



TRIUM SUSTAINABLE INNOVATORS ENGAGEMENT REPORT (H1 2022)

H2 2021 UPDATE FROM PREVIOUSLY ONGOING COMPANY ENGAGEMENT

BOOKING HOLDINGS (Q2 2021 – Q2 2022)

Level	Board of Directors and Management.
Engagement Topic	Executive Compensation Practices
Outcome	<p>We sent a formal letter to the VP of Investor Relations to contest the decision to adjust 2020 compensation for named executives. In 2020, Booking Holdings revenues declined and 23% of the workforce was let go. At the same time, the top 3 Booking.com executives received pay packages that based on our calculations, exceed an aggregate of \$100m. The packages include annual and exceptional awards, as well as retroactive changes to past performance pay packages which should not have been paid out as the performance conditions were not met.</p> <p>We found the communication around all this to be misleading – the public discourse of the company merely praises the cuts of fixed salaries that the executives have accepted, which represent only a fraction of the overall package. The grave fundamental risks related to inefficient and unwarranted executive compensation consist of discontent among employees and moral hazard among executives, notwithstanding that these executive packages could have served to limit layoffs and hence preserve human capital in the firm. The VP replied and scheduled a call to better understand our concerns. The result was a commitment from the VP to share our engagement letter with the Compensation Committee with our recommendations on executive compensation and to be invited to join a group where larger shareholders meet with the Board to make recommendations ahead of AGMs. Our main recommendations are the following: 1. Unbiased communication with the media, 2. Working on key people risk, 3. Capping total compensation, 4. Understanding the consequences of the massive redundancy plan and 5. Implementing non-financial metrics for executive compensation packages.</p> <p>Following sending this, we submitted a motion Booking Holdings for their next Annual General Meeting in June 2022. The motion requested the Board of Directors to incorporate climate change performance elements into the executive remuneration arrangements of the CEO and at least one other senior executive. We were invited for a call with the Director of Sustainability, Vice President of Investor Relations, and the Senior Corporate Council of Booking Holdings. The Booking team presented their ESG plans for 2022 and we shared our concerns on executive compensation. Our motion was presented at the AGM on the 9th of June 2022, where our Portfolio Manager presented our proposal on a call. We consider this motion to be unsuccessful, as the motion did not pass (19% support vote), however, we acknowledge that this did foster executive compensation debate within the board. We posted a video on our LinkedIn page regarding the matter: https://www.linkedin.com/feed/update/urn:li:activity:6950823540912754688</p>

EU TAXONOMY CAMPAIGN (Q4 2021 – ONGOING)

Level	Investor Relations
Companies	Abbott, Accenture, Ansys, Booking, Coloplast, Dassault Systemes, Intertek, Nemetschek, Novozymes and Otis
Engagement Topic	EU Taxonomy Reporting
Outcome	<p>We started a campaign which involved contacting several companies within our Top50 list regarding a specific sustainability topic. In this campaign, we contacted 10 companies enquiring about their EU Taxonomy disclosure strategy and plans, in addition to requesting whether they considered their economic activities to constitute as "enabling activities" in line with Article 16 of the Taxonomy Regulation. The purpose of this engagement is to: (a) fund ESG reporting monitoring; and (b) foster best practices amongst our investible universe. The full status of each company engagement is below:</p> <p>Abbott – We followed our escalation path in line with our ESG criteria, as IR took some time to be responsive. IR confirmed that they will not report with the EU Taxonomy at a group level, but a small number of affiliates in the EU may be subject to reporting. We have since followed up requesting whether there have been any updates/changes in approach to which they confirmed there were no updates. We have therefore sent a formal letter to IR highlighting the relevance and importance of transparency disclosure for us as investors. This engagement is still ongoing as we intend to share best practices of transparency in reporting.</p>

Accenture – IR confirmed that they are monitoring developments within the EU Taxonomy space but have not disclosed a timeline. We have followed up with the company eight months later to request for an update on status, to which IR confirmed that they continue monitoring for developments. We consider this engagement as ongoing.

Ansys – IR have responded that they are looking into the EU Taxonomy, however, have not provided additional information or a timeline for disclosing additional information. We have followed up eight months later for an update, to which they confirmed that they continue to have discussions but have not provided a timeline for disclosing additional information. This engagement is still ongoing.

Booking – IR have responded confirmed that there is no timeline for disclosing EU Taxonomy, despite them having it under their radar. They also highlighted that they had not considered Article 16 of the Taxonomy yet but are currently focused on Climate Transition Plan and Annual Sustainability Report. We have set up a call with IR in their autumn engagement cycle to get an update on any developments, and therefore consider this engagement as ongoing.

Coloplast – IR confirmed they will disclose EU Taxonomy Regulation and noted that for FY 2021/22 Coloplast will report on climate goals for 'climate mitigation' and 'climate adaptation'. They added that from FY 2022/23 they will report on the remaining criteria. We consider this engagement as ongoing until the data is disclosed.

Dassault Systemes – IR have confirmed that they will report eligible revenue in the next annual report. We have followed up with requesting for updates. We consider this as ongoing until we see the publishing of disclosure.

Intertek – We have not received a response from Intertek yet. We followed our engagement escalation path in line with our ESG Policy and after continuous engagement, we have organised a call with IR for September to get clarity, and thus consider the discussions are ongoing.

Nemetschek – IR confirmed there is no timeline for disclosing EU Taxonomy yet, and we have scheduled a follow-up call after their publication in March 2022 to discuss strategy and plan for EU Taxonomy disclosure. We can confirm that the company indeed assessed their taxonomy-eligible activities and disclosed their findings in their non-financial statement. They conclude that due to the low sales volume, these taxonomy-eligible activities are classed as insignificant as the share is less than 1%. The company acknowledges that as the other objectives within the taxonomy become compulsory to disclose, there is a possibility that the group's business activities be affected by the EU taxonomy in the future. We consider this engagement **successful** as our objective was achieved.

Novozymes – IR confirmed that reporting under EU Taxonomy Regulation is not in their pipeline yet, justifying this by noting that the guidelines are not clear for the industrial biotechnology sector. We have followed up with the company requesting for an update 8 months later, and we have been reassured that there are discussions that are ongoing, and they will update us once there is clarity. We there consider this engagement as ongoing and waiting for regulations in each sector to come out whilst encouraging the company to disclose.

Otis – IR at Otis claims that they are not required to report information under the EU Taxonomy Regulations because their securities are not listed on an EU regulated exchange. We have responded commenting that the Taxonomy will be a driver in Europe in the Global/US funds in the UCITS space, highlighting that as investors we would recommend them to comply in terms of investors flow. We have since sent them a formal letter emphasising that for investors and for our fund it is an important criterion to fulfil and disclose, to which we are waiting for a reply. This engagement is still ongoing as we intend to share best practices of transparency in reporting.

We continue to collect information and push these companies to work towards a transparent reporting under the EU Taxonomy. However, we are also aware that there is still a lot of uncertainty around the practical implementation of the regulation, as well as on the timetable. As a result, we do not consider it a serious failure if companies are not yet ready to report as much as we would hope to receive.

H2 2022 ENGAGEMENT

SGS (Q1 2022 – ONGOING)

Level	Investor Relations
Engagement Topic	Environment
Outcome	On the 31 st of January, our team joined a Berenberg Fire chat Investor Call where we requested the company to reconsider the Group strategy and pull out of catering to new oil, gas, and coal projects in order to support the transition into a low-carbon and climate resilient world. We followed this by formally writing a letter which was sent to IR. We have set up a call with IR to follow up on this in September and therefore consider this engagement as ongoing .

NIDEC (Q2 2022 – CLOSED)

Level	Investor Relations
Engagement Topic	Corporate governance and succession planning
Outcome	We have followed the struggle of Nidec CEO Shigenobu Nagamori with finding a successor as he has already had 4 failed attempts. From a corporate governance point of view, this is concerning as therefore following our in-person meeting with IR in our London office, we contacted the CEO via a letter to express our concern regarding the company's reshuffling of management and succession planning. We requested for the company to place an age limit for both executives and director positions at 80 years old. We met with IR in person again to discuss the engagement. Although no official succession plan was disclosed, IR confirmed that Nagamori has adapted his speech verbally and confirmed that he would remain in his tenure for another two years (instead of three years), to coincide with the 80-year-old age limit. We, therefore, consider this an informal success as we are reassured that there is a better succession plan underway.

THEMATIC ACTIVE ENGAGEMENT

UKRAINE-RUSSIA WAR CAMPAIGN (Q1 2022 – CLOSED)

Level	Investor Relations
Companies	Top50 List
Engagement Topic	Russia exposure and proactive actions
Outcome	We reached out to our Top50 list and enquired whether their direct exposure to Russia was <1% and if they were planning on taking any proactive measures. Out of the 50 companies that we contacted, 37 companies responded, representing a 74% response rate. From the companies that responded, 14 companies confirmed that they had suspended operations in Russia and/or Belarus, meaning that 38% of companies limited their business. Out of the 23 companies that confirmed that they have not made any proactive measures, 18% are in healthcare/medical device or solutions industry. There are 19% of companies that did not disclose on any proactive measures. In addition, 53% of the companies have <1% of exposure to Russia, 27% have more than 1% of exposure and 8% did not want to disclose. We consider the engagement to be successful and confirm that the risk is limited, and most companies we reached out to stopped conducting new contracts. We do not claim it is because of our engagement efforts but are pleased that our risk is under control.

CDP NON-DISCLOSURE CAMPAIGN (Q2 2022 – ONGOING)

Level	Investor Relations
Companies	Chr Hansen, Zalando, Nike, Kone, Essilor Luxottica, Novozymes, Abbott, and Adidas
Engagement Topic	CDP Disclosure
Outcome	<p>We launched a campaign in partnership with the CDP to engage companies that have received the CDP disclosure request on behalf of investors but have not provided a response. The objective of the campaign is to drive further corporate transparency around climate change, deforestation, and water security, by encouraging companies to respond to CDP's disclosure request.</p> <p>We went through the CDP non-disclosure database and analysed which companies in our Top50 List needed improvement in the different disclosure segments. This was followed by an application to the CDP to be lead signatories and joint signatories for specific companies and specific disclosure types.</p> <p>The result was that TSI became a Lead Signatory on Water Disclosure for the CDP 2022 Non-Disclosure Campaign for Chr Hansen and sent a letter to the Chair of the Board of Directors and were the Joint Signatories for the water disclosure campaign for Zalando, Nike, Kone, and EssilorLuxottica. In addition to our contribution to the water disclosure campaign, we became Joint Signatories for the Forest Disclosure campaign for Novozymes, Chr Hansen, Abbott, Adidas, and Nike.</p> <p>We will consider this engagement as ongoing until the companies disclose the relevant information. We acknowledge that important steps were made which led us to lead signatory and joint signatory in the disclosure engagement, and we continue to monitor the progress of these companies.</p>

DISABILITIES CAMPAIGN (Q2 2022 – CLOSED)

Level	Investor Relations
Companies	Top50 List
Engagement Topic	Companies' behaviour regarding people with disabilities
Outcome	<p>We launched a thematic engagement with our Top50 list regarding disabilities, and in particular disclosure, enquiring whether they have disability-specific company policies or targets for peoples with disabilities. We had a 70% engagement response (35/50 companies responded), where we found that 29% of companies disclosed the share of employees with disabilities and 57% have targets or plans regarding employees with disabilities. We also found that 40% of companies have a disability-specific policy, and 60% have a policy which covers people with disabilities.</p> <p>We consider this engagement successful due to our high engagement response, where more than half of the companies responded and provided valuable information. This allowed us to map where the Top50 companies stand, assess the risks, and provide the companies with feedback.</p>

CONTACT DETAILS

Sales & Investor Relations

D: +44 20 7073 9264
IR@trium-capital.com

Investment Manager

Trium Capital LLP
60 Gresham Street, Level 4
London EC2V 7BB
United Kingdom
Tel: +44 20 7073 9250

IMPORTANT INFORMATION

This document has been issued by Trium Capital LLP ("Trium") which is authorised and regulated by the Financial Conduct Authority in the UK (register number 497640), registered in the USA with the National Futures Association as a CPO and CTA (registered number 0477553) and is a registered investment advisor with the Securities and Exchange Commission ("SEC") in the United States CRD# 306112/SEC#: 801-122997. Trium is a limited liability partnership registered in England, No. OC343790. Registered Office: 60 Gresham Street, London EC2V 7BB, UK. This document is for professional investors and market counterparties only.

Trium is not acting as financial advisor or fiduciary to any party to whom it delivers this document or who invests in a fund or managed account managed by Trium. In particular, this document (in whole or in part) does not constitute investment advice. Before investing in a fund or managed account you should ensure that you fully understand its potential risks and rewards and independently determine that it is appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances. You should consult with such advisors as you deem necessary to assist you in making these determinations. Any indicative terms provided to you are provided for your information and do not constitute an offer, a solicitation of an offer, or any advice or recommendation to invest in a fund or managed account (whether on the indicative terms or otherwise).

This document is intended for discussion purposes only and does not create any legally binding obligations on the part of Trium. Without any limitation, this document does not constitute an offer, or invitation to offer or a recommendation to invest in a fund or managed account. These materials were designed for use by specific persons familiar with your business and affairs and Trium assumes no obligation to update or otherwise revise these materials. Nothing contained herein should be construed as tax, accounting or legal advice.

This document may not be reproduced or transmitted to any other person without the express permission of Trium. Although the above information has been taken from sources which Trium believe to be accurate, no warranty or representation is made as to the correctness, completeness and accuracy of the information or the assessments made on its basis.

The information contained in this document is preliminary and is qualified and superseded by the prospectus for the fund or governing document for the managed account to which it relates, and in particular the risk factors and information on conflicts of interest described therein, and any investment decision should only be made following consideration of that prospectus or other document. Any performance data is based on a fund's or an account's actual or expected net asset value in accordance with the valuation methodology in its prospectus. Performance may be impacted by capital contributions and withdrawals and unless otherwise stated is net of management, performance and other fees as described herein and includes reinvestment of earnings. The fund's or account's fees may be modified or waived for certain investors as described in its prospectus or other governing document. An investor's actual performance and actual fees may differ from the data reflected herein.

This document is confidential, is intended only for the recipient's own internal use and under no circumstances may a copy be shown, copied, transmitted, or otherwise given to any person other than the initial recipient without the prior written consent of Trium. The distribution of this document and/ or the information contained herein in certain jurisdictions may be restricted, and, accordingly, it is the responsibility of any recipient to satisfy itself as to compliance with relevant laws and regulations.

The U.S. Commodity Futures Trading Commission has not approved or disapproved, passed on, or endorsed, the merits of these product offerings.

The estimates, investment strategies, and views expressed in this document are based upon past or current market conditions and/or data and information provided by unaffiliated third parties (which have not been independently verified), may differ from estimates, investment strategies, and views set out in other documents published by Trium and are subject to change without notice. No representation or warranty is made as to the correctness, completeness and accuracy of data and/or information provided by unaffiliated third parties or as to any assessment made on such basis.

The information contained herein is preliminary, is provided for discussion purposes only, is only a summary of key information, is not complete, does not contain certain material information about the fund contained herein (the "Fund"), including important conflicts disclosures and risk factors associated with investments in the Fund, and is subject to change without notice. Certain information contained in this document constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.

The Fund prospectus (the "Prospectus") qualifies the information contained herein in its entirety and no person should make an investment decision in reliance upon the information contained herein. In the event of any discrepancies between the information contained herein and a Prospectus, the Prospectus will control. The information contained herein does not take into account the particular investment objectives or financial circumstances of any recipient and does not constitute the provision of investment advice or a recommendation.

The information herein is not intended to provide, and should not be relied upon for, accounting, and legal or tax advice or investment recommendations. A recipient should make an independent investigation of the investment described herein, including consulting your tax, legal, accounting or other advisors about the matters discussed herein and the possible consequences for an investment in the fund and the risks involved.

This document is not intended to be, nor should it be construed or used as an offer to sell, or a solicitation of any offer to buy, interests or shares in any Fund managed by Trium. An offer or solicitation will only be made by means of a Prospectus (the "Prospectus") which will contain additional information about the relevant Fund, including disclosures relating to risk factors and conflicts of interest. The relevant Prospectus may be obtained on request from Trium. An investment in the Fund may not be suitable for all investors and may only be suitable only for certain financially sophisticated investors who meet certain eligibility requirements, have no need for immediate liquidity in their investment, and can bear the risk of an investment in a Fund for an extended period of time. Investing in financial markets involves a substantial degree of risk. There can be no assurance that the investment objectives of any Fund described herein will be achieved. Investment losses may occur, and investors could lose some or all of their investment. No guarantee or representation is made that a Fund's investment program, including, without limitation, its diversification strategies, or risk monitoring goals, will be successful. Investment results may vary substantially over time. Investment losses may occur from time to time. Nothing herein is intended to imply that a Fund's investment methodology may be considered "conservative", "safe", "risk free" or "risk averse". Economic, market and other conditions could also cause any Fund to alter its investment objectives, guidelines, and restrictions.

Performance data of the Funds is not based on audited financial data. Performance data of the Fund is based on its Net Asset Value in accordance with the valuation methodology in the Fund's Prospectus. Performance may be impacted by capital contributions and withdrawals and unless otherwise stated is net of management, performance and other fees as described herein and includes reinvestment of earnings. The Fund's fees may be modified or waived for certain investors. Please refer to the Fund's Prospectus for more information regarding the Fund's fees and other terms. An investor's actual performance and actual fees may differ from the data reflected herein due to among other factors, different share classes and eligibility to participate in "new issues". It should also be noted that certain share classes of the Fund may be closed, including the share class from which the performance data presented herein has been derived.

Past performance may not necessarily be repeated and is no guarantee or projection of future results. Past performance is not a guide to future performance and the value of investments and the income derived from those investments can go down as well as up. Future returns are not guaranteed and a loss of principal may occur. Performance may be affected by economic and market conditions.

Information about market indices is provided for the purpose of making general market data available as a point of reference only. There is no representation that any index is an appropriate benchmark for comparison.

Index returns do not take into account trading commissions and costs or other fees and expenses associated with the active management of portfolios. The volatility of indices may be materially different from the performance of the Fund. The Fund's holdings may differ substantially from the securities that comprise the indices. Furthermore, the Fund may invest in different trading strategies from the indices and therefore it should be noted that the sector, industry, stock and country exposures, volatility, risk characteristics and holdings of the Fund may differ materially from those of the indices. The performance returns of the indices include the reinvestment of earnings and are obtained from Bloomberg and other third party sources.

Although Trium believes these sources to be reliable, it is not responsible for errors or omissions from these sources. In certain jurisdictions the Fund may only be available to professional or otherwise qualified investors or entities. An investment in the Fund involves a number of risks that is outlined in the Fund's Prospectus. There can be no guarantee that the Fund's investment objectives will be achieved, and the investment results may vary substantially from year to year or even from month to month. It may engage in investment practices or trading strategies that may increase the risk of investment loss and a loss of principal may occur. Trium may have total trading authority over the Fund, and the Fund will be dependent upon the services of Trium. The Fund's fees and expenses as described in the Fund's Prospectus may offset the Fund's gains. In addition, there may be restrictions on transferring interests in the Fund, please refer to the Fund's Prospectus for additional information.