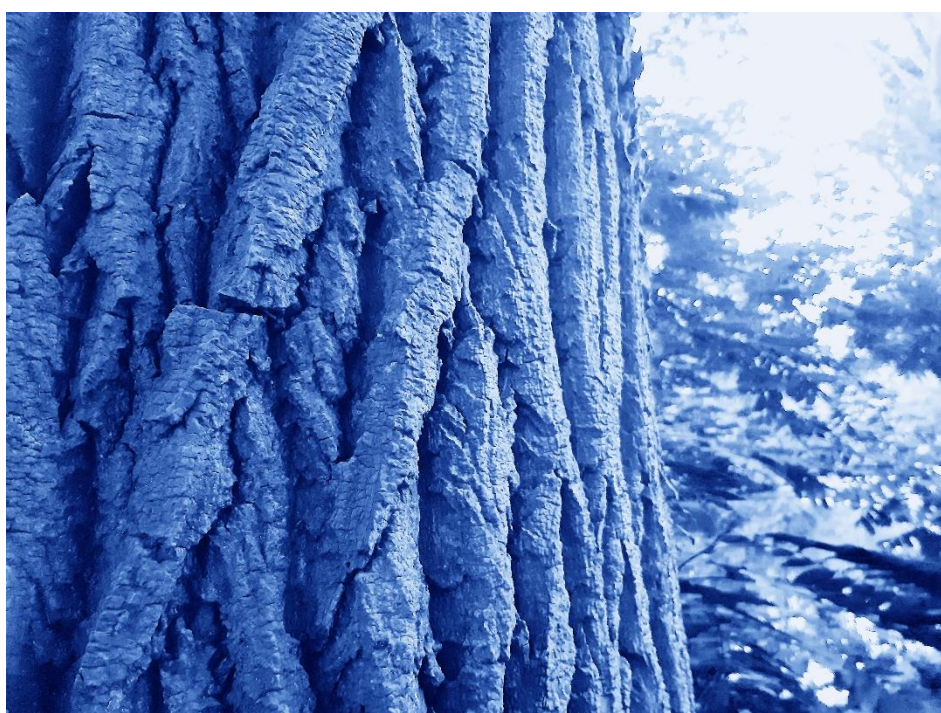


Engagement Policy Truncus Investment Fund

Decision Management Committee Truncus Wealth¹ nv 22 August 2022²



TRUNCUS

Generaties rekenen op ons

¹ Hereafter referred to as 'Truncus'

² Truncus Wealth nv is the promotor of the Truncus Investment Fund. Truncus Wealth nv is accountable for the trading of securities of the SICAV, and the management of the investment portfolio of the SICAV.

The dialogue between companies and investors on Environmental, Social and Governance (ESG) issues and the companies' financials is a common practice. It benefits both parties, by making companies aware of the issues and the opportunities, and by giving investors more insights.

1. Engagement Policy

Truncus interacts structurally with investee companies on an ongoing basis for the fossil fuel sector. For other sectors, Truncus interacts with investee companies on a need-be basis.

The process can be decomposed into the Preparation Phase, Dialogue Phase, Escalation Phase and Conclusive Phase.




a. Preparation Phase

For each company Truncus engages with, an in-depth analysis has been made with regard to the ESG scores and controversies of the company. For this analysis, both internal data and data from Sustainalytics, a leading independent global provider of ESG and corporate governance research, can be used. To gain additional insights, Truncus may communicate with relevant stakeholders. In a next step, Truncus identifies the necessary improvement objectives, which are then provided to the company with whom Truncus engages.

b. Dialogue Phase

Such dialogue takes place through meetings with company's management to discuss specific concerns. This includes ad hoc meetings with C-level management or investor relations' representatives of the company under coverage.

For 2022, Truncus focuses on the following objectives for the fossil fuel sector:

-  Disclosure of climate data.
-  Introduction of greenhouse gas emissions ambitions and targets (alignment with Paris Agreement, i.e. ambition to achieve net-zero greenhouse gas emissions by 2050 or earlier).
-  Alignment with the business criteria as set out in the most recent Towards Sustainability Quality Standard.

2. Voting policy

This constitutes the

c. Escalation Phase & Conclusion Phase

Given the size of Truncus' assets under management, voting power is considered limited to negligible. From that perspective, it is less instrumental to exercise the voting rights on specific matters.

The choice of preference, when the objectives are not met, is not to invest.

Going forward, collaboration platforms will create a possible wider impact for Truncus.

3. Collaboration policy

In order to achieve an even more active engagement with more structural impact, Truncus will assess joining collective engagement initiatives, such as Climate Action 100+ via UNPRI or other. This assessment will take place and reach its conclusion by the end of 1Q23.

4. Reporting

The monitoring of these objectives are reported on an annual basis and can be found on our website www.truncus.eu.

Going forward, the voting activity, once installed via collaborative platforms, will be reported on an annual basis and published on our website www.truncus.eu.

5. Field of Application

This engagement policy only applies to the sub-funds of the Truncus Investment Fund that have obtained the Towards Sustainability Label.