CUSANA EMERGING MARKETS EQUITIES FUND

(the "Fund")

a sub-fund of

Sector Capital Funds plc

Supplement to the Prospectus dated 17 June 2022

for Sector Capital Funds plc

This Supplement contains specific information in relation to Cusana Emerging Markets Equities Fund (the "**Fund**"), a fund of Sector Capital Funds plc (the "**Company**") an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**"). The Company has one other active sub-fund of the Company, namely, Sector Healthcare Value Fund.

This Supplement forms part of and should be read in conjunction with the Prospectus dated 17 June 2022 (the "Prospectus").

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Fund may invest substantially in deposits and money market instruments. Investors should note that there is a difference between the nature of a deposit and the nature of an investment in the Fund. The return on the Shares may be less than that of other securities of comparable maturity or less than interest rates available in the market and the principal invested in the Fund is capable of fluctuation.

The Directors of the Company, whose names appear under the section entitled **"Directors of the Company"** in the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 21 February 2025

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1 DEFINITIONS

"**Base Currency**"	means US Dollar:
"**CBDF Directive**"	means Directive (EU) 2019/1160 of the European Parliament and of the Council of 20 June 2019 amending Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of collective investment undertakings;
"**CBDF Regulation**"	means Regulation (EU) 2019/1156 of the European Parliament and of the Council of 20 June 2019 on facilitating cross-border distribution of collective investment undertakings and amending Regulations (EU) No 345/2013, (EU) No 346/2013 and (EU) No 1286/2014;
"ESG"	means environmental, social and governance;
"**I Shares**"	means EUR I Shares, USD I Shares, CHF I Shares, GBP I Shares, NOK I Shares and SEK I Shares, as further detailed in the section "**Key Information for Buying and Selling**";
"**Incentive Fee Period**"	means the incentive fee period detailed in the Fees and Expenses section;
"**Incentive Fee**"	means the incentive fee in respect of the P Shares in accordance with the principles set out in the Fees and Expenses section;
"**Index**"	means the MSCI Emerging Market Net Index (BBG ticker NDUEEGF);
"**Investment Management Agreement**"	means agreement dated 18 April 2024 between the Company, the UCITS Manager and the Investment Manager as amended, supplemented, modified or novated from time to time, as further described in the **Material Contracts** section below;
"**Investment Manager**"	means Cusana Capital LLP or any successor thereto, duly appointed in accordance with the requirements of the Central Bank;
"**LI Shares**"	means EUR LI Shares, USD LI Shares, CHF LI Shares, GBP LI Shares, NOK LI Shares and SEK LI Shares, as further detailed in the section "**Key Information for Buying and Selling**";
"**Minimum Initial Investment Amount**"	means the minimum subscription amount detailed in the **Key Information for Buying and Selling** section below;
"P Shares"	means P EUR Shares, P USD Shares, P CHF Shares, P GBP Shares, P NOK Shares and P SEK Shares as further detailed in the section "**Key Information for Buying and Selling**";
"**R Shares**"	means EUR R Shares, USD R Shares, CHF R Shares, GBP R Shares, NOK R Shares and SEK R Shares, as further detailed in the section "**Key Information for Buying and Selling**";
"**Recognised Exchange**"	means any stock exchange or market which is regulated, operates regularly or is recognised and open to the public;

"**S Shares**"	means EUR S Shares, USD S Shares, CHF S Shares, GBP S Shares, NOK S Shares and SEK S Shares, as further detailed in the section "**Key Information for Buying and Selling**";
"**SFDR**"	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
"**Sustainability Factors**"	means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters;
"**Sustainable Investment**"	means (1) an investment in an economic activity that contributes to an environmental objective, as measured by key resource efficiency indicators on (i) the use of energy, (ii) renewable energy, (iii) raw materials, (iv) water and land, (v) the production of waste, (vi) greenhouse gas emissions, or (vii) its impact on biodiversity and the circular economy, or (2) 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 (3) 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 or staff and tax compliance;
"**Sustainability Risk**"	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment, including but not limited to, risks stemming from climate change, natural resource depletion, environmental degradation, human rights abuses, bribery, corruption and social and employee matters; and
"**Taxonomy Regulation**"	means Regulation EU/2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending SFDR, as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time.

Unless the context otherwise requires, in respect of the Fund, all references in the Prospectus to "**Class**" or "**Classes**" shall be deemed to refer to a designation or designations of Shares.

2 INVESTMENT OBJECTIVE, STRATEGY AND POLICIES

INVESTMENT OBJECTIVE

The investment objective of the Fund is to achieve long-term capital appreciation.

There can be no guarantee that the investment objective of the Fund will be achieved.

INVESTMENT POLICIES

The Fund will seek to achieve its investment objective by investing primarily in equity and equity related securities (such as convertible bonds which may or may not embed derivatives and/or leverage, warrants, ordinary shares including depository receipts and preferred shares) listed or traded on a Recognised Exchange issued by companies trading, located in or deriving the majority of their revenue or profit from emerging market countries (including but not limited to Brazil, Chile, China, India, Indonesia, Korea, Mexico, Philippines, Taiwan and South Africa) (hereinafter referred to as "**Equity Participations**"). Investment in Equity Participations is subject to the maximum investment of 10% in any one equity security/issuer and/or as permitted by the investment restrictions below. The Equity Participations in which the Fund will invest will not have a sectoral focus.

The Investment Manager anticipates that exposure to such emerging market issuers shall primarily be generated through direct investment in Equity Participations, or where direct investment is not accessible or when local accounts are not yet established, indirectly through investment in collective investment schemes and/or equity financial derivative instruments ("**FDI**"), as further described below.

The Fund may invest up to 10% of its Net Asset Value in transferable securities not listed or traded on Recognised Exchanges.

The performance of the Fund's portfolio of investments will be measured against the Index (or any other index which replaces it or is considered by the Investment Manager to be the market standard in place of that index and any such change in that index will be reflected in the Supplement and notified to Shareholders in the semi-annual and annual accounts). The Index is currently a float adjusted market capitalization index that is designed to measure equity market performance of large and mid-cap representation across global emerging markets. The Index covers approximately 85% of the free float-adjusted market capitalization in each country it covers which currently includes: Brazil, Chile, China, Columbia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The Fund uses the Index for performance comparison purposes only. The Fund is actively managed in reference to the Index. Accordingly, the Index is not used to define the portfolio composition of the Fund, i.e. the Fund may be wholly invested in securities which are not constituents of the Index.

The Fund will normally seek to maintain its exposure predominantly to Equity Participations and to a lesser degree debt securities, as described below. Typically, the Fund will invest more than 50% of its assets on a continuous basis directly in Equity Participations. However, the Fund shall at all times have the flexibility to deviate from its normal exposures outlined above by taking defensive positions to safeguard against or seek to address adverse market conditions, for example, by holding or maintaining cash deposits and/or cash equivalents such as those outlined below. It is anticipated that any such deviations from the Fund’s normal exposures shall be on an exceptional basis only.

Allocations between the asset classes referred to above will be made at the Investment Manager’s discretion, subject to the limits outlined below. In this regard, the Investment Manager will adjust the weightings between asset classes in order to take advantage of investment opportunities, taking into account changing economic and market conditions. The Investment Manager will consider the impact of proposed investments on the Fund’s overall construction, including the exposure to each of the asset classes, the size of each security position and the risk characteristics of the securities themselves.

The Investment Manager aims to enter, increase, reduce or exit positions in respect of individual securities within the asset classes referred to above based on its judgement of the prevailing market conditions and the investment opportunity. In adopting this investment approach the Investment Manager will, in respect of the asset classes referred to above, seek out opportunities where it believes the market is misunderstanding and/or mispricing the prospects of a particular security. A variety of tools will be used by the Investment

Manager to analyse securities and seek out the type of opportunities referenced above which seeks to forecast the future direction of the pricing of a security using past trading activity and price changes as an indicator of likely future movements, assessment of the return drivers, such as interest rates, the macro-economic outlook, inflationary expectations and determining each security's potential for appreciation or depreciation by evaluating the financial strengths and weaknesses, potential improvements in credit quality, earnings outlook, corporate strategy, management ability and quality and position relative to similar securities in the market, as appropriate.

In considering the macro-economic outlook, when assessing the relative attractiveness of equity investments, the Investment Manager may take into account the prevailing global geo-political and economic events and policies, changes in national and international interest rates and rates of inflation, currency devaluations and revaluations. The Investment Manager's holistic analysis of macro-economics may also include but is not limited to: terms of trade, long-term and short-term credit cycles, fiscal policy, demographics, interest rates and monetary policy. The Investment Manager considers these macro-economic factors over a 5-year horizon, in accordance with the long-term investment horizon over which the strategy selects and values equities. In particular, the Investment Manager deems exchange rate expectations to be an important input when optimising risk versus reward considerations.

The Investment Manager may also make use of a number of risk analysis techniques in this assessment including but not limited to econometric, historical and qualitative factors such as considering the historical price of a security, considering proprietary or third party research in respect of a security and researching and assessing the economic status of the market in which the security is listed or traded.

In respect of third party research, the Investment Manager will use a wide variety of sources, including conventional broker research provided by investment banks, both global, country and/or regional specific. In addition, the Investment Manager will use specialist and independent providers for a differentiated and unbiased perspective, particularly in complex areas, for example, the investigation of renewable energy supply chains.

In addition, the Investment Manager will undertake internal research, also known as proprietary research which uses a longer term framework in considering companies and industries. The Investment Manager has developed a proprietary investment checklist which considers key company attributes that are important for a long-term investor, but which may be de-emphasised by a more short-term market. This includes for example, company capital allocation behaviour. In addition, the Investment Manager will use other sources of information, such as industry-specific periodicals (as part of this internal research).

By conducting such analysis, the Investment Manager aims to identify those investment opportunities where the economic fundamentals discerned from the research conducted are in its opinion significantly better than those reflected by the market price of the security. A flexible investment approach to security selection is considered by the Investment Manager to be paramount as no one rigid style of investment is effective in all stages of the economic and business cycle. The investment approach will take account of and respond to anticipated changes in economic and market conditions at any given time and the Fund will typically diversify its exposure across a range of individual investments and industry sectors. There is no restriction on the market capitalisations in relation to the equity and equity related securities which the Fund may invest in. The Fund will not knowingly take direct or significant indirect exposure to companies that are involved in the development, manufacturing or proliferation of controversial weapons (including cluster bombs and munitions, landmines, depleted uranium and chemical and biological weapons).

(i) Equity Participations

As noted above, the Fund shall primarily invest in Equity Participations in order to gain exposure to emerging market countries. Such Equity Participations may include convertible bonds however the Fund will not invest in contingent convertible bonds.

The Fund may also invest in closed-ended funds (which fulfil the criteria for transferable securities and eligible assets under the UCITS Regulations) which provide the Fund with indirect exposure to equity and equity related securities of emerging market countries. Such closed-ended funds shall be listed or traded on a Recognised Exchange and the Fund's Investment in same is not expected to comprise a significant portion of the Fund's assets and will not typically exceed 10% of its net assets.

(ii) Stock Connect & China A Shares

The Fund may invest in A-shares listed on the Shanghai Stock Exchange (the "**SSE**") and/or the Shenzhen Stock Exchange (the "**SZSE**"). Exposure to China A-Shares may typically be obtained by direct exposure via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (together, the "**Stock Connect**"). The Fund shall establish local accounts in China to facilitate access to Stock Connect which is expected to be the primary means of investing in China A-Shares. In addition, the Fund may gain indirect exposure to Chinese equities/China A-Shares through investing in exchange traded funds ("**ETFs**") (subject to the limit on investing in other collective investment schemes, as outlined below) that invest in China A-Shares.

Further information and risks associated with the Stock Connect is provided in the section entitled "Risk Factors" below. Exposure to such China A-shares is not expected to exceed 50% of the Fund's net assets.

(iii) Investment in India

The Fund shall establish local accounts in India which is expected to be the primary means of investing in India. In addition, the Fund may gain indirect exposure to Indian equities through investing in collective investment schemes and/or equity financial derivative instruments ("**FDI**"), as further described below.

(iv) Collective Investment Schemes

The Fund may invest up to 10%, in aggregate, of its net assets in UCITS and/or alternative investment funds, which satisfy the requirements of the Central Bank for UCITS Acceptable Investment in other Investment Funds (hereinafter referred to as "**CIS**"). The CIS (including ETFs) in which the Fund may invest may be listed or traded on one or more Recognised Exchanges worldwide. An investment in such investment funds may be made where such investment is considered by the Investment Manager either as an investment in its own right or as a means of gaining indirect exposure to equity and equity related securities of emerging market countries. The CIS in which the Fund may invest will be domiciled in a Member State of the EEA, the United States of America, the Channel Islands or the Isle of Man.

(v) Debt Securities

The Fund, as part of its Cash Management strategy (see below), may invest in or take exposure to fixed and/or floating rate debt securities such as short term commercial paper, fixed or variable rate commercial paper, certificates of deposit, treasury bills, bankers acceptances and short term debt securities such as fixed and floating rate bonds, bonds issued or guaranteed by governments, municipalities, agencies, supranationals, or corporates listed or traded on one or more Recognised Exchanges worldwide (including emerging markets) ("**Debt Securities**"). Such Debt Securities shall have a rating of at least A1/P1 (or its equivalent) from an internationally recognised rating agency such as Standard & Poors or if unrated, will be deemed by the Investment Manager to be of equivalent quality.

The Fund's exposure to Debt Securities on an ongoing basis is expected to be limited to approximately 10% of the Fund's net assets.

(vi) Cash and Cash Equivalents

The Fund may hold or maintain cash deposits and/or cash equivalents such as short term commercial paper, fixed or variable rate commercial paper, certificates of deposit, treasury bills, floating rate notes and bankers acceptances, freely transferable promissory notes and short term debt securities such as fixed and floating rate bonds, bonds issued or guaranteed by governments, municipalities, agencies, supranationals, or corporates listed or traded on one or more Recognised Exchanges worldwide with a rating of at least A1/P1 (or its equivalent) from an internationally recognised rating agency such as Standard & Poors or if unrated, will be deemed by the Investment Manager to be of equivalent quality and subject to the conditions and within the limits laid down by the Central Bank.

(vii) Cash Management

The amount of cash and/or cash equivalents that the Fund will hold will vary depending on prevailing circumstances. Under normal market conditions, the Fund may hold or maintain up to one third of its Net Asset Value in cash deposits and/or cash equivalents, as set out above.

In exceptional market conditions, such as market volatility or falling markets, the amount of such cash deposits and/or cash equivalents may be up to 50% of the Fund's Net Asset Value where the Investment Manager believes it is in the best interests of the Shareholders (subject to the maximum investment of 20% of the Fund's Net Asset Value in deposits with the same credit institution).

Financial Derivative Instruments

The Fund invests in FDI for investment and/or efficient portfolio management purposes (in order to reduce risk and/or costs and/or to generate additional income for the Fund and/or to protect against exchanges risks subject to the conditions and within the limits laid down by the Central Bank).

In accordance with the Central Bank's requirements, the Fund may be leveraged through its investment in FDI of up to 100% using the commitment approach, however the Investment Manager does not intend that the Fund will principally invest in FDI, rather it will only invest in a FDI as an alternative to direct investments in permitted equity securities (where it is more cost efficient and convenient for the Fund to do so). The Fund is not expected to have a high volatility due to its investment policy or portfolio management techniques.

The Investment Manager intends that the Fund may invest in the following FDI;-

(i) Futures

Traded on a regulated exchange, a future is a standardised agreement between two parties to transact in an instrument at a specific price or rate at a future date. A purchased futures contract commits the buyer to purchase the underlying instrument at the specified price on the specified date. A sold futures contract commits the seller to sell the underlying instrument at the specified price on the specified date. In practice most futures positions are closed prior to contract maturity by dealing an opposite trade which cancels out the commitment.

(ii) Options

An option is an agreement between two parties where the option buyer has the right but not the obligation to buy (call option) or sell (put option) an instrument at a specified date and price. An option buyer pays a premium representing the value of the option and if, at the option expiry, it is economically advantageous may exercise a call option to buy the underlying instrument, or in the case of a put option, sell the underlying instrument. The option writer receives and keeps the option premium and at the choice of the option buyer has to buy or sell the underlying instrument at the time and price specified. The reference instrument for an option may be a security, another derivative such as a swap, future, CDS or may specify an interest or inflation rate, index, basket of instruments, currency or any instrument which the Fund is authorised to own. Standard options are exchange traded and other options are traded OTC.

(iii) Swaps

Swaps are agreements between two parties to exchange future payments in one underlying asset for payments in another. Swaps must include an exchange of principal at maturity or at the inception of the contract. The Fund may enter into equity swaps to gain exposure to emerging market issuers. The Fund may also enter swaps in order to hedge existing long positions in a particular asset.

(iv) Forwards

In forward contracts, the contract holders are obligated to buy or sell an underlying asset at a specified price, at a specified quantity and on a specified future date. Forward contracts may be cash settled between the parties. The Fund's use of forward foreign contracts may include, but is not limited to, altering the exposure of securities held, hedging against exchange risks or increasing exposure to a particular asset.

(v) Warrants

The Fund may invest up to 5% of its net assets in warrants.

A warrant is a derivative in which the Fund may invest to gain exposure to equity participations, in order to reduce risk, costs and to general additional income for the Fund and to protect against exchanges risks, subject to certain restrictions.

The Fund may receive an interest in a warrant by virtue of it being a pre-existing shareholder in an equity investment and does not seek to buy warrants as investments.

Currency Hedging

Forward foreign exchange contracts may be used for hedging purposes or to alter the currency characteristics of transferable securities held by the Fund where the Investment Manager considers it economically appropriate or to reflect the Investment Manager's views on the likely movement of currencies. Because currency positions held by the Fund may not correspond with the asset positions held performance may be strongly influenced by movements in foreign exchange rates.

3 SUSTAINABILITY RELATED DISCLOSURES

SFDR Fund Classification

For the purposes of SFDR, the Fund meets the classification of an Article 8 Fund.

Promotion of Environmental and Social Characteristics

The Investment Manager considers a variety of environmental and social characteristics as part of its investment process.

Environmental characteristics

The Investment Manager invests in companies with a responsible approach to the environment including but not limited to climate mitigation and carbon reduction. The Investment Manager considers the full environmental impact of a company across the global value chain, even where the impact is very difficult to quantify, rather than just the direct environmental footprint of the company.

Social characteristics

- *Human rights* – avoiding companies implicated with human rights abuses and investing in companies that support and respect international human rights standards.
- *Labour* – responsible employers that are not involved in forced labour, child labour or discrimination in the workplace. The Investment Manager will consider the track record of investee companies in relation to the treatment of workers and the local community in order to assess their suitability for capital allocation.
- *Anti-corruption* – The Investment Manager does not invest in companies where management have a history of corruption, extortion, or bribery.

For further information on the environmental and/or social characteristics promoted by the Fund and the binding criteria which are applied, please refer to the SFDR Annex below.

Integration of Sustainability Risks

The Fund aims to promote environmental, social and good governance characteristics through its investment selection process.

Corporate governance and the sustainability of each investee company is integral to the Investment Manager's assessment of value given the Investment Manager's long term investment horizon. The Investment Manager prioritises the assessment of Sustainability Risks by (a) considering financial analysis; and (b) exercising judgment and experience, to ensure that all stock holdings are (i) run in the interests of all shareholders and (ii) responsible corporate citizens that support societal development.

The Investment Manager's due diligence focuses on two key aspects: the alignment of management and lead shareholders with minority investors; and the environmental impact of the business rather than simplistic measures of performance. Furthermore, governance practices are investigated to ensure that companies will be good stewards of the invested capital.

The integration of Sustainability Risks is integral to the Investment Manager's investment analysis and Sustainability Risks are assessed, in conjunction with and as part of, the Investment Manager's financial, thematic and macro analysis and valuation work. This ensures consideration of all material sustainability

matters in advance of investment decisions.

Prior to making new investments, the Investment Manager also deploys an investment checklist which includes a range of sustainability questions and considerations that are reviewed before any investment is made. The Investment Manager believes that it is important that it performs and integrates sustainability analysis into the investment process rather than outsourcing it to a separate team.

Having full oversight of Sustainability Risks' analysis ensures that the Investment Manager:

1. integrates all material ESG considerations into its investment process;

2. assesses valuation and risk profile of stocks with a more complete perspective; and

3. engages with the companies in which it invests in to improve their performance.

The Investment Manager has a principles-based approach to sustainability which is consistent with the 10 key principles of the UN Global Compact.

Assessment of the Likely Impact of Sustainability Risks on Returns

The Investment Manager reviews and assesses potential Sustainability Risks as part of its decision-making process with respect to the investment made or to be made. The impact of the integration of any such Sustainability Risks is expected to fall under the normal return scope of the Fund and accordingly, the negative impact on the returns of the Fund is expected to be limited.

4 INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading "Investment Restrictions" in the Prospectus shall apply.

5 PROFILE OF THE TYPICAL INVESTOR

The Fund is suitable for investors seeking long-term capital appreciation and typical equity market volatilityand risk in the management of their assets.

6 DIVIDEND POLICY

Accumulation Policy

It is not currently the intention of the Directors to distribute dividends to Shareholders. The income, earning and gains of Shares in the Fund will be accumulated and reinvested on behalf of Shareholders, however, dividends may, in the future, be declared in respect of one or more designations of Shares in the sole discretion of the Directors. If dividends are to become payable, Shareholders will be notified in advance and full details will be provided in an updated version of this Supplement.

7 INVESTMENT MANAGER

The Manager has appointed Cusana Capital LLP, a limited liability partnership registered under the laws of England and Wales, having its registered office at Heathmans House, 19 Heathmans Road, London SW6 4TJ, United Kingdom.

Cusana Capital LLP is authorised and regulated by the FCA with reference number 986596.

8 DISTRIBUTOR

The Manager has appointed Sector Capital AS as the Global Distributor of the Fund. Further details of the Global Distribution Agreement between the Manager and Sector Capital AS are detailed in the section of the Prospectus "**General Information**".

In addition, pursuant to the terms of the Investment Management Agreement (as defined below), the Investment Manager has also been appointed as a non-exclusive distributor of the Fund. Further details of

the Investment Management Agreement are detailed below in the section of this Supplement entitled "**Material Contracts**".

9 KEY INFORMATION FOR BUYING AND SELLING

The Fund is currently offering S Shares, I Shares, LI Shares, P Shares and R Shares, each of which is denominated in USD, GBP, EUR, CHF, NOK and SEK (as indicated below) and which rank *pari passu* with each other in all respects save for differences in currency denomination and fees and expenses.

Shares are available for subscription on each Dealing Day at the prevailing Net Asset Value per Share.

Designation of Shares	Initial Issue Price	Minimum Initial Investment Amount *
USD S Shares ***	N/A	$20,000
GBP S Shares ***	N/A	$20,000
EUR S Shares ***	EUR 100	$20,000
CHF S Shares ***	CHF 100	$20,000
NOK S Shares ***	N/A	$20,000
SEK S Shares ***	SEK 100	$20,000
USD I Shares	USD 100	$5,000
GBP I Shares	GBP 100	$5,000
EUR I Shares	EUR 100	$5,000
CHF I Shares	CHF 100	$5,000
NOK I Shares	NOK 100	$5,000
SEK I Shares	SEK 100	$5,000
USD LI Shares	USD 100	$50,000,000**
GBP LI Shares	GBP 100	$50,000,000**
EUR LI Shares	EUR 100	$50,000,000**
CHF LI Shares	CHF 100	$50,000,000**
NOK LI Shares	NOK 100	$50,000,000**
SEK LI Shares	SEK 100	$50,000,000**
USD P Shares	USD 100	$100,000
GBP P Shares	GBP 100	$100,000
EUR P Shares	EUR 100	$100,000
CHF P Shares	CHF 100	$100,000
NOK P Shares	NOK 100	$100,000
SEK P Shares	SEK 100	$100,000
USD R Shares	USD 100	$5,000
GBP R Shares	GBP 100	$5,000

EUR R Shares	EUR 100	$5,000
CHF R Shares	CHF 100	$5,000
NOK R Shares	NOK 100	$5,000
SEK R Shares	SEK 100	$5,000

**or the currency equivalent thereof or such greater or lesser amount as may be determined by the Directors.*

***or its equivalent in the relevant currency or such greater or lesser amounts as the Directors may, in their absolute discretion decide.*

****The S Shares may only be issued by the Fund to initial seed investors (as determined by the Directors), employees, affiliates, advisors and delegates of the Manager and related parties unless otherwise determined by the Directors in their absolute discretion. The S Shares will be closed to subscriptions by new investors when the Net Asset Value of the S Shares, in aggregate, reaches $100,000,000 thereafter such existing S Shareholders may continue to subscribe for S Shares. The Directors shall determine, in their sole discretion, a person's eligibility to subscribe for S Shares.*

Initial Offer Period

The Initial Offer Period for CHF S Shares, SEK S Shares, USD I Shares, EUR I Shares, CHF I Shares, NOK I Shares, SEK I Shares, LI Shares, P Shares and R Shares commenced at 9 a.m. (Dublin time) on 24 February 2025 and ceases at 5 p.m. (Dublin time) on 22 August 2025 or such earlier or later date as the Directors may determine.

During the Initial Offer Period, CHF S Shares, SEK S Shares, USD I Shares, EUR I Shares, CHF I Shares, NOK I Shares, SEK I Shares, LI Shares, P Shares and R Shares will be available at the Initial Issue Price as disclosed above.

The Initial Offer Period for EUR S Shares, USD S Shares, GBP S Shares. NOK S Shares and GBP I Shares has closed.

After the Initial Offer Period, the Fund will be continuously open for subscriptions at each Dealing Day, unless otherwise determined by the Directors.

Business Day

Any day other than a Saturday or Sunday on which commercial banks are open for business in Oslo, Dublin and New York.

Dealing Day

Each Business Day will be a Dealing Day.

Dealing Deadline

In relation to applications for subscription of Shares, 2.00 p.m. (Irish time) on the Business Day prior to the relevant Dealing Day or as otherwise determined by the Directors and notified in advance to the Shareholders, provided that the Valuation Point will always be after the relevant Dealing Deadline.

In relation to redemptions of Shares, 2.00 p.m. (Irish time) on the Business Day prior to the relevant Dealing Day or as otherwise determined by the Directors and notified in advance to Shareholders, provided that the Valuation Point will always be after the relevant Dealing Deadline.

The Directors reserve the right to waive the notice period at their discretion provided such applications are received before the Valuation Point for the relevant Dealing Day.

Valuation Point

The point in time by reference to which the Net Asset Value of the Fund is calculated which, unless otherwise specified by the Directors, shall be the close of business in the relevant market that closes last on each Dealing Day.

Any value expressed otherwise than in the Base Currency shall be converted into the Base Currency at the exchange rate (whether official or otherwise) which the Directors shall determine to be appropriate.

Minimum Additional Investment Amount

None.

Preliminary Charge, Redemption Charge and Exchange Charge

None.

Settlement Date

In the case of subscriptions for Class LI Shares, cleared funds must be received by 2.00 p.m. (Irish time) on the relevant Dealing Day.

For all remaining Classes, cleared funds must be received by 2.00 p.m. (Irish time) on the Business Day after the relevant Dealing Day.

However, the Directors may at their discretion, accept applications for Shares for a relevant Dealing Day, where subscription monies are not received by the Settlement Date provided that confirmation is received from the applicant's bank before the Settlement Date that subscription monies shall be received on or before the close of business in Dublin on the relevant Dealing Day.

In the case of redemptions, proceeds will be paid 3 Business Days after the relevant Dealing Day assuming timely receipt of all duly signed redemption documentation.

10 HOW TO BUY SHARES

Application for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day.

Unless the Administrator otherwise agrees, payment for Shares must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Class.

This section should be read in conjunction with the section entitled **"Subscription for Shares"** in the Prospectus.

11 HOW TO SELL SHARES

Requests for the sale of Shares should be submitted to the Company c/o the Administrator in accordance with the provisions set out in the Prospectus. Requests received on or prior to a Dealing Deadline will be dealt with on the relevant Dealing Day. A redemption request once given will not be capable of revocation without the consent of the Directors.

The amount due on the redemption of Shares of any Class will be paid by the Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of any relevant redemption documentation.

No Shareholder shall be entitled to realise part only of his holding of Shares of any Class if such realisation would result in his holding of Shares of such Class after such realisation being below the Minimum Shareholding of that particular Class.

This section should be read in conjunction with the section entitled **"Repurchase of Shares"** in the Prospectus.

12 NET ASSET VALUE

The Administrator determines the Net Asset Value per Share as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "**Calculation of Net Asset Value/Valuation of Assets**" in the Prospectus.

13 CHARGES AND EXPENSES

This section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

Organisational Costs

The Fund shall bear its own establishment costs and expenses estimated not to exceed €100,000 in aggregate (ex VAT and disbursements) which will be amortised over the first 5 years of the Fund's operation.

Annual Management Fee

The Fund shall pay, out of the assets, an annual management fee based on the Net Asset Value of the relevant designation of Shares, as detailed below (plus VAT, if any) (the "**Annual Management Fee**"). The Annual Management Fee will accrue as at each Valuation Point and shall be payable monthly in arrears.

Designation of Shares	Annual Management Fee
P Shares	0.30% per annum of the Net Asset Value attributable to the P Shares.
S Shares	0.55% per annum of the Net Asset Value attributable to the S Shares.
LI Shares	0.65% per annum of the Net Asset Value attributable to the LI Shares.
I Shares	0.75% per annum of the Net Asset Value attributable to the I Shares.
R Shares	1.50% per annum of the Net Asset Value attributable to the R Shares.

The Annual Management Fee shall include the payment of the management fee due to the Manager and the investment management fee due to the Investment Manager. In addition, the fees of the Global Distributor will be discharged by the Manager out of its proportion of the Annual Management Fee.

The Manager and the Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for all reasonable disbursements and reasonable out-of-pocket expenses properly incurred by it on behalf of the Fund in the performance of its obligations.

Incentive Fee

The Investment Manager shall be entitled to receive an Incentive Fee in respect of the following Shares;-

Designation of Shares	Incentive Fee
P Shares	20 per cent of the amount by which the Net Asset Value (before the deduction of any incentive fee) of the relevant Share exceeds the Index adjusted Prior High Net Asset Value (as defined below)

The Incentive Fee shall only be payable on the amount by which each Share outperforms the Index adjusted Prior High Net Asset Value for the relevant Share.

No incentive fee will be charged in respect of the S Shares, LI Shares I Shares and R Shares.

The "**Prior High Net Asset Value**" of each Share is the highest Net Asset Value per Share on which an Incentive Fee was paid in respect of any previous calculation period (or, if no Incentive Fee has yet been paid with respect to any such calculation period, the Initial Issue Price of the relevant Share).

The "**Index adjusted Prior High Net Asset Value**" of each Share is the Prior High Net Asset Value adjusted by the performance of the Index for the relevant calculation period.

The relevant Share's subscription price will be taken as the starting price for the purposes of determining the Incentive Fee. The calculation of the Incentive Fee will be verified by the Depositary or a competent person appointed by the Manager and approved for such purpose by the Depositary and shall not be open to the possibility of manipulation.

Incentive Fee Period

The Incentive Fee is calculated and accrued at each Valuation Point in respect of each calendar year, in each case concluding and crystallising on the last Business Day of the relevant calendar year or, in the case of redemptions, as of each Dealing Day in due proportions to the Shares redeemed by redeeming Shareholders. The Incentive Fee (if any) will become payable to the Investment Manager within 10 Business Days of crystallisation.

The first Incentive Fee Period for any new or unlaunched Shares (that pays an Incentive Fee) shall commence from the conclusion of the relevant Initial Offer Period and cease on the last Business Day of the relevant calendar year (save in circumstances whereby a period of less than 12 months has elapsed since the creation of such new or unlaunched Shares, in which case the calculation period shall end on the last Business Day of the following calendar year).

At the end of each calculation period, where an Incentive Fee has been paid, and only then, the Prior High Net Asset Value per Share will be reset to the Net Asset Value per Share of the Class at the end of such calculation period. For the avoidance of doubt, where the Class has underperformed, (i.e. its Net Asset Value per Share at the end of a calculation period is below the Index adjusted Prior High Net Asset Value per Share), no Incentive Fee will be payable until the underperformance is clawed back.

Simplified example for illustrative purposes:

The Fund, in respect of the P Shares will pay the Investment Manager an Incentive Fee equal to 20% of the amount by which the Net Asset Value of the relevant Share exceeds the Index adjusted Prior High Net Asset Value (as defined above). The Incentive Fee shall only be payable on the amount by which each Share outperforms the Index adjusted Prior High Net Asset Value for the relevant Share.

Year End	Benchmark Index	Net Asset Value	Prior High Net Asset Value	Incentive Fee using Index adjusted Prior High Net Asset Value
01/01/23	100	100	N/A	N/A
31/12/23	110	115 – with 115 becoming the Prior High Net Asset Value	115	20% of 5 = an incentive fee of **1**
31/12/24	80	90	115	**0** - as the Net Asset Value did not exceed the Prior High Net Asset Value, 115 No incentive fee is payable, as the NAV (90) is underperforming the index adjusted Prior High Net Asset Value (115)

				No incentive fee is payable until under performance is clawed back.
31/12/25	90	120*	115	The NAV at the end of this Incentive Fee Period is 120. Previous underperformance has been clawed back, (i.e. opening NAV as at 1.01.25 was 90, the closing NAV as at 31.12.25 is 120). An incentive fee is payable being (120 – 115) * 20% = an incentive fee of **1**
31/12/26	130	135**	120	(135-130) 20% = an incentive fee of **1** Incentive fee is only payable by the outperformance of the index by 5

**At the end of calculation period for 2025, as an Incentive Fee has been paid, the Prior High Net Asset Value per Share will be reset to the Net Asset Value per Share of the Class at the end of such calculation period.*

***At the end of calculation period for 2026, as an Incentive Fee has been paid, the Prior High Net Asset Value per Share will be reset to the Net Asset Value per Share of the Class at the end of such calculation period.*

Incentive Fee - General

At the end of each calculation period, where an Incentive Fee has been paid, and only then, the Prior High Net Asset Value per Share will be reset to the relevant Net Asset Value per Share at the end of such calculation period.

For the avoidance of doubt, where the relevant Shares have underperformed, (i.e. its Net Asset Value per Share at the end of a calculation period is below the Index adjusted Prior High Net Asset Value per Share), no Incentive Fee will be payable until the underperformance is clawed back.

Where an Incentive Fee is payable by the Fund, this will be based on net realised and net unrealised gains and losses as at each payment date. As a result, an Incentive Fee may be paid on unrealised gains which may subsequently never be realised.

All fees and expenses (except the Incentive Fee) that have been accrued or paid (but not previously accrued) for a given period will be deducted prior to calculating the Incentive Fee for such period, including, without limitation, the Annual Management Fee. The Incentive Fee shall be calculated net of all costs but may also be calculated without deducting the performance fee itself, provided that doing so is in the investor's best interest.

Upon investor's redemptions, Incentive Fees will crystallise in due proportions on the date of the investor's redemption. Upon the Investment Management Agreement being terminated, any Incentive Fee will be calculated and paid to the Investment Manager as at the date of termination.

The calculation of the Incentive Fee shall be verified by the Depositary and shall not be open to the possibility of manipulation.

Past performance against the Index can be found in the KIID for the relevant Share Class which is available at https://www.sector.no/en/document-center.

Equalisation Policy

The Incentive Fee is calculated on a Share-by-Share basis so that each relevant Share is charged an Incentive Fee that equates precisely with that relevant Share's performance. This method of calculation ensures that: (i) the Incentive Fee is charged only to those Shares that have appreciated in value; (ii) all relevant Shareholders have the same capital at risk in the Fund; and (iii) all Shares of the same designation have the same Net Asset Value per Share.

Adjustments

If a Shareholder subscribes for relevant Shares at a time when the Net Asset Value per relevant Share is other than the Index adjusted Prior High Net Asset Value, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or beneficiary of the Incentive Fee.

(a) If Shares are subscribed for at a time when the Net Asset Value per relevant Share is less than the Index adjusted Prior High Net Asset Value, a Shareholder will be required to pay an Incentive Fee with respect to any subsequent appreciation in the value of those relevant Shares relative to the relevant index. With respect to any appreciation in the value of those relevant Shares from the Net Asset Value per relevant Share at the date of subscription relative to the relevant index and up to the Index adjusted Prior High Net Asset Value, the Incentive Fee will be charged by redeeming such number of a Shareholder's relevant Shares as have an aggregate Net Asset Value (after accrual of any Incentive Fee) equal to the applicable percentage of any such appreciation (an "**Incentive Fee Redemption**"). The applicable percentage will be 20% for P Shares of the appreciation in excess of the relevant index return from the Net Asset Value at subscription up to the Index adjusted Prior High Net Asset Value. The aggregate Net Asset Value of the relevant Shares so redeemed will be paid to the Investment Manager as an Incentive Fee. Incentive Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per relevant Share. As regards a Shareholder's remaining relevant Shares, any appreciation in the Net Asset Value per relevant Share of those relevant Shares above the Index adjusted Prior High Net Asset Value will be charged an Incentive Fee in the normal manner described above.

(b) If relevant Shares are subscribed for at a time when the Net Asset Value per relevant Share is greater than the Index adjusted Prior High Net Asset Value, a Shareholder will be required to pay an amount in excess of the then current Net Asset Value per relevant Share equal to 20% for P Shares of the difference between the then current Net Asset Value per relevant Share (before accrual for the Incentive Fee) and the Index adjusted Prior High Net Asset Value (an "**Equalisation Credit**"). At the date of subscription the Equalisation Credit will equal the Incentive Fee per relevant Share accrued with respect to the other relevant Shares of the relevant designation in the Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per relevant Share has been reduced to reflect an accrued Incentive Fee to be borne by existing Shareholders and serves as a credit against Incentive Fees that might otherwise be payable by the Fund but that should not, in equity, be charged to a Shareholder making the subscription because, as to such relevant Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of relevant Shares of the same designation in the Fund have the same amount of capital at risk per relevant Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the Fund relative to the relevant index subsequent to the issue of the relevant Shares but will never exceed the Maximum Equalisation Credit.

In the event of a decline as at any Dealing Day in the Net Asset Value per relevant Share of those Shares relative to the Index adjusted Prior High Net Asset Value, the Equalisation Credit will also be reduced by an amount equal to 20% for P Shares of the decline in the Net Asset Value per relevant Share (before accrual of the Incentive Fee) from the Net Asset Value per relevant Share at the date of subscription relative to the Index adjusted Prior High Net Asset Value. Any subsequent appreciation in the Net Asset Value per relevant Share relative to the Index adjusted Prior High Net Asset Value will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

Upon a Shareholder's redemption or when the Fund closes down, if the Net Asset Value per relevant Share (before accrual of the Incentive Fee) exceeds the Index adjusted Prior High Net Asset Value, that portion of the Equalisation Credit equal to the applicable percentage of the excess, multiplied by the number of relevant

Shares subscribed for by a Shareholder, will be applied to subscribe for additional Shares of the relevant designation for a Shareholder (who may choose to redeem these Shares). The applicable percentage will be 20% for P Shares of the excess between the Net Asset Value per relevant Share and the Index adjusted Prior High Net Asset Value as at the time of redemption. If a Shareholder redeems his relevant Shares before the Equalisation Credit has been fully applied, a Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of relevant Shares being redeemed and the denominator of which is the number of relevant Shares held by a Shareholder immediately prior to the redemption.

The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for all reasonable disbursements and reasonable out-of-pocket expenses properly incurred by it on behalf of the Fund in the performance of its obligations.

Administrator Fees

The Administrator is entitled to receive out of the assets of the Fund an annual fee, accrued and calculated as at each Valuation Point and payable monthly in arrears, as follows:

(a) 0.07% of the first USD 250 million of aggregated average Net Asset Value;

(b) 0.0575% of the next USD 250 million of aggregated average Net Asset Value in excess of USD 250 million;

(c) 0.0425% of the next USD 250 million of aggregated average Net Asset Value in excess of USD 500 million;

(d) 0.03% of the next USD 250 million of aggregated average Net Asset Value in excess of USD 750 million;

(e) 0.02% of the aggregated average Net Asset Value in excess of USD 1 billion;

subject to a minimum annual fee of USD 40,000 (plus VAT thereon if any).

The Administrator shall also be entitled to receive out of the assets of the Fund a fee of USD 7,000 (plus VAT thereon if any) for the preparation of each set of financial statements.

The Administrator is entitled to all of its reasonable agreed upon transaction, transfer agency and other charges (which will be at normal commercial rates) and other out-of-pocket expenses payable out of the assets of the Fund (plus VAT thereon, if any).

Depositary Fees

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears, as follows:

(a) 0.02% of the first USD 200 million of aggravated average Net Asset Value; and

(b) 0.015% of the aggregated average Net Asset Value in excess of USD 200 million;

subject to a minimum annual fee of USD 30,000 (plus VAT thereon if any).

The Depositary is also entitled to sub-custodian's fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates) and other out of pocket expenses (plus VAT thereon if any).

Other Fees and Expenses

The Fund shall also bear its attributable portion of audit and legal fees. The Fund, in its capacity as an investor in other CIS will be responsible for its proportionate share of the fees and expenses of those CIS which may include additional management, administration and custodial fees.

Research Payments

The Investment Manager shall on an annual basis set a research budget for the Fund (the "**Research Budget**").

The Fund shall continue to be responsible for expenses, including operating the expenses related to researching, implementing, carrying out and disposing of specialised and specific investment research for the Fund, including amounts payable to third party consultants (the "**Research Charge**") based on the Research Budget. The Research Charge shall not exceed the higher of USD 200,000 or 5 basis points of assets under management (exclusive of VAT) and shall be paid out of the assets of the Fund. When calculating the Net Asset Value of the Fund, the pro rata share of the Research Charges shall be deducted on each Dealing Day.

The Investment Manager shall not accept any fees, commissions, monetary benefits or non-monetary benefits other than in accordance with the requirements of Articles 11 and 12 of the MiFID II Delegated Directive.

A copy of the latest Research Budget is available from the Investment Manager upon request.

General

Any other fees and expenses payable out of the assets of the Fund are set out in the Prospectus and this section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

14 RISK FACTORS

The general risk factors set out in the heading "**Risk Factors**" in the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

General Considerations

There is no guarantee that the investment objective of the Fund, or its risk monitoring and diversification goals, will be achieved and results may vary substantially over time.

Further information and risks associated with the Stock Connect

The Stock Connect is a securities trading and clearing links programme developed by the Hong Kong Exchanges and Clearing Limited (the "**HKEx**"), the SSE, the SZSE and the China Securities Depository and Clearing Co., Ltd. (the "**CSDCC**"), which provides mutual stock market access between mainland China and Hong Kong. It comprises the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

Each of the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect comprises a northbound trading link (the "**Northbound Trading Link**") for investment in Chinese shares ("**Northbound Trading**") and a southbound trading link (the "**Southbound Trading Link**") for investment in Hong Kong shares ("**Southbound Trading**"). Under the Northbound Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and securities trading service companies established by the Hong Kong Stock Exchange (the "**SEHK**"), may trade eligible shares listed on the SSE or the SZSE by routing orders to the SSE or SZSE (as the case may be).

Further information about the Stock Connect and the associated risks are set below and further information is also available online at the website: http://www.hkex.com.hk/eng/csm/index.htm.

Eligible Securities

Initially, Hong Kong and overseas investors are only able to trade certain stocks listed on the SSE market (the "**SSE Securities**") and the SZSE market (the "**SZSE Securities**"). SSE Securities include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed A-shares that are not included as constituent stocks of the relevant indices but which have corresponding H-shares listed on the SEHK, except the following:

(a) SSE-listed shares which are not traded in RMB; and

(b) SSE-listed shares which are included in the “risk alert board”.

Given the special investor eligibility requirements of the Science and Technology Innovation Board of the SSE (the “**STAR Board**”), shares listed on the STAR Board under the Northbound Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations (including the Fund).

SZSE Securities will include all the constituent stocks of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed A shares which have corresponding H shares listed on SEHK, except the following:

(a) SZSE-listed shares which are not traded in RMB; and
(b) SZSE-listed shares which are included in the “risk alert board”.

At the initial stage of Shenzhen-Hong Kong Stock Connect, shares listed on the ChiNext Board of SZSE under Northbound Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations (including the Fund).

It is expected that the list of eligible securities will be subject to review in future.

Trading day

Investors (including the Fund) can only trade on the other market on days where both the Hong Kong market and the Chinese market (SSE and SZSE) are open for trading, and banking services are available in both markets on the corresponding settlement days.

Trading quota

Trading under the Stock Connect is subject to a daily quota (“**Daily Quota**”) for each of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, which is separate for Northbound Trading and Southbound Trading. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. The quotas apply to Northbound Trading and Southbound Trading as a whole and are not specific to the Fund. The quotas are utilised on a first-come-first-serve basis. The SEHK monitors the quota and publishes the remaining balance of the Northbound Trading Daily Quota at scheduled times on the HKEx’s website. The Daily Quota may change in future. The Investment Manager will not notify investors in case of a change of quota.

Settlement and custody

The Hong Kong Securities Clearing Company Limited (the “**HKSCC**”) is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors. SSE Securities or SZSE Securities acquired by an investor through Northbound Trading is maintained with such investor’s broker’s or custodian’s stock account with the Central Clearing and Settlement System (“**CCASS**”) operated by HKSCC.

Corporate actions and shareholders’ meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities or SZSE Securities held in its omnibus stock account in the CSDCC, the CSDCC as the share registrar for SSE or SZSE listed companies still treats the HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities or SZSE Securities. The HKSCC monitors the corporate actions affecting SSE Securities or SZSE Securities and keeps the relevant CCASS participants informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

Currency

Hong Kong and overseas investors (including the Fund) can trade and settle SSE Securities and SZSE Securities in RMB only.

Trading fees

In addition to paying trading fees and stamp duties in connection with A-shares trading, the Fund may be subject to certain other fees which are yet to be determined by the relevant authorities.

Coverage of Investor Compensation Fund

Any investments in SSE Securities or SZSE Securities done by the Fund through Northbound Trading under the Stock Connect will not be covered by Hong Kong's Investor Compensation Fund for defaults occurring before 1 January 2020. For defaults occurring on or after 1 January 2020, the Fund will be covered by the Hong Kong's Investor Compensation Fund.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Examples of default are insolvency, in bankruptcy or winding up, breach of trust, defalcation, fraud, or misfeasance.

On the other hand, according to the Measures for the Administration of Securities Investor Protection Fund, the functions of China Securities Investor Protection Fund ("**CSIPF**") include "indemnifying creditors as required by China's relevant policies in case a securities company is subjected to compulsory regulatory measures including dissolution, closure, bankruptcy and administrative takeover by the China Securities Regulatory Commission ("**CSRC**") and custodian operation" or "other functions approved by the State Council". However, since Northbound Trading is carried out through securities brokers in Hong Kong and not Chinese brokers, the CSIPF also does not extend to protect defaults experienced on Northbound Trading.

Foreign shareholding restrictions

Pursuant to relevant rules and regulations, foreign investors holding A-shares (whether acquired through QFII, RQFII or Stock Connect) are subject to the following shareholding restrictions:

(a) the shareholding of any single foreign investor in an A-share listed company must not exceed 10% of such company's total issued shares; and
(b) the aggregate shareholding of all foreign investors in an A-share listed company must not exceed 30% of such company's total issued shares.

When aggregate foreign shareholding of an individual A-share listed company exceeds the 30% threshold, the foreign investors concerned will be requested to sell the relevant A-shares on a last-in-first-out basis within 5 trading days. If the 30% threshold is exceeded due to trading via Stock Connect, the SEHK will identify the exchange participant(s) concerned and require a force-sell. As a result, it is possible that the Fund may be required to unwind its positions where it has invested in an A-share listed company in respect of which the aggregate foreign shareholding threshold has been exceeded.

The SSE, SZSE and the SEHK (as the case may be) will issue warnings as the aggregate foreign shareholding of an SSE Security or SZSE Security approaches 30%. Northbound Trading buy orders will be suspended once the aggregate foreign shareholding reaches 28% and will resume when it drops back to 26%. Northbound Trading sell orders will not be affected.

When foreign investors carry out strategic investments in A-shares listed companies in accordance with the relevant rules, the shareholding of such strategic investments is not capped by the above-mentioned percentages. Under the relevant rules, strategic investments made by foreign investors must constitute at

least 10% of the A-shares in a listed company with a minimum 3-year lock-up period, and must be approved by the Ministry of Commerce of China.

Further information about the Stock Connect is available online at the website: http://www.hkex.com.hk/eng/csm/index.htm.

When investing through the Stock Connect, the Fund will be subject to the following risks associated with the Stock Connect:

Quota Limitations: The Stock Connect is subject to quota limitations. The investment quota does not belong to the Fund and is utilised on a first-come-first-serve basis. In particular, once the remaining balance of the Northbound Trading Daily Quota drops to zero or the Northbound Trading Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Quota limitations may restrict the Fund's ability to invest in A-shares through the Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies.

Suspension Risk: The SEHK, the SSE and the SZSE reserve the right to suspend Northbound and/or Southbound Trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound Trading is effected, the Fund's ability to access the Chinese market through the Stock Connect will be adversely affected.

Operational Risk: The Stock Connect provides a channel for investors from Hong Kong and overseas to access the China stock market directly. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. As the securities regimes and legal systems of the two markets differ significantly, market participants may need to address issues arising from such differences on an on-going basis in order for the programme to operate.

Further, the "connectivity" in the Stock Connect requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted.

Restrictions on selling imposed by front-end monitoring: Chinese regulations require there to be sufficient shares in an investor's securities account before such investor sells any share on the SSE or SZSE, otherwise the sell order will be rejected by the SSE or SZSE. The HKEx will carry out pre-trade checking on SSE Securities and/or SZSE Securities sell orders of its participants (i.e. brokers) to ensure there is no over-selling. This means that investors must transfer SSE Securities and/or SZSE Securities to the accounts of its brokers before the market opens on the day of selling (the "**Trading Day**"). If an investor fails to meet this deadline, it will not be able to sell such SSE Securities and/or SZSE Securities on the relevant trading day. Because of this requirement, investors may not be able to dispose of holdings of SSE Securities in a timely manner. Chinese regulations may impose certain other restrictions on selling and buying which results in the Fund not being able to dispose of holdings of China A-Shares in a timely manner. This also raises concerns as to counterparty risks as securities may need to be kept by brokers overnight.

To facilitate investors whose SSE Securities and/or SZSE Securities are maintained with custodians to sell their SSE Securities and/or SZSE Securities without having to pre-deliver the SSE Securities and/or SZSE Securities from their custodians to their executing brokers, the HKEx introduced an enhanced pre-trade checking model in March 2015, under which an investor may request its custodian to open a Special Segregated Account (SPSA) in the CCASS to maintain its holdings in SSE Securities and/or SZSE Securities. An investor only needs to transfer SSE Securities and/or SZSE Securities from its SPSA to its designated broker's account after execution and not before placing the sell order. This enhanced model is novel and initial market reaction is varied. If the Fund is unable to utilise this model, it would have to deliver SSE Securities and/or SZSE Securities to brokers before the Trading Day and the above risks may still apply.

Recalling of Eligible Stocks: If a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold and cannot be bought. This may affect the Fund's investment portfolio or strategy if, for example, the Investment Manager wishes to purchase a stock which is recalled from the scope of eligible stocks.

Clearing and Settlement Risk: The HKSCC and CSDCC have established the clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house. Should the remote event of CSDCC default occur and the CSDCC be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against the CSDCC. HKSCC will in good faith seek recovery of the outstanding stocks and monies from the CSDCC through available legal channels or through the CSDCC's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from the CSDCC.

Nominee Arrangements: HKSCC is the nominee holder of the SSE Securities and SZSE Securities acquired by Hong Kong and overseas investors through Stock Connect. While HKSCC is the "nominee holder", it holds the SSE Securities and SZSE securities on behalf of Hong Kong and overseas investors who are the beneficial owners of the SSE Securities and SZSE securities.

The CSRC Stock Connect rules expressly provide that investors enjoy the rights and benefits of the securities acquired through Stock Connect in accordance with applicable laws. Such rules are departmental regulations having legal effect in China. However, the application of such rules is untested, and there is no assurance that Chinese courts will recognise such rules (for example, in liquidation proceedings of Chinese companies).

It should be noted that, under the CCASS Rules, HKSCC as nominee holder shall have no obligation to take any legal action or court proceedings to enforce any rights on behalf of the investors in respect of the SSE Securities and SZSE Securities in China or elsewhere. Therefore, although the Fund's ownership may be ultimately recognised, the Fund may suffer difficulties or delays in enforcing its rights in SSE Securities or SZSE Securities.

Participation in Corporate Actions and Shareholders' Meetings: HKSCC will keep CCASS participants informed of corporate actions of SSE Securities and SZSE Securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of SSE Securities and SZSE Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including the Fund) are holding SSE Securities and SZSE Securities traded via Stock Connect program through their brokers or custodians. According to existing Chinese practice, multiple proxies are not available. Therefore, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of the SSE Securities and SZSE Securities.

Regulatory Risk: The Stock Connect is evolving and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect. The regulations are untested and there is no certainty as to how they will be applied, and are subject to change (and such change may have a retrospective effect). There can be no assurance that the Stock Connect will not be abolished.

Taxation Risk: Although the relevant authorities have announced that corporate income tax, business tax, and individual income tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Fund) on the trading of China A-Shares through the Stock Connect, dividends from A-shares paid to Hong Kong and overseas investors will continue to be subject to 10% Chinese withholding

income tax and the company distributing the dividend has the withholding obligation. Further, investors should note that the tax exemption on gains derived from trading of China A-Shares via the Stock Connect under the "Notice about the tax policies related to the Shanghai-Hong Kong Stock Connect" (Caishui 2014 No. 81) ("**Notice No. 81**") and the "Notice about the tax policies related to the Shenzhen-Hong Kong Stock Connect" (Caishui 2016 No. 127) ("**Notice No. 127**") promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC on 14 November 2014 and on 1 December 2016 respectively, was granted on a temporary basis and there is no assurance that the Fund will continue to enjoy the tax exemption over a long period of time. If the exemption under Notice No. 81 and Notice No. 127 is withdrawn, or if guidance is issued in relation to the tax position for A-shares traded via the Stock Connect which differs from the current practice of the Investment Manager, any tax on capital gains derived from the trading of China A-Shares via the Stock Connect may be directly borne by the Fund and may result in a substantial impact to the Fund's Net Asset Value.

The Chinese tax rules and practices in relation to the Stock Connect are new and their implementation is untested and uncertain. It is possible that any future announcement by the Chinese tax authority may subject the Fund to unforeseen tax obligations, which may have retrospective effect.

Differences in Trading Days: Stock Connect only operates on days when the Hong Kong market and the Chinese market (SSE and SZSE) are open for trading, and banking services are available in both markets on the corresponding settlement days. Accordingly, there may be occasions when it is a trading day for the Chinese market but not a trading day for the Hong Kong market. On these occasions, the Fund may be subject to a risk of price fluctuations in A-shares as the Fund will not be able to trade A-shares through the Stock Connect. Differences in trading days may also affect the Fund's ability to make timely investments and to pursue its investment strategies.

Risks Related to Investments in China

Development of Economies in China

Investors should be aware of the risks associated with investing in emerging markets such as mainland China. The economies of the various regions in China differ from the economies of most developed countries in many aspects, including as to: (a) the political structure; (b) the degree of government involvement; (c) the degree of economic development; (d) the level and control of capital re-investment; (e) the control of foreign exchange; (f) the allocation of resources and (g) the degree of liquidity in their capital markets. Certain economies in China have been transitioning from those which are centrally planned to more market oriented economies. For example, for more than two decades, the government of the People's Republic of China (excluding Hong Kong, Macau and Taiwan) (the "**PRC**") has implemented economic reform measures emphasizing the utilization of market forces in the development of the PRC economy. Although the Investment Manager believes these reforms will have a positive effect on the overall and long-term development of such economies, it cannot predict whether changes in economic, political and social conditions, laws, regulations and policies in China will have an adverse effect on the investments of the Fund.

Legal and Tax Systems

The legal and tax systems of China are less predictable than most legal and tax systems in countries with more developed capital markets. Currently, the tax rules and regulations prevailing in China are, as a general matter, either new or under varying stages of review and revision, and there is considerable uncertainty as to whether new laws will be enacted and, if enacted, the scope and content of such laws. Reliance on oral administrative guidance from regulators and procedural inefficiencies hinder legal remedies in many areas, including bankruptcy and the enforcement of creditors' rights. Moreover, companies may experience delays in China when obtaining governmental licences and approvals. These factors contribute to the systemic risks to which the Fund may be exposed. There can be no assurance that current taxes will not be increased or that additional sources of revenue or income, or other activities, will not be subject to new taxes, charges or similar fees in the future. Any such increase in taxes, charges or fees payable by the individual companies in the investment portfolio of the Fund, or the Fund itself, may reduce the returns for the Unitholders. In addition, changes to tax treaties (or their interpretation) between countries in which the Fund invests, and countries through which the Fund conducts its investment program, may have a significant adverse effect

on the Fund's ability to efficiently realize income or capital gains. Consequently, it is possible that the Fund may face unfavorable tax treatment resulting in an increase in the taxes payable by the Fund on its investments. Any such increase in taxes could reduce the investment returns that might otherwise be available to the Unitholders. All these uncertainties may cause difficulties in the enforcement of statutory and contractual rights and interests. It cannot be predicted whether changes in the laws, regulations and policies of any jurisdiction in China will have an adverse effect on the Fund or its financial condition.

Less Company Information and Regulation

There may be less publicly available information about companies in China. This may make it more difficult for the Investment Manager to stay informed of corporate action that may affect the price or value of a particular security.

Political and Economic Instability

Investing in securities issued by companies in certain regions involves considerations and potential risks not typically associated with investments in securities of companies domiciled and operating in the G-7 nations, including the instability of governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes or instability in governmental administration or economic or monetary policy, changed circumstances in dealings between nations and confiscatory taxation. The Fund may incur higher expenses from investment in the securities issued in certain countries than from investment in others. The Fund's investments in certain countries could be adversely affected by certain factors not present in developed nations, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations. In addition, the governments of such countries may participate in their economies through ownership or regulation in ways that can have a significant effect on securities prices. The economies of certain countries depend heavily on international trade and can be adversely affected by the enactment of trade barriers or changes in the economic conditions of their trading partners. In some countries, especially developing or emerging countries, political or diplomatic developments could lead to programs that would adversely affect investments, such as confiscatory taxation or expropriation. Further, although the recent general trend in many of the less developed economies in China has been toward more open markets and the promotion of private business initiatives, no assurance can be given that the governments of these regions will continue to pursue such policies or that such policies may not be altered significantly. The China markets may also experience significant adverse economic developments, including substantial depreciation in currency exchange rates, or reduced economic growth rates or unstable currency fluctuations, increased interest rates, or reduced economic growth rates compared with investments in securities of issuers based in developed countries. Political instability, economic distress, the difficulties of adjustment to a market economy, social instability, organised crime or other factors beyond the Investment Manager's control could have a material adverse effect on the performance of the Fund.

Although economic conditions are different in each country, investors' reactions to the developments in one country may have an adverse effect on the securities of issuers in other countries. Developments or conditions in emerging market countries may from time to time significantly affect the availability of credit in China and result in considerable outflows of funds and declines in the amount of foreign currency invested in these markets.

Restrictions on Investment and Repatriation

Some regions in China impose restrictions and controls regarding investment by foreigners. Among other things, they may require prior governmental approvals, impose limits on the amount or types of securities that may be held by foreigners or impose limits on the types of companies in which foreigners may invest. These restrictions may at times limit or preclude the Fund's investment in certain regions and may increase the Fund's costs and expenses. Indirect foreign investment may, in some cases, be permitted through investment funds that have been specifically authorised for that purpose. Because of the limited number of authorizations granted in such countries, however, units or shares in most of the investment funds authorised in those countries may at times trade at a substantial premium over the value of their underlying assets. There can be no certainty that these premiums will be maintained, and if the restrictions on direct foreign investment in the relevant region were significantly liberalised, premiums might be reduced, eliminated

altogether, or turned into a discount. In addition, certain regions impose restrictions and controls on repatriation of investment income and capital. In this regard, there can be no assurance that the Fund will be permitted to repatriate capital or profits, if any, over the life of its activities. In addition, the Fund faces the systemic risk that a region's balance of payments may result in the imposition of temporary restrictions on foreign capital remittances. The Fund could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by the application to the Fund of any restrictions on investments. Investing in entities either in, or which have a substantial portion of their operations in China may require the Fund to adopt special procedures, seek local government approvals or take other actions, each of which may involve additional costs to the Fund.

Custody Risk in respect of Chinese Securities

The custodial and/or settlement systems of some of the Chinese markets or exchanges on which the Fund may invest may not be fully developed and therefore the assets of the Fund which are traded in such markets and which have been entrusted to sub-custodians (in circumstances where the use of such sub-custodians is necessary) may be exposed to risks. Such risks include (but are not limited to): (a) a non-true delivery versus payment settlement; (b) a physical market, and as a consequence the circulation of forged securities; (c) poor information in regards to corporate actions; (d) registration process that impacts the availability of the securities; (e) lack of appropriate legal/fiscal infrastructure devices; and (f) lack of compensation/risk fund with the central depository.

As mentioned above, custodians or sub-custodians may be appointed in the Chinese market for the purpose of safekeeping assets in the market. The assets of the Fund may be exposed to custodial risk. For example, in case of the liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Fund may take a longer time to recover its assets. In circumstances such as the retroactive application of legislation of and fraud or improper registration of title, the Fund may even be unable to recover all of its assets. The costs borne by the Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.

Risks associated with the Small and Medium Enterprise Board of the SZSE ("SME Board"), ChiNext Board of the SZSE ("ChiNext Board") and/or the Science and Technology Innovation Board of the SSE ("STAR Board")

The Fund may have exposure to stocks listed on SME Board, ChiNext Board and/or STAR Board.

Higher fluctuation on stock prices and liquidity risk - Listed companies on the SME Board, ChiNext Board and/or STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on ChiNext Board and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the Main Board of the SSE or the SZSE ("**Main Board**").

Over-valuation risk - Stocks listed on SME Board, ChiNext Board and/or STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulations (applicable to ChiNext Board and STAR Board) - The rules and regulations regarding companies listed on ChiNext Board and STAR Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

Delisting risk - It may be more common and faster for companies listed on the SME Board, ChiNext Board and/or STAR Board to delist. In particular, ChiNext Board and STAR Board have stricter criteria for delisting compared to other boards. This may have an adverse impact on the Fund if the companies that it invests in are delisted.

Concentration risk (applicable to STAR Board) - STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the Fund to higher concentration risk.

Investments in the SME Board, ChiNext Board and/or STAR Board may result in significant losses for the Fund and its investors.

Risks associated with direct investment in India

India Focus

The value of the Fund's investments may be adversely affected by potential political and social uncertainties in India. Certain developments are beyond the control of the Fund, such as the possibility of nationalization, expropriations, confiscatory taxation, political changes, government regulation, social instability, diplomatic disputes or other similar developments, which could adversely affect the Fund's investments.

India is a country which comprises diverse religions and ethnic groups. It is the world's most populous democracy and has a well-developed and stable political system. Ethnic issues and border disputes have, however, given rise to ongoing tension in the relations between India and its neighbouring countries, particularly over the North and North-East regions of the country, and between certain segments of the Indian population. Any exacerbation of such tensions could adversely affect economic conditions in India and consequently the Fund's investments.

While fiscal and legislative reforms have led to economic liberalization and stabilization in India over the past ten years, the possibility that these reforms may be halted or reversed could significantly and adversely affect the value of investments in India. The Fund's investments could also be adversely affected by changes in laws and regulations or the interpretation thereof, including those governing foreign investment, anti-inflationary measures, rates and methods of taxation, and restrictions on currency conversion, imports and sources of supplies.

Investments in India

The value of the Fund's investments in India may be adversely affected by political, economic, social and religious factors, changes in Indian law or regulations and the status of India's relations with other countries. In addition, the economy of India may differ favourably or unfavourably from the economies of other countries in such respects as the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. These factors could adversely affect the Indian economy, make Indian assets generally more volatile and adversely affect the value of the Fund.

India remains a highly regulated regime in many respects, which may restrict the types of transactions that the Fund may engage in.

Under India's anti-money laundering laws or other applicable regulations, Indian regulatory authorities may require details of the ultimate beneficial owners of any investor in the Fund to be disclosed to Indian regulatory authorities. By subscribing for Shares in the Fund, Shareholders are consenting to such disclosure to the Indian regulatory authorities.

India retains exchange controls for capital account transactions, such as investments in securities and loans. Such exchange control limitations stem from the Foreign Exchange Management Act, 1999, and regulate the manner, pricing and terms of foreign investment, including issuance or sale of securities to, and sale of securities by, non-resident investors. In addition, foreign investment in companies incorporated or listed in India may be limited by means of a cap on foreign shareholding, require governmental approval or other conditions prescribed by government authorities. These rules and regulations may be changed from time to time and may adversely affect the Fund's ability to invest in companies incorporated or listed in India, ability to realise gains and/or result in losses in connection with such investments. Where exposure to Indian securities is gained via OTC derivatives, these rules and regulations may affect the Fund's swap counterparties directly and the Fund indirectly under the terms of the derivative contract.

Exchange controls in India may restrict the Fund's ability to repatriate investment. The ability of the Fund to invest in Indian assets, exchange Indian Rupees into US Dollars and repatriate investment income, capital and proceeds of sales realised from its investment in India is subject to the Indian Foreign Exchange Management Act, 1999 and the rules, regulations and notifications issued thereunder.

In addition, there can be no assurance that the Indian government in the future, whether for purposes of managing its balance of payments or for other reasons, will not impose restrictions on foreign capital remittances abroad or otherwise modify the exchange control regime in such a way that may adversely affect the ability of the Fund to repatriate its income and capital and/or close out derivatives exposure.

Volatility; Stock Exchanges

Indian equities markets are highly volatile. During any drawdown of the Indian equity markets, the Fund is likely to suffer large losses. Movements in equity prices are influenced by amongst other things: government trade, fiscal, monetary and exchange control programmes and policies; national and international political and economic events; fluctuations in commodity prices and changes in interest rates. The Fund may be exposed to adverse changes in its Net Asset Value as a result of these factors.

Indian stock exchanges have previously experienced substantial fluctuations in the price of listed securities. These issues have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have occasionally restricted securities from trading, limited price movements and restricted margin requirements. Similar problems could occur in the future and, if they do, they could adversely affect the Fund.

Indian Rupee

The exchange rate between the Indian Rupee and the US Dollar has fluctuated substantially in recent years and may fluctuate substantially in the future. Any fluctuation in the Indian currency in relation to the US Dollar will bring about a corresponding, simultaneous fluctuation in the net assets of the Fund as expressed in US Dollars. All or a substantial proportion of the underlying investments of the Fund and its underlying equity exposure from time to time may be in Indian Rupees and there is the risk of depreciation of the Indian Rupee vis-à-vis the US Dollar, which would effectively reduce the return to the Fund.

Limited Access to Indian Equities

Participation by foreign investors in the Indian equity markets is restricted by the Indian Government to persons who are registered as “Foreign Portfolio Investors” ("**FPI**"). The Fund is not, at the date hereof, registered but may, depending on the Investment Manager’s view of market prospects, register as an FPI in the future. Exposure to Indian equities may therefore currently only be available to the Fund via OTC derivatives entered into with OTC swap counterparties who have (or whose affiliates have) obtained FPI status in India. The Fund may not currently have any other access to Indian equities. Access on swap may carry additional costs and carries significant risks to the Fund, as further detailed below and in the other derivatives-related risk factors in the Prospectus.

Indian tax regime

The Fund’s performance will be affected by any applicable taxes, including capital gains tax, that are applied to the Fund’s underlying investments.

There is a risk that such taxes may increase in future, causing an adverse impact on the Fund’s performance. By way of example, capital gains on the sale of Indian securities are subject to tax in India at varying rates depending on the residence of the person making the disposal. The applicable tax rate depends on a variety of factors including holding periods and the tax rate may be reduced or eliminated by the application of an applicable tax treaty where available. To the extent that the Fund’s exposure is gained via swap, the Fund will bear the tax costs applicable to the relevant swap counterparty. The Indian tax authorities have recently taken steps that are likely to reduce the availability of tax treaty benefits to certain swap counterparties and the Indian tax authorities may take additional steps that will further reduce such tax treaty benefits and have the effect of increasing the capital gains tax payable by swap counterparties and their affiliates when they sell the Indian equities that they might use to hedge the Fund’s swap exposure. The consequences of such government action is that the Fund in future may indirectly be subject to higher rates of tax on its underlying investments and such higher rates will adversely affect the Fund’s performance.

Investing in Other CIS

The Fund incurs the costs of its own management and fees paid to the Administrator, the Depositary, the Manager, the Investment Manager and other service providers. In addition, where the Fund invests in other CIS, the Fund indirectly incurs a share of similar costs in its capacity as an investor in such CIS.

15 MATERIAL CONTRACTS

In addition to the material contract listed in the Prospectus, the Manager has entered onto the following contracts in respect of the Fund, which are deemed material.

The investment management agreement dated 18 April 2024 between the Manager and the Investment Manager in respect of the Fund, as may be amended from time to time (the "**Investment Management Agreement**"). Pursuant to the terms of the Investment Management Agreement, the Investment Manager has been appointed as discretionary investment manager and non-exclusive distributor of the Fund. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains certain indemnities payable out of the assets of the Fund in favour of the Investment Manager, which are restricted to exclude matters resulting from the wilful misconduct, fraud, bad faith or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.

16 MISCELLANEOUS

Cross-Border Distribution of Funds

The Manager may make certain information publicly available pursuant to the CBDF Directive such information is available at https://www.sector.no/en/.

Unless otherwise disclosed to investors, where the Fund is marketed in another Member State, the Manager shall make available facilities to perform the following tasks through one or more third parties (the "**Facility Agents**") as set out in a separate EEA supplement.

(a) process subscription, repurchase and redemption orders and make other payments to Shareholders relating to the Shares of the Fund, in accordance with the conditions set out in the Prospectus required pursuant to Chapter IX of the UCITS Directive;

(b) provide Shareholders with information on how orders referred to in point (a) can be made and how repurchase and redemption proceeds are paid;

(c) facilitate the handling of information and access to procedures and arrangements referred to in Article 15 of the UCITS Directive relating to the Shareholders' exercise of their rights arising from their investment in the Fund in the Member State where the Fund is marketed;

(d) make the information and documents required pursuant to Chapter IX of the UCITS Directive available to Shareholders under the conditions laid down in Article 94 of the UCITS Directive, for the purposes of inspection and obtaining copies thereof;

(e) provide Shareholders with information relevant to the tasks that the facilities perform in a durable medium and which is available on the following website https://www.sector.no/en/ and

(f) act as a contact point for communicating with the competent authorities.

The facilities to perform the tasks referred to above shall be provided in the official language or one of the official languages of the Member State where the Fund is marketed or in a language approved by the competent authorities of that Member State.

These facilities shall be performed by the Facility Agents set out in the EEA supplement.

SFDR ANNEX

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Cusana Emerging Markets Equities Fund (the "**Fund**")
Legal entity identifier: 635400QDOJCPJCZWGM58

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product

As part of the investment process, the Investment Manager considers a variety of environmental and social characteristics. The sustainability of each company is integral to investment analysis and is assessed in conjunction with and as part of the Investment Manager's financial, thematic and macro analysis and valuation work.

Examples of the environmental and social characteristics promoted by the Fund include:

- **Environmental characteristics**:

The Investment Manager invests in companies with a responsible approach to the environment including but not limited to climate mitigation and carbon reduction. The Investment Manager considers the full environmental impact of a company across the global value chain, even where the impact is very difficult to quantify, rather than just the direct environmental footprint of the company.

- **Social characteristics:**

Human rights – avoiding companies implicated with human rights abuses and investing in companies that support and respect international human rights standards.

Labour – responsible employers that are not involved in forced labour, child labour or discrimination in the workplace. The Investment Manager will consider the track record of investee companies in relation to the treatment of workers and the local community in order to assess their suitability for capital allocation.

Anti-corruption – The Investment Manager does not invest in companies where management have a history of corruption, extortion, or bribery.

The Investment Manager defines high-quality companies as those that provide exceptional products and services to their customers, benefiting society and maintaining strong economic moats. These companies demonstrate superior corporate governance, sustainable environmental and social characteristics, robust balance sheets and strong returns on invested capital. The Investment Manager only includes investments that comply with the environmental and social safeguards outlined above. The Investment Manager takes a focused and credible approach to ESG matters – and will seek to identify examples of management implementing positive changes in corporate practices.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

As part of the investment process, the Investment Manager uses a range of both quantitative and qualitative sustainability indicators in order to determine the environmental and social impacts of each investment. The Investment Manager has integrated these indicators into its research, investment decision-making, portfolio construction and trading and compliance processes.

The sustainability indicators being considered by the Investment Manager are:

1) All Principal Adverse Impact (PAI) indicators which are material to the company, specifically GHG emissions, carbon footprint, GHG intensity, waste reduction policies, water policies, environmental disclosures and climate risk and opportunities assessment.
2) Social – Violations of UN Global Compact and OECD Guidelines for Multinational Enterprises, human rights policies and Health and Safety policies, anti-corruption and anti-bribery policies, business ethics policies, employee protection/ whistle blower policies, child labour laws.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable – the Fund does not hold Sustainable Investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective

Not applicable – the Fund does not hold Sustainable Investments.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable – this Fund is not Taxonomy-aligned

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes,

☐ No

The Investment Manager considers the principal adverse impacts ("**PAI**") listed below in all our investments:

- GHG – scope 1, 2 and 3
- Energy consumption intensity
- Violations of UN global compact
- Carbon footprint

- Negative effects on biodiversity sensitive areas
- Lack of processes to monitor compliance
- GHG intensity
- Emissions to water
- Gender pay gap
- Fossil fuel sector exposure
- Hazardous waste
- Board gender diversity
- Non-renewable energy consumption/production
- Exposure to controversial weapons

When considering these principal adverse impacts, the Investment Manager also takes into consideration differing stages of development, social norms and institutional development in different countries when assessing the acceptability of behaviour. The Investment Manager also exercises judgment in weighing the full impact of the company on the environment and society.

The Investment Manager uses multiple sources of ESG information and believes it is the investors who are best placed to filter this information and interpret its impact on a company's financial performance, sustainability footprint and valuation. The Investment Manager believes it is very difficult to assign a monetary value or meaningful number to ESG issues and to integrate them into financial models. ESG-related disclosure by companies may be limited, unverified and non-standardized, especially within emerging markets where jurisdictional frameworks tend to be less developed. Many ESG data provider scores only reflect differing disclosure and capturing corporate behaviour as a number or letter grade is often not an accurate representation. The Investment Manager has found that the analysis of many third party providers can differ meaningfully from its views in respect of certain stocks and issues. Accordingly, the Investment Manager prefers to exercise its judgment from a holistic analysis of the business and its interaction the relevant company. The Investment Manager has developed its own ESG scorecards to ensure that PAI indicators are sufficiently considered. Scorecards are regularly updated and reviewed.

What investment strategy does this financial product follow?

The investment objective of the Fund is to achieve long-term capital appreciation.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

A long only strategy will be implemented to achieve the Fund's investment objective. The Fund will seek to profit by acquiring and holding high quality stocks with significant expected growth opportunities.

The Fund will be constructed without reference the Index and be a concentrated portfolio of 25-35 publicly listed companies with products and services, supported by strong industry tailwinds including, inter alia; electric vehicle supply chains, demographic development in India and renewable energy including solar panelling and lithium battery makers.

The Fund's portfolio companies will typically be established franchises with strong cash generation, robust balance sheets and which develop environmentally responsible products and processes.

The Investment Manager undertakes a forensic fundamental analysis of these businesses to ensure that the portfolio companies exhibit good corporate governance, strong ESG credentials and a clear alignment of interests between each company and its minority shareholders. The investment ideas are organised and communicated through a subjective factor list/scorecard. This model helps to fully analyse the investment decisions and ESG factors consistently across industries and sectors. It supports decision making and increases the competition for capital within the portfolio. The Manager will aim to hold portfolio positions for the long term (typically for 5 years) to allow the investment case in each stock to play out.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements of the Fund's investment strategy are as follows:

(i) *The Fund's Core ESG Principles*

1. The Investment Manager shall only invest in companies where it has confidence that there is alignment between any controlling shareholders, senior management and minority investors (i.e. the fund). Minority shareholders must be treated equally with any lead shareholders.

2. The Investment Manager shall provide capital to companies that it believes will be good stewards of that capital and use that capital for profitable and useful endeavours.

3. The Investment Manager shall only invest in companies with "best in class" governance, but also in "improvers". The Investment Manager will focus engagement efforts on the latter where it can have more impact.

4. The Investment Manager shall look beyond immediately obvious environmental impacts and try to understand the impact of the entire value chain around the company and its indirect impact whether positive or negative - even where data is scarce.

5. The Investment Manager shall always act as long-term investors - taking a business-owner perspective in voting and engagement.

6. Whilst as a matter of best practice, the Investment Manager is fully cognisant of ESG data scoring and the Investment Manager strives to be at the leading edge relative to its peers. The Investment Manager does not allow the pursuit of these scores to define its process.

7. The Investment Manager's key priority is to review and understand corporate behaviour and to avoid getting distracted by statistics from third party ESG data providers. Nonetheless, that focus must not detract from the importance of appropriate disclosure of both financial and ESG information.

The Investment Manager's long-term investment horizon (5-7 years) accentuates the importance of ESG analysis because as long-term investors the sustainability of profits is critical to its valuation approach. The Investment Manager combines both qualitative and quantitative ESG factors into its overall analysis of a company using a five-year time horizon (sometimes longer) – to ensure that the value of the business is unlikely to be impaired by any failures to adhere to ESG standards.

(ii) *Exclusion List*

The Fund will not invest in companies with the following exposures: adult entertainment, armaments, gambling, tobacco, thermal coal. Importantly, as a further filter, the Fund also applies the Norges Bank (NBIM) exclusion list, which the Investment Manager believes offers very sensible acceptability parameters around company ESG characteristics, removing negative ESG companies from consideration.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not applicable

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager assesses good governance practices of investee companies as part of the Investment Manager's due diligence process and analysis in accordance with the Fund's Core ESG principles, as set out above.

Investee companies are assessed against a variety of factors and metrics, including sound management structures, employee relations, related party transactions, remuneration of staff and tax compliance.

The Investment Manager actively engages with its investee companies where the team perceive their activities or failure to consider fully the impact of sustainability as a risk to shareholder value. The Investment Manager's emerging markets investment team will be responsible for any company engagement. Engagement is a fundamental part of the process and is normally undertaken through correspondence or, if necessary, company meetings.

The Investment Manager will always seek to offer solutions for management and will be highly respectful of the issues they face when submitting those proposed solutions. However, if within the medium term the Investment Manager thinks that the company is not doing enough to remedy situations of concern, the Investment Manager will withdraw its support for the investment.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

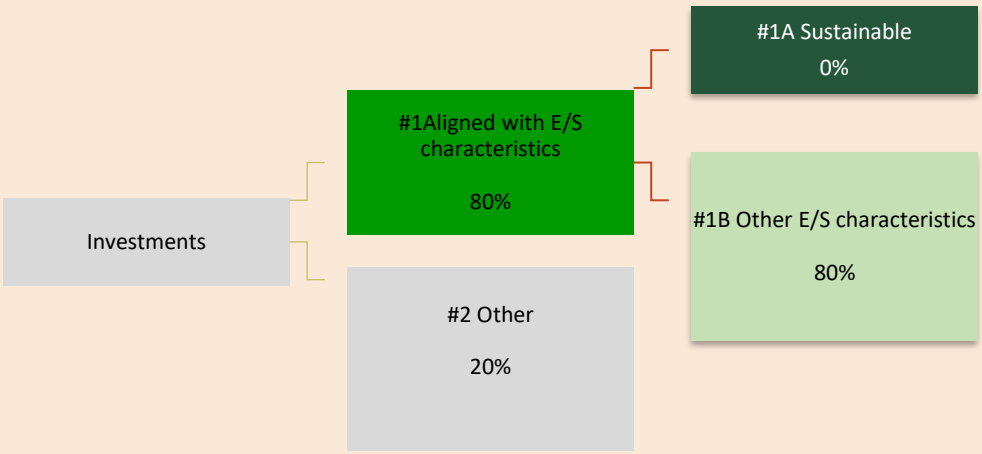
The Fund aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Fund. The Fund does not hold sustainable investments.

The Fund aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Fund and are not sustainable investments, and which fall into the "Other" section of the Fund (further details of which are set out below).

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

Please note that while the Investment Manager aims to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The exact asset allocation of this Fund will be reported in the Fund's mandatory periodic report SFDR template, for the relevant reference period.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

N/A - the Fund will not use derivatives to promote environmental or social characteristics.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy

The Fund's investments are not Taxonomy-aligned. Accordingly, the minimum proportion of investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation is 0%.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power on low-carbon fuels by the end of 2035. For **nuclear energy,** the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

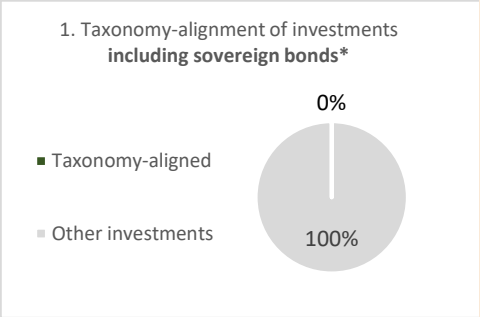
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

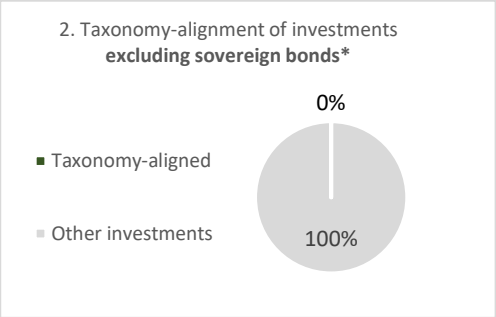
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

Not applicable

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy

Not applicable

What is the minimum share of socially sustainable investments

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

"Other" includes the remaining holdings of the Fund which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

This "Other" section in the Fund might include (i) certain holdings and (ii) cash and/or cash equivalents, that have been retained for liquidity, hedging and/or cash management purposes. No minimum environmental or social safeguards will be in place in respect of cash and/or cash equivalents.

As noted above, the Fund will be invested in compliance with the Exclusion List, on a continuous basis. The Investment Manager believes that compliance with the Exclusion List prevents investment in companies that breach environmental and/or social minimum standards and ensures that the Fund can successfully promote its environmental and social characteristics. The above steps ensure that robust environmental and social safeguards are in place.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website

Sustainability related disclosures can be found at https://www.sector.no/en/funds/ cusana-emerging-markets-equities-fund .