Trinity Street Asset Management LLP

TCFD Entity Report

For the year ending 31 December 2025

Issued With Effect From 30 June 2026

1. Introduction

Trinity Street Asset Management LLP ("**TSAM**") was incorporated under the Limited Liability Partnership Act 2000 of the UK on 05 December 2002. TSAM was registered on the 13th May 2003 as an Investment Management Firm with the Financial Services Authority, the predecessor regulator to the Financial Conduct Authority (the "**FCA**"). Effective 19th January 2015, TSAM was registered with the FCA under the Alternative Investment Fund Managers Directive ("**AIFMD**") regime. TSAM has all appropriate regulatory permissions to carry out its activities as a boutique investment management firm focused on Global and International equities. TSAM is registered as an Investment Adviser with the US Securities and Exchange Commission.

This report has been prepared as TSAM's entity-level report for the purposes of satisfying the FCA's ESG sourcebook requirements applicable to in-scope UK asset managers. In relation to TSAM, this document is the entity report referred to in ESG 2.2 for the calendar year ending 31 December 2025. This report has been prepared on a comply-or-explain basis in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures. TSAM's internal assessment concluded that the firm falls within scope of ESG 2 on the basis that its rolling three-year average assets under management exceed £5 billion. The purpose of this report is to describe, at entity level, the manner in which climate-related risks and opportunities are taken into account within TSAM's governance arrangements, strategy, risk management framework and use of metrics and targets.

As of 31 March 2026, TSAM reported US$9.2 billion in assets under management. TSAM considers climate related risks and opportunities as part of its broader assessment of financially material risks that may affect investee companies, client portfolios and the firm's own operations. The firm's approach is grounded in fundamental research and portfolio management rather than a separate climate-only process.

TSAM's investment philosophy is to identify companies undergoing positive, under-recognised change and to assess whether the market is mispricing the resulting improvement in future cash flows and valuation. Within that process, relevant ESG and climate-related factors are considered where they may influence profitability, resilience, cost of capital, governance quality or long-term investment outcomes. ESG factors do not drive the investment process on a standalone basis but are considered alongside other financially material factors.

2. Governance

Ultimate responsibility for TSAM's business rests with the Managing Board. Day-to-day management responsibility is delegated to the Management Committee. The Managing Board retains overall responsibility for oversight of the firm's strategy, risk appetite and control environment, including the manner in which climate-related financial risks and opportunities may affect the firm's business, investment activities and responsibilities to clients.

The Management Committee and the Audit and Risk Committee receive reporting concerning risk in the firm's business, including emerging risks, and the effectiveness of the firm's control environment. Climate-related matters may be considered within those governance processes where they are relevant to TSAM's investment activities, regulatory obligations, operational resilience, third-party arrangements, client reporting or broader strategy.

The Management Committee has delegated responsibility for responsible investing activities to its sub-committee, the Research Committee, chaired by the Head of Research. The Head of Research is responsible for overseeing the manner in which ESG considerations are integrated into the investment process and for coordinating relevant inputs considered through the Research Committee. This includes oversight of the process by which ESG and climate-related data, issuer-level research and material climate-related considerations may be incorporated into investment research and portfolio monitoring.

Senior management oversight is therefore exercised through TSAM's existing governance framework rather than through a standalone climate governance body. This approach is considered proportionate to TSAM's size, investment model and operating structure. Where climate-related matters are identified as material, they may be escalated through the relevant committee structure and, where appropriate, to the Management Committee or Managing Board.

The governance model is intended to ensure that climate-related financial risks and opportunities are considered within the same framework as other financially material investment, operational, regulatory and strategic risks. This supports consistency between investment oversight, risk management, client reporting and regulatory disclosure.

3. Strategy

TSAM's principal climate-related exposures arise through its regulated activity as an investment manager rather than through a material direct operational emissions footprint. Climate-related risks and opportunities are therefore most relevant where they may affect investee company fundamentals, sectoral outlook, regulatory conditions, capital allocation decisions, valuation, cost of capital or long-term market pricing. TSAM's investment process is designed to consider such matters where they are assessed to be financially material.

ESG factors are assessed principally through their potential effect on future profitability, cash flow generation and the cost of capital applicable to those cash flows. The investment strategies of the funds on which TSAM acts as investment manager do not have sustainable investment as their objective. In considering potential investments, TSAM reviews issues identified through external data providers and internal research, evaluates the extent to which those issues may evolve, considers steps taken by the issuer to mitigate them, and assesses their materiality in the context of the relevant investment thesis.

TSAM considers climate-related risks and opportunities over different time horizons, recognising that the timing and financial materiality of climate-related effects may vary by issuer, sector, geography and investment strategy. For these purposes, TSAM generally considers short-term matters as those likely to affect near-term investment performance, operational resilience or regulatory compliance; medium-term matters as those that may influence issuer strategy, sectoral positioning, capital allocation or client expectations over a multi-year period; and long-term matters as those that may affect structural transition risks, physical climate risk, valuation resilience or market opportunities over a longer horizon.

From an entity-level perspective, TSAM's business model has limited direct exposure to physical climate risks, given that it does not operate extensive property, manufacturing or logistics infrastructure. Its climate-related operational exposures arise more clearly in relation to business travel emissions and potential transition risks associated with air travel, as well as possible indirect physical risks such as weather-related disruption affecting travel, staff mobility, service providers or business continuity.

TSAM does not currently maintain a separate climate-driven delegation framework. However, where the firm relies on third-party services, delegates, strategies or products, climate-related considerations may be taken into account as part of the firm's broader due diligence, oversight and risk assessment processes, where relevant and proportionate to the nature of the service or arrangement. This may include consideration of the quality and availability of ESG and climate-related data, the relevance of third-party methodologies, the resilience of material service providers, and the extent to which third-party inputs support TSAM's regulatory and client reporting obligations.

TSAM's investment strategies are not managed to an entity-level decarbonisation pathway or net zero commitment. Climate-related considerations may influence investment analysis where they are financially material, but TSAM does not treat climate-related factors as determinative in isolation. Investment decisions remain subject to the firm's overall investment philosophy, fiduciary duties, client mandates, applicable investment restrictions and the assessment of risk-adjusted returns.

Scenario Analysis

TSAM has undertaken climate-related scenario analysis to assess the resilience of its strategies under different climate pathways.

TSAM has assessed the Climate Value at Risk ("VaR") in three different scenarios:

'Orderly': early action to keep global warming below a 2°C scenario. The companies' latest annual CO2 emissions multiplied by the notional carbon price of $90, to generate a total annualized cost for its CO2 emissions. This is then used to calculate what this represents as a % of the companies operating profit (using the companies' latest reported EBIT figure). The Climate VaR of each company is multiplied by the weighting of the exposure to that company within the fund.

'Disorderly': action to keep global warming below a 2°C scenario which is late, disruptive and sudden. The companies' latest annual CO2 emissions multiplied by the notional carbon price of $120, to generate a total annualised cost for its CO2 emissions. This is then used to calculate what this represents as a % of the companies operating profit (using the companies' latest reported EBIT figure). The Climate VaR of each company is multiplied by the weighting of the exposure to that company within the fund.

'Hot house': limited action which has led to significant global warming and physical risks. The companies' latest annual CO2 emissions multiplied by the notional carbon price of $150, to generate a total annualised cost for its CO2 emissions. This is then used to calculate what this represents as a % of the companies operating profit (using the companies' latest reported EBIT figure). The Climate VaR of each company is multiplied by the weighting of the exposure to that company within the fund.

4. Risk Management

TSAM's risk management approach is intended to be proportionate to the nature, scale and complexity of its business. Significant risks are subject to formal consideration and documentation, and risk identification, mitigation and periodic review are embedded within day-to-day management and governance processes. Climate-related matters may be considered within the broader framework applicable to strategic, business, investment, operational and regulatory risks.

TSAM considers risk in a number of dimensions, including operational, financial, regulatory, strategic and business risks. Different dimensions are overseen by and reported on through different sub-committees of the Management Committee, including the Compliance Committee, Product Governance Committee, Research Committee and Audit and Risk Committee. Climate and other ESG-related matters are considered if and as relevant at each committee and by the Management Committee, including by reference to TSAM's clients and investment process, operating model, counterparties and service providers.

Climate-related risks may be identified through a combination of issuer-level investment research, external ESG data, issuer disclosures, portfolio monitoring, regulatory developments, client reporting requirements, sectoral analysis, service-provider oversight and internal governance discussions. The materiality of any climate-related risk is assessed in the context of the relevant investment thesis, portfolio exposure, client mandate, operational process or regulatory obligation.

Where relevant, climate-related risks may be managed through investment analysis, portfolio monitoring, issuer assessment, engagement or dialogue, escalation within the investment process, committee oversight, service-provider due diligence, operational resilience planning, or regulatory reporting processes. TSAM does not rely on any single metric, data source or process to manage climate-related risks. Instead, climate-related considerations are assessed alongside other financially material factors.

In view of the size and complexity of the business, it is not considered proportionate for the firm to maintain a standalone risk management function; however, dimensions of risk management are overseen separately and independently from the firm's investment function. Risk reporting is provided to senior management through the Head of Risk and through committee oversight. Where climate-related matters are identified as material to the firm or its clients, they would be escalated through those existing reporting lines.

TSAM's approach to risk management is intended to ensure that climate-related financial risks are integrated into the firm's existing risk framework rather than treated as a disconnected reporting exercise. This includes consideration of whether climate-related matters may affect investment risk, operational risk, regulatory risk, reputational risk, client expectations or third-party dependency risk.

5. Metrics and Targets

At the date of this report, TSAM's current approach to the governance and integration of ESG and climate-related considerations is to integrate them into investment research and oversight rather than to manage the firm against standalone entity-level climate metrics or formal decarbonisation targets. Accordingly, the present focus of this disclosure is on governance, process, risk management and transparency rather than on quantified entity-level climate commitments.

TSAM uses external ESG data providers, together with internal analysis, to identify and assess ESG-related issues at issuer level. Investments are assessed against TSAM's internal ESG framework, and investments that do not satisfy minimum standards may be excluded. Climate-related matters may therefore be reflected in portfolio decision-making through issuer analysis, internal ESG assessments and ongoing monitoring rather than by reference to a single entity-level climate indicator.

For greenhouse gas emissions, weighted average carbon intensity and other carbon footprinting and exposure metrics for TSAM's assets under management, reference should be made to the relevant TSAM product-level or portfolio-level climate disclosure, where available or required. Product-level information may provide more meaningful and decision-useful data than a single entity-level aggregate, given differences in strategy, mandate, portfolio composition, benchmark, geography and sector exposure.

TSAM has not set a public entity-level net zero target or formal decarbonisation target for the reporting period. No such commitment should be inferred from this report. TSAM considers that any climate-related target should be capable of being monitored on a reliable basis, consistent with client mandates and fiduciary duties, and supported by sufficiently robust data and methodology.

TSAM recognises the importance of transparency regarding methodologies, assumptions and limitations underpinning climate-related metrics and analyses. Climate-related data may be derived from a combination of issuer disclosures, third-party ESG and climate data, publicly available information, estimates and internal qualitative assessment. The availability, consistency and reliability of issuer-level climate data remains variable, and methodologies for financed emissions, carbon intensity and forward-looking climate metrics continue to evolve.

Key limitations relevant to TSAM's current approach include variability in issuer-level disclosure, differences in third-party data methodologies, estimation uncertainty, incomplete emissions coverage for certain issuers or markets, challenges in aggregating data across portfolios, and the inherent uncertainty involved in long-term climate modelling. TSAM considers these limitations when interpreting climate-related information and avoids over-reliance on any single metric or data point in investment decision-making.

TSAM will continue to monitor developments in climate data, methodologies, FCA expectations and market practice. The firm expects to enhance its climate-related disclosures and analytical capabilities over time where improvements are proportionate, decision-useful and consistent with the firm's investment approach and client obligations.

6. Compliance Statement

This report is intended to meet TSAM's entity-level disclosure obligations under ESG 2.2 of the FCA's ESG Sourcebook for the reporting period ending 31 December 2025. The report has been prepared on a proportionate basis, taking account of TSAM's size, business model, investment strategies, governance arrangements, available data and current climate-related analytical capabilities.

Where TSAM has not provided quantitative entity-level scenario analysis or standalone entity-level climate targets, the report explains the basis for that position and the relevant methodological and data limitations. Where disclosures are not yet fully developed, the reports sets out the basis for that position on a comply-or-explain basis in line with FCA expectations. TSAM will keep its approach under review as climate-related data, methodologies, regulatory expectations and market practice develop.