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GLOBAL INVESTORS

Colchester Environmental and Sustainability Policy

March 2025

Introduction

Colchester is committed to addressing environmental and climate-related risks through a comprehensive approach that encompasses all aspects of our business including investing responsibly and operating sustainably. Colchester's core values of **focus, integrity and trust, perspective, service, humility, teamwork and devolved leadership and innovation and constant improvement** were all originally written with Colchester's approach to investment management in mind. However, Colchester can now apply the vast majority of these values to its approach to the environment.

Colchester's approach to waste reduction, recycling and the usage of water is reviewed on at least an annual basis. The approach is applied across Colchester's global offices and is spearheaded by Senior Management.

Environmental and Sustainability Champions

Colchester's aim is to heighten awareness among our employees and encourage them to reduce the environmental impact of our business by shrinking our carbon footprint. To help achieve this, Colchester has appointed a team of Environmental and Sustainability Champions from Colchester's offices. These Champions play an essential role in supporting our sustainability values, goals and strategies by identifying ways that both Colchester and its staff can become more environmental and sustainability focused.

Monitoring and management

Colchester has implemented a program of estimating and monitoring greenhouse gas (GHG) emissions along the value chain of the company. This encompasses Scope 1 (direct), Scope 2 (indirect from purchased energy) and Scope 3 (indirect from operations) emissions. The scope of emissions estimation will be increased over time and a program is in place to ultimately estimate the emissions associated with investment activities.

Ongoing management of GHG emissions encompasses some of the opportunities outlined in this document and will culminate in the setting of companywide emissions reduction targets.

Colchester is also measuring progress against programs in environmental sustainability by monitoring waste from offices, estimating water consumption and tracking use of office consumables.

Colchester has added ESG-related questions to the due diligence questionnaires that are sent to its outsourcings.

Waste Reduction and Recycling

Colchester constantly strives to improve its waste management and recycling practices with the aims of reducing waste and increasing recycling, wherever possible, in order to minimise the amount of waste sent to landfill sites. To achieve this Colchester focuses on the following approach:

Reduce

Reduce waste by only procuring goods and materials to meet the needs of the business and maintaining them appropriately to extend their life span. Reduce the amount of paper used, with the aim of becoming as "paperless" as possible.

Examples of implemented actions

- Limiting the purchase of spare IT equipment
- Drinking water taps installed in offices with kitchen facilities
- Colchester has not purchased plastic drink bottles since mid-2021 (except for milk bottles in London) and ceased to purchase Tetra Paks and cans of drink globally in September 2021.
- The vast majority of routine processes are now paperless (meaning the use of paper in the office has been eliminated or significantly reduced from routine processes). Over 90% of Colchester's teams are paperless.

Re-Use

Colchester aims to use reconditioned or recycled IT equipment, wherever possible. In 2021 Colchester moved to using Microsoft Azure Virtual Desktops for all employees globally. This change meant that processing from the local desktop moved to the Cloud, enabling the Firm to take this approach as the processing is on the Cloud-based desktop so the local desktop does not need to be the latest and most powerful desktop available.

Examples of implemented actions

- Only reconditioned desktop PCs purchased for home working
- Reconditioned office desktops and laptops purchased where possible
- Reusing packaging from parcels sent by couriers where possible

Recycle

Colchester works to identify and segregate materials for recycling and aims to appoint waste management contractors with a proven track record on recycling high volumes of waste.

Colchester partners with First Mile for waste management in London, where Colchester's Head Office is located. Colchester received First Mile's "Silver Recycling Standard" certificate with a recycling rate of 56% in 2024. First Mile recycles batteries, printer toner cartridges, IT equipment, recyclable materials (plastic, paper, cardboard etc), confidential paper and food waste. The general waste (everything else) collected by First Mile is sorted further for recyclables and the remaining waste is safely incinerated. Electricity and heat are captured from the process. Electricity is sent to the UK's National Grid, while the heat is used to provide heating and hot water to over 100,000 homes. The ash by-products from this process are used in the construction industry. First Mile also use electric waste vehicles, meaning their waste collection has an even smaller environmental impact.

Examples of implemented actions

- Waste management partners identified
- Colchester identifies and recycles wherever possible, examples include:
  - Plastic, paper, cardboard
  - Confidential waste
  - Food waste
  - Batteries
  - Toner cartridges
  - IT equipment
  - Office furniture

Emissions Reduction Initiatives

Colchester aims to do what it can to reduce emissions, wherever possible:

Travel Policy

Colchester is committed to reducing the environmental impact of travel. Where appropriate staff use video conferencing software, public transport or fly economy (given the large reduction of carbon emissions per mile by flying versus business class).

Cycle to Work Scheme

Colchester has introduced a Cycle to Work Scheme in both our London and Dublin offices that is aimed at helping reduce congestion and emissions.

Hybrid working for staff

Colchester acknowledges that homeworking can boost productivity, cut costs, enhance work/life balance, and reduce the business's carbon footprint. Since 2021, Colchester has adopted a hybrid working model.

Suppliers

Colchester uses "Green Vans" wherever possible for purchase of groceries and supplies. Green vans are vans on routes that are more efficient in terms of fuel consumption, as they are already delivering in the area.

Energy Efficiency

Colchester aims to become as energy efficient as possible via energy efficient initiatives and purchasing energy efficient equipment, for example:

Energy providers

Colchester has transitioned to clean energy electricity providers, where possible, in our global offices. Colchester has no control over the selection of energy providers in many of its global offices, but reached out to its landlords to ask them to consider switching to cleaner energy sources and continues the dialogue.

The Cloud

Colchester has moved its infrastructure to the Cloud, using Microsoft Azure in 2021. Microsoft has been carbon neutral across the world since 2012 and commits to being carbon negative by 2030. Their goal is to promote sustainable development and low-carbon business practices globally through their sustainable business practices and cloud-enabled technologies. This move saves on the need to purchase replacement servers every 3-5 years and will make Colchester more energy efficient.

Green website hosting

Colchester websites are hosted with Amazon Web Services (AWS), a leading provider in cloud computing solutions. Green website hosting offers several benefits, including supporting environmental sustainability, being cost-effective, reducing greenhouse gas emissions, and promoting the growth and development of renewable energy industries.

Lighting

Colchester's lighting is equipped with sensors to ensure lights do not remain on unnecessarily. Colchester also uses energy efficient LED bulbs.

Hot water taps

Energy efficient taps have lighting sensors that put them into sleep mode at night (also following two hours of inactivity during the day).

Desktop PCs, Monitors, Printers & Photocopiers

Staff are asked to shut down their desktop PCs overnight, monitors, printers and photocopiers are all equipped with power management settings.

Water conservation

Colchester aims to reduce water wastage in its offices by using water-saving devices, wherever possible.

These include hands-free sensor taps fitted in restrooms that prevent taps from being left running and the use of flow reduction valves.

Philosophy

As a small and growing organisation, Colchester aims, to the best of its ability, to manage the business economically without the wastage of the planet's valuable resources.

Future work plan and actions

In support of global decarbonisation efforts Colchester plans to improve both sustainability performance and tracking metrics and targets in coming years.