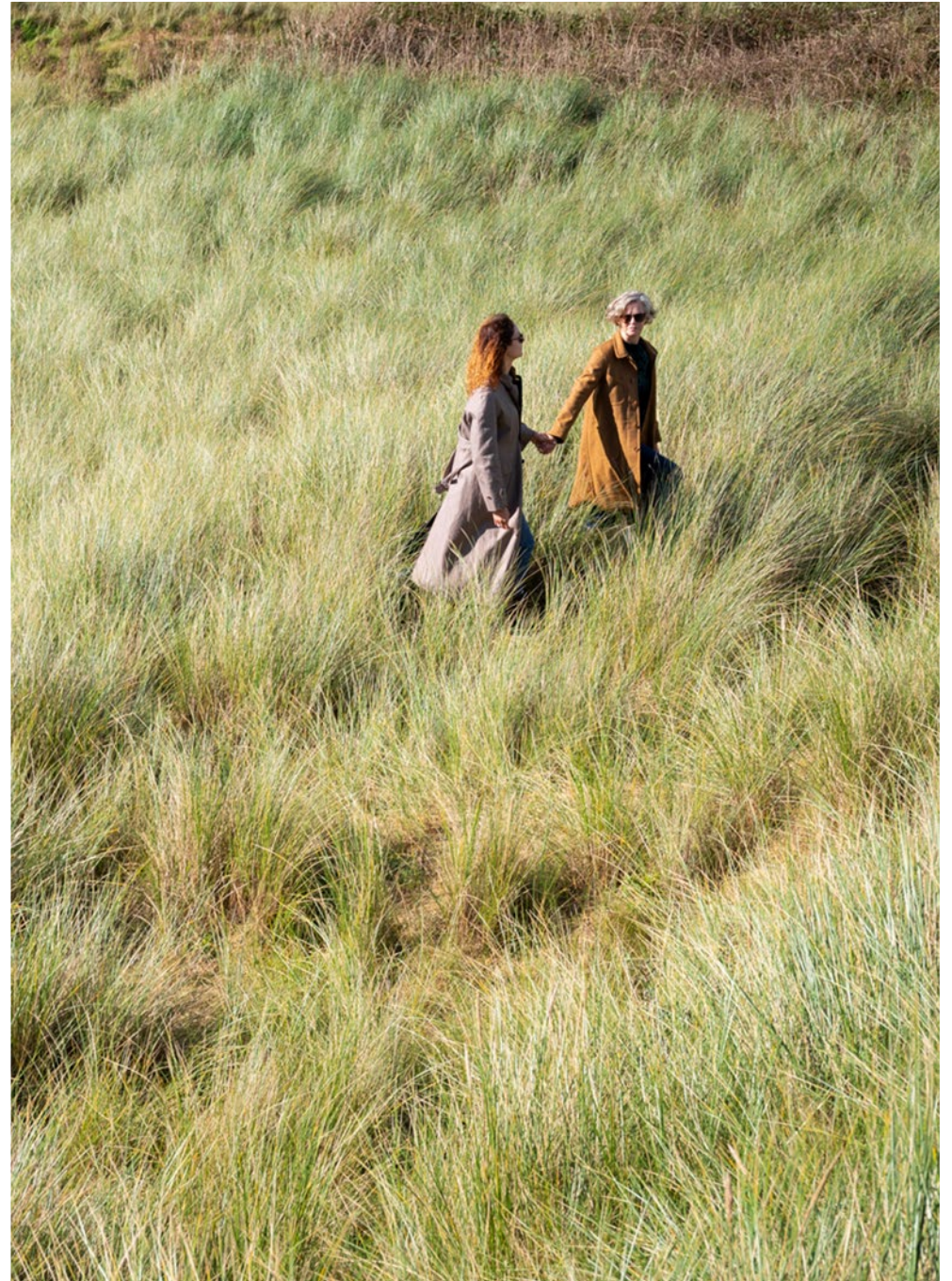


TrinityBridge Managed Income Fund

Task Force on Climate-related
Financial Disclosures
(TCFD) Aligned Product Report

2024



TrinityBridge Managed Income Fund

A sub-fund of TrinityBridge Funds unit trust (ISIN: GB00B8HFR798)

This Fund is managed by TrinityBridge Fund Management Limited.

This *TCFD* Aligned Product Report is in alignment with UK regulatory standards and reflects TrinityBridge's strategy as detailed in the TCFD Aligned Entity Report.

This report provides detailed information regarding the emissions produced by the companies or issuers within the Fund. For a thorough understanding, it is recommended that this report be read in conjunction with our TCFD Aligned Entity Report. This Fund's approach to governance, strategy and risk management does not materially deviate from our overarching approach. For ease of understanding, a glossary is included at the end of this report defining all terms which are in *italics*.

All data shown is as at 31 July 2024.



Fund summary

The objective of this Fund is to deliver income with some capital growth over the medium term (i.e. more than five years). The Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities, achieving this exposure through investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager), closed ended funds and exchange traded funds.

The Fund is actively managed, with the manager employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band.



Data provider

We use MSCI as the sole provider for all emissions and climate data in this report, aiding uniformity in our emissions calculations. We rely on MSCI for the accuracy of emissions data for our public investments. Not all assets have emissions data available and the percentage of assets where we have data is shown in the 'Data coverage' table to the right.

When reported emissions data is unavailable for some assets, MSCI applies a specific estimation method. If no reported or estimated emissions data is available from MSCI, we do not employ an alternative internal estimation method.

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Data coverage

Metric	Coverage % (ex-cash*)	Asset classes covered
<i>Financed emissions</i>	10	Funds
<i>Weighted Average Carbon Intensity (WACI)</i>	61	Funds
<i>Implied Temperature Rise (ITR)</i>	54	Funds
Policy Climate Value at Risk	53	Funds
Tech Opportunities Climate Value at Risk	43	Funds
Physical Climate Value at Risk	49	Funds

*Cash = ~2% of the total portfolio net asset value and is excluded from the calculation of asset coverage.

Climate metrics against portfolio comparator

The Fund's comparator is comprised of 30% MSCI All Countries World Index and 70% Bank of America Global Corporate Bond Index.

Table one

Metric	Fund	Comparator	Relative
<i>Scope 1 & 2 GHG Financed Emissions (tCO₂e)</i>	7	-	-
<i>Scope 3 GHG Financed Emissions (tCO₂e)</i>	290	-	-
<i>Total GHG Footprint (tCO₂e/£mil invested)</i>	30	575	-95%
<i>WACI Scope 1 & 2 (tCO₂e/£mil revenue)</i>	156	245	-37%
<i>WACI Scope 3 (tCO₂e/£mil revenue)</i>	891	892	0%

tCO₂e = tonnes of carbon dioxide equivalent.

WACI = Weighted Average Carbon Intensity.

GHG = Greenhouse Gas Emissions.

Note: We have not included financed emissions for a comparator portfolio as the GHG Footprint and WACI metrics provide a more meaningful comparison.

The Fund is invested in collective investment schemes which do not have sufficient *Financed Emissions* coverage to make meaningful commentary. The Fund is less exposed to carbon intensive company operations than the comparator on a *scope 1 and 2* basis, reflected by the respective *WACI* metrics for these scopes being 37% lower.

Scenario analysis

Our approach to *scenario analysis* involves assessing the exposure of our equity and corporate bonds holdings using MSCI's Climate Value at Risk (CVaR) methodology.

Furthermore, this analysis is based on a snapshot of holdings as of 31 July 2024 and does not consider action to mitigate risk, such as engagement or asset reallocation. The portfolio's aggregated CVaR is a weighted aggregation of each security's CVaR. The analysis allows us to identify companies which are particularly exposed to transition or *physical risks*, and which are exposed to policy risks and likely to benefit from low-carbon technology opportunities.

The scenarios have been developed by the *Network for Greening the Financial System (NGFS)* and are widely accepted as appropriate in the financial services industry.



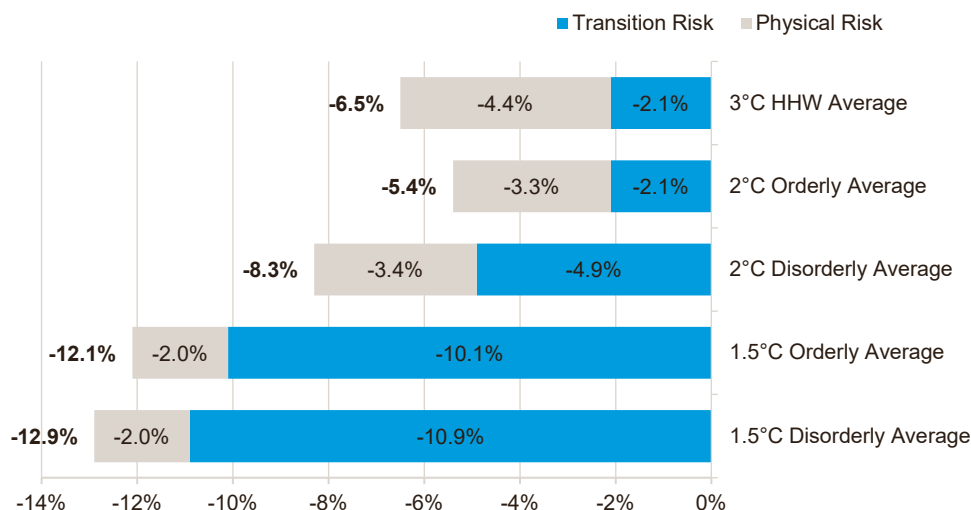
1.5°C <i>Orderly</i>	Limits global warming to 1.5 degrees by 2050. An <i>orderly</i> scenario assumes policies are introduced early and gradually.
1.5°C <i>Disorderly</i>	Limits global warming to 1.5 degrees by 2050. A <i>disorderly</i> scenario assumes policies are delayed resulting in higher risk.
2.0°C <i>Orderly</i>	Limits global warming to 2.0 degrees by 2050. An <i>orderly</i> scenario assumes policies are introduced early and gradually.
2.0°C <i>Disorderly</i>	Limits global warming to 2.0 degrees by 2050. A <i>disorderly</i> scenario assumes policies are delayed resulting in higher risk.
3.0°C <i>Hot House World</i>	Current policies are preserved. Emissions grow until 2080 leading to 3°C+ of warming and severe physical risks.

The Fund's overall CVaR 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.

Climate Value at Risk (CVaR)

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



* CVaR %'s may not sum due to rounding

CVaR analysis shows how the investments in the portfolios would be impacted under each of the NGFS scenarios projecting the value to 2100. The 1.5°C *disorderly* scenario is the most challenging for the portfolio and could result in a 12.9% loss of value. The 2.0°C *orderly* scenario is the least impactful scenario on the portfolio resulting in a potential 5.4% loss in value.

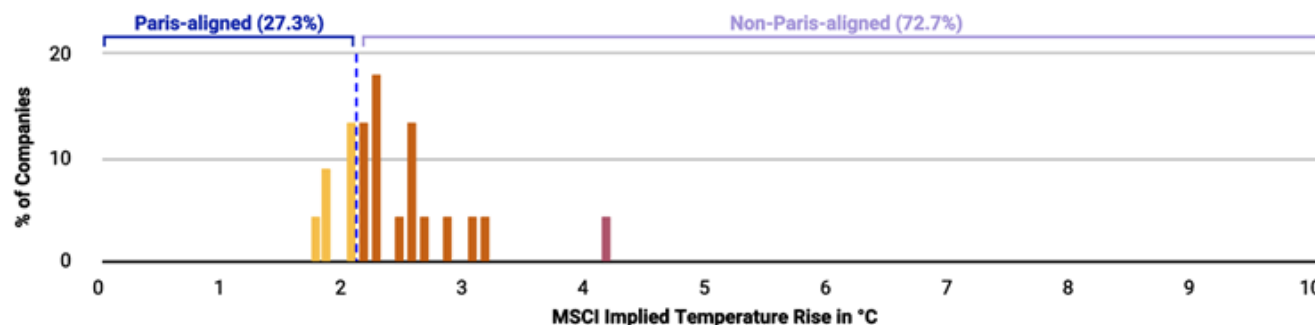
The Fund's CVaR under each scenario, except Hot House World and 2.0°C *orderly*, is driven primarily by policy risk which is often a contributor to the broader term transition risk. Policy risk is the loss of value from the risk associated with any policy changes such as legal or regulatory action implemented to constrain actions that contribute negatively to climate change or policy which seeks to promote adaption to climate change.

The Fund has ~9% exposure to companies with any tie to oil and gas. Under an aggressive policy scenario (i.e. 1.5°C *Disorderly Average*) 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.

Implied Temperature Rise

The *Implied Temperature Rise* (*ITR*) metric provides an indication of how well public companies align with the Paris Agreement temperature goals – the goal of limiting global mean surface temperature to an increase no more than 1.5°C in the year 2100 compared with preindustrial levels.

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 1.5°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.



The portfolio-level *ITR* uses an aggregated budget approach: it compares the sum of 'owned' projected *GHG* emissions against the sum of 'owned' carbon budgets for the underlying portfolio holdings. The portfolio's total estimated carbon budget over or under shoot is then converted to a degree of temperature rise (°C) using *science based Transient Climate Response to Cumulative Emissions (TCRE)*. The metric used to define ownership is *Enterprise Value including Cash (EVIC)* in order to enable the analysis of equity and corporate bond portfolios.

The issuers in the portfolio are distributed according to their *ITR* showing the number who are aligned with the Paris Agreement and the more ambitious 1.5°C temperature goal.

Implied Temperature Rise

ITR categories	Companies
1.5°C Aligned	0.0%
2.0°C Aligned	27.3%
Misaligned	68.2%
Strongly misaligned	4.5%

Portfolio	ITR
Managed Income	2.2°C

27.3% of companies within the portfolio align with the goal of limiting temperature increase to below 2°C. 0.0% of companies within the portfolio align with the goal of limiting temperature increase to below 1.5°C. The underlying holdings of the portfolio have implied temperature rise metrics ranging between 1.7°C and 4.1°C as at 31 July 2024.



Glossary

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 The emissions attributed to financing activities; for TrinityBridge financed emissions is the proportion of investee emissions for which TrinityBridge are responsible based on the number of shares or bonds held in the company or issuer.

Greenhouse Gas (GHG) Emissions Greenhouse gases are gases in the atmosphere that trap heat from the sun, causing the Earth's temperature to rise. The most common greenhouse gases are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). These will all usually be converted into their carbon dioxide equivalent (CO₂e) to allow comparison between the different gases.

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 Net zero refers to a state in which emissions of *GHG* going into the atmosphere are matched by removal of *GHG emissions* out of the atmosphere, over a specified period. The 'net' in net zero is important because it will be difficult to reduce all emissions to zero on the required timescale. As well as deep and widespread cuts in emissions, there will likely be a need to scale up *GHG* removals.

Weighted Average Carbon Intensity (WACI) WACI measures a portfolio's exposure to carbon intensive companies. Calculating a portfolio's WACI is achieved by calculating the carbon intensity (scope 1 and 2 emissions / \$M Revenue) for each portfolio company and calculating the weighted average by portfolio weight.

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.

Glossary

Orderly	Refers to a smooth and well-managed transition to a lower-carbon economy, minimising economic disruption and ensuring stable financial markets.	Task Force on Climate-related Financial Disclosures (TCFD)	The TCFD is an international body that was set up by the Financial Stability Board to develop recommendations for companies to disclose climate-related financial information.
Physical risk	The financial risks resulting from climate change-related physical events, such as extreme weather events and long-term shifts in climate patterns.	Total GHG footprint	The <i>GHG</i> 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.
Scenario analysis	The process of analysing the potential impact of different <i>climate scenarios</i> . Scenario analysis is used to help organisations make decisions about how to manage climate-related risks and opportunities.	Transient Climate Response to Cumulative Emissions (TCRE)	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.
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	Direct <i>GHG emissions</i> that occur from sources that are owned or controlled by an organisation. This may include emissions from fuel combustion for heating, power generation and transportation.		
Scope 2 emissions	Indirect <i>GHG emissions</i> that occur from the generation of purchased electricity, steam, heat, and cooling.		
Scope 3 emissions	All other indirect <i>GHG emissions</i> that occur in the value chain of an organisation. This can include emissions from transportation of goods and services, and use of sold products and services.		

Disclaimers

This report includes certain data and analyses provided by MSCI Inc. (MSCI).

The information provided by MSCI is intended solely for informational purposes and does not constitute investment advice. MSCI data and reports are sourced from publicly available information and proprietary content. The use of MSCI data is subject to the terms and conditions as stipulated by MSCI. Any dissemination or reliance on this information by third parties is strictly prohibited.

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.

Scope 3 emissions

Our scope 3 emissions, presently do not account for *financed emissions* associated with the assets under the stewardship of TrinityBridge. It is our strategic objective to methodically extend our disclosures to encompass all critical emissions categories. Yet, our immediate emphasis is on fortifying our data framework to afford our clients with reliable and indicative emissions insights.

Assets covered

Our reporting covers public listed equities and corporate bonds. This is credited to the superior quality and reliability of data associated with these asset.

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.

TrinityBridge is a trading name of TrinityBridge Limited (registered in England and Wales under company number 01644127) and TrinityBridge Fund Management Limited (registered in England and Wales under company number 02998803). Both companies are authorised and regulated by the Financial Conduct Authority. Registered office: Wigmore Yard, 42 Wigmore Street, London, W1U 2RY.

Source of all data is TrinityBridge as at 31 July 2024 unless otherwise specified.

TBR 15637 June 2025

