



Sustainable Investment Report

abr dn New India Investment Trust plc

31 December 2023

Prepared by: abr dn

abr dn.com

Portfolio Overview	1
Key Data and Ratings	2
abrdn ESG Analysis	3
Benchmarking: MSCI ESG	4
Ratings Active Ownership	5
Active Ownership: Case Studies	6
Glossary	8
Disclosure	9

Portfolio Overview

abrdrn New India Investment Trust plc

FUND SIZE

As at 31 December 2023, the fund size was £ 436.27m

Sustainable Investment Approach

- abrdrn believes that Sustainable Investing is how we help clients to meet both their financial and sustainable investing objectives – with the aim of enabling our clients to be better investors.
- We also believe that integrating material ESG analysis can produce better risk-adjusted returns potential over the long term for our clients.
- Our beliefs are supported by principles that centre on our proprietary research, tools and analysis, all focused on delivering better value to our clients.
- We also offer clients a range of dedicated sustainable investment funds.



Our goal is to integrate environmental, social and governance risks and opportunities into the investment process with the ultimate aim of making better-informed investment decisions.

How we embed ESG into the Investment Process

01 Investment Insight



High quality fundamental and first hand research
Assessment of ESG for all stocks under coverage

02 Active Ownership



Engage and vote with aim of improving financial resilience and investment performance
Raise standards in companies and industries we invest in, and help drive industry best practice

03 Risk & Monitoring



Combine in-house and external scoring to inform view
Active tracking of fund holdings against ESG objectives

04 Our People



Over 110 equity professionals and circa 37 dedicated central & on-desk ESG specialists across the world

The benchmark for the fund is **MSCI India**

Key Data and Ratings

abr dn New India Investment Trust plc

Below we set out some key information about the way ESG considerations have been embedded across abr dn and in the portfolio

abr dn

c.60

Dedicated ESG experts across our business



5-star

Rating across 7 categories in the latest Principles for Responsible Investment (PRI) assessment



932

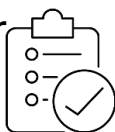
Company engagements covering ESG topics



Equities Investment Team

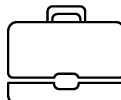
5-star/4-star

PRI Rating for Integration/Active Ownership in Listed Equities



100%

of researched companies include integration of ESG company analysis



Fund

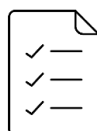
75

Number of meetings where we voted



13.3%

of meetings with at least one vote against management



As at 31 December 2023 scores are included for representative purposes only and are not reflective of our ratings across other modules. Our latest PRI Assessment Report containing our scores across all modules is available on our Sustainable Investing website <https://www.abr dn.com/en-gb/institutional/sustainable-investing/document-library>

Engagement: time period referenced is preceding 6 months.

Voting: time period referenced is preceding 12 months.

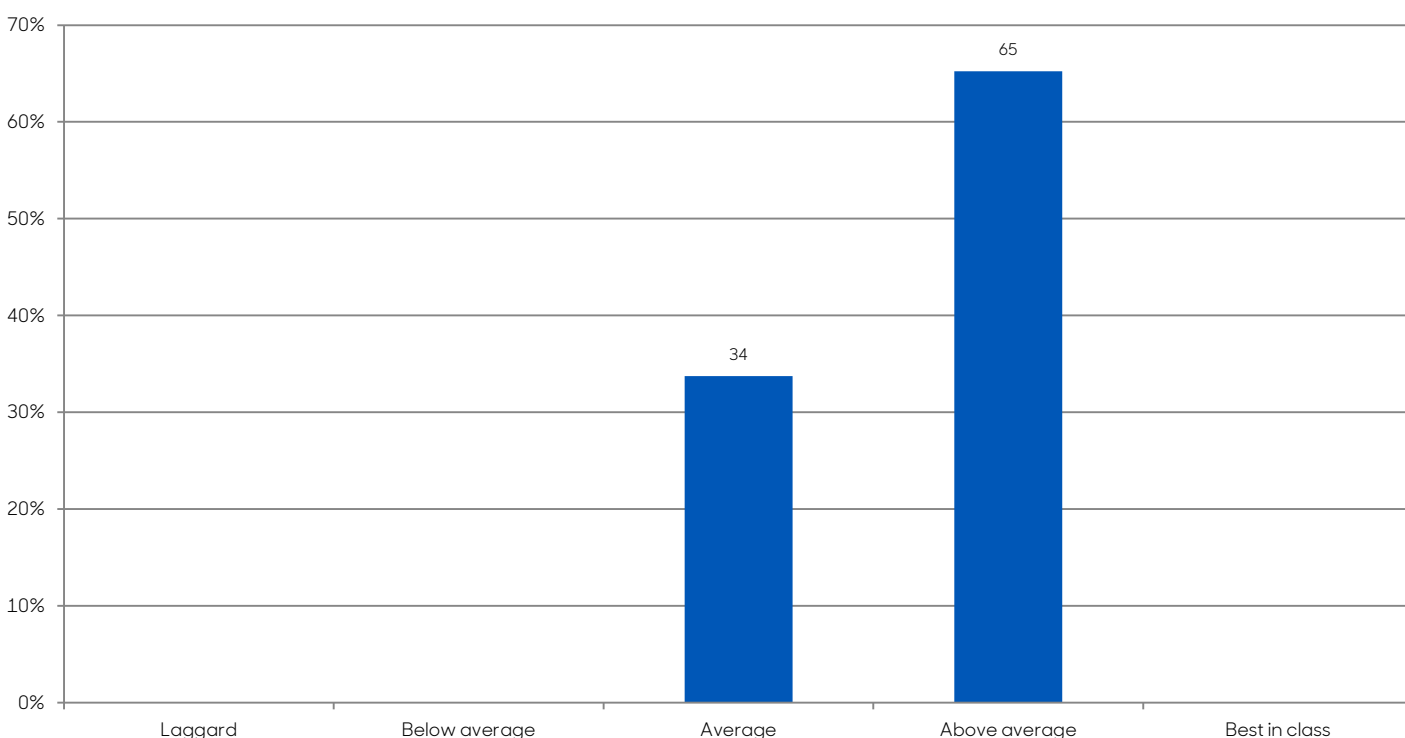
abrdn ESG Analysis

abrdn New India Investment Trust plc

Fund ESG Quality Score Distribution

As part of their company research, our stock analysts evaluate the ownership structures, governance and management quality of the companies they cover. They also assess potential environmental and social risks that the companies may face. These insights are captured in our company research with every company that we invest in given a proprietary overall Quality rating and a component of this is the ESG Quality rating. Companies are ranked from Laggards (5) to Best in class (1).

Portfolio scores continue to improve. 65% of the companies in the portfolio are rated as Leaders, reflecting the portfolio's focus on quality, and 34% of the companies are rated as Average. We have seen encouraging momentum across these holdings through the year, and remain in constructive dialogue with our portfolio holdings. We've been particularly pleased to see a number of score upgrades in the second half of the year, with improvements often a result of extensive engagement. More generally, our engagements in India continue to focus on environmental impact and net zero strategies, as well as resource intensity, and board composition and independent directors. The portfolio does not hold any companies assessed to be either Below Average or a Laggard.



Source: abrdn

Analyst ESG rating	5	4	3	2	1
	Laggard	Below average	Average	Above average	Best in class
Examples of inputs	<ul style="list-style-type: none"> • Many financial controversies • Severe governance concerns • Poor treatment of shareholders 	<ul style="list-style-type: none"> • Evidence of some financially material controversies • Poor governance or limited oversight of key ESG issues • Some issues in treating minority shareholders poorly 	<ul style="list-style-type: none"> • ESG risks are starting to be considered in company strategy. • Disclosure in line with regulatory requirements • Governance is generally good but some minor concerns 	<ul style="list-style-type: none"> • ESG risks are considered as part of principal business • Disclosure is good but not best in class • Governance is very good 	<ul style="list-style-type: none"> • ESG considerations are material part of the company's strategy • Excellent disclosure • Makes opportunities from strong ESG risk management

Benchmarking: MSCI ESG Ratings

abrdrn New India Investment Trust plc

MSCI company ratings are provided to enable comparisons with investments held elsewhere in a standardised format. We conduct our own proprietary research which may lead us to have a view different to that expressed by the MSCI score.

MSCI rates companies on a AAA-CCC scale according to their exposure to ESG risks and how well they manage those risks relative to peers.

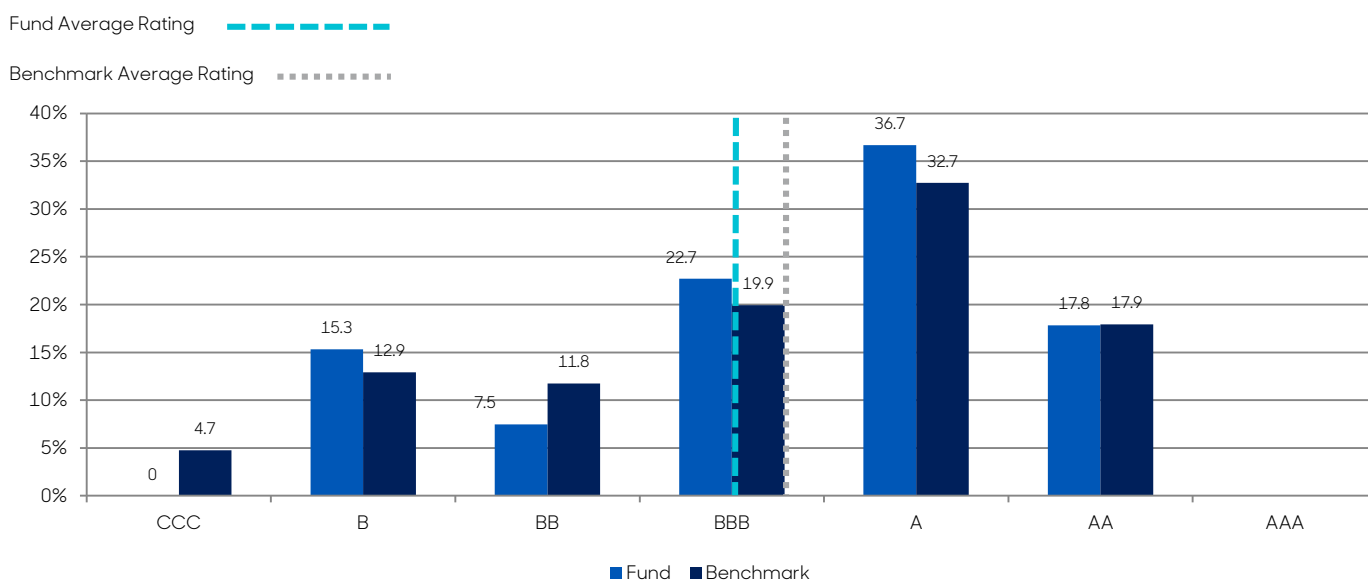
The Fund MSCI ESG Quality Score assesses the resilience of a fund's aggregate holdings to long term ESG risks and is provided on a 0-10 scale, with 10 being the highest possible fund score. The Fund MSCI ESG Rating measures the resiliency of portfolios to long term risks and opportunities arising from environmental, social, and governance factors. The Fund ESG Rating is calculated as a direct mapping of "Fund MSCI ESG Quality Score" to letter rating categories.

MSCI Fund ESG Quality Scores

	Overall Score (+10)	Benchmark Average
Fund	5.5	5.3
Environmental	5.1	5.0
Social	4.8	4.6
Governance	4.7	4.7

Source: abrdrn derived average based on underlying MSCI company scores

MSCI ESG Rating Distribution Fund and Benchmark



Source: abrdrn derived averages based on underlying MSCI company ratings

	Fund	Benchmark
MSCI data coverage (by market value)	89.6%	98.8%

MSCI company ratings are provided to enable comparisons with investments held elsewhere in a standardised format. We conduct our own proprietary research which may lead us to have a view different to that expressed by the MSCI score.

MSCI ESG Rating Distribution: The fund and benchmark averages are calculated based on the individual security level MSCI scores. Portfolio and Benchmark positions are reweighted on a pro rata basis to reflect holdings where MSCI data is available.

Active Ownership

abrdn New India Investment Trust plc

Engagement Activity

We actively undertake informed constructive engagement to generate better performance from our investments. This helps enhance the value of our clients' assets. We engage, manage and vote for either insight or influence. Engagement activity may be undertaken by any of our investment teams with a holding in the company, or by our dedicated stewardship team. Time period referenced is preceding 6 months.

Please note this page references abrdn ESG engagements conducted with the investment desk and does not cover all company meetings by the investment desk where ESG issues were discussed. The case studies section in this report details a sample of further engagements relevant to the fund.

Voting

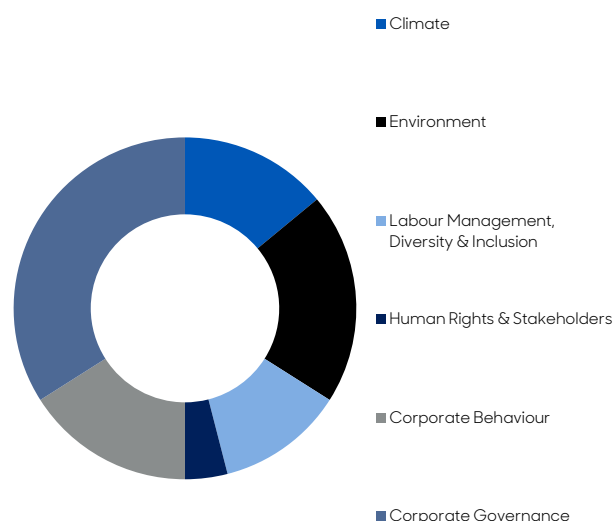
We draw on the resources in our ESG Investment Team and stock analysts to vote consistently on behalf of all client assets in line with the abrdn voting policy. Time period referenced is preceding 12 months.



There were 37 holdings in the portfolio as of the 31 December 2023

Our Engagement Activity

We regularly engage with companies we invest in. The below shows the engagements that have included ESG topics. Over the period we met with 13 portfolio companies on ESG topics and had 23 engagements with them. This does not include positions we have moved out of or are considering. Below are the themes engaged on :



Our Voting Activity

Voting Summary	Total
How many meetings were you eligible to vote at?	75
How many meetings did you vote at?	75
How many resolutions were you eligible to vote on?	352
What % of resolutions did you vote on for which you were eligible?	100%
Of the resolutions on which you voted, what % did you vote with management?	91.8%
Of the resolutions on which you voted, what % did you vote against management?	6.0%
Of the resolutions on which you voted, what % did you abstain from voting?	2.3%
In what % of meetings, for which you did vote, did you vote at least once against management?	13.3%

During an ESG engagement meeting / call with a portfolio company multiple themes and issues might be discussed. At abrdn we endeavour to vote at all meetings for which our clients have delegated us voting authority. Where we do not have voting authority, no voting data will be included in this report. We have disclosed the number of meetings and resolutions for which the fund was eligible to vote and the remaining statistics reflect data for the votes which have been successfully processed. The number of meetings voted compared to eligible meetings may differ due to the impact of market specific obstacles which could impact liquidity, for example shareblocking, and rejected votes due to local Power of Attorney requirements. Full details of our voting activity is disclosed on our website.

Active Ownership: Case Studies

abrdn New India Investment Trust plc

We include a selection of case studies to demonstrate engagement style and investment management approach. These are not an indication of future performance or investment recommendation on the companies themselves.

Company Topic	Lifecycle Status	Engagement Summary	Investment View Change
Aptus Value Housing Finance India Ltd	Execute	We discussed succession planning with management. The MD noted that whilst he has a high degree of operational autonomy, he is still able to tap on the expertise of the Executive Chairman (Founder Mr Anandan) on the asset side of the business given his background as CFO. Having the founder as a sounding board is probably a positive. A reassuring meeting.	Reinforces
Labour Management, Corporate Behaviour, Corporate Gov & Disclosure			
Aptus Value Housing Finance India Ltd	Execute	Our meeting focussed on people issues within the company, and it was reassuring to know that turnover was only confined to Tamil Nadu and that it has stabilised. Talent management is a key priority for the MD.	Enhances
Corporate Behaviour, Corporate Gov & Disclosure			
Bharti Airtel Ltd	Execute	During our engagement with Bharti Airtel, we found satisfaction in the company's dedication to ESG factors. Bharti Airtel demonstrates a commitment to ESG with clear objectives and a robust system for measuring progress. Additionally, we noted that the management is held accountable by the Board, ensuring the fulfilment of commitments and progress in environmental, social, and governance initiatives.	None
Environment, Corporate Gov & Disclosure			
Hindalco Industries Ltd	Execute	While Hindalco stands out in terms of disclosure and their efforts in a typically energy intensive industry, there is more we can do to work with them along this journey. In the future, we would hope to see more colour around how much of their end customers feed into the EV chain or other green-related revenues, as well as to check further with them on the exact KPIs that pertain to ESG.	Enhances
Climate Change, Environment, Labour Management, Corporate Behaviour, Corporate Gov & Disclosure			
Infosys Ltd	Execute	We discussed the appointment of two new INEDs this year and the continued efforts to refresh the board and bring in skills and capabilities aligned to Infosys transition from being an largely India-centric organisation into a true multi-national organisation. The two new INEDs look to be high calibre individuals with very relevant skill sets in this respect. We also discussed the senior management transition following the departure of several senior executives this year.	None
Corporate Gov & Disclosure			
JB Chemicals & Pharmaceuticals Ltd	Execute	We discussed bench strength and succession planning with management, and were reassured by their commitment to the firm.	None
Corporate Gov & Disclosure			
Kotak Mahindra Bank Ltd	Execute	We discussed management change and staff attrition. Kotak will be going through a process of internal change and we will monitor if this results in cultural change within the bank as we have always had high regard of their conservative risk management approach.	None
Corporate Gov & Disclosure			
Maruti Suzuki India Ltd	Execute	The company is the lowest emitting manufacturer in Indian in terms of weighted average sales fleet, and had an average emission of 111gCO ₂ /km last year, and 105gCO ₂ /km this. Corporate Average Fuel Efficiency (CAFE) regulation in India is tightening at a fast pace, with CAFE 2 introduced in 2022/3, CAFE 3 to be introduced in 2027 and CAFE 4 in 2032. We'll continue to engage on emissions.	Reinforces
Climate Change, Environment			

Source: abrdn

Active Ownership: Case Studies Continued

abrdrn New India Investment Trust plc

We include a selection of case studies to demonstrate engagement style and investment management approach. These are not an indication of future performance or investment recommendation on the companies themselves.

Company Topic	Lifecycle Status	Engagement Summary	Investment View Change
ReNew Energy Global PLC	Execute	ReNew Energy remains one of the most differentiated plays on the growth in renewable energy in India where there is a clear multi-year structural demand story with India targeting 500GW of renewable energy by 2030.	None
Environment, Human Rights & Stakeholders, Corporate Behaviour, Corporate Gov & Disclosure			
SBI Life Insurance Co Ltd	Execute	We engaged the company on the implementation and disclosure of a responsible investment framework, and were pleased to hear that the company is adopting stewardship principles and have a process to analyse, engage, and exercise voting rights for their portfolio companies. They understand the need for better disclosures, and are working with various regulators to understand the requirements for the insurance industry, and are mapping GRI G4 framework/principles to their business. We also spoke about agent retention rates, and are glad to hear that they are running 50% lower turnover rates versus the industry due to the initiatives they have made, including training and incentivisation.	Enhances
Climate Change, Environment, Labour Management, Corporate Gov & Disclosure			
UltraTech Cement Ltd	Execute	At our recent meeting, we were pleased to note that Ultratech has committed to producing carbon-neutral concrete by 2050. The key hurdles are around carbon capture technology and the kiln. Ultratech is running a pilot study on the electrification of the kiln, but the costs are prohibitive currently and will require policy support, and so it is engaging the government on this. On the governance front, we learnt that the audit committee is now 100% independent and that there will be material board refreshment next year with three directors retiring.	Enhances
Climate Change, Environment, Corporate Behaviour, Corporate Gov & Disclosure			

Source: abrdrn

Glossary

abrdrn New India Investment Trust plc

Data Point	Definition
Avoided Emissions	Greenhouse gas emissions avoided by being invested in the portfolio in lieu of the benchmark.
Carbon Emissions	Carbon emissions is used as a generic term for the main greenhouse gas (GHG) emissions (carbon dioxide, methane, nitrous oxide, F-gases) in our reporting.
Carbon Footprint	The total set of greenhouse gas emissions caused directly and indirectly by an [individual, event, organisation, product] expressed as CO ₂ e.
Carbon Intensity	Carbon emissions relative to a specific activity. For company carbon footprinting, the carbon intensity reflects the CO ₂ e emissions divided by revenue in million US\$. For countries, the standard intensity metric is the ratio of greenhouse gas emissions produced to gross domestic product (GDP).
CO ₂ e	The term CO ₂ e stands for CO ₂ equivalent and relates to the CO ₂ equivalent warming potential of the main greenhouse gases listed above.
ESG Integration	The inclusion of ESG considerations as part of investment analysis and decision making. It involves assessing both the risks and opportunities of a range of ESG-related factors that may affect the performance of our investments.
Exclusions	Companies and sectors that will not be invested in by the portfolio due to business activities that are deemed unsuitable for the portfolio outcome or underlying investor. For example the makers of controversial weapons like cluster bombs.
MSCI Fund ESG Quality Score	The Fund ESG Quality Score (10-0) assesses the resilience of a fund's aggregate holdings to long term industry specific ESG risks. Highly rated funds tend to consist of issuers with leading or improving management of key ESG risks according to MSCI's methodology.
MSCI Fund ESG Rating	The Fund ESG Rating (AAA-CCC) assesses the resilience of a fund's aggregate holdings to long term industry specific ESG risks. Highly rated funds tend to consist of issuers with leading or improving management of key ESG risks according to MSCI's methodology.
Peer Group MSCI Percentile Rating	The Fund ESG Score - Peer Percentile is a percentile rank (1-100) that measures how the Fund ESG Score ranks relative to other funds in the same peer group.
Pillars	Using the SDGs for guidance on where the world should allocate capital, we identified eight pillars of impact that address three key issues: climate change, social inequalities and unsustainable consumption patterns.
PRI Rating	The Principles for Responsible Investment (PRI) is a global initiative founded by the United Nations. The PRI scorecard rating aims to measure the success of implementation of responsible investment practices across the investment process.
UN Global Compact	A global corporate sustainability initiative, calling on companies, investors and other participants to align their strategies and operations with universal principles on human rights, labour, environment and anti-corruption.
UN Sustainable Development Goals	The Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.
Weighted Average Carbon Intensity	Average carbon intensity of the portfolio weighted by the weight of the company in the portfolio. This measure is recommended by TCFD.

Past performance is not a guide to future results. The value of investments, and the income from them, can go down as well as up and clients may get back less than the amount invested.

The information contained herein including any expressions of opinion or forecast have been obtained from or is based upon sources believed by us to be reliable but is not guaranteed as to the accuracy or completeness.

Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by abrdn*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, abrdn* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates.

* abrdn means the relevant member of abrdn group, being abrdn plc together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from marketing) any kind of investment decision and may not be relied on as such. Historical data and analysis, should not be taken as an indication or guarantee of any future performance analysis forecast or prediction. The MSCI information is provided on an 'as is' basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the 'MSCI' Parties) expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages (www.msci.com).

An investment trust should be considered only as part of a balanced portfolio. The information contained in this document should not be considered as an offer, solicitation or investment recommendation to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Key Information Document (KID). These can be obtained free of charge from abrdn Investments Limited, PO Box 11020, Chelmsford, Essex, CM99 2DB or available on www.investments.co.uk

Issued by abrdn Fund Managers Limited, registered in England and Wales (740118) at 280 Bishopsgate, London EC2M 4AG.
Authorised and regulated by the Financial Conduct Authority in the UK.