



Colchester[®]
GLOBAL INVESTORS

The Colchester Global Green Bond Fund - Article 8 Disclosures

November 2022



Description of the environmental or social characteristics promoted by the Fund

The Fund promotes environmental characteristics and is subject to Article 8 of the Sustainable Finance Disclosures Regulation (SFDR).

The Fund promotes environmental characteristics through investing primarily in Green Bonds. Green Bonds are bonds issued by governments, supra-nationals, agencies and other types of issuers to fund projects that benefit the environment. Green Bonds are committed to financing or re-financing investments, projects, expenditure or assets helping to address climate and environmental issues. Governments and other issuers use Green Bonds to finance the transition to a more sustainable and low-carbon economy.

Methodologies used to assess, measure and monitor the environmental or social characteristics of the Fund

The Investment Manager uses the following sustainability indicators to assess, measure and monitor the environmental characteristics of the Fund:

1. At least 70% of the Net Asset Value of the Fund will be in Green Bonds.
2. The Investment Manager carries out an assessment of an issuer's green bond framework to determine whether a particular instrument is eligible to be treated as a Green Bond. In particular, the Investment Manager will assess at the point of investment and on an ongoing basis:
 - whether a Green Bond meets the standards set out by International Capital Market Association Green Bond Principles or any other national standards;
 - that the issuer has arranged for an independent second party opinion on the labelling of the issue as "green", or in the absence of an independent second party opinion that the Investment Manager has made its own determination that the issuer's green bond framework is aligned with accepted practices; and
 - will review an issuer's use of proceeds reporting to determine it meets the Investment Managers investment criteria.

How the environmental or social characteristics of the Fund are met

The environmental characteristics of the Fund are met through the purchasing of primarily Green Bonds within the portfolio. The Fund intends to hold a minimum of 70% of the Net Asset Value of the Fund in Green Bonds. As above, Green Bonds are designed to fund projects that benefit the environment.

Environmental, Social and Governance (ESG) factors are integrated holistically into the Investment Manager's valuation framework. Countries are assigned a proprietary Financial Stability Score (FSS) that combines an assessment of their overall balance sheet strength and ESG factors. Bond and currency scores are determined through an extensive assessment of the macro-economic environment, policy framework, ESG standards and other country specific factors. ESG factors are an integral part of the Investment Manager's investment process for developed and emerging economies. The Investment Manager has sought to engage with sovereigns helping to inform, promote and potentially drive best practices delivering better social and economic outcomes. Findings during the engagement work feed holistically into the FSS. The Investment Manager believes that countries with stronger governance, healthier and more educated workforces, and higher environmental standards tend to produce better economic outcomes. Typically, this leads to more stable debt and currency paths, and ultimately better risk-adjusted returns.