exchange rate on the date of invoice so foreign exchange differences arise between the rate on the date of invoice and the rate at which the amounts are translated into sterling on the date of receipt. Foreign currency balances have been translated at market rates of exchange ruling at the Balance Sheet date. Gains and losses on exchange are taken to the Statement of Income and Retained Earnings within Other Income.

Notes to the Financial Statements for the Year Ended 31 December 2022

1. General information and accounting policies (continued)

Principal accounting policies (continued)

(j) Cash flow statement

As at 31 December 2022, the Company was a wholly owned subsidiary of MUFG and the cash flows of the Company are included in the consolidated group cash flow statement of MUFG and forms part of MUFG's financial statements. Therefore, the Company utilises an exemption (FRS 102 1.12) from preparation of a statement of cash flows.

(k) Employees

The Company has nil employees (2021: nil). The management and administration are undertaken by employees of another group company, First Sentier Investors (UK) Services Limited.

(l) Debtors

Debtors are measured at the transaction price, less any impairment.

(m) Creditors

Creditors are measured at the transaction price.

2. Operating Loss

	2022 £'000	2021 £'000
Operating profit/(loss) is stated after charging/(crediting)		
Fees payable to auditors for audit of Company's financial statements	16	16
Foreign exchange loss / (gain)	149	(101)

3. Group dividends received

The Company did not receive any dividends from its subsidiary company (2021: £10,001,665 from First Sentier Investors (UK) Services Limited).

4. Dividends paid

The Directors did not elect to pay an Interim dividend during the year (2021: £10,006,000). The Directors do not recommend the payment of a final dividend (2021: nil).

5. Directors' emoluments

The Directors of the Company are also Directors of a number of subsidiaries in the Group. Directors' emoluments are paid by First Sentier Investors (UK) Services Limited, or other related entities in the FSI Group, which make no attribution to the Company (2021: nil) as no executive Directors are remunerated for their services to the Company (2021: nil). Full details of Directors' remuneration are given in the financial statements of First Sentier Investors (UK) Services Limited.

Notes to the Financial Statements for the Year Ended 31 December 2022

6. Tax charge

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits of the period	(32)	16
Total current tax (credit)/charge	(32)	16
Reconciliation of tax charge		
	2022 £'000	2021 £'000
Profit before tax	(165)	10,087
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(32)	1,917
<u>Effects of:</u>		
Group dividends received	-	(1,901)
Total tax (credit)/charge	(32)	16

The corporation tax on the profit for the period is calculated at the standard rate applicable to the period of corporation tax in the UK of 19% (2021: 19%).

The main rate of corporation tax in the UK is 19%. Effective from 1 April 2023, the rate of corporation tax will be 25%.

7. Investments

As at 31 December 2022, the Company held the following subsidiary undertakings incorporated in England, unless otherwise stated:

Name of company and registered address	Nature of Business	Number and description of shares held	% Held	31 December 2022	31 December 2021
				£'000	£'000
CFSIM Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB, England	Fund Manager	1,950,001 Ordinary £1	100	1,950	1,950
First Sentier Investors (UK) Services Limited Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB, England	Service Company	3,000,000 Ordinary £1	100	3,000	3,000
SI Holdings Limited (incorporated in Scotland) 23 St Andrew Square, Edinburgh, EH2 1BB, Scotland	Holding Company	72,475,830 (2021: 72,475,830) Ordinary £1	100	103,462	103,462
First Sentier Investors (Ireland) Limited (incorporated in Ireland) 70 Sir John Rogerson's Quay, Dublin 2, Ireland	Fund Manager	6,300,001 (2021: 5,300,001) Ordinary €1	100	5,464	4,602
				113,876	113,014

During the year, the Company subscribed for 1,000,000 (2021: 1,000,000) €1 ordinary shares in First Sentier Investors (Ireland) Limited. The cost of these investments are included in the table above.

Notes to the Financial Statements for the Year Ended 31 December 2022

7. Investments (continued)

At 31 December 2022, the subsidiaries of the Company held the following group companies incorporated in Scotland, unless otherwise stated

Name of company and registered address	Nature of Business	Number and description of shares held	% Held
First Sentier Investors (UK) Funds Limited (incorporated in England). Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB, England	Fund Manager	Ordinary £1	100
First Sentier Investors (UK) IM Limited 23 St Andrew Square, Edinburgh, EH2 1BB, Scotland.	Fund Manager	'A' Ord £1 & 'B' Ord £1	100
First Sentier Investors International IM Limited 23 St Andrew Square, Edinburgh, EH2 1BB, Scotland.	Fund Manager	Ordinary £1	100

In the opinion of the Directors the aggregate value of the Company's investments in its subsidiaries is not less than the aggregate of the amount at which the investment is stated in the Balance Sheet.

8. Debtors

	2022 £'000	2021 £'000
Amounts owed by FSI Group undertakings	96	96
Taxation and social security costs	-	14
Total	96	110

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed to FSI Group undertakings	17,260	16,271
Corporation tax payable	-	15
Accruals and deferred income	-	7
Total	17,260	16,293

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. In the event that a counterparty requested settlement of amounts owed to group undertakings, this would likely be funded by the proceeds of a dividend provided from other Companies in the FSI Group.

Notes to the Financial Statements for the Year Ended 31 December 2022

10. Called up share capital

	2022 £'000	2021 £'000
Authorised, allocated and fully paid: 71,728,862 (2021: 71,728,862) Ordinary shares of £1	71,729	71,729
Total	71,729	71,729

11. Reconciliation of movement in shareholder's funds

	Called Up Share Capital £'000	Retained Earnings £'000	Total Shareholders' Funds £'000
At 1 January 2021	71,729	25,064	96,793
Dividends paid	-	(10,006)	(10,006)
Profit for the year	-	10,071	10,071
At 1 January 2022	71,729	25,129	96,858
Profit for the year	-	(133)	(133)
At 31 December 2022	71,729	24,996	96,725

12. Related party disclosures

Under FRS 102 section 33.1A - Related Party Disclosures, the Company is exempt from the requirement to disclose transactions with any other company in the MUFG Group.

13. Ultimate parent company

The immediate parent undertaking is First Sentier Investor Holdings Pty Limited, a company incorporated in Australia.

The ultimate parent undertaking and controlling party, as at 31 December 2022, is MUFG, which is the parent undertaking of the smallest and the largest group to consolidate these financial statements. Copies of MUFG consolidated financial statements can be obtained from:

7-1, Marunouchi 2-chome, Chida-ku, Tokyo 100-8330 Japan or from the following website www.mufg.jp

14. Post balance sheet events

There are no post balance sheet events to disclose.