Trinetra Investment Management LLP
UK Stewardship Code Statement

Trinetra Investment Management LLP ("Trinetra") manages equity assets within one investment strategy: Emerging Markets Growth. Our goal is to earn attractive long-term returns in global emerging markets while minimising risks.

The UK Stewardship Code (The "Code") is a set of guidelines and principles issued by the Financial Reporting Council (the "FRC") to promote the long-term success of companies in such a way that the ultimate providers of capital also prosper. Effective stewardship benefits companies, investors and the economy as a whole.

Trinetra generally supports the objectives and principles that underlie the Code, however it does not attempt to comply with every principle in every instance. Where we do not fully comply with a principle, we have given a rationale to explain how the nature of our investment approach differs.

Principle 1 - Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

Trinetra aims to deliver attractive risk-adjusted returns by:

1. anticipating social and environmental themes in advance of the market, and maintaining a deep understanding of each theme through the investment cycle

2. investing in companies with sustainable business models that can capture the growth in our identified themes, and for which we can factor all risks, including ESG (Environmental, Social and Governance) risks, in our risk assessment methodology

3. actively engaging with managements, to ensure that their strategy is aligned with our anticipated themes and that their interests are aligned to those of our investors.

As the managers of our clients' assets, they entrust us with day-to-day responsibility for safeguarding a considerable amount of value. We will always seek to discharge these responsibilities as diligently as possible, acting with as much care as if we owned the assets ourselves.

We aim to be as aligned with our clients, the asset owners, as possible – their interests are paramount. As such, we require the management of the companies in which we invest to demonstrate similar alignment. Since many scenarios arise where alignment may not be absolute, we consider and quantify any risk arising from that lack of alignment as we would with other major risks.

The firm's investment strategy reinforces this alignment. The firm invests in an area where considerable growth opportunities exist, and specifically selects businesses with fundamentally sustainable business models, avoiding near-term opportunistic anomalies. These strict investment criteria provide a foundation for long-term investment performance at their core. Likewise, environmental and social considerations that could be viewed as externalities and can negatively affect other stakeholders. Repercussions can include a regulatory backlash or other government intervention, which in turn can harm shareholders. Management of a company that can align shareholders' interests with those of the wider community therefore improves the prospects for that company's sustainability. Our commitment to Responsible Investing is embodied in our status as signatory to the UN Principles for Responsible Investing.

We believe that our approach to investment with ethnographic research and a risk-adjusted returns-based process acts to defend clients' interests. By carefully considering risk, and assessing the opportunities of the businesses that we invest in, we believe that we can sensibly incorporate risk into expectations of returns, using a risk-adjusted returns methodology.

We actively and deliberately vote according to our governance principles and to protect our clients' interests. We do not rely on recommendations from proxy voting providers.

We consider a management's approach to governance for companies in which we invest our clients' funds to be fundamental to any investment decision. Failure to adopt and practice good governance imposes considerable risk on a business. We consider governance on at least three levels in our risk methodology:

1. When making an initial investment decision, we will not invest if past actions or existing governance practices are not consistent with alignment to our clients' interests. We also assess, among other elements: stated strategy; whether management has shown discipline in the past regarding their cashflows and balance sheets; explicit alignment to shareholder interests; and board structure and composition.

2. On an ongoing basis, we monitor the company for any deviation from what we understand to be management's commitment to its shareholders. If a deviation is fundamental in its negative impact to shareholder interests, we are likely to sell the entire position. Where a deviation is more minor, we will engage with management to encourage more appropriate behaviour.

3. Our general engagement with management from the early stages of our research process enables us to wield sufficient credibility with management over what can be sensitive governance issues. For example, as an outcome of both our immersions research and our risk assessment, we can gain insight that could be useful to management as they make decisions. We share these insights with management when appropriate.

Our approach to Stewardship encompasses both boundaries to discourage inappropriate behaviours and incentives in the companies in which we invest, as well as to encourage positive behaviours to enhance a company's impact on its various stakeholders. In this regard, sharing Trinetra's proprietary ethnographic research with management can help them to better understand how they can have a positive impact with respect to certain consumer trends.

We believe that our approach to risk acts to defend clients' interests. By carefully considering risk, and assessing the opportunities of the businesses in which we invest, we believe that we can sensibly and effectively incorporate risk into expectations of returns, using a risk-adjusted returns methodology. We believe that this enhances risk-adjusted returns for clients, minimising risk for a given level of expected returns.

We have a comprehensive approach to management of conflicts of interests, which are described in more detail in our commentary for Principle 2.

Principle 2 - Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

We are an independent dedicated investment boutique with a single strategy and a single vehicle. As such we do not face the conflicts of larger investment managers. However, we accept that conflicts of interest might arise, and aim to be stringent in our vigilance over, and management of, any such conflict.

Senior officers of the firm are expected to invest a meaningful proportion of their wealth in the fund. We believe that by being clients themselves, the managers become inextricably aligned with clients.

To further align the firm with clients' interests, each of the firm's employees must adhere to our Conflicts of Interest Policy. The Conflicts of Interest Policy seeks to identify potential conflicts of interest, to avoid those conflicts where possible, and/or to manage them without any harm to our clients where conflicts are unavoidable. The policy includes guidance on monitoring conflicts and potential conflicts.

Any conflict or potential conflict that arises must be reported to the firm's Compliance Officer, who is obliged to put it before the Executive Committee. While it would be impractical to have a blanket response to dealing with all possible conflicts, the Executive Committee will stringently apply the principle whereby the clients' interests are paramount. When any conflict cannot be quickly and definitively resolved, it will be disclosed to our clients, along with an explanation of how we propose to manage it. If required, we will work with our clients to devise an appropriate remedy.

If a client points out or raises a potential conflict between the firm and clients, we will work to find a solution that prioritises the interests of the client. If a client points out or raises a potential conflict of interest vis-à-vis other clients, for example around voting requirements or engagement, we will work to find a solution that reflects and protects the interests of each of our clients.

Within the policy, we have clear and strict rules on gifts and inducements, and on personal account dealing, which are reinforced with regular training. Our Personal Account Dealing Policy is designed to eliminate any conflict between any of our staff's interests and those of our clients. For example, there is a blanket restriction on buying EM equities directly for Personal Accounts.

We revisit, and if necessary, revise the policies periodically, at least on an annual basis.

All staff are required to sign formal attestations to their adherence to the policies on a quarterly basis.

Our Conflicts of Interest Policy is available on request.

Principle 3 - Institutional investors should monitor their investee companies.

We are unusual in that we conduct ethnographic studies that allow us to identify certain consumers trends, as well as to evaluate the degree to which companies meet their consumers' needs. Because this gives us an additional layer of insight, seeing the company through the qualitative eyes of the consumer, we are able to appreciate more fully the opportunities and risks that a company may face. We are thus able to monitor company performance with a more complete set of parameters.

When engaging with management, our research enables us to question them on the processes by which they monitor their consumers, and to assess how well they understand them.

We closely monitor the companies in which we invest, or in which we may consider investing, and, as described in the commentary for Principle 1, it is a fundamental element of the investment process. Our research process involves scrutiny of companies' financial statements and reports, analyst calls, discussions with management, and consideration of their external environment such as regulation and competition. While we invest with a long-term horizon, quarterly updates can provide signals that confirm or refute a long-term thesis, as well as insights into management's effectiveness. The quality and level of disclosure can be a strong indicator as to management's attitude towards various stakeholders, including investors. They also provide signals as to managements' attitude towards governance. We therefore follow company results in appropriate detail, and where necessary, will follow up with management.

We interview management and keep records of any such meetings. We explore important subject areas including plans for use of capital, such as acquisitions. We aim to gain a thorough understanding of the company's growth drivers, risks and governance practices, including alignment of management's interest with those of its shareholders. In doing so, we assess the quality of the company's management, and the appropriateness of the various governance structures that exist, specifically regarding the degree of alignment with shareholders.

We pay particular attention to monitoring risk for the companies in which we invest on our clients' behalf. We go into considerable detail on risks pertaining to strategic, operational, financial and ESG issues that the company faces. We attempt to identify risks that could materially impact a company's earnings. We assess the likelihood of each risk arising, as well as the extent of the impact it would have on the company's earnings, and the extent to which it is discounted in the share price.

During our discussions we try to understand management's risk identification process. We will ask, for example, about their internal audit function, whether the internal audit encompasses an annual risk assessment, and how identified risks are categorised e.g., according to materiality. We ask whether senior executives have been assigned responsibility for monitoring the most significant risks. We then ask them to discuss what they consider to be the most significant risks, and consider to what extent they concur with our external assessment.

Failure to monitor and control risks exposes our investments to unidentified risk, and therefore the cost of equity of a company, reducing risk adjusted returns to our clients.

A further priority is the consideration of companies' external stakeholders, especially customers. Our research is rooted in changing consumer demands, and so we assess the impact, both positive and negative, that companies have on their customers. We believe that companies that treat their customers fairly, and in particular, that seek to solve the problems of their existing and potential customers in emerging markets, are more likely to have sustainable business models.

The outcome of engagements with both management and consumers informs our decisions on whether and when to buy, continue to hold, or sell any investment, all within our framework for assessing risk-adjusted returns.

Trinetra invests in public equities in a variety of jurisdictions globally and exposure to UK listed companies is relatively limited, therefore adherence by companies to the UK Corporate Governance Code has limited application. Nevertheless, as part of our investment process, we assess all companies on their adherence to good corporate governance principles, as explained in the commentary for Principle 1 above.

Our investment universe comprises companies with a material exposure to many, geographically-spread Emerging Markets. Given this and the large number of companies that we follow, as well as the compressed timetable for these meetings, it is generally not practical for us to attend. We can in any event engage directly with management at least as effectively by other means such as written correspondence and direct conversation.

We use Institutional Shareholder Services Inc. ("ISS") to assist with adherence to our policy of participating in all votes. We monitor, maintain and periodically publish on our website records of all votes that we cast, and provide the rationale in any instance where our vote is cast against management.

We prefer not to be made "insiders" as it can restrict our ability to trade on behalf of our clients.

Principle 4 - Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities.

When a company deviates from what we consider to be good governance, we respond, and may do so at a number of levels.

1. If a proposal over which we disagree with management is put to a vote in a proxy, we will instruct a vote against management. We publish our voting record periodically, and note the rationale for our objection in those records.
2. We engage with management. We will telephone or meet with them to get across our views. We will also write to the company's board or chairman more formally.
3. If our efforts to persuade management fail, or if we consider that there is negligible likelihood of success, we will consider selling our clients' entire positions, especially if the issue increases risk, or lessens shareholder alignment, to a sufficient extent.

If we believe that risk adjusted returns can be improved through better risk management, we are prepared to escalate our action.

We do not have detailed guidelines for each form of escalation as the form of escalation will depend on the probability and materiality of the specific risk/issue. For example, a risk that we view as low probability but highly material, may be more concerning than a high probability but low materiality risk. The former could materially reduce risk adjusted returns whilst the latter could be more of a nuisance. The decision on how to engage and when to escalate will be made on a case by case basis, and depends on the magnitude of impact on risk adjusted returns to our investors.

We are minded to intervene when we believe that a company might exhibit intentions that are not aligned with shareholders' interests. This could arise, for example, from a change in strategic direction, or a large investment from which likely returns will be too low. If such an event has a fundamentally negative impact on shareholder interests, we are likely to sell the entire position. Where a deviation is more minor, we will engage with management to encourage more appropriate behaviour.

Our general engagement with management from the early stages of our research process enables us to wield sufficient credibility with management over what can be sensitive governance issues. For example, as an outcome of both our immersions research and our risk assessment, we can gain insight that could be useful to management as they make decisions. We share these insights with management when appropriate.

Principle 5 - Institutional investors should be willing to act collectively with other investors where appropriate.

We are willing to act together with other investors to attempt to influence management, and in doing so, we would expect to be able to achieve greater impact than we would when acting alone. We are a signatory to the UN's Principles of Responsible Investing. As such we have committed to adhere to the PRI's Principle 5: *We will work together to enhance our effectiveness in implementing the principles*.

We will consider joining collective engagement actions when the interests of our investors are sufficiently aligned with the objectives of the action, and when we foresee a reasonable likelihood of our clients' interests being advanced by that action. When we consider joining or initiating such an action, our clients' interests, as well as compliance with relevant regulations, will dictate whether or not we pursue such actions. We may also consider joining in actions with non-investment participants.

In our limited period of operation to date, we have not yet had an opportunity to collectively engage management alongside other investors. Nonetheless, our philosophy is collaborative by its nature. For example, we undertake collaborative research and jointly author blogs and articles. Invitations for collective engagement should be addressed to the Compliance Officer, whose contact details are at the end of this document.

Principle 6 - Institutional investors should have a clear policy on voting and disclosure of voting activity.

We consider active participation in the voting process to be an integral part of our investment process and in line with our stewardship objectives. We therefore ensure that our voting decisions are aligned with our clients' long-term interests and investment objectives.

There is no presumption on our part that we will vote with the board of the investee company. We will abstain or vote against management whenever we believe that the governance and investment objectives of our clients are at risk of compromise. When appropriate, we will inform the company of our voting intentions and give them the opportunity to respond. We will note the advice of ISS, our proxy voting service provider, but we do not default to following their recommendations.

Corporate governance guidelines in different countries are not always consistent with one another, so we cannot rigidly apply one set of criteria across all markets. We use our judgement when we make voting decisions, considering, for example, national conventions and norms as context. When clients' interests are served, we aim to be consistent when the same issues occur repeatedly in different proposals.

When our clients' interests are served by voting against management, we will not compromise, for example, for fear of harming our relationship with management, even if the company's pension fund is a client.

We vote all the shares that we manage, except in the small minority of cases where share blocking applies.

We believe that our voting record should be transparent and periodically publish it on our website.

We do not lend stock from the pooled investment funds that we manage.

Principle 7 - Institutional investors should report periodically on their stewardship and voting activities.

As well as reporting our voting records on our website, we provide a range of qualitative and quantitative information to our clients, including voting records pertaining to that client's specific holdings. What we report to clients and the frequency with which we report depends on their specific requirements. We also disclose records of voting rationales.

Our research, which is available to clients who request it, contains comprehensive ESG and risk analyses.

As a recent signatory to the UN's Principles for Responsible Investing, we will be required to report periodically on our responsible investing activities.

We document notable examples of our responsible investing and governance activities, and discuss them when requested to do so.

Trinetra has a small investment team. Our investment process integrates stewardship and governance issues, and all investment conclusions and their rationales are diligently documented. Due to the lack of complexity in the internal structure of Trinetra and the way in which processes are monitored, an independent opinion on our stewardship and voting policies is not currently considered necessary.

For more information and enquiries regarding collective actions, please contact our Compliance Officer at the following address:

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