



Truffle

Asset Management



CRISA STATEMENT 2021

The value of experience

At Truffle Asset Management we take our fiduciary responsibilities as stewards of our clients' capital seriously. As long-term investors this includes taking responsibility for engaging with investee companies and holding them responsible, not only for their financial performance, but also their performance on environmental, social and governance (ESG) issues. As evidence of this commitment, we adopt the CRISA principles and implement them as part of our investment process, as set out below.

Upholding the CRISA principles forms part of our broader ESG process and is the responsibility of the Chief Investment Officer, who reports to the Board of Directors. No responsibilities are outsourced to service providers, however external inputs do comprise part of our ESG process.

The 5 principles of CRISA and our application thereof are as follows:

Principle 1: An institutional investor should incorporate sustainability considerations, including ESG, into its investment analysis and investment activities as part of the delivery of superior risk-adjusted returns to the ultimate beneficiaries.

ESG principles are incorporated into our investment activities at several levels:

1. Research and screening: material ESG risks are highlighted at a company, sector, and region level
2. Valuation model: appropriate adjustments are made to our valuation models, which then feeds into our view of the company on our ranking table
3. Portfolio construction: where there are increasing ESG risks above what we have incorporated into valuation models, we will reflect that through limiting our exposure

Principle 2: An institutional investor should demonstrate its acceptance of ownership responsibilities in its investment arrangements and investment activities.

We take our fiduciary responsibilities, as owners of companies on behalf of our clients, very seriously. This is reflected through our active proxy voting programme and our ESG Policy which guide the application of sustainability considerations into our investment decisions. We also engage with investee companies on ESG issues which are highlighted in our process.

Principle 3: Where appropriate, institutional investors should consider a collaborative approach to promote acceptance and implementation of the principles of CRISA and other codes and standards applicable to institutional investors.

We support this principle and are prepared to collaborate with other shareholders in investee companies to hold management teams to account where ESG responsibilities are not being met. We have in fact collaborated with other investors in the past on ESG issues.

Principle 4: An institutional investor should recognise the circumstances and relationships that hold a potential for conflicts of interest and should pro-actively manage these when they occur.

Truffle Asset Management has a Conflict of Interest Management Policy available on our website which each new employee is apprised of and required to read to inform them of their obligations.

Principle 5: Institutional investors should be transparent about the content of their policies, how the policies are implemented and how CRISA is applied to enable stakeholders to make informed assessments.

We have made the following policies publicly available on our website at www.truffle.co.za:

- ESG and proxy voting policy
- Proxy voting history
- Stewardship report – contains a summary of our stewardship activities

CONTACT DETAILS

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PHYSICAL ADDRESS

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Lancaster Gate building

Hyde Park Lane Business Complex

Hyde Lane (parallel to William Nicol)

Corner William Nicol and Jan Smuts

Hyde Park

GPS coordinates: 26 07' 21" S 28 01' 53" E

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