



# Responsible Investment and CSR Policy

September 2024

## Introduction

Responsible Investment ("RI") is an approach to managing assets that incorporates Environmental, Social, and Governance ("ESG") factors into investment analysis, decision-making, and reporting. It also involves active ownership and aims to enhance risk management, improve portfolio returns, and align with investor values. This approach complements traditional financial analysis.

Trium Capital LLP ("Trium" or the "Firm") is committed to delivering the best possible risk-adjusted returns for its investors, and it recognises the importance of Responsible Investment and ESG considerations in achieving this. By integrating responsible investment practices, Trium is able to make more informed investment decisions that align with its long-term sustainability and risk management objectives. Moreover, the incorporation of ESG factors helps to reflect Trium's values within its investment process, aligning its business more closely with the wider goals and expectations of society.

This policy aims to provide internal and external stakeholders with an overview of Trium's approach to Responsible Investment. It is reviewed and updated annually, and is available on the firm's website. Over the past twelve months, there have been no significant changes to the RI policy.

While this policy outlines the core principles of Trium's approach to Responsible Investment, it is complemented by additional policies and guidelines, such as Trium's Proxy Voting Policy. Furthermore, for funds with a sustainable strategy, Trium has additional guidelines at fund level that address its approach to sustainable investing, net zero, and biodiversity.

## Our approach to responsible investment

This Responsible Investment policy outlines Trium's approach to integrating RI and ESG factors into the assets managed on behalf of our clients and investors. We incorporate RI principles and ESG factors into our portfolio management processes based on the principle of materiality. Certain aspects of our approach may only apply to specific funds, whilst funds with sustainable strategies may build upon and expand this policy.

Trium's foremost responsibility is to fulfil its fiduciary duty to clients as determined by the investment mandate. Trium encourages its strategies to integrate RI principles and ESG factors, ensuring that the assets under its management are handled in a way that maximises value for clients. Our aim is to apply the RI policy whilst generating returns that meet the rightful expectations of our clients, recognising that they may have different priorities. To achieve this, we utilise diverse investment strategies tailored to meet the specific needs of our clients.

Trium's RI policy is supported by a broad range of stakeholders, both internal and external. Internal stakeholders include senior executives and investment staff, while external stakeholders encompass beneficiaries, clients, and service providers.

## Objective

The objective of this policy is to ensure the systematic integration of ESG factors into the investment decision-making process. This includes the management of sustainability risks and the consideration of sustainability factors in



investment decisions. Whilst Trium has no firm-wide RI targets, the overarching goal is the consistent and systematic application of the RI policy.

This RI policy also outlines Trium's commitment to supporting the Paris Agreement, upholding human rights, and maintaining ethical business practices. This commitment is aligned with our responsibility to clients, ensuring we meet their needs and deliver the best possible returns on their assets, all while contributing positively to society and the planet.

## Scope

This policy applies to all strategies managed by Trium, however the different strategies managed by Trium have different abilities and approaches for implementing RI principles. Some of Trium's strategies do not take ESG factors into consideration, and as such certain elements of this policy may not apply to all strategies. It should however be noted that all Trium strategies adhere to Trium's Proxy Voting Policy and a robust norm-based screening process.

The RI policy applies to every asset category where it is possible and feasible to consider ESG factors. Due to the nature of certain investments, such as derivatives and index funds, the policy may also not apply to a limited type of underlying investment, whilst applying at the level of the portfolio.

Whilst this policy details Trium's philosophy and rationale for the inclusion of RI principles and ESG factors within the investment process of the strategies at the firm, the individual strategies may also have their own separate, and distinct policies which can be provided upon request.

## Governance

Trium have a number of governance structures in place for decision-making and oversight of our approach to Responsible Investment.

The ultimate responsibility for the oversight and management of Trium's RI policy and approach rests with Trium's Head of ESG who oversees ESG integration at the manager level, and who works with the Investment teams of Trium's sustainable strategies to monitor exclusion lists, controversy alerts and breaches, and to work with the Investment teams on Stewardship matters.

The Investment teams of Trium's sustainable strategies are responsible for implementing Responsible Investment into their investment strategies. The Portfolio Managers and Analysts all focus on research and analysis of specific sectors, as well as undertaking direct engagement with their portfolio companies. This allows for a deeper understanding and specialisation within the sectors the team researches and invests in.

The Firm's governing body, the Trium Executive Committee ("TEC") has oversight and management responsibilities, including, for example, the approval of relevant policies, procedures and processes. In addition to this, the Compliance and Risk teams meet with the Head of ESG or Investment teams on a regular basis to monitor adherence to the RI commitments made by the Firm and the strategies.

Trium have made commitments to a number of sustainability-related initiatives. Examples of our public commitments include having been signatories to the United Nations Principles for Responsible Investment since 2015, signatories of SBAI since 2015, and members of Investor Forum since 2022.

## Exclusions approach

As part of its fiduciary duty, Trium has established an exclusion policy addressing critical sustainability issues. This policy is implemented with the best interests of our clients in mind and applies to all investment strategies managed



by Trium, unless otherwise requested by clients or restricted by applicable laws and regulations. In applying this policy, Trium considers specific circumstances related to the ESG practices of individual issuers. Additionally, our short positions adhere to the same policy. These exclusions apply to direct equity holdings but do not extend to derivatives or other indirect index exposures.

Our assessments are based on data from issuers and third-party data providers, and we strive to gather and evaluate relevant information thoroughly. However, the effectiveness of this evaluation depends on the quality, accuracy, and timeliness of the data available.

Trium understands that some investors may have concerns about exposure to specific industries or activities. If required, we are open to investigating individual managed accounts and working collaboratively with investors to define criteria that exclude investments in companies operating in those industries. These exclusions will be maintained on an ongoing basis to ensure alignment with investor preferences.

## Norm-based exclusion

Trium operates a firm-wide, norm-based exclusion policy regarding the trading of stocks in companies involved in the production, stockpiling, transfer, and use of certain weapons. This exclusion policy aligns with and supports the following international conventions:

**The Convention on Cluster Munitions (2008):** prohibits the production, stockpiling, transfer and use of cluster munitions

**The Ottawa Treaty (1997):** prohibits the production, stockpiling, transfer and use of antipersonnel landmines

**The Chemical Weapons Convention (1997):** prohibits the use, stockpiling, production and transfer of chemical weapons

**Biological Weapons Convention (1975):** prohibits the use, stockpiling, production and transfer of biological weapons.

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 can be made available, upon request.

## Sensitive industries exclusions

In addition to the firm-wide norm-based exclusions, certain Trium strategies may maintain standalone exclusion lists which encompass additional sectors, e.g. nuclear weapons or tobacco. When identified, breaches of these exclusions trigger specific monitoring and escalation procedures, which may result in engagement, specific voting actions (where applicable), or exclusion from investment. A strategy-specific exclusion list can be provided on request.

## ESG Incorporation approach

At Trium, we believe in the transformative potential of responsible investing, which highlights the competitive advantages of companies that invest in their structure, people, and community. Central to this belief is the conviction that companies demonstrating strong business ethics, respect for human dignity, and environmental responsibility will generate greater economic value over the long term. We are confident that integrating ESG factors into the evaluation of risks and opportunities plays a critical role in active investment management. Therefore, Trium encourages the consideration of ESG factors in its investment process, particularly when they may have a material impact on an investment.



## ESG Factors

ESG factors should be taken into account, where relevant and appropriate, by each underlying Portfolio Manager and their respective strategy. The ESG factors that Trium's strategies may consider as part of their responsible investment processes include:

- ▶ **Environmental factors.** Issues relating to the quality and functioning of the natural environment and natural systems, identified or assessed in responsible investment processes.

Trium believe that it is important to consider climate change, biodiversity loss, resource inefficiency and other environmental challenges when assessing climate-related risks and opportunities. This is done through the use of external data and research.

It is well known that disclosure and transparency varies across ESG data providers, as well as from companies themselves, therefore we combine internal research and external data when considering environmental factors.

- ▶ **Social factors:** Issues relating to the rights, well-being and interests of people and communities, identified or assessed in responsible investment processes.

Trium believe there are multiple factors to be taken into consideration within social factors. These may include; anti-bribery and corruption; business ethics; employee rights and welfare; gender equality; and anti-slavery stances. As with environmental factors, we use external data and research to assist this process.

- ▶ **Governance factors:** Issues relating to the governance of companies and other investee entities, identified or assessed in responsible investment processes.

Trium believe that good corporate governance is important for a company to successfully manage ESG risks and leverage ESG opportunities. Whilst obtainable data on governance factors from companies is improving, as of 2023 it can still be found to be inconsistent, with varying levels of disclosure and subjective measures that companies use to assess their own governance against.

We believe it is important to our investment process to determine our own views on the quality of corporate governance in conjunction with the external data we are able to collect. These may include Board composition and diversity, remuneration, shareholder rights, accountability, cyber security and tax and audit issues.

## Integration of ESG risks in investment decisions

Trium serves as the Investment Manager for a variety of strategies and investment Funds. As a result, the integration of sustainability risks is approached both at the strategy-specific level and across the firm as a whole.

Trium incorporates sustainability risks into investment decisions by applying a combination of firm-wide policies related to sustainability factors and by adhering to responsible business conduct codes.

In line with regulatory requirements and industry affiliations, Trium complies with several business conduct codes. These include the regulations set by the Financial Conduct Authority ("**FCA**") and affiliations with key organisations such as the UN Principles for Responsible Investment ("**PRI**"), the Standards Board for Alternative Investments ("**SBAI**"), and the Alternative Investment Management Association ("**AIMA**").



## ESG incorporation approach

Trium’s ESG incorporation approach is guided by key principles, including the application of exclusion criteria, the practice of active ownership through engagement and voting activities, the systematic integration of ESG factors into evaluation of risks and opportunities into the investment process, and a commitment to transparent reporting.

All Trium’s strategies are classified following a degree of ESG incorporation approach. This classification helps determine which parts of the RI policy apply to each strategy. Trium’s strategies are organised into three categories: (i) Screened, (ii) Thematic, and (iii) Impact. These categories are designed based on an evaluation of market best practices and guide each strategy in determining its position according to how deeply ESG factors are integrated into the investment process. The classification also takes into account current regulatory requirements in the European Union. 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.

The application of RI policy elements is specific to selected ESG incorporation approaches, as outlined below:

	SCREENED	THEMATIC	IMPACT
Norm-based exclusions	Yes	Yes	Yes
Sensitive industry exclusions	No	Yes	Yes
Stewardship (if applicable)	Yes	Yes	Yes
Assessment of Principal Adverse Impact Indicators	No	Yes	Yes
SFDR <sup>1</sup> classification (if applicable)	Article 6	Article 8	Article 9

## Stewardship

At Trium, we believe that engagement is key to gaining a deeper understanding and evaluating ESG risks and opportunities at the firm level, as well as encouraging improved practices. Our engagement efforts are prioritised based on various factors, such as the size of our holding and the importance of the issue. We focus on topics like board structure, executive compensation, gender diversity, and climate change when engaging with issuers, particularly when these issues are material.

At Trium, we consider Stewardship activities to encompass individual and collaborative engagement, escalation (where necessary), and proxy voting. Furthermore, certain strategies at Trium may involve a higher level of engagement when directly managing and operating assets.

## Engagement

As part of its commitment to be a responsible investor, Trium engages 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). Trium believes that engagement is an effective tool for achieving meaningful change, and we are committed to engaging with companies on a wide range of topics. We encourage management to adopt appropriate policies, activities and disclosure in line with established best practices.

<sup>1</sup> EU Sustainable Finance Disclosure Regulation



It is important to note that Trium's diverse structure of investment strategies means that not all strategies are suited for effective engagement. Certain strategies, by their nature, may not facilitate direct shareholder engagement. For instance, in a Global Macro strategy, where no single stock positions are held, the opportunity for engagement with individual companies is limited. In such cases, active shareholder engagement is not a practical aspect of the investment approach.

Where engagement is feasible, Trium prioritises its activities based on several key factors. These include the materiality of the ESG issue at hand, the level of exposure to the investee company, and the potential benefit that engagement could bring to our investors. This ensures that, where possible, our engagement efforts are focused on areas where they can have the greatest impact, both in terms of driving better ESG practices and enhancing value for our clients.

### Individual Engagement

For the Trium strategies which do engage with companies on ESG issues, interactions typically involve a combination of face-to-face meetings, video calls, telephone calls and written communication. When an ESG issue is identified, we will usually raise it directly with investor relations, sustainability experts, company management or executive or non-executive directors.

### Escalation

Trium's strategies monitor their engagement activities with companies and, if not satisfied with the outcome, may use a variety of escalation strategies to achieve their objectives. The approach taken depends on the circumstances of each case and may change based upon progress against engagement objectives, other developments or shifting priorities. The frequency of our interaction varies depending on the status of each engagement and the company's willingness to engage.

We may request a meeting or call with the company, where we would communicate our concerns, highlight our engagement objectives and, if appropriate, set out timeframes in which we would like these objectives to be achieved. We would endeavour to follow-up on this with additional meetings or by sending a letter reiterating the topics discussed.

If a Portfolio Manager believes that engagement through these measures is proving unsuccessful, they may divest from a company as the final escalation 'step'.

### Collaborative Engagement

Collaborative engagement can result in more leverage to internal corporate drivers on ESG issues due to larger collective assets under management working together or higher perceived ESG expertise of the investor group.

Trium conduct general collective engagement through two non-profit organisations, The CDP, and Investor Forum:

- ▶ **CDP:** In 2018, Trium became a signatory to the CDP, an independent organisation that runs the global disclosure system for investors, companies, cities and states to measure and manage their environmental impacts. Trium participate in the CDP's engagement campaigns, including the annual non-disclosure campaign, and the Science Based Targets initiative ("SBTi") campaign.
- ▶ **The Investor Forum:** In 2022 Trium became a member of The Investor Forum, a practitioner-led membership organization, set up by institutional investors in UK equities. The Forum's purpose is to position stewardship at the heart of investment decision-making by facilitating dialogue.



Collaborative Engagements when investors wish to exercise good corporate governance over the companies in which they have invested is permitted and not considered a market collusion by FCA<sup>2</sup> and European Securities and Markets Authority ("ESMA")<sup>3</sup>.

It should be noted that all Portfolio Managers are prohibited from colluding with other Asset Managers or market participants in order to influence a market or pricing for Trium's own advantage. It is Trium's view that Collaborative Engagement as described above, does not constitute collusion.

## Proxy voting

At Trium, we believe that exercising our voting rights is a crucial element in maintaining accountability between a company and its shareholders. For this reason, Trium considers it important to exercise these rights wherever possible. Voting responsibly at the annual general meetings of issuers within our portfolios is a key way in which we act in the best interest of our clients.

As a regulated full scope AIFM and investment manager to UCITS Funds, Trium may be given the authority and discretion to vote by proxy in those listed stocks held on behalf of the Funds and managed accounts.

Furthermore, as an SEC Registered Investment Adviser, it is the policy of the Firm to vote all proxies in the best interests of its investors, in accordance with Rule 206(4)-6 of the Advisers Act.

Trium recognises the importance of making considered use of voting rights and aims to exercise these voting rights where practicable. Trium has developed the Proxy Voting Policies and Procedures in order to ensure that it votes proxies or gives proxy voting advice that is in the best interests of the investors

## Role of Custodians and Prime Brokers

In the case of the UCITS Funds, the firm uses Broadridge ProxyEdge platform, provided by the custodian (Northern Trust). The service collects all eligible ballots and enables Trium to vote online.

In the case of AIFs, physical custody of the relevant securities is undertaken by the prime brokers in their parallel role of custodian/depositary, and legal ownership of the securities, to which the right to vote attaches, is vested in them.

On receipt of a corporate action, the custodian/prime broker concerned will contact the Firm (usually through Trium's Operations department, or for Trium's Thematic and Impact strategies, the relevant analyst) seeking advice on which way to vote the proxy voting right.

In advising the custodian/prime broker on which way to vote the proxy the guidance set out in this Policy will be followed.

## Proxy Voting Procedures and Guidelines

The Portfolio Manager will seek to utilise proxy voting where the PM views this 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;

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<sup>2</sup> [FCA Handbook Supplement 11 Annex 6G](#)

<sup>3</sup> [ESMA Public Statement "Information on shareholder cooperation and acting in concert under the Takeover Bids Directive"](#)



- ▶ 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.

### **Proxy Voting ESG Guidelines**

For the Trium strategies which have an ESG focus, and which engage with their investee companies, the Portfolio Managers will vote on all resolutions and may take the following ESG factors into consideration when voting:

- ▶ Executive Compensation
- ▶ Director Election
- ▶ Environment and Biodiversity
- ▶ Disclosure and Transparency
- ▶ Shareholder resolutions

The Operations department, or for Trium's Thematic and Impact strategies, the RI team or relevant analyst, 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 Operations department, or for Trium's Thematic and Impact strategies, the RI team or relevant analyst, on how to vote. It is the responsibility of the Operations department, or for Trium's Thematic and Impact strategies, the RI team or relevant analyst, 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 Operations department, or for Trium's Thematic and Impact strategies, the RI team or relevant analyst, must ensure that the voting of all proxies is completed in a timely manner and must monitor the effectiveness of these policies. The firm uses Broadridge ProxyEdge platform, provided by the custodian (Northern Trust). The service collects all eligible ballots and enables Trium to vote online.

For systematic strategies, which typically have highly diversified portfolios and short holding periods, 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, while there is typically no voting right attached, where we view a vote to be important, we will work with our Prime Brokers to seek to ensure a vote is cast. If needed, we can move the position to a cash position to ensure that the Portfolio Manager has the right to vote.

A full version of Trium's Proxy Voting Policy is available to investors upon request.

### **UK Stewardship code**

Trium has considered the recent updates to the Stewardship Code in January 2020 and the Shareholder Rights Directive II that took effect in June 2019. The Financial Conduct Authority and the Financial Reporting Council have acknowledged that certain aspects of the Stewardship Code are not directly relevant to all managers.





Trium is an Investment Manager to a number of alternative and regulated Funds and strategies and it pursues an investment strategy to which the aims of the Stewardship Code are not fully relevant. Trium believe the Stewardship Code offers good guidance and the Firm seeks to be in adherence to it in material matters.

While the Firm supports the general objectives that underlie the Code and the Directive, the provisions of the Code are not relevant to the type of activity currently undertaken by the Firm because it does not adapt an overall active approach to shareholder participation.

## **Conflict of interest**

As a matter of policy, neither the Firm nor its Portfolio Managers or any of its employees or affiliated may be influenced by outside sources who have interests which conflict with the interests of Trium's clients when voting proxies for those clients. In order to ensure that Trium votes proxies in the best interests of the client, the guidelines and procedures set out in this Policy have been implemented to properly deal with a material conflict of interest.

In determining a proxy vote in accordance with the guidelines set out above, the Firm will first assess the issue to see if there is any possible conflict of interest involving Trium or an affiliated person of Trium. If there is no perceived conflict of interest, the Firm may then vote the proxy according to the guidelines.

If anyone in the Firm has actual knowledge of a conflict of interest, the Firm will normally use another independent analyst to do additional research on the particular issue in order to make a recommendation to relevant Portfolio Manager on how to vote the proxy in the best interests of the client.

The relevant Portfolio Manager, together with the Head of ESG and the Head of Compliance, will then review the proxy voting materials and recommendation provided by the independent analyst to determine how to vote the issue in a manner which the Firm believes is consistent with this Policy and in the best interests of the client.

## **Exceptions**

There may be situations in which the Firm decides in the best interests of its clients to deviate from these policies and procedures. In this event, the Head of ESG, in conjunction with the Compliance team, will document in writing the reason for the deviation.

## **Statements**

At Trium, we are committed to tackling global challenges as a responsible investor, and we have the following statements on key areas: we support the Paris Agreement by aligning our strategies with its goals, we are committed to net zero through one of our impact funds, develop methods to address biodiversity loss, and advocate for transparent sustainability disclosures to ensure consistent reporting on climate-related risks. Through these actions, we aim to fulfil our role as a responsible investor, addressing critical environmental and societal issues while delivering long-term value.

## **Paris Agreement**

Trium supports the objectives of the Paris Agreement<sup>4</sup> and seeks to drive change through its investment strategies in alignment with the goals of the Paris Climate Accord. As responsible investors acting on behalf of our clients, we expect the business strategies of the companies in which we invest to reflect both long-term climate-related risks and opportunities. Additionally, we offer a range of sustainable thematic and impact funds that provide a deeper level of incorporation of ESG<sup>5</sup> factors, specifically designed to address climate change on a more targeted level. This allows

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<sup>4</sup> <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>



us to meet the needs of our more climate-conscious investors, while also fulfilling our responsibilities as a responsible investor. Through these strategies, we aim to contribute meaningfully to the global effort to mitigate climate change while promoting responsible investing.

## **Net zero**

At Trium, we firmly believe that climate change is not only one of the greatest challenges to society but also a critical issue that demands immediate and sustained action. As a responsible investor, we recognise our duty to mitigate its impact, which is why we have made a commitment to achieving net zero through one of our dedicated impact funds. This commitment reflects our core belief that investors have a crucial role to play in addressing the global climate crisis by allocating capital to initiatives and companies that are aligned with long-term sustainability goals. Our commitment to net zero is a reflection of our broader mission to drive sustainability, protect the planet, and contribute to a more resilient and equitable global economy.

## **Biodiversity**

Biodiversity and natural ecosystems are increasingly under threat due to factors such as deforestation, land degradation, pollution of water, air, and soil, and climate change. These threats pose not only broad challenges for society but also present a systemic risk from an investment perspective. In response to this, we have developed a methodology for one of our impact funds to monitor its contributions towards addressing biodiversity loss. We acknowledge that measuring biodiversity is complex, and tracking the impact of corporate actions on this issue is even more challenging. However, we believe that creating a structured process to address biodiversity, rather than overlooking the issue, is an essential step forward.

## **Sustainability disclosures**

As investors, Trium welcomes a consistent methodology for measuring climate-related risks and opportunities across different companies and sectors. We support the IFRS S1 and S2 disclosure standards, which establish a comprehensive global baseline for sustainability-related disclosures. These standards incorporate the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), providing a framework for companies to consistently report on climate-related risks and opportunities. By doing so, they aim to offer a clearer and more comparable understanding of how climate change may impact a company's financial performance. Trium believes that such consistency in disclosures is essential for making informed investment decisions and managing climate-related risks effectively.

## **Reporting**

At Trium, we strongly believe in transparent reporting. We conduct extensive reporting in line with regulatory requirements, such as submissions to the FCA and the ESMA. This includes compliance with the EU SFDR and other relevant regulatory frameworks. In addition to regulatory reporting, we also provide reports to investors, responding to investor requests and Due Diligence Questionnaires ("DDQs"). Our reporting obligations further extend to industry group participation, such as adhering to the Principles for Responsible Investment PRI.

Reporting, particularly in line with UN PRI Principle 6, is vital not only for keeping our clients and investors informed of our progress but also for promoting greater awareness of ESG initiatives within the broader investment community. Furthermore, we offer individual fund reports, such as Sustainability and Engagement reports, which are available upon request.



## Our approach to data

The consideration of ESG data is a component of Trium's approach to RI. Portfolio Managers have access to a source of ESG data to strengthen their understanding of an investee company's ESG profile, performance, risks and opportunities.

Trium's Portfolio Managers may undertake their own research including collecting ESG information from third-party ESG data providers to strengthen their 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.

Trium Portfolio Managers have access to a variety of ESG data sources based on their investment needs, these sources include:

**MSCI:** <https://www.msci.com/>

Trium Portfolio Managers have access to MSCI ESG ratings which provides industry specific ESG company ratings including Industry Sector Reports, Company Profiles and Thematic Research.

**Integrum:** <https://www.integrumesg.com/>

Trium Portfolio Managers have access to the Integrum ESG Data & Dashboard. This allows Portfolio Managers to track ESG risks in their portfolios, analyse the ESG risks in any company or country they are tracking, and incorporate the SDGs and impact across their portfolio.

**Bloomberg:**

Trium Portfolio Managers also have access to Bloomberg ESG Data including Sustainalytics and ISS scores via Bloomberg Terminal.

# Corporate Social Responsibility

## Introduction

Trium's commitment to corporate responsibility extends both externally and internally. Externally, as outlined earlier in this document, we integrate RI principles and ESG factors into our investment process. Internally, we strive to create a healthy, respectful, and sustainable working environment for our employees.

Through the establishment of our Corporate Social Responsibility ("CSR") policy, Trium aims to build a robust and resilient business foundation that can withstand economic cycles and uncertainties. This approach not only fosters long-term sustainability but also positions Trium as a forward-thinking workplace and investment manager at the forefront of the industry.

We believe that sustained high performance can only be achieved within the right environment. This principle applies to all aspects of asset management, not just the investment process. Our guiding ethos is designed to foster the conditions necessary for maximising success, both for our clients and for ourselves.



Trium recognises that strong governance, combined with a workplace culture that values, respects, and nurtures opportunities for all employees, will positively contribute to our financial performance and operational efficiency. It is essential that our internal practices and values align with the investment principles we uphold as a responsible investor. Consequently, Trium places significant importance on having a well-developed CSR policy.

The Executive Committee at Trium is responsible for the management and long-term success of the Firm, ensuring that the interests of the Firm, its staff, and its investors are carefully considered. There is a firm commitment to implementing initiatives that are both substantive and meaningful.

The purpose of Trium's CSR policy is to establish a framework to strengthen Trium's governance, workplace environment and culture, and are committed to ensuring that it:

- ▶ Benefits the Firm's decision-making and creates tangible value for the Firm.
- ▶ Is synonymous with the values applied in its investment making practices
- ▶ Is meritocratic and without prejudice
- ▶ Is a stimulating and rewarding environment where all employees feel valued, respected, able to contribute and know they can realise their potential; and
- ▶ Realises the opportunities derived from diversity of thought and diversity of people.

## People

Trium truly believe that our future success depends on our staff, we take pride that our employees come from a variety of backgrounds, nationalities and cultures, and employment history. Trium are an equal opportunities employer, and we aim to recruit the best talent available in what is a highly competitive market.

### Staff Development

Trium have a Learning and Development Policy which makes opportunities for training and career development equally available to all staff. The Firm's policy is to provide learning and development to increase the efficiency of the organisation, increase job satisfaction and improve career prospects for its entire staff by improving working skills and developing their capabilities to the fullest extent.

Staff are entitled to take paid study leave of up to a total of 5 days in a calendar year. Trium make a full or partial contribution to exam fees and training materials for the first attempt at an exam.

Promotion within the Firm is based on personal merit and the reasonable requirements of the job.

### Flexible Working

We believe that the highest levels of sustained performance can only be achieved within the right environment. Trium believe that for our business to be successful our staff should be able to work in a flexible and supportive environment, and part of this includes our staff having the right to manage their 'work-life' balance.

Trium's managers work with their staff who request flexible working arrangements and are committed to fully considering, and making every effort to accommodate all such requests.



## Diversity & Inclusion

Trium is committed to providing a diverse and inclusive environment for all employees. As a firm we believe it is important that we maintain, support and encourage diversity across all levels and areas of our business. True diversity comes from diversity of experience and diversity of thought, and we recognise that embracing these unique viewpoints benefits everyone; it often creates a more interesting, productive and enriching environment. To uphold this commitment, we have developed a standalone Diversity, Equity & Inclusion ("DE&I") policy.

In our DE&I Policy we aim at all times to:

- ▶ Ensure that all job applicants and employees receive fair and equal treatment;
- ▶ Recruit, develop and promote on the basis of experience, capability, qualifications and performance;
- ▶ Provide a working environment free from harassment and bullying;
- ▶ Treat seriously and deal promptly with any complaints of alleged discrimination, bullying, harassment or victimisation, ensuring a thorough investigation, and the implementation of remedial action if necessary. Further details on this procedure can be found in the staff handbook.
- ▶ Oppose all forms of discrimination, harassment and bullying.

Trium is committed to ensuring that no job applicant or employee faces less favourable treatment based on gender, sexual orientation, age, race, nationality, ethnic origin, religion, disability, marital status, or trade union membership. We also oppose any unjustifiable conditions that may disadvantage individuals. To promote inclusivity, our job descriptions and adverts are neutral and non-discriminatory, encouraging broader, more representative participation from diverse candidates.

Recognising the financial sector's historical male dominance, Trium is focused on improving female representation, particularly in investment and senior roles. The Head of ESG oversees the continuous review of job descriptions and specifications to ensure neutrality and inclusivity in all recruitment communications. This process is firmly integrated into our firm-wide recruitment practices.

## Sutton Trust Pathways to Banking & Finance

Trium is committed to working with organisations to improve the opportunities for employment within the asset management industry for younger people with diverse backgrounds. To this extent, Trium are involved with the Sutton Trust Pathways to Banking & Finance initiative. Launched in 2017, Pathways to Banking and Finance is a pioneering programme that seeks to improve social mobility in banking and finance by providing industry access to high-achieving students from disadvantaged backgrounds and building essential life skills.

Rationale for partnership: to help affect industry-wide change, change the perception of banking and finance, and increase diversity in the workplace. Building a partnership with the Sutton Trust will enable Trium to:

- ▶ Build a diverse pipeline of graduate talent
- ▶ Review best practice for reaching and attracting less advantaged candidates.
- ▶ Engage diversity champions across the business with the topic of social mobility.
- ▶ Play a part in addressing the broader societal issue of social mobility, contributing to the Trust's efforts to transform.



## Charitable Giving and Sponsorship

Giving back to the community provide opportunities to those that are facing more challenging environments, while helping foster cross-departmental team building between staff. Participation in charitable endeavours is therefore actively encouraged at Trium, with employees regularly taking part in sponsored activities or other charitable work. Flexible working options help our staff maintain their charitable commitments alongside their core Trium responsibilities.

Trium have established a charity working scheme for its employees enabling them to take one workday per annum to dedicate to charitable fund raising or volunteering. Under this initiative, the charities supported by employees are to be discussed with and agreed by the ESG co-ordinator.

## Training

At Trium, we believe that building a strong team begins with bringing together the best individuals from diverse, multicultural backgrounds. However, to truly excel as more than the sum of our parts, it is essential that everyone feels included and valued for who they are. Creating an environment where individuals can openly express themselves and share perspectives shaped by their age, gender, sexuality, religion, race, or abilities fosters a dynamic and thriving workplace. By embracing this diversity, we encourage innovation and contribute to a more enriching and positive work culture.

To support this inclusive environment, Trium has implemented quarterly HR and workplace training sessions designed to broaden staff understanding of the world and the diverse people within it. These training sessions are highly valued by our employees, reflecting their ongoing commitment to personal and professional growth. Topics covered include 'Unconscious Bias', 'Bullying and Harassment', 'Diversity, Equity, and Inclusion', and 'Menopause Awareness', among others.

In addition to this, Trium provides Responsible Investment Training to employees, outlining the core principles of Responsible Investment and reinforcing our commitment to sustainable and ethical investment practices. This training is provided by NorthPeak Advisory, Trium's ESG consultants and helps ensure that our values are reflected both in the workplace and in our approach to investing.

## Sustainability

At Trium, we firmly believe that companies and businesses have a responsibility to adopt sound environmental practices and operate as sustainably as possible. We are committed to reducing our environmental impact wherever feasible, and we continuously seek ways to enhance our environmental performance. By taking a proactive approach, we aim to contribute to a more sustainable future for both our business and the environment.

The key elements of our approach to achieving this include:

- ▶ Minimise our waste and actively promote recycling.
- ▶ Where possible, prioritising the purchase of products and services that have the least environmental impact and encouraging others to adopt similar practices.
- ▶ Ensuring that all employees and members of the Firm understand the significance of good environmental practices and adhere to our approach.



## **Travel Practice**

Trium encourage staff members to use public transport for travel into the office, and for business travel as much as possible. To enable this, Trium have implemented a number of travel initiatives. Employees with a base salary of £75,000 or under are eligible for an interest free annual season ticket loan. Employees have the option to take part in the 'Cycle to Work Scheme' – a UK based initiative which allows employees to choose a bicycle which Trium will buy and lease back to the employee until the cost of the bicycle has been paid off, and the building Trium's offices are situated in has bicycle storage facilities to enable this.

## **Waste minimisation**

Where possible, Trium aims to responsibly dispose of supplies. This includes responsibly disposing of electronics and other supplies. Trium aim to minimise waste and actively promote recycling in our office space. Recycling bins are present throughout the office and employees are encouraged to sort waste accordingly.

## **Energy efficiency**

Trium rents its offices, which are in a shared, managed office building. As such, Trium and the building's landlord have been implementing energy efficient lights across the building. Most lights for the building and Trium's floor are also set on motion sensors to reduce unnecessary use. Trium has been engaging with the office building's landlords around the use of heating/air conditioning in the building to better understand the practices in place and suggest improvements where possible.

## **Carbon Offsetting**

Trium actively offsets all carbon emissions resulting from staff business flights as part of our commitment to reducing the environmental impact of our operations. This process is managed through a partnership with C-Level, an organisation specialising in carbon offsetting. To ensure transparency and accountability, Trium monitors its business travel emissions and works directly with C-Level to offset these emissions by supporting verified carbon projects.

C-Level employs a range of instruments to offset emissions, including investing in indigenous forest projects around the world. These projects include a community co-operative initiative in Uganda, mangrove conservation efforts in Kenya, and reforestation programmes with local farmers in Mexico aimed at protecting biosphere reserves. Through these instruments, Trium ensures that its carbon offsets contribute to meaningful environmental and community benefits.



# Annex

## Glossary

**Responsible investment** is a strategy and practice to incorporate ESG factors into investment decisions and active ownership. It considers both how ESG might influence the risk-adjusted return of an asset and the stability of an economy, as well as how investment in and engagement with assets and investees can impact society and the environment.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

**ESG factors** are Environmental, social and governance issues that are identified or assessed in responsible investment processes.

- ▶ Environmental factors are issues relating to the quality and functioning of the natural environment and natural systems.
- ▶ Social factors are issues relating to the rights, well-being, and interests of people and communities.
- ▶ Governance factors are issues relating to the governance of companies and other investee entities.

**ESG risk** is a factor or issue that may expose a security, issuer, investment or asset class to unexpected changes in its current and future financial, economic, reputational and legal situation. Investors could reasonably expect an ESG risk to be disclosed at a corporate or issuer level, as its omission would result in an incomplete understanding of current or future financial prospects.

**ESG incorporation** is assessing, reviewing and considering ESG factors in existing investment practices through a combination of three approaches: integration, screening and thematic investing. ESG incorporation generally functions alongside, or in combination with, stewardship.

**Exclusions** are rules applied to a universe of securities, issuers, investments, sectors or other financial instruments to rule investments in or out, based on pre-specified criteria which might include an investor's preferences or investment metrics and are part of an investment process or reflect a client or fund mandate.

**Screened approach** is Trium's method of incorporating ESG factors into the investment decision-making process by applying norm-based exclusions to a broad range of securities, issuers, and investments. This approach focuses on filtering out investments that do not meet specific ESG criteria.

**Thematic approach** is Trium's method of incorporating ESG factors into the investment decision-making process by applying both norm-based exclusions and fund-specific exclusions for sensitive sectors. The focus is on selecting assets that align with a specific ESG theme or trend, enabling investors to gain exposure to particular environmental or social issues.





**Impact approach** is Trium’s most targeted method of incorporating ESG factors into investment decisions. This approach involves applying norm-based exclusions and fund-specific exclusions for sensitive sectors, with a focus on investments that are intentionally made to generate positive, measurable social and environmental impact alongside financial returns.

## Affiliations

### Principles for Responsible Investment



Trium have been signatories to the United Nations Principles for Responsible Investment since 2015. The PRI is the world’s leading proponent of responsible investment. It works to understand the investment implications of Environmental, Social and Governance factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

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### Standards Board for Alternative Investments



Trium have been a member of the Standards Board for Alternative Investments (“SBAI”) since 2015. SBAI is a standard-setting body for the alternative investment industry and custodian of the Alternative Investment Standards. The SBAI provides a mechanism for creating a framework of transparency, integrity and good governance designed to improve how the alternative investment industry operates, facilitates investor due diligence and complements public policy. The SBAI has produced detailed papers to help its members consider ESG aspects.

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### Alternative Investment Management Association



Trium have been a member of the Alternative Investment Management Association (“AIMA”) since 2014. AIMA is the global representative of the alternative investment industry, with around 2,000 corporate members in over 60 countries. AIMA draws upon the expertise and diversity of its membership to provide leadership in industry initiatives such as advocacy, policy and regulatory engagement, educational programmes and sound practice guides. AIMA has produced detailed papers to help its members consider ESG aspects.

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### CDP



Trium have been signatories to the CDP, formerly known as the Carbon Disclosure Project since 2019. The CDP runs the global disclosure system that enables entities to measure and manage their environmental impacts and strives to advance environmental disclosure.

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### Investor Forum



Trium have been members of The Investor Forum since 2022. The Investor Forum is a not-for-profit, practitioner-led membership organisation, set up by institutional investors in UK Equities. The Forum’s purpose is to position stewardship at the heart of investment decision-making by facilitating dialogue, creating long-term solutions and enhancing value.