TrinityBridge

# Task Force on Climate-related Financial Disclosures Aligned Entity Report

2025

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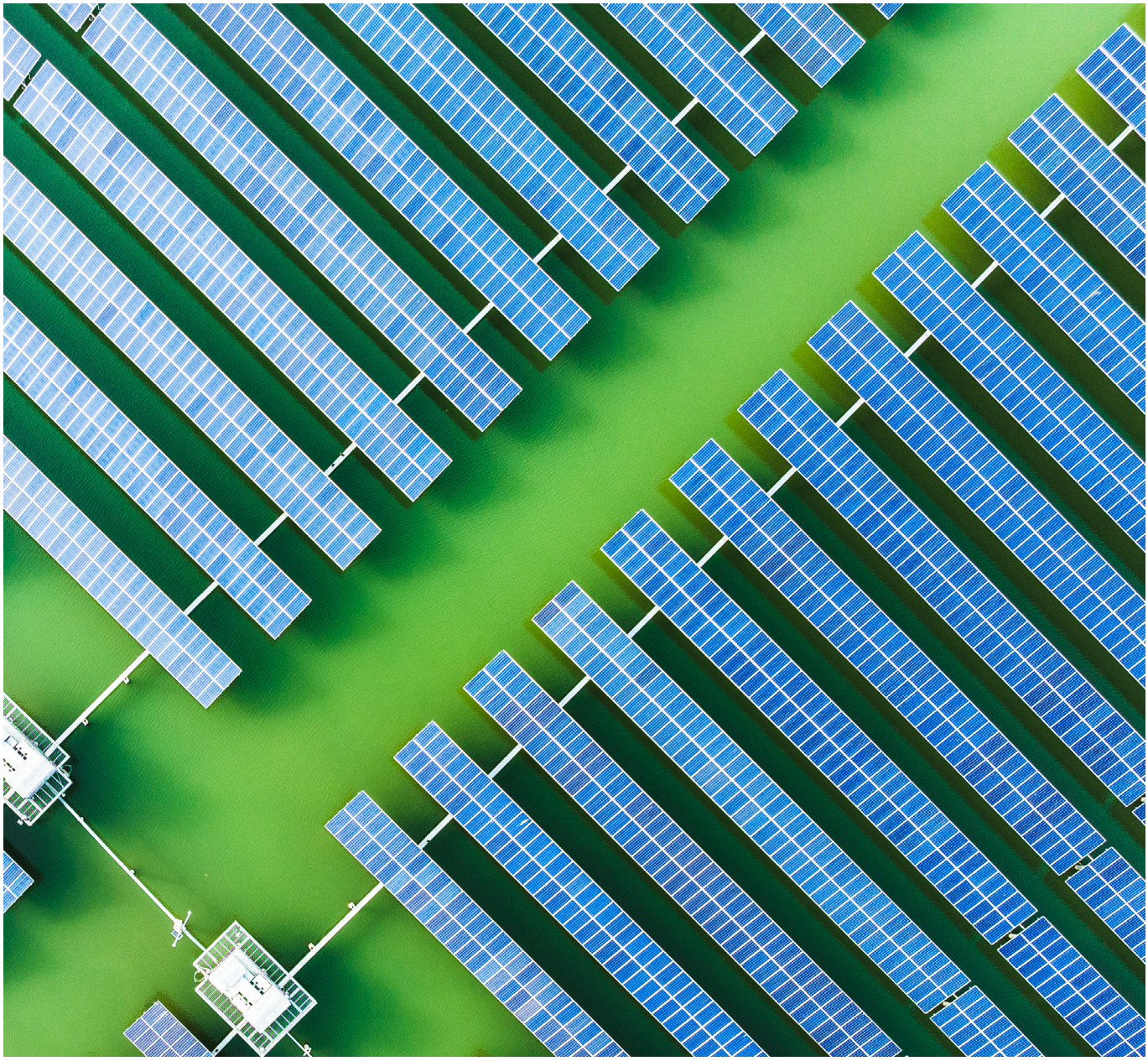
# 1. Overview and CEO statement

## Business overview

We serve c.23,000 households across the UK.

We are responsible for £20.7bn assets under management, as at 31 July 2025.

We operate out of 16 locations across the UK with over 165 investment professionals and c.900 employees.



## CEO statement

In March 2025, TrinityBridge completed its separation from Close Brothers Group, marking a significant point of strategic independence for the firm. This transition provides us with the autonomy to define and implement a strategy to manage climate risks and opportunities fully aligned to our business model, our clients' needs, and our long-term stewardship responsibilities. While our heritage within a larger financial group has shaped our foundations, our independence now enables us to set our own processes and priorities that directly reflect the risks and opportunities most material to a leading modern UK wealth manager.

We recognise that climate change is reshaping the global economy and the financial system in profound and lasting ways. Our clients rely on us to steward their capital responsibly, and that responsibility includes understanding how climate-related risks and opportunities may influence long-term financial outcomes as well as the commercial sustainability of the business. The Task Force on climate-related Financial Disclosures (TCFD) framework provides a clear, internationally recognised structure for assessing and communicating these issues, and I am pleased to introduce our latest disclosures prepared in accordance with its recommendations.

For businesses like ours, the transition to a low-carbon economy presents both challenges and opportunities. Climate-related risks, whether arising from policy and regulatory change, technological disruption or the increasing frequency of extreme weather events, have the potential to affect asset valuations, operational resilience and the wider investment environment. Addressing these risks thoughtfully is essential to safeguarding the wealth entrusted to us by our clients.

At the same time, climate-related opportunities are increasingly shaping the future of wealth management. Client demand for investment solutions that support environmental objectives continues to grow, creating a compelling commercial opportunity for our firm to provide investment strategies that focus on lower and improving carbon intensity business models.

As you will see in the chapters that follow, we are committed to understanding how climate-related risks may affect both our investment activities and our own operations. We continue to refine our research, strengthen our governance processes and develop the metrics and targets needed to manage these risks transparently and effectively.

Through our TCFD-aligned reporting, we hope to provide clarity, accountability and confidence in our approach, and we remain committed to enhancing our climate-related disclosures as expectations and best practice evolve.

**Nigel Stockton**
**CEO**
**TrinityBridge**

# 2. Governance

Addressing the climate risks and opportunities that we face as business has been supported by consistent and reliable governance frameworks.

## 2.1 Role of committees at TrinityBridge

**TrinityBridge Executive Committee (ExCo)**

Central to our governance structure is the role of our Executive Committee (ExCo). The ExCo is responsible for the execution of strategy and for monitoring the effectiveness and compliance of TrinityBridge's governance and controls. They provide day-to-day management of and responsibility for all TrinityBridge business such as monitoring key financial metrics and the development, embedding and monitoring of culture and Business Principles. Their mandate includes agreeing and reviewing TrinityBridge's sustainability strategy, including goals to mitigate our climate risk within our operations and investments. They are also responsible for promoting continuous improvement of sustainability management and performance, defining the overall sustainability strategic direction, and ensuring compliance with legal and regulatory obligations.

**Risk and Compliance Committee (RCC)**

Provides oversight, management and monitoring of risks that could affect our clients' capital and the business, including climate-related risks. The RCC ensures TrinityBridge adheres to its risk management policies and framework, and risk-related regulatory requirements.

**Investment Review Committee (IRC)**

Provides oversight and control of investment process, performance and risk in accordance with the company's agreed investment strategy. The IRC is the governing body of our stewardship and responsible investment approach, ensuring that we can best serve our clients' interests. This includes the integration of financially material climate risks and opportunities in our investment research when relevant. The committee also monitors the progress of our responsible investment and stewardship reporting obligations, such as the Sustainability Disclosure Requirements, Task Force for Climate-Related Financial Disclosures, UK Stewardship Codeand Principles for Responsible Investment. The Head of Wealth Planning, who is the member of the senior management team responsible for stewardship and responsible investment, chairs the IRC.

**Responsible Investment Committee**

The Responsible Investment Committee oversees the firm's Stewardship and Responsible Investment Policy and guides our responsible investment approach, including how we integrate climate risks and opportunities when they are material to our investment research. It consists of the Responsible Investment team, Head of Wealth Planning and representatives from Research, Investment Specialists, Bespoke and fund investment managers. It is chaired by the Head of Responsible Investment. The Responsible Investment Committee communicates and informs our responsible investment approach and our stewardship approach and activities.

**Sustainable Investment Oversight Committee (SIOC)**

The SIOC oversees our sustainable investing methodologies, review holdings and ensure product/ service messaging is aligned across the firm. The committee's responsibilities include reviewing the Sustainable Investment Policy and Process, reviewing securities held in funds and data providers, and ensuring firmwide strategy alignment on a sustainable investment offering. It is chaired by the Head of Responsible Investment. Members include representatives from the Socially Responsible Investment (SRI) Service, Funds, Risk, Compliance and Head of Wealth Planning. The SIOC is especially important for monitoring the progress that three of our funds (Sustainable Balanced, Select Global Equity and Select Fixed Income) are making towards their carbon intensity objectives.

Our governance model is further defined by stringent reporting and accountability measures. These mechanisms provide necessary transparency to our stakeholders. We recognise the importance of transparency in building trust and credibility, as well as supporting the maturity of sustainability reporting in the market.

## 2.2 Remuneration

Effective remuneration structures play a role in promoting sustainable business practices. Remuneration for ExCo members is determined by individual performance, as well as the performance of the functions they oversee. This determination is closely tied to the achievement of the Company's overarching strategic objectives. Each year, ExCo members set their objectives in collaboration with the CEO which encompass individual, functional, and business-wide strategies. By considering sustainability as an element of ExCo performance and their resulting variable remuneration, we can reinforce the importance of sustainable practices within our leadership. As we continue to evolve our governance practices, we are committed to a journey of continuous improvement and aligning long-term sustainability strategy with the immediate realities of business operations.

# 3. Strategy

## 3.1 Our Sustainability Strategy

We recognise that the most significant components of our climate footprint, and thus our primary climate-related risks, arise through the investments we manage on behalf of clients. The transition to a low-carbon economy, evolving regulatory expectations and the increasing physical impacts of climate change can directly influence the value, resilience and long-term performance of the assets we steward. At the same time, we acknowledge that our own operations are not insulated from climate-related risk. The buildings we occupy, the carbon intensity of our operations and the infrastructure that supports our business are all exposed, to varying degrees, to both transition and physical climate risks.

As an independent business we have begun to focus on the climate risks and opportunities that are material to the commercial sustainability of the business and to develop a suitable strategy to mitigate these. We recognise that failure to effectively manage these risks may result in higher operating costs, lower assets under management due to mispriced sustainability risks, potential regulatory sanctions, and reputational damage.

## 3.2 Climate risks in our operations

Across our operational footprint, three main climate-related risks could have financial planning implications and therefore shape our strategy.

1. **Risk:** Energy-inefficient buildings. **Likelihood:** Higher. **Time Horizon:** Shorter term. The high likelihood of energy-inefficient buildings leading to elevated energy consumption and operating costs in the short term, requiring us to prioritise renovation of offices and targeting higher energy efficiency ratings across our property portfolio.
2. **Risk:** Physical damage to buildings. **Likelihood:** Low. **Time Horizon:** Shorter term. Physical climate risks, including flooding and severe weather, although assessed as low in likelihood and longer-term, have the potential to impose significant financial impacts through building damage and increased insurance premiums.
3. **Risk:** Negative impacts of carbon intensive operations. **Likelihood:** Low. **Time Horizon:** Longer term.Transition-related risks such as future carbon taxation and reputational concerns arising from carbon-intensive operations has focused our attention of managing emissions across our operations. However, these risks are low and long-term, particularly as the UK government has shown no indication of applying a carbon tax to the operations of the asset and wealth management industries.

We will be working with a third-party consultant with of aim of helping to set energy efficiency targets for our buildings, set targets for our operational emissions and plan for a physical risk assessment of our buildings and infrastructure by 2030.

## 3.3 Climate risks and opportunities in our Investments

We are aware of the challenges and opportunities presented by climate change in relation to the potential impacts on client portfolios. We understand that climate change can pose significant physical and transition risks, potentially affecting the value and performance of our investments if they are inappropriately priced. These risks are multifaceted, impacting various sectors and geographies differently, necessitating a nuanced approach to investment strategy and decision-making.

To address these risks and opportunities:

- Our bottom-up investment research considers climate risks and opportunities when they are financially material to the investment case. Please see our Stewardship and Responsible Investment Policy for more details (Stewardship and Responsible Investment Report).
- Our top-down research on the Energy Transition explores the investment risks and opportunities of moving towards a cleaner energy economy (Voting Report).
- We report on the value of our investments that are at risk from climate impacts at both the entity-level and product-level.
- We offer investment opportunities that have a focus on emissions through three funds that have carbon intensity objectives:

  TrinityBridge Sustainable Balanced Fund

  The Fund has a sustainability objective to support and promote a low carbon economy, by investing both in (i) companies with low carbon intensity operations (“Low Emitters”) and (ii) companies that do not have low carbon intensity operations but are demonstrably improving their carbon intensity within a clearly identified timeframe (‘Improvers’). ‘Low Emitters’ will comprise the Sustainability Focus element and “Improvers” will comprise the Sustainability Improvers element.” Carbon intensity is the weight of scope 1 and 2 carbon emissions (tons) per million dollars of revenue.

  TrinityBridge Select Global Equity Fund

  The Fund has a sustainability objective to support and promote a low carbon economy, by investing both in (i) companies with low carbon intensity operations (“LowˆEmitters”) and (ii) companies that do not have low carbon intensity operations but are demonstrably improving their carbon intensity within a clearly identified timeframe (“Improvers”). “Low Emitters” will comprise the Sustainability Focus element and “Improvers” will comprise the Sustainability Improvers element.” Carbon intensity is the weight of scope 1 and 2 carbon emissions (tons) per million dollars of revenue.

  TrinityBridge Select Fixed Income Fund

  The Fund aims to generate income while maintaining its capital over the medium term. The Fund also seeks to maintain a weighted average carbon intensity (tonnes of Scope 1 and 2 CO2e per US$m of revenue) below a benchmark of the ICE BofA Global Corporate Index, targeting a level 50% below this benchmark by 2030 from the 019 baseline.

- Our research and carbon intensity focused Funds are supported by our stewardship approach including engagement and voting. We will engage investees on climate-related issues (e.g. emissions trajectory or climate transition plans disclosure) either to manage investment risk and strengthen the investment case or to support the achievement of the carbon intensity objectives for our Funds. For details on our engagement activities please see our latest Stewardship and Responsible Investment Report (link).

  We can express our views on investees’ approach to climate-related topics through our voting. We have published ten voting principles that provide guidance to our Voting Panel, of which number 10 states, “we will support proportionate disclosure of material environmental and social issues;

where relevant, we encourage companies to have adequate climate transition plans."

To carry out our voting operations, we use the third-party partner, ISS (Institutional Shareholder Services), for best practice corporate governance voting research and their proxy voting platform. Our Voting Panel of analysts and investment managers maintain discretion for and determine how we should vote in the best interests of clients. Please see our latest Voting Report for further details (link).

We remain signatories to the Net Zero Asset Managers (NZAM) initiative. NZAM as an initiative has been through a review of its purpose and effectiveness across global markets and we are intending to update our commitments accordingly in the near future.

## 3.4 Investment scenario analysis

As a wealth management company our investee's emissions or our 'financed emissions' represent the most substantial portion of our carbon footprint. This is why we use Climate Value at Risk (CVaR) metrics to measure the proportion of our investment value that is at risk from transition and physical climate risks.

We use MSCI's Climate Value at Risk (CVaR) methodology to explore how TrinityBridge's equity, corporate bond, investment trust, and third party collective holdings could be impacted under various climate-related scenarios. These scenarios have been developed by the Network for Greening the Financial System (NGFS) and are widely accepted as the standard for financial institutions to evaluate the potential financial impacts of climate change on their investments. These scenarios enable institutions to explore various future pathways and their implications on their products.

The analysis allows us to identify investments and portfolios which are particularly exposed to transition or physical risks, and which are likely to benefit from low-carbon technology opportunities. In turn, this can help inform our monitoring and engagement approach for those companies, especially those vulnerable to both or one of the types of climate risk.

**1.5 Degrees Orderly Scenario:** Global warming is limited to 1.5°C above pre-industrial levels by 2050 through timely and planned policyinterventions. The transition to a low carbon economy is achieved in an orderly fashion, minimising economic disruptions and allowing for a smooth adjustment across sectors.

**1.5 Degrees Disorderly Scenario:** Global warming is limited to 1.5°C above pre-industrial levels by 2050 but the transition is delayed and then rapidly accelerates, leading to a disorderly adjustment. This scenario reflects the risks associated with late and sudden implementation of climate policies, resulting in potential financial shocks and market volatility.

**2.0 Degrees Orderly Scenario:** Global warming is limited to 2.0°C above pre-industrial levels by 2050 through proactive and planned measures. The transition is managed in a way that promotes economic stability and gradual adaptation by various industries and financial markets.

**2.5 Degrees Disorderly Scenario:** Global warming reaches 2.5°C above pre-industrial levels by 2050, with policies introduced in a delayed and hasty manner, causing abrupt economic and financial adjustments. It highlights the challenges and risks of postponing decisive climate action.

**3 Degrees Hot House World Scenario:** The lack of effective climate policies leads to global warming of 3°C above pre-industrial levels by 2050, significantly increasing the physical risks associated with climate change. It illustrates the severe economic and financial implications of failing to adequately address climate risks.

The CVaR for TrinityBridge's equity, corporate bond, investment trust, and third-party collective holdings can be calculated based on an average or aggressive physical risk scenario. The average scenario is the most likely physical impact of climate change, whereas, the aggressive scenario has a 1 in 20 chance of occurring. The results presented represent estimates of possible future scenarios, not precise forecasts. These climate models rely on multiple assumptions

which are uncertain and therefore the projections could deviate significantly from reality.

CVaR figures presented are aggregated and assume an average physical scenario. Under each scenario, the model indicates that our holdings may experience a loss in value. The following graph indicates orderly scenarios are preferable to disorderly scenarios in a 2.0°C scenario and transition risks are higher in scenarios where emissions are limited the most.

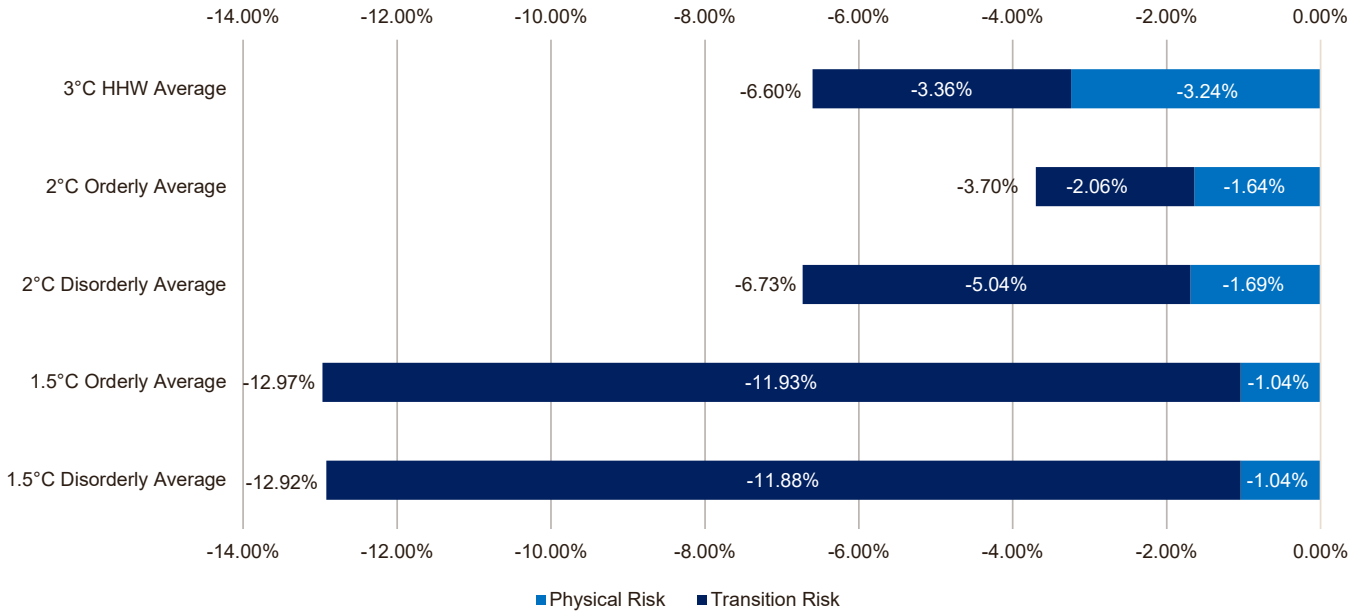
CVaR analysis shows how our equity, corporate bond, investment trust, and third party collective holdings would be impacted under each of the NGFS scenarios projecting the value to 2100. The 1.5°C orderly scenario is the most challenging for the portfolio and could result in a 12.97% loss of value. The 2.0°C orderly scenario is the least impactful scenario on the portfolio resulting in a potential 3.7% loss in value.

The CVaR associated with TrinityBridge's equity, corporate bond, investment trust, and third party collective holdings under each scenario is driven primarily by policy risk which is often a contributor to the broader term transition risk. Policy risk is the loss of value from the risk associated with any policy changes such as legal or regulatory action implemented to constrain actions that contribute negatively to climate change or policy which seeks to promote adaption to climate change.

The CVaR under 1.5°C disorderly and orderly scenarios is driven primarily by exposure to companies within the Energy, Consumer Staples and Materials sectors. The carbon intensive nature of the Energy and Materials sectors in particular means they are at risk from policy intended to decarbonise in order to maintain global warming to within 1.5°C.

Overall, within TrinityBridge's equity, corporate bond, investment trust, and third party collective holdings there is 10.0% exposure to companies with any tie to oil and gas and 1.5% exposure to companies with any tie to thermal coal. Under an aggressive policy scenario to reduce the use of fossil fuels across the economy, the business models of the companies within this exposure will be stressed, unless they are adapted, and a loss of revenue could cause a loss of value.

## Aggregated Climate VAR (%)




Source: TrinityBridge as at 31 July 2025.

| CVaR calculation coverage for TrinityBridge's equities, corporate bonds, investment trusts and third-party collectives | |
|---|---|
| Policy Climate VAR | 71% |
| Technology Opportunities Climate VAR | 67% |
| Physical Climate VAR | 71% |

# 4. Climate risk management

## 4.1 Risks

Climate change, as well as other environmental and social factors, can pose financial and non-financial risks to our business. We seek to manage any potential impacts through our emerging risk framework, with appropriate oversight and responsibility assumed by both senior management and ExCo. Since our departure from CBG, we are in the process of developing an appropriate firm-wide climate risk framework due to the potential for climate change to impact various principal risks (operational risk, market risk). Current and emerging ESG risks are considered as part of the regular, six monthly update to the risk register and risk and controls self-assessment (RCSA) cycle.

| Risk | Nature and potential impact of risk | Controls |
|---|---|---|
| **Physical damage to buildings** | **Risk category: Risk category: physical**<br>Physical climate risks, including flooding and severe weather, although assessed as low in likelihood and longer-term, have the potential to impose significant financial impacts through building damage and increased insurance premiums. | Performing planned preventative maintenance (PPM) to ensure building related materials / facilities are in good order. Examples of these are inspection and maintenance of roof coverings, building cladding, guttering, surrounding trees etc. to reduce risk. We also have Business Continuity Plans detailing key contractors for quick attendance and repairs of all building fabric/facilities. |
| **Negative impacts of carbon intensive operations** | **Risk category: Operational**<br>Transition-related risks such as future carbon taxation and reputational concerns arising from carbon-intensive operations has focused our attention of managing emissions across our operations. However, these risks are low and long-term, particularly as the UK government has shown no indication of applying a carbon tax the operations of the asset and wealth management industries. | We report on Scope 1 & 2 emissions, benchmarking and tracking energy consumption. Reviewing the data helps us identify any peaks so the cause can be investigated and strategy can be applied to reduce. We also apply a number of sub-metering and marginal gains to reduce energy consumption where possible.<br>We will be working with specialist consultants this year to fully review the portfolio, and for them to guide us on a Net Zero Journey, which will be applied across the portfolio. |

| Risk | Nature and potential impact of risk | Controls |
|---|---|---|
| **Loss of building utilities or environmental disruption** | **Risk category: Physical risk**<br>Loss of utilities impacting on the ability to carry on normal office business activities. Environmental factors influencing ability to gain site access. | Preventative maintenance and Business Continuity Plans (BCP). BCP in place for each site. Preventative maintenance schedule in place for significant assets. Some sites benefit from backup generators, and IT equipment use Uninterruptible Power Supply (UPS) to maintain power during outage – systems under regular maintenance regime.<br>All staff have access to laptops and are able to work from home.<br>Disaster Recovery Plan in place for TrinityBridge IT systems. This is reviewed regularly and tested at least annually. |
| **Quality, health, safety and environment** | **Risk category: Physical risk**<br>Failure to comply with health, safety and environmental regulations including Health & Safety Assessment, display screen equipment, fire, first aid, accident reporting, electricity, water management, construction (design & management), equality/disability etc. | Auditing and training: Fire risk assessments, water risk assessments and general health and safety assessments are conducted at each office, appropriate actions taken where identified. Training for fire wardens and first aiders are conducted at each site. Reporting of incidents, accidents or near misses is in place  t each site. Regular fire drills are conducted at each site, raising awareness of evacuation procedures and identifies any shortfalls to be remedied. |
| **Computer/ device software** | **Risk category: Hardware risk**<br>Insufficient equipment and inventory supply and management for staff and IT, software/ hardware is unsupported/end of life, supply chain issues. | Monitored on-site stock levels for IT and end user equipment to expedite new starter requests and replace faulty devices. |

## 4.2 Risk life cycle

As at 31 December 2025, risks were managed in line with the risk life cycle. The first step is risk identification. Determining the risks to which the business is exposed is managed through both a top-down and bottom-up approach. The ExCo and Entity level Boards have determined the risk strategy and risk appetite. The risk strategy was determined by the ExCo and disseminated through the business and RCC. Using knowledge and experience of day-to-day operations, business areas identify the risks they face on an ongoing basis.

Risk identification is the responsibility of all staff and may develop from a variety of different sources, including industry and business knowledge and experience, incident root cause analysis, risk reviews, transaction analysis, new business approval and emerging risk analysis. TrinityBridge records all business risks and controls within a defined risk taxonomy. Risk identification also includes identifying risk events. A risk event is a specific occurrence which has a negative impact on the business and is due either to the materialisation of a risk or the failure of a control. TrinityBridge records and reports all risk events, near miss and boundary events in line with the requirements set out in the Operational Risk Policy and Risk Event Management Standard. The second step is the risk assessment. Operational risks and controls are subject to regular assessment in order to understand the current risk exposure of TrinityBridge and ensure risks are sufficiently managed to prevent losses or other negative detriment.

The risk assessment process allows TrinityBridge to integrate and coordinate its risk identification and management efforts.
It also assists in improving the understanding and operational control of all risks TrinityBridge is exposed to and identifying control gaps which could threaten the achievement of TrinityBridge and business objectives. Business areas are responsible for ensuring all operational risks and controls are identified and assessed in line with the Risk Assessment and Response Standards. Periodic reassessment of all operational risks is required through the semi-annual RCSA process. Risk owners must also ensure changes to the risk profile identified outside of an RCSA cycle are assessed, documented and escalated as required.

Risk mitigation is the third step. Mitigation represents a systematic reduction in the extent of exposure to a risk and/or the likelihood of its occurrence and is achieved through the implementation and operation of controls. Each control has an owner who must periodically affirm as to the continued design and operational effectiveness of the control. Controls may be considered preventative or detective.
Risk reduction may be achieved through thefollowing methods:

- Corporate culture
- Policies, standards and procedures
- The corporate governance framework
- Risk, compliance and legal frameworks
- Business and personal authority approval levels

- Management of risk events (eg, operational, external or market)
- Business process controls and control owner affirmation
- Process design effectiveness

Where controls are not yet operational or are assessed as inadequate, or when risks materialise, action plans are required. Action plans must be agreed with all relevant parties, documented and tracked to completion. They may be considered proactive or reactive.

The fourth step is risk review. There are two types of review: standard reviews and event reviews. Standard reviews are completed in the following scenarios:

- at the request of the business
- as a follow-up review

Event reviews are undertaken following a material event that requires assurance activity to be performed after an assessment by the Risk Analyst and Business area management. The review will ensure that both corrective and preventative remedial action taken by the first line is adequate, effective and has been completed. Review results are reported to the RCC and escalated as required.

The final step of the risk life cycle is risk reporting. To manage risk effectively, risk reports based on risk data should:

- be accurate, provide analytics to present a clear and complete articulation of the risk
- be presented in timely manner to appropriate decision makers to allow for an appropriate response
- be reconciled and validated with documented and well-managed procedures in place for collation
- cover all material risk areas within the organisation and be proportionate to the size of business operation and risk profile
- be easy to understand but also comprehensive enough to facilitate informed decision-making
- have an appropriate level of balance between risk data, analysis and interpretation with relevant qualitative explanations

Business area managers are responsible for ensuring the upward reporting of key risks on a monthly basis through the RCC hierarchy, and where necessary, executive committees eg, RCC. Material risks must be discussed and evaluated, and where applicable, areas of concern escalated through the RCC structure. Upward reporting may be achieved through risk status, RAG (Red/ Amber/Green) and Key Risk Indicator reporting.

# 5. Metrics and targets

## 5.1.1 Operational metrics

### Operations

**Scope 1 emissions** relate to all direct emissions from an organisation's activities. Examples include fleet vehicles, air conditioning leaks and running boilers.

**Scope 2 emissions** relate to all indirect emissions associated with an organisation's energy use. Examples include the purchase of electricity, steam, heat, or cooling.

**Scope 3 emissions** cover all other indirect emissions from the organisation's activities up and down the value chain. Examples include lending, business travel, waste disposal, investments, and leased assets.

| Metric | Emissions (tCO2e) |
|---|---|
| **Scope 1 & 2 location based (tCO2e)** | 175 |
| **Scope 3 business travel (tCO2e)** | 160 |
| **Scope 2 capital goods (tCO2e)** | 2246 |

## 5.1.2 Investment metrics

### Implied Temperature Rise

The Implied Temperature Rise (ITR) metric provides an indication of how well public companies align with the Paris Agreement – the goal of limiting global temperature rise this century to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C.

The key to understanding ITR is the concept of a carbon budget, that is, how much the world can emit so that global warming doesn't exceed 2.0°C by 2100 and, by extension, how much a company can emit to take its fair share of global decarbonisation. To arrive at an ITR for a company, its emissions are compared against its assigned carbon budget, and the entire economy is then assumed to have the same carbon budget overshoot or undershoot. The deviations from the budget are then converted to °C.

By calculating the ITR for our equity, corporate bond, investment trusts and third-party collectives holdings, we can assess whether our investments are aligned or unaligned to the Paris Agreement. It also enables us to identify and engage with companies that need to improve their carbon emissions trajectory and align themselves with a transition to a low carbon economy.

Our coverage has changed for this financial year and now includes investment trusts and third-party collectives.

**78%**

coverage equities, corporate bonds, investment trusts and third-party collectives

**34.1%**

of companies within the portfolio aligned to 2°C or less

**10.5%**

of companies within the portfolio aligned to 1.5°C or less

Highest intensity sectors are energy, materials and mining.

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**Financed emissions**

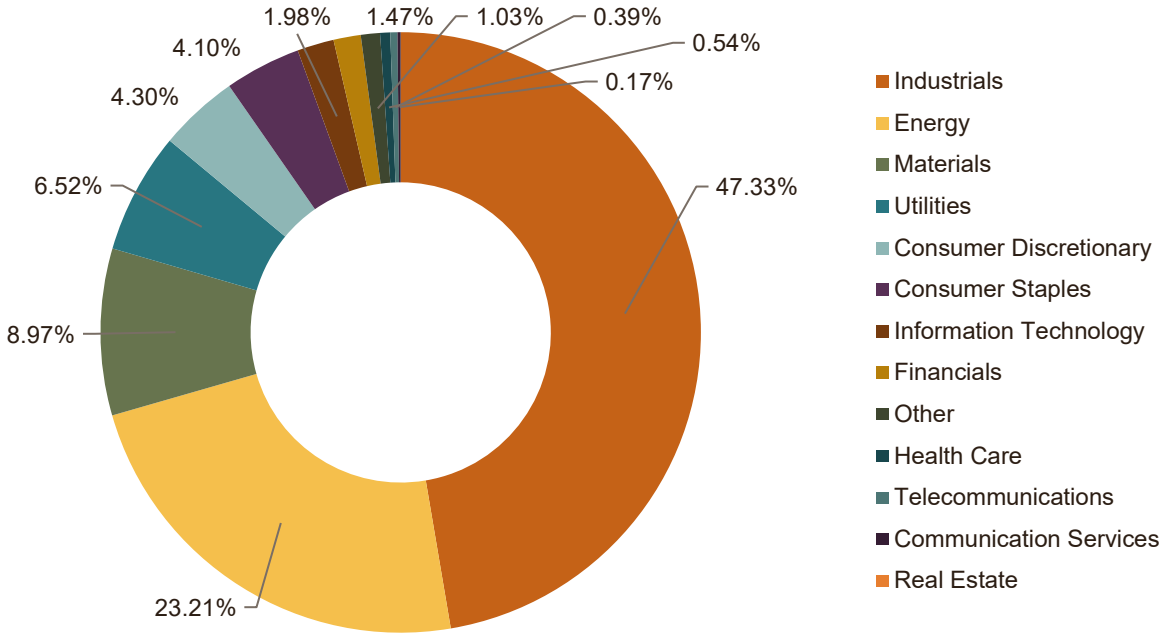
Our financed emissions are the emissions of the companies we invest in that are attributable to us based on our ownership of their equities or bonds.

We are able to measure financed emissions for our equity and corporate bond holdings. Across TrinityBridge's holdings, most of the scope 1 and 2 financed emissions are in the Industrials sector (comprising 47.33%), followed by the Energy (23.21%) and Materials (8.97%) sectors. This is illustrative of the carbon intensive nature of these sectors and indicates where we have most exposure to the risk of transitioning to a low carbon economy. The business models of the companies within this exposure will be stressed under such a transition, unless they are adapted.

Most of the scope 3 financed emissions come from the Energy sector (31.08%), followed by the Materials (19.09%) and Industrials (16.71%) sectors. Whilst the top 3 emitting sectors are the same across scope 1, 2 and 3 financed emissions, our Energy sector exposure is the largest contributor to our Scope 3 financed emissions due to the use and burning of fossil fuels further down the value chain.

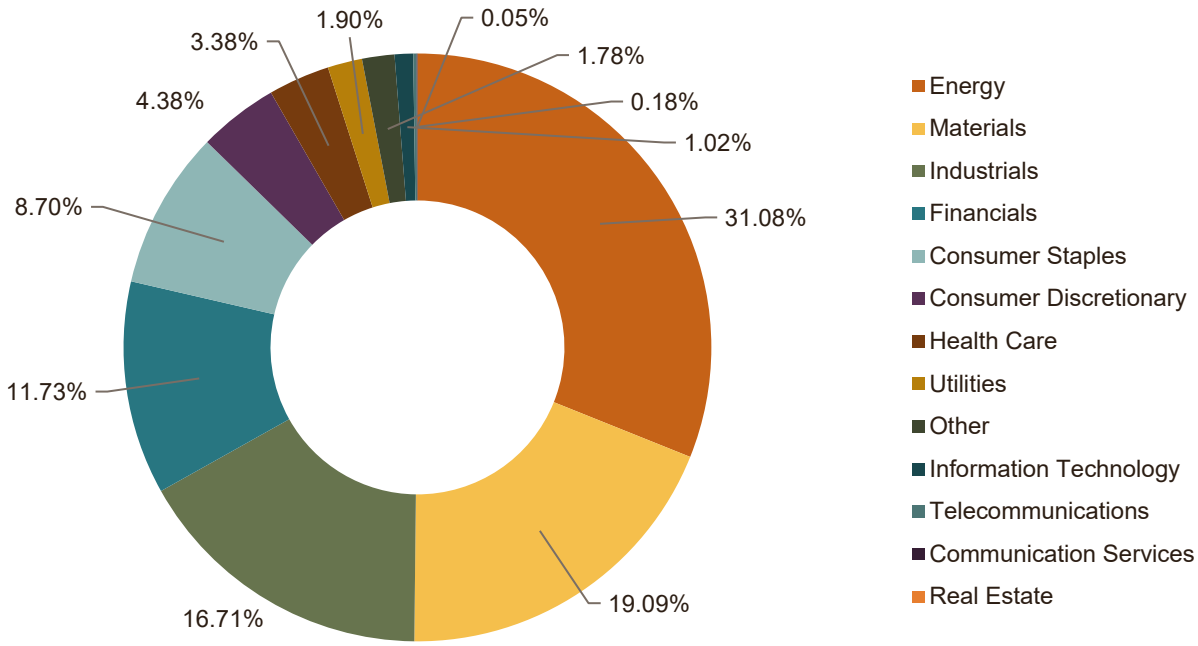
| Metric | Emissions (tCO2e) |
|---|---|
| **Investee scope 1 and 2 emissions** | 511,800 |
| **Investee scope 3 emissions** | 4,400,000 |

## Scope 1 & 2 Financed Emissions Sector Breakdown




Source: TrinityBridge as at 31 July 2025. Note: Numbers may not add up due to rounding.

## Scope 3 Financed Emissions Sector Breakdown




Source: TrinityBridge as at 31 July 2025. Note: Numbers may not add up due to rounding.

### Normalised financed emissions

Normalised financed emissions measure the amount of greenhouse gas emissions produced per unit in which we are invested. Absolute financed emissions can naturally grow or shrink depending on capital invested so normalisation controls for this by adjusting emissions by an invested amount denominator. This measure aids with comparison of financed emissions between different investment organisations of various sizes.

| Metric | Emissions (tCO2e/£mil*) |
|---|---|
| **Normalised investee scope 1 and 2 financed emissions** | 24 |
| **Normalised investee scope 3 financed emissions** | 202 |

*Tonnes of carbon dioxide /£m represents the value of all greenhouse gases emitted calculated into the equivalent weight of carbon dioxide per every £m invested. This measure includes equity and corporate bond holdings as at 31 July 2025.

### Summary table of investment metrics

| Metric | Entity | Coverage% |
|---|---|---|
| Scope 1 & 2 GHG Financed Emissions (tCO2e) | 511,800 | 51 |
| Scope 3 GHG Financed Emissions (tCO2e) | 4,400,000 | 51 |
| Total GHG footprint (tCO2e/£mil invested) | 226 | - |
| WACI scope 1&2 (tCO2e/£mil invested) | 102 | 79 |
| WACI scope 3 (tCO2e/£mil invested) | 577 | 79 |

tCO2e = tonnes of carbon dioxide equivalent. WACI = Weighted Average Carbon Intensity. GHG = Greenhouse Gas Emissions.

## 5.2 Targets

### Operational Targets

As set out in the strategy section, we will be working with a third-party consultant with aim of helping to:

- Set medium-term energy efficiency targets for our buildings.
- Set medium targets for our operational emissions.
- And plan for a physical risk assessment of our buildings and infrastructure by 2030.

### Investments targets

In 2023, we made our inaugural climate target disclosure to the NZAM initiative. The disclosure was based on the Net Zero Investment Framework. Six funds (18% of TrinityBridge's AUM) had initially been committed to our climate targets, focusing on equities and corporate bonds. The targets disclosed were:

**Portfolio Coverage Target:**

100% of AUM in material sectors will be considered net zero, aligned, or aligning by 2050.

**Portfolio Decarbonisation Reference Target:**

Weighted average carbon intensity (scope 1 and 2) 50% below relevant benchmarks for each portfolio by 2030 from 2019 baseline.

**Engagement Threshold Target:**

By 2025, 70% of financed emissions (scope 1 and 2) are either aligned to a net zero pathway or subject to direct or collective engagement and stewardship actions.

NZAM as an initiative has undertaken a review of its purpose and effectiveness across global markets and will be publishing an updated Commitment Statement for signatories. We are considering the contents of our own commitment in light of the initiative's updates but as at 31st July 2025 our progress against our original targets was as follows:

**Portfolio Coverage Target:**

65% of committed equities and corporate bonds scope 1 and 2 emissions were aligned to 1.5°C or lower based on MSCI's Implied Temperature Rise metric. The coverage of the committed equities and corporate bonds for this metric was 86%.

**Portfolio Decarbonisation Reference Target:**

Within committed AUM there are four multi-asset funds, one equity fund and one fixed income fund.

**Equity Fund**

The WACI of the equities was more than 50% below the relevant 2019 benchmark.

**Fixed Income Fund**

The WACI of the corporate bonds was more than 50% below the relevant 2019 benchmark.

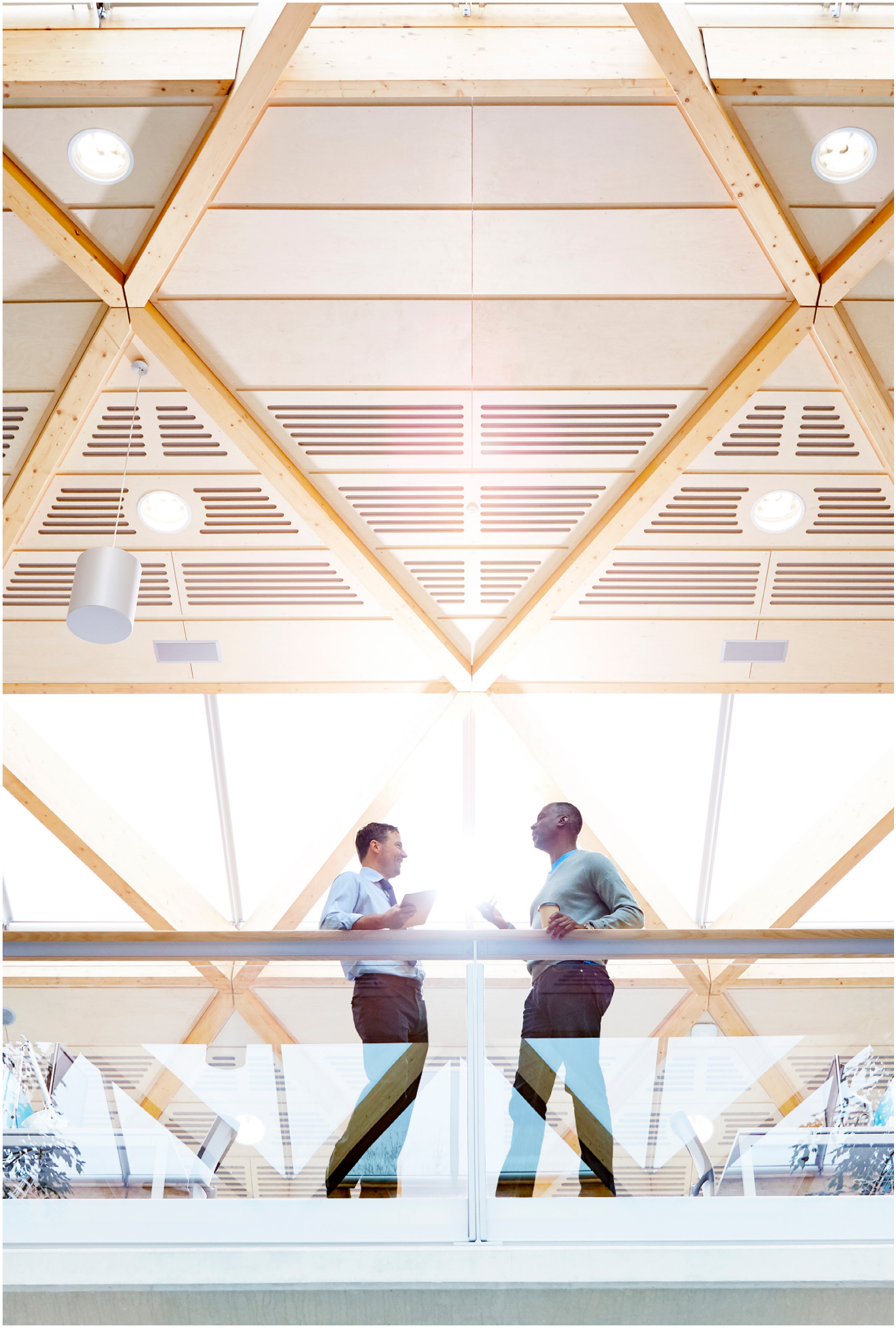
**Multi-Asset Funds**

The WACI of the equity and fixed income portions of one of the multi-asset funds was more than 50% below the relevant 2019 benchmark.

The WACI of the equity and fixed income portions of the remaining multi-asset funds were not on track to be 50% below the relevant 2019 benchmark.

**Engagement Threshold Target:**

87% of our financed emissions (scope 1 and 2) are either aligned to a net zero pathway or subject to direct or collective engagement and stewardship actions.



# 6. Conclusion

Understanding how climate-related risks and opportunities influence both our operations and our investments remains central to delivering outstanding service and long-term value for our clients. Through our TCFD-aligned disclosures, we aim to provide clear insight into how these factors shape our strategy and risk management.

As regulatory expectations, data and climate science continue to evolve, so too will our approach. We will keep integrating climate considerations into investment processes, operational planning and governance, ensuring risks are appropriately managed and opportunities identified where they support resilient portfolios and positive client outcomes.

# Glossary

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| **Climate scenarios** | A description of possible future climate change pathways. Climate scenarios are used to assess the potential impact of climate change on businesses and other organisations. |
| **Disorderly** | Refers to a chaotic and poorly managed transition to a lower-carbon economy, characterised by significant economic disruption and financial market instability. |
| **Enterprise Value Including Cash (EVIC)** | The total value of a company including its cash, all equity ownership and debt. |
| **Financed emissions** | A measure of an investee's carbon dioxide equivalent emissions that an investor is responsible for based on the number of shares or bonds held in the company or issuer. |
| **Greenhouse Gas (GHG) Emissions** | Both natural and human-made gases that absorb and emit infrared radiation in the Earth's atmosphere, contributing to the greenhouse effect of trapping heat and warming the planet. Examples of greenhouse gases include carbon dioxide, methane, and nitrous oxide. |
| **Implied Temperature Rise (ITR)** | The amount of global warming that is implied by an organisation's total carbon emissions. Implied temperature rise is calculated by plotting an organisation's total carbon emissions and trajectory against a carbon budget (typically a global carbon budget broken down into sector-region allocations). The global carbon budget is the amount of carbon emissions that can be emitted without exceeding a certain temperature target. |
| **Net zero** | A state in which GHG emissions have been reduced to the greatest extent possible before offsetting the residual emissions with methods that either remove GHGs from the atmosphere or avoid the release of emissions elsewhere. |
| **Network for Greening the Financial System (NGFS)** | An international network of central banks and financial supervisors that are working to promote sustainable finance. The NGFS have developed a set of climate scenarios tailored to financial sector companies. |
| **Orderly** | Refers to a smooth and well-managed transition to a lower-carbon economy, minimising economic disruption and ensuring stable financial markets. |

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| **Physical risk** | The financial risks resulting from climate change-related physical events, such as extreme weather events and long-term shifts in climate patterns. |
| **Scenario analysis** | The process of analysing the potential impact of different climate scenarios. Scenario analysis is used to help organisations make decisions about how to manage climate-related risks and opportunities. |
| **Science based** | Refers to targets or strategies that are aligned with the latest climate science to meet the goals of the Paris Agreement, aiming to limit global warming to well below 2°C above pre-industrial levels. |
| **Scope 1 emissions** | Relate to all direct emissions from an organisation's activities. Examples include fleet vehicles, air conditioning leaks and running boilers. |
| **Scope 2 emissions** | Relate to all indirect emissions associated with an organisation's energy use. Examples include the purchase of electricity, steam, heat, or cooling. |
| **Scope 3 emissions** | Cover all other indirect emissions from the organisation's activities up and down the value chain. Examples include lending, business travel, waste disposal, investments, and leased assets. |
| **Task Force on Climate-related Financial Disclosures (TCFD)** | The TCFD is an international body set up by the Financial Stability Board to develop recommendations for companies to disclose climate-related financial information. |
| **Total GHG footprint** | The GHG footprint of a financial portfolio is a measure of the total carbon dioxide equivalent emissions associated with the assets held in the portfolio. It is calculated by dividing the total emissions of the assets in the portfolio by the value of the portfolio. |
| **Transient Climate Response to Cumulative Emissions (TCRC)** | The transient climate response to cumulative emissions of carbon dioxide is the ratio of the globally averaged surface temperature change per unit carbon dioxide emitted. |
| **Weighted Average Carbon Intensity (WACI)** | Measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' carbon intensity. |

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**Data limitations**

We are aware that emissions data often includes estimations or proxy data, thereby data coverage of our portfolio's exposures or risks is subject to a margin of error. We are committed to persistently enhancing the precision of our data utilisation. However, it is crucial to highlight that the outcomes derived should be regarded as indicative rather than definitive.

**Our approach to ESG and climate-related data and information:**

Our investment processes are supplemented by qualitative and quantitative ESG related information, including data related to climate. We are reliant on the accuracy of the climate data provided to us by external providers. Therefore, we are mindful of this when using the output and calibrate accordingly. For applicable strategies, our investment team supplement climate-related data and metrics with a range of qualitative information.

**Assets covered**

Our reporting covers public listed equities, corporate bonds, investment trusts and third-party collectives where possible.

**Scope 1, 2 and 3**

In our TCFD-aligned Entity Report, we disclose scope 1, 2, and 3 emissions, confident in the appropriateness and reliability of the data for these purposes. However, it is important to note that within our fund prospectuses, we report only scope 1 and 2 emissions.

The omission of scope 3 emissions from these prospectuses is deliberate, as we do not consider the available scope 3 data robust enough to inform our sustainable investment methodology. This distinction reflects our commitment to accuracy and transparency in our sustainability reporting.

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