

**Trium Capital LLP**  
**Responsible Investment Policy**

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## **1.0 Introduction**

Trium Capital LLP (“Trium”) is dedicated to achieving the best possible risk-adjusted returns for its investors and believes that Responsible Investment (“RI”) and Environmental, Social, Governance (“ESG”) are important factors to consider when delivering this.

Trium takes ESG factors into account while ensuring that assets under its stewardship are managed in a way which maximises value for its clients. ESG principles help Trium uncover company risks as is consistent with its fiduciary duty. Consequently, this document outlines a broad policy approach to consider RI and ESG factors in Trium’s investment process.

Trium recognises that this RI policy is part of a continuous and long-term process that will evolve over time to reflect changes in industry best practice and internal processes. It will therefore be reviewed as necessary to ensure that Trium continues to realise and exceed its objectives to remain a responsible investor.

## **2.0 RI Approach**

### **2.1 RI policy objective**

The purpose of this document is to establish Trium's RI policy and how RI and ESG factors are considered in its investment decision-making process.

The motivation to consider RI and ESG is driven throughout Trium, from the top of the company down.

### **2.2 Considering ESG in the investment process**

Trium encourages the consideration of ESG factors in its investment process when it may have a material impact on an investment.

Given the multiple investment strategies and teams investing at Trium, it is not straightforward to have one overarching ESG framework. Therefore, ESG factors should be considered, where relevant and appropriate, to each underlying portfolio manager and their strategy.

Trium's ESG approach is a continuous and long-term process, which will evolve over time to reflect changes in industry best practice, investor demands and its own internal processes.

#### **2.2.1 Access to quality ESG data**

The consideration of ESG data is a component of Trium's approach to RI. Each portfolio manager has access to ESG data to strengthen their understanding of an investee company's ESG profile, performance, risks and opportunities.

The results of the ESG research is discussed with the relevant Portfolio Managers during their monthly investment committee review meetings.

This methodology will be reviewed on an on-going basis to ensure it continues to meet Trium's requirements. Further information on the the research process can be provided upon request.

#### **2.2.2 Scope and Parameters**

The RI Policy applies most to those portfolio managers employed by Trium that manage equity portfolios. As of 28<sup>th</sup> Feb 2020, more than 50% of the assets under management are managed by Trium in equity based portfolios.

Trium collects ESG information from third-party ESG data providers to strengthen its Portfolio Managers' ("the managers") understanding of a company's ESG profile. This enables the managers to identify the ESG performance of an investee company, which may contribute to the decision to include or not include a particular equity in their portfolio.

### **2.2.3 RI Governance and management**

The responsibility for the oversight and management of Trium’s RI policy and approach rests with Shenan Dhanani, Trium’s co-head. Further to this, RI matters form part of the reporting pack on each strategy and are usually discussed at each Portfolio Managers’ Investment Committee meetings. In addition Trium has appointed an ESG coordinator to ensure our policies keep abreast of the latest ESG knowledge and developments and are adhered to.

### **2.2.4 Access to expert knowledge**

In June 2018, Trium partnered with Kukua to help it realise and exceed its RI and related objectives. Kukua are a multi-disciplinary and specialist RI advisory practice which, through its methodology and experience, support a range of capital market participants.

Kukua is independent and can therefore provide impartial and objective advice. Kukua is available to support Trium as required.

### **2.3 Impact on performance**

Trium believe that identifying and considering ESG factors as part of Trium’s existing investment process can lead to superior risk-adjusted investment performance.

### **2.4 ESG exclusion screening**

Trium has a Cluster Bombs Manufacturers policy (“CBM”) that excludes the purchase of any equity or debt instruments from issuers which, in the opinion of Trium Capital, are involved in the manufacture of Cluster Bombs.

Trium will retain a list of such issuers and the purchase of securities will be prohibited in Trium’s Order Management System (“OMS”). The list of these issuers and a copy of the policy can be made available, upon request.

### **2.5 Collaboration and promoting best practice**

Several independent public organisations advocating and promoting RI, ESG and related themes have been established recently. Trium has identified the most relevant of these organisations and continues to monitor their work - while staying abreast of all general developments in this field – for any future view about alignment with any of them. On occasion, we participate in working groups hosted by public and private organisations to drive forward industry best practice.

As part of its commitment and advocacy to promoting this area, Trium:

- Became a signatory to the PRI (formerly UNPRI) and its Principles in February 2015;
- Became a signatory to the Standards Board for Alternative Investments (“SBAI”, formerly known as the Hedge Fund Standards Board) in April 2015; and,
- Is an active member of the Alternative Investment Management Association (“AIMA”).
- Managers of Trium funds that have integrated ESG factors into their investment process have participated in panels arranged by both AIMA and SBAI on ESG topics

## 2.6 ESG and engagement

As part of its commitment to be a responsible investor, Trium does engage with its investees on ESG issues within some of its strategies. This explicitly addresses the PRI Principle 3, to which Trium is a signatory, and which states that,

*“We seek appropriate disclosure on ESG issues by the companies we invest in” (PRI).*

It is important to note that Trium’s structure of investment means not all investments are eligible for engagement. Where able, Trium prioritises its engagement activities based on the materiality of the ESG issue, its exposure to the investee and the expected benefit to our investors.

## 2.7 Proxy-Voting

For systematic strategies, it is not practical to engage in proxy voting. The Firm’s policy is therefore to abstain from proxy voting in these instances.

For securities held on CFD, there is typically no voting right attached.

Where physical equities, which give a right to vote, are held, the Firm will generally abstain from voting by proxy.

The exception to this is when the portfolio manager considers that proxy voting is in the best interest of the investor and will take into account the following guidelines:

- support a current management initiative if Trium’s view of the issuer’s management is favourable;
- vote to change the management structure of an issuer if it would increase shareholder value;
- vote against management if there is a clear conflict between the issuer’s management and shareholder interest;
- in some cases, although Trium supports an issuer’s management, there may be corporate governance issues that Trium believes should be subject to shareholder approval; and/or
- may abstain from voting proxies when it is determined that the cost of voting the proxy exceeds the expected benefit to its clients.

The Operations Department will pass all proxy voting requests received from the custodian/prime brokers to the relevant portfolio managers to determine how to vote each such proxy.

Upon making a decision, the portfolio managers will instruct the Head of Operations on how to vote. It is the responsibility of the Head of Operations either to vote the shares or to instruct the custodian/prime broker of the Firm’s voting decision in order to update the client’s proxy voting record.

The Head of Operations must ensure that the voting of all proxies is completed in a timely manner and must monitor the effectiveness of these policies.

## **2.8 Conflicts of interest**

Trium is regulated by the Financial Conduct Authority (“FCA”) and registered with the National Futures Association (NFA) . Trium has a fiduciary duty to manage and deal in the best interests of its clients and – where applicable – the investors in the Alternative Investment Funds (“AIFs”) in respect of which Trium acts as Alternative Investment Fund Manager. Further, the Central Bank of Ireland requires managers of Irish UCITS funds to establish a conflicts of interest policy, which includes minimum criteria. Trium therefore has an obligation to manage and deal in the best interests of its clients.

As part of its commitment to this, Trium have established a Conflict of Interest (“COI”) policy. The COI policy establishes its actions in this area and identifies a number of potential conflicts that could arise along with measures to manage them. A copy of the policy can be made available upon request.

## **2.9 Measures of effectiveness and independent review**

Trium’s independent specialist RI advisory practice, Kukua, will annually review its RI framework. The review will ensure that Trium’s RI policy, approach and processes:

- Remain fit for purpose;
- Achieve their objectives; and,
- Continue to be strengthened by identifying and acting upon opportunities to stay consistent with appropriate RI, ESG and market-place trends and developments.