

SUPPLEMENT 3 - Strategic Europe Quality Fund
DATED 27th October, 2023
to the Prospectus issued for
E.I. Sturdza Funds plc

This Supplement contains information relating specifically to the Strategic Europe Quality Fund (the “Fund”), a sub fund of E.I. Sturdza Funds plc (the “Company”), an open-ended umbrella investment company with segregated liability between funds authorised by the Central Bank of Ireland (the “Central Bank”) on 26th September, 2008 as a UCITS pursuant to the UCITS Regulations. As at the date of this Supplement the Company has seven other funds:

- the Nippon Growth (UCITS) Fund,
- the Strategic Rising Asia Fund,
- the Strategic Global Quality Fund,
- the Strategic European Silver Stars Fund,
- the Sturdza Family Fund,
- the Strategic Bond Opportunities Fund, and
- the Strategic Long Short Fund

Details regarding each fund are set out in Supplements 1-9 of the Prospectus.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 27th October, 2023 (the “Prospectus”).

Investors should read and consider the section entitled “Risk Factors” before investing in the Fund.

The Fund may invest substantially in money market instruments. An investment in the Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down.

The Fund may, at any one time, be significantly invested in financial derivative instruments.

The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term.

UK taxpayers should read the section of the United Kingdom Country Supplement entitled “United Kingdom Taxation.”

Profile of a Typical Investor: Investment in the Fund is suitable only for these persons and institutions for whom such investment does not represent a complete investment programme, who understand the degree

of risk involved (as detailed under the section headed “Risk Factors” in the Prospectus and Supplement), can tolerate a high level of volatility and believe that the investment is suitable based upon investment objectives and financial needs.

1. Interpretation

The expressions below shall have the following meanings:

“Business Day”	means any day except Saturday or Sunday or any day which is a bank holiday in Ireland or the UK or such other day or days as may be determined by the Directors and notified in advance to Shareholders.
“Dealing Day”	means each Business Day following the Valuation Point.
“Dealing Deadline”	means 11.59p.m. Irish time on the Business Day preceding the relevant Valuation Point or such other time as the Directors may determine and notify to Shareholders in advance.
“Initial Price”	means CHF / GBP / USD / EUR 100 per currency equivalent Share Class.
“Investment Adviser”	means Banque Eric Sturdza S.A.
“Investment Advisory Agreement”	means the Investment Advisory Agreement made between the Investment Manager and the Investment Adviser dated 8 th April 2009 and as amended and restated dated 30 th December 2013, together with a side-letter to the Investment Advisory Agreement between the Investment Manager and the Investment Adviser (and acknowledged by the Company) dated 1 st October 2021 as amended and supplemented from time to time.
“Investment Manager”	means E.I. Sturdza Strategic Management Limited.
“Valuation Point”	means 5:00 p.m. (Irish Time) on each Business Day.
“Valuation Day”	means each Business Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

2. Classes of Shares

Subfund Name	Strategic Europe Quality Fund																			
Share Class Type	A				C		B					SI				E				
Share Class	A EUR	A CHF	A USD	A GBP	C EUR	C USD	B EUR	BD EUR	B CHF	B USD	B GBP	SI EUR	SI CHF	SI USD	SI GBP	E EUR	E CHF	E USD	E GBP	
ISIN	IE00B5VJPM77	IE00B8431S50	IE00BHF1984	IE00B84BZX23	IE00BP8G3R23	IE00BP8G3S30	IE00B7TRTL43	IE00BYNK3Z05	IE00B76Y2204	IE00BHF1B05	IE00B90YC864	IE00BD03RJ76	IE00BD03RK81	IE00BD03RM06	IE00BD03RL98	IE00BF0VFZ78	IE00BF0VG096	IE00BF0VG104	IE00BF0VG211	
Fund Launch Date	29/10/2010																			
Class Launch Date	29/10/2010	24/01/2013	11/03/2016	not launched	17/12/2015	not launched	28/12/2012	09/11/2015	04/04/2017	02/12/2015	30/06/2014	26/08/2016	not launched	30/08/2016	not launched	07/03/2018	not launched	not launched	not launched	
Base Currency	EUR																			
Share Class Currency	EUR	CHF	USD	GBP	EUR	USD	EUR	EUR	CHF	USD	GBP	EUR	CHF	USD	GBP	EUR	CHF	USD	GBP	
Hedged Class	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	
Distributing or Accumulating	Accumulating							Distributing	Accumulating											
Benchmark Index	Morningstar Developed Europe Target Market Exposure NR EUR																			
Benchmark code (Bloomberg Ticker)	MSETMENE																			
NAV Frequency (Valuation Point)	Daily																			
Trading Notice (T)	1 business day																			
Cut-off subscriptions/redemptions	T 23.59 Irish time																			
Contract note release	T+2																			
Subscription settlement	2 days following the Dealing Day																			

Redemption settlement	2 days following the Dealing Day																		
Investment Management fee	1.50%	1.50%	1.50%	1.50%	2.20%	2.20%	0.90%	0.90%	0.90%	0.90%	0.90%	0.75%	0.75%	0.75%	0.75%	0.70%	0.70%	0.70%	0.70%
Performance fee	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Global Distribution Fee	Up to 0.03%																		
Placement/Front end load fees	0.00%																		
Redemption Fee	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ADL	N/A																		
ADL computation	N/A																		

Minimum Subscription and Minimum Holding	No Minimum						1,000,000						10,000,000						No Minimum			
	Initial Offer Period	Closed	Closed	Closed	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	Closed	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	Closed	Closed	Closed	Closed	Closed	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	Closed	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	Closed	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024	from 9:00 a.m. (Irish time) on 30 th October 2023 to 5:00 p.m. on 30 th April 2024		
Initial Offer Price	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100		

E Class Shares are reserved for strategic partners having a prior agreement in place with the E.I. Sturdza group.

The A and C Share Classes of the Fund are available for Retail and Professional Investors; however are also open to Institutional Investors.

The B and SI Share Classes are deemed to be “clean” classes (i.e. non rebate paying) and are intended for Institutional Investors.

The B & SI Classes are also made available to nominee / global custodians representing underlying Institutional Investors that satisfy the minimum investment criteria across multiple accounts, firms providing non-independent advisory services, those entities that are prohibited from investing in classes which pay rebates or performance fee or providers of independent advisory services or discretionary investment management or other distributors who:

- I. provide investment services and activities as defined by the MiFID II Directive; and
- II. have separate fee arrangements with their clients in relation to those services and activities provided; and
- III. do not receive any other fee, rebate or payment other than from their client in relation to those services and activities.

Retail and Professional Investors are not prohibited from investing in the B and SI Classes of the Fund provided they satisfy the minimum investment criteria as defined above.

3. Investment Objective

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

4. Investment Policy

In order to achieve its investment objective the Fund will invest primarily in equities and equity related instruments (including but not limited to common stock and other securities with equity characteristics, such as preferred stocks) all of which shall be listed or traded on a Recognised Exchange. While the primary focus of the Fund shall be in relation to such equities or equity related instruments which relate to companies incorporated or whose principal operations are based in Europe, depending upon prevailing market factors the Fund may also invest in the instruments described above on a global basis to a maximum of 25% of Net Asset Value of the Fund.

It is not intended that the Fund will invest more than 20% of its Net Asset Value in emerging markets to include Russia. Investment in Russia will only be in respect of securities which are listed and/or traded on the Moscow Exchange There are no sectorial restrictions on the Fund's investments.

The Fund is actively managed, with reference to the Morningstar Developed Europe Target Market Exposure NR EUR Index (the "Index"), as further detailed below, for performance monitoring and calculation of performance fees. The Investment Adviser is not subject to constraints in terms of deviation from the benchmark composition and may use its discretion to invest in securities/sectors which are not included in the Index. The degree of freedom from the Index may potentially be significant. The portfolio investments shall be selected from a "bottom-up" stock selection process of companies that the Investment Adviser believes to be fundamentally undervalued. The investment approach utilised by the Investment Adviser will be highly selective, focusing on corporate value based on cash flow (operating cash flow, free cash flow and earnings before interest and tax depreciation and amortization "EBITDA") and the quality of the companies' business models, rather than changes in earnings per share. Preference will be given to companies with high free cash flows, high levels of recurring revenue, franchise stocks (typically displaying low capital intensity and high return on capital) and undervalued growth companies. The Investment Adviser expects that the portfolio exposure will normally be concentrated in around 30-40 positions.

The Fund shall not invest in companies with a market capitalisation below Euro 300 million at the time of purchase.

The Fund may invest in exchange traded and OTC derivatives such as futures (including volatility index futures), options, warrants, equity and interest rate swaps, total return swaps and contracts for difference as detailed under the section of the Prospectus and/or Supplement headed "Efficient Portfolio Management" and "Financial Derivative Instruments" for investment purposes, efficient portfolio management purposes, to indirectly gain exposure to underlying equity securities where the Investment Adviser feels it is more efficient to do so, or hedging purposes in accordance with the requirements of the Central Bank. The Fund may invest in volatility index futures up to 7.5% of the Net Asset Value to hedge the value of the portfolio against near-term volatility market expectations and for diversification purposes. Forward foreign exchange contracts may be used to hedge the value of the portfolio investments in the Fund against changes in the exchange rate between the currency of

denomination of the portfolio investments and the Base Currency of the Fund. The Fund will be leveraged through the use of financial derivative instruments. The leveraged exposure of the Fund through the use of derivatives will not exceed 100% of the Net Asset Value of the Fund. The Investment Manager will seek to limit portfolio volatility through its investment approach and the effect of hedging should reinforce this.

Whilst it is the intention that the Fund be fully invested as described above, the Investment Adviser retains the flexibility to invest substantially in cash and/or money market or short-dated instruments, to include but not limited to, fixed and/or floating rate short-term government/supranational bonds with strong credit ratings of A+ or better and issued or backed by one or more EU member states, the United Kingdom, the United States or Switzerland, in circumstances where the Investment Adviser considers it to be in the best interest of the Fund to do so.

In addition, the Investment Adviser also has discretion to invest up to 10% of the Net Asset Value of the Fund in medium to long dated government bonds, which will have a minimum rating of A- as rated by Standard and Poor's or A3 by Moody's credit rating agencies and listed or traded on a Recognisable Exchange. Investment in medium to long dated government bonds will be made in circumstances where the Investment Adviser considers it to be in the best interest of the Fund to do so (i.e. when current equity market, economic, political or other conditions are unstable) and would impair pursuit of the Fund's objective and/or for hedging purposes.

The Fund will continuously invest at least 51% of its total assets directly in equities of corporations which are admitted to official trading on a stock exchange or which are listed on an organised market.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may use repurchase agreements, reverse purchase agreements and/or stock lending agreements ("SFTs") for efficient portfolio management purposes only, to generate additional income for the Fund. The maximum exposure of the Fund in respect of SFTs shall be 60% of the Net Asset Value. However, the Investment Manager does not anticipate that the Fund's exposure to SFTs will exceed 20% of the Net Asset Value. The Fund may enter into swaps. The maximum exposure of the Fund in respect of total return swaps shall be 20% of the Net Asset Value. However, the Investment Manager does not anticipate that the Fund's exposure to swaps will exceed 5-10% of the Net Asset Value. Further details are set out under the section of the Prospectus headed "Efficient Portfolio Management" and "Securities Financing Transactions and Total Return Swaps".

The Investment Manager will measure the performance of the Fund against the Morningstar Developed Europe Target Market Exposure NR EUR, a rules based, float market capitalization-weighted index designed to cover 85% of the equity float-adjusted market capitalization of the Developed Europe equity markets.

This Fund has been classified as promoting environmental or social characteristics under Article 8 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR'). The Fund's approach pursuant to Article 8 SFDR can be found in Annexes 1 and 2 of this Supplement.

5. Risk Management Process

The Management Company will employ a risk management process based on the commitment approach which will enable it to accurately monitor, measure and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Fund will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank. The Management Company will provide on request to Shareholders supplementary information relating to the risk management methods employed on the Company's behalf including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

6. Offer

Details of the Share Classes on offer, together with details of the initial offer period ("Initial Offer Period") and initial price ("Initial Price") are set out above in Section "2. Classes of Shares".

The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise on an annual basis.

After closing of the Initial Offer Period each class of shares in the Fund are being issued at the Net Asset Value per Share in the relevant Class as at the relevant Valuation Point.

7. Minimum Subscription and Minimum Holding

Details of the Minimum Subscription and Minimum Holding for each Class are set out above in Section "2. Classes of Shares".

A Shareholder may make subsequent subscriptions, conversions and redemptions in all Share Classes, a minimum transaction size will not be applied.

The Directors reserve the right to waive or reduce the Minimum Subscription and Minimum Holding size for a Class at their discretion.

8. Application, Redemption and Conversion via an Electronic Dealing Provider

Where an electronic dealing provider is used by an investor to invest in the Shares of any Class, or such investor holds interests in Shares of any Class through accounts with an electronic dealing provider, such investor will only receive payments in respect of redemption and / or any dividends attributable to the Shares on the basis of the arrangements entered into by the investor with the electronic dealing provider. Furthermore, any such investor will not appear on the register of Shareholders, will have no direct right of recourse against the Fund and must look exclusively to the electronic dealing provider for all payments attributable to the relevant Shares. The Company will recognise as Shareholders only those persons who are at any time shown on the register of Shareholders for the purposes of: (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and

voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Management Company, the Investment Manager, the Investment Adviser, the Administrator, the Depositary or any other person will be responsible for the acts or omissions of the electronic dealing provider, nor make any representation or warranty, express or implied, as to the services provided by the electronic dealing provider.

9. Application for Shares

Applications for Shares may be made through the Administrator (whose details are set out in the Application Form). Applications accepted and received by the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day. Applications received after the Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors, and having regard to the equitable treatment of Shareholders.

Initial applications should be made using an Application Form obtained from the Administrator or the Global Distributor and may, if the Company so determines, be made by telefax or email subject to prompt transmission to the Administrator of the original signed application form and such other papers (to include documentation relating to money laundering prevention checks and identification of applicable tax status) as may be required by the Administrator. Anti-money laundering documentation is required to be received prior to an application for Shares being processed. The Directors reserve the right to refuse applications to transact in Shares if required anti-money laundering documentation is not received. Details of the AML documentation required will be detailed in the Application Form. No redemptions will be paid until the original Application Form and such other papers as may be required by the Administrator have been received and all anti-money laundering procedures have been completed. Investors are required to obtain a copy of the Key Investor Information Document and/or Key Information Document for the relevant Fund and its Share Classes prior to subscribing to the Fund. Applicants will be required to represent (which representation will form part of the Application Form) that they have received a copy of the relevant Key Investor Information Document and/or Key Information Document in paper or electronic form. The Key Investor Information Document(s) and/or Key Information Document(s) will be available from the Global Distributor and from the following website www.ericsturdza.com. Subsequent applications to purchase Shares following the initial subscription may be made to the Administrator (subject to an Investor having received a copy of the relevant Key Investor Information Document and/or Key Information Document in paper or electronic form) by telefax, email or electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Administrator and the Central Bank) or such other means as may be permitted by the Directors and agreed with the Administrator in accordance with the requirements of the Central Bank, without a requirement to submit original documentation and such applications should contain such information as may be specified from time to time by the Administrator. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

Fractions

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than 0.001 of a Share.

Subscription monies, representing less than 0.001 of a Share will not be returned to the investor but will be retained by the Company in order to defray administration costs.

Method of Payment

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Currency of Payment

Subscription monies are payable in the currency of denomination of the relevant Class. The Company will not accept applications for Shares in currencies other than the currency of denomination of the relevant Class in which the applicant has elected to apply for Shares.

Timing of Payment

Payment in respect of subscriptions must be received in cleared funds by the Administrator no later than two Business Days following the relevant Dealing Day (or such later day or time as the Directors may determine). If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Company or its delegate may charge the relevant investor for any costs incurred due to late settlement (i.e. interest charges and administration costs) and/or cancel the allotment and the cost of cancellation (i.e. any loss, cost, expense or fee suffered by the Company as a result of the non-receipt of monies) may be charged to the relevant investor.

Confirmation of Ownership

Confirmation of each purchase of Shares will normally be made available to Shareholders within 2 Business Days of the relevant Dealing Day.

Title to Shares will be evidenced by written confirmation of the entering of the investor's name on the Company's register of Shareholders and no certificates will be issued.

10. Redemption of Shares

Requests for the redemption of Shares should be made to the Administrator whose details are set out in the Application Form by facsimile, written communication, email, electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance

with the requirements of the Administrator and the Central Bank) or such other means as may be permitted by the Directors, and agreed with the Administrator in accordance with the requirements of the Central Bank, and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be processed on the next Dealing Day unless the Directors in their absolute discretion determine otherwise, ^{provided} that such request has been received prior to the Valuation Point for the relevant Dealing Day. Redemption requests received after the Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances as determined and agreed by the Directors and having regard to the equitable treatment of Shareholders. No redemption payment will be made from an investor holding until the original Application Form for the initial subscription and all documentation required by or on behalf of the Administrator (including any documents in connection with anti-money laundering procedures and identification of the applicable tax status) has been received from the investor and the anti-money laundering procedures have been completed. Subject to satisfaction of all of the requirements of the Administrator (including but not limited to receipt of the original Application Form and all documentation required by the Administrator for anti-money laundering purposes and identification of the applicable tax status) the original redemption request will not be required prior to payment of redemption proceeds.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes will result in a delay in the settlement of redemption proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder. Upon redemption, the Shares of the redeemed Shareholder will be cancelled and the Shareholder will be treated as an unsecured creditor of the Company in respect of the Fund. However the proceeds of that redemption shall remain an asset of the Fund and the redeeming investor will rank as an unsecured creditor of the Company in respect of the relevant Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released. In the event of the insolvency of the Company before such monies are transferred from the Company's account to the redeeming investor, there is no guarantee that the Company will have sufficient funds to pay its unsecured creditors in full. Investors who are due redemption proceeds which are held in the Company's account will rank equally with other unsecured creditors of the relevant Fund and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner. Accordingly, Shareholders and investors should ensure that all documentation required by the Company or Administrator to comply with anti-money laundering and anti-fraud procedures are submitted promptly to the Company/Administrator when subscribing for Shares.

In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Holding, the Company may, if it thinks fit, redeem the whole of the Shareholder's holding.

Method of Payment

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing. Redemption payments following processing of instructions received by telefax will only be made to the account of record of a Shareholder.

Currency of Payment

Shareholders will be repaid in the currency of denomination of the relevant Class from which the Shareholder has redeemed Shares.

Timing of Payment

Redemption proceeds in respect of Shares will normally be paid within two Business Days of the relevant Dealing Day (and in any event should not exceed ten Business Days from the relevant Dealing Deadline) provided that all the required documentation has been furnished to and received by the Administrator.

Withdrawal of Redemption Requests

Requests for redemption may not be withdrawn save with the written consent of the Company or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Fund.

Compulsory/Total Redemption

Shares of the Fund may be compulsorily redeemed and all the Shares may be redeemed in the circumstances described in the Prospectus under the sub-headings "Compulsory Redemption of Shares" and "Total Redemption of Shares".

11. Conversion of Shares

Subject to the Minimum Subscription, Minimum Holding and minimum transaction requirements of the relevant Fund or Classes, Shareholders may request conversion of some or all of their Shares in one Fund or Class to Shares in another Fund or Class or another Class in the same Fund in accordance with the procedures specified in the Prospectus under the heading "Conversion of Shares". Requests for conversion of Shares should be made to the Administrator by facsimile, written communication or electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Administrator and the Central Bank) or such other means as may be permitted by the Directors and should include such information as may be specified from time to time by the Administrator.

12. Dividend Policy

Please refer to Section "2. Classes of Shares" which details whether a Class of Shares is "Accumulating" or "Distributing".

Accumulating

It is not the current intention of the Directors to distribute dividends to Shareholders of these Classes. The income and gains of each of these Classes will be accumulated and reinvested on behalf of the relevant Shareholders.

Distributing

The Directors may declare interim dividends and the Company may at a general meeting declare dividends in respect of these Classes but no dividend shall exceed the amount recommended by the Directors. Dividends, if declared, will normally be declared semi-annually in or around the end of April with reference to the financial period ending 31 December and around the end of August with reference to the interim financial period ending 30 June and paid by the end of May and September respectively. However, where the Directors consider that the amount of any dividend would be minimal, they may decide not to declare a dividend.

Dividends may be paid out of the net investment income, i.e. any declared dividend will be decided from the increase in net assets attributable to holders of redeemable participating shares from operations, per the financial statements, excluding the net gain/loss on financial assets and liabilities at fair value through profit and loss, the net gain/loss on foreign exchange and any dividends previously declared to holders of redeemable participating shares. Any income and gains not declared as dividend will be accumulated.

Shareholders may elect to re-invest dividends in additional Shares in the Fund by ticking the appropriate box on the Application Form. If no such election is made, dividends will be paid by bank transfer at the expense of Shareholders. Dividends which are not claimed or collected within six years of payment shall revert to and form part of the assets of the Fund.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes, as described above, will result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and client identification purposes have been fully complied with, following which such dividend will be paid. In the event of the insolvency of the Company before such monies are transferred to the Shareholder there is no guarantee that the Company will have sufficient funds to pay its unsecured creditors in full. Investors who are due dividend proceeds which are held in the Company's account will rank equally with other unsecured creditors of the Company and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner.

13. Suspension of Dealing

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

14. Investment Adviser

The Investment Manager has elected, and the Company and the Management Company have consented, to the appointment of Banque Eric Sturdza S.A., part of the Eric Sturdza Private Banking

Group, whose registered address is at 112 Rue du Rhone, C.P.3024, 1211 Geneva 3, Switzerland, as an investment adviser to the Fund to provide investment advice and discretionary investment management services pursuant to the Investment Advisory Agreement.

Each of the Investment Manager and the Investment Adviser shall be entitled to terminate the Investment Advisory Agreement (a) by giving to the other not less than six months' notice in writing expiring at any time and (b) forthwith, by notice in writing given by either of them to the other, if the other party shall commit any breach of the provisions of this Investment Advisory Agreement and shall not have remedied such breach within 30 days after being required to do so by notice in writing given by the first party.

The Investment Advisory Agreement may be terminated automatically if (a) the Investment Manager shall resign its appointment under the Investment Management Agreement or (b) the appointment of the Investment Manager shall otherwise be terminated in accordance with the provisions of the Investment Management Agreement.

In the absence of a material breach of the terms of the Investment Advisory Agreement, negligence, a breach of fiduciary duty, bad faith, reckless disregard, fraud or wilful default on the part of the Investment Adviser, its Associates, directors, employees, officers or agents, neither the Investment Adviser's directors, employees, officers or agents nor its Associates, or their directors, employees, officers or agents shall be liable to the Investment Manager or any relevant person for any act or omission in the course of or in connection with the services rendered under the Investment Advisory Agreement or for any decline in the value of the assets of the Fund or any loss whatsoever that may result to the Investment Manager acting upon any investment advice given to it by the Investment Adviser.

The Investment Manager has been granted full power and discretionary authority by the Company to indemnify the Investment Adviser appointed pursuant to the provisions of the Investment Management Agreement out of the assets of the relevant Fund. Where the Investment Manager grants an indemnity, any such indemnity shall not be more favourable to the terms of the indemnity expressly given by the Company to the Investment Manager in accordance with the provisions of the Investment Management Agreement and shall not under any circumstances extend to any losses which are exemplary, special, indirect, nor shall it include any consequential damages of any nature which may be suffered by the Investment Adviser and such indemnity shall in any event be subject to the Investment Adviser not having breached its fiduciary duty, acted with negligence, bad faith, wilful default, reckless disregard or fraud in the performance of its obligations with respect to such delegation.

15. Fees and Expenses

The fees and operating expenses of the Company are set out in detail under the heading "Fees and Expenses" in the Prospectus.

Management Company Fee

Details of the Management Company's fees are set out under the heading "Fees and Expenses" in the Prospectus.

Administrator's Fees

Details of the Administrator's fees are set out under the heading "Fees and Expenses" in the Prospectus.

Depository's Fees

Details of the Depository's fees are set out under the heading "Fees and Expenses" in the Prospectus.

Investment Manager Fees

The Company shall pay the Investment Manager out of the assets of the Fund an annual fee accrued at each Valuation Point and payable monthly in arrears. Details of the fee payable to the Investment Manager in respect of each Share Class are set out above under Section "2. Classes of Shares".

Performance Fee

The Investment Manager is entitled to a performance related fee ("Performance Fee") payable by each Share Class as detailed above in Section "2. Classes of Shares". Please refer to the Section 3 "Fees and Expenses" of the prospectus for details of the methodology used in the Calculation of the Performance Fees, together with examples of the Performance Fee methodology.

The Performance Fee payable in respect of a Class is equal to a percentage of the relative outperformance, if any, of the Net Asset Value per relevant Share (before deducting the amount of any accrued liability for a Performance Fee, provided that in doing so is in the Shareholders' best interest) over the Morningstar Developed Europe Target Market Exposure NR EUR Index (the "Benchmark"), which Benchmark is considered to be consistent with the Fund's investment policy.

Investment Adviser Fee

All fees payable to any appointed Investment Adviser shall be paid by the Investment Manager out of the remuneration it receives pursuant to the terms of the Investment Management Agreement.

Global Distributor

Details of the Global Distributor's fees are set out under the heading "Fees and Expenses" in the Prospectus.

It is not the current intention of the Directors to charge a placement/front end load fee. If it is at any stage in the future proposed to charge any such placement/front end load fees, reasonable notice shall be given to Shareholders. In the event of a placement/front end load fee being charged, the difference at any one time between the sale and redemption price of Shares in the Fund means that the investment should be viewed as medium to long term.

Redemption Fee

It is not the current intention of the Directors to charge a redemption fee. If it is at any stage in the future proposed to charge a redemption fee, reasonable notice shall be given to Shareholders. In the event of a redemption fee being charged, Shareholders should view their investment as medium to long-term.

Anti-Dilution Levy

It is not the current intention of the Directors to apply a general anti-dilution levy to all applications for subscriptions and redemptions from the Fund. If it is at any stage in the future proposed to apply a general anti-dilution levy, reasonable notice shall be given to Shareholders.

Operating Expenses Cap

It is intended that an Operating Expenses Cap of twenty five basis points (0.25%) will be applied in respect of the Fund.

For further details of the ongoing expenses and fees which form part of the Operating Expenses Cap please refer to the section of the Prospectus headed “**3, FEES AND EXPENSES**”, sub-heading “**Operating Expenses and Fees/Cap on Operating Expenses and Fees**”.

In the event the ongoing operating expenses and fees of the Fund exceed the Operating Expenses Cap, the Investment Manager shall reimburse the Company for the account of the relevant Fund. For the avoidance of doubt, in instances where the operating expenses and fees of the Fund are below the Operating Expenses Cap, only the actual operating expenses and fees incurred will be charged to the Fund.

16. Risk Factors

The attention of investors is drawn to the “Risk Factors” section in the Section of the Prospectus entitled the “Company”. In addition, the following Risk Factors are specific to the Fund:

Investment in Equity and Equity-Related Securities

The Fund may invest in equity and equity-related securities traded on recognised stock exchanges. Equity securities will be subject to risks associated with such investments, including fluctuations in market prices, adverse issuer or market information and the fact that equity and equity-related interests are subordinate in the right of payment to other corporate securities, including debt securities. The value of these securities varies with the performance of the respective issuers and movements in the equity markets generally. As a result, the Fund may suffer losses if it invests in equity securities of issuers where performance falls below market expectations or if equity markets in general decline or the Fund has not hedged against such a general decline. Futures and options on futures on equity securities and indices are subject to all the foregoing risks, in addition to the risks particularly associated with futures and derivative contracts.

Investors in the Fund must recognize that, due to the inherent characteristics of equity markets, the

value of their investment can go down as well as up, and that they may not receive back the monies originally invested. The Fund intends to invest primarily in European markets and, therefore, there is a risk to investors by reason that the Company is exposed to one particular economic region. In addition, the liquidity in markets can vary and it may not always be possible for the Fund to disinvest or invest in any particular market. A proportion of the Fund's assets may from time to time be held in foreign currencies and therefore at times may be affected by fluctuations of currency markets.

Concentration of Investments

If the Fund invests up to the maximum permitted under the investment restrictions described in Appendix I of the Prospectus in the securities of single issuers and / or in economic sectors this concentration and lack of diversification relative to the capital of the Fund could mean that a loss in any one such position or a downturn in a sector in which the Fund is invested could materially reduce the Fund's performance. Thus, any substantial investment by the Fund relative to overall assets in the securities of a single issuer or the concentration of the Fund's investments in a particular industry may increase the level of risk associated with an investment in the Fund.

Investment in Cash and Money Market Instruments

The Fund may invest substantially in deposits with credit institutions and/or in money market instruments. An investment in the Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down.

Investing in Fixed Income Securities

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time. The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States. Accordingly, a Fund's investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Investment in Russia

The European Union has imposed unprecedented sanctions against Russia in response to the unprovoked and unjustified invasion of Ukraine on 24 February 2022 and the illegal annexation of certain regions in Ukraine. Sanctions include targeted restrictive measures (individual sanctions), economic sanctions and visa measures.

The aim of the economic sanctions is to impose severe consequences on Russia for its actions and to

effectively thwart Russian abilities to continue the aggression.

The individual sanctions target people responsible for supporting, financing or implementing actions which undermine the territorial integrity, sovereignty and independence of Ukraine or who benefit from these actions.

The ongoing conflict will continue to impact financial markets, the implications of which will be actively monitored and assessed by the Investment Manager and the appointed Investment Advisers. At this time there is no direct exposure to Russia and there is no intention to invest in Russia at this time.

Securities Lending Risk

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as the Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, the Fund investing collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

Key Man Risk

Insofar as the role to provide investment advice and recommendations towards the Fund has been appointed to the Investment Adviser by the Investment Manager, it is likely that the decisions that lead to investment recommendations are focused with a small number of senior individuals within the Investment Adviser. As a result, there will likely be a degree of key man risk arising from the potential loss of knowledge and expertise arising from the departure or inability to act of a key person that possesses significant subject matter, expertise and tenure to provide services towards the Fund on behalf of the Investment Adviser. The Investment Manager therefore has adopted specific policies to address key man risk in the event that such an event arises, which may include the suspension or termination of the relevant investment advisory agreement or to provide a recommendation to the Company to consider the closure or winding up of the Fund.

17. Investment Restrictions

Notwithstanding Point 3.1 of Appendix I – Investment Restrictions in the Prospectus, the Fund may not invest more than 10% of its net assets in aggregate in other collective investment schemes.

Annex 1

Fund's approach pursuant to Article 8 SFDR

In identifying investments which allow the Fund to promote environmental, social and governance characteristics ("ESG"), the Investment Manager has established a two-pillar framework which is applied to the Fund:

First pillar: Ensure adherence to an established exclusion list of industries that are prohibited for investment:

The Investment Manager's established exclusion list prohibits investment in companies that are involved in the transport or sale of controversial weapons. The other companies included in the exclusion list are those where more than 10% of their revenues are derived from: thermal coal, oil sands, arctic oil and gas exploration, shale energy, small arms, predatory lending, whaling, tobacco products or adult entertainment. The Investment Manager and Investment Adviser use a global leader in ESG, Corporate Governance research and risk ratings, (the "Provider") to monitor the product involvement of underlying companies. The established exclusion list is reviewed periodically unless a specific event necessitates an out-of-cycle review.

Second pillar: The Investment Manager will work closely with the Investment Adviser to ensure that ESG risks and considerations are integrated into the Fund's investment process:

In addition to using traditional financial metrics when selecting portfolio constituents, the Investment Manager also requires the Investment Adviser to incorporate ESG factors into the investment decision making process, with a focus on investments in companies that have either fully adopted sustainable practices, or those that are actively transitioning their business models to more sustainable practices.

In order to evaluate the ESG risks of companies, the Investment Manager and Investment Adviser have access to externally sourced ESG research from the Provider. Risk ratings from the Provider are categorised across five risk levels, from negligible to severe and provide detailed analysis of each environmental, social and governance risk at a company level. Each established investment position is monitored, and the Investment Manager has established an ESG Committee to maintain risk oversight along with the Risk Committee. If a company is rated high or severe the ESG Committee will engage with the Investment Adviser to understand the business case for holding the position. With regards to companies with a severe risk rating, the ESG Committee requires the Investment Adviser to justify in writing why they are holding this position (e.g. is the company actively transitioning to more sustainable practices). Depending on the outcome of this discussion, the Investment Manager has the authority to require the Investment Adviser to divest within a reasonable time frame.

Other considerations

In addition to monitoring ESG risks, each Investment Adviser has committed to actively engage with the underlying companies on ESG matters utilising a risk-based approach, taking into consideration factors such as the size of the investee company, the weight of the position in the portfolio, the asset type, the requirements of the mandates they manage, etc. to determine the appropriate level of engagement required. When assessing the governance practices of companies, each Investment

Adviser should be able to satisfy itself that the investee companies follow good practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager also emphasises the importance of using its voting rights in order to ensure a culture of strong corporate governance. The Investment Manager aims to vote on all of its proxies and utilises a leading voting services provider to assist with this. Annual voting reports will be published on the Investment Manager's website.

The Investment Manager monitors the social and environmental characteristics through actively monitoring all portfolios on a regular basis to ensure compliance with its responsibilities as a signatory to the UN Principles for Responsible Investment and under its own defined objectives outlined in its Responsible Investment Policy. The Investment Manager is also a member of the Institutional Investors Group on Climate Change (IIGCC), a European membership body for investor collaboration on climate change. Under this obligation, the Investment Manager intends to monitor the carbon footprint of each portfolio using data from the Provider, and to encourage the Investment Adviser to engage with the underlying companies on strategies to improve their carbon footprint and to reduce/mitigate climate-related risks. To comply with requirements issued by the French authorities (AMF position DOC-2020-03) the Investment Manager and Investment Adviser will also:

- Ensure the average ESG risk rating of the Fund's portfolio will be better than the average ESG risk rating of the universe into which the Fund can invest. The investment universe into which the Fund can invest has been defined as securities listed or traded on a Recognised Exchange.
- The proportion of the Fund's portfolio with an ESG rating must be higher than:
 - 90% for equities issued by large capitalisation companies whose registered office is located in developed countries, debt securities and money market instruments with an investment grade credit rating, or sovereign debt issued by developed countries;
 - 75% for equities issued by large capitalisation companies whose registered office is located in emerging countries, equities issued by small and medium capitalisation companies, debt securities and money market instruments with a high yield credit rating or sovereign debt issued by emerging countries.

The use of an external ESG data provider by the Fund may result in:

- issues related to missing or incomplete information from some companies (for example relating to their capacity to manage their ESG risks) which may have been used as input in the data providers' scoring model; this problem may be mitigated by those providers through the use of alternative data sources, external to the company, to feed their scoring models;
- issues linked to the quantity and quality of ESG data to be processed by ESG data providers (significant flow of information to be integrated continuously into their ESG scoring model): this problem may be mitigated through the use of technologies like artificial intelligence and the numerous analysts who work to transform raw data into relevant information; and

- issues linked to the identification of relevant factors for the ESG analysis conducted in accordance with the ESG data provider framework. This is usually set beforehand as each sector (and sometimes each company) has its own set of indicators deemed material by the ESG data provider and its own weightings: ESG data providers may use a quantitative approach validated by each sector specialist and investor feedback to determine the most relevant ESG factors for a given sector (or for a particular company if applicable).

Annex 2

Fund's approach pursuant to Article 8 SFDR

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:
Strategic Europe Quality Fund

Legal entity identifier:
OZCW2EIGGVOEIO1PF906

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



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?

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

As noted in the Investment Manager's Responsible Investment Policy, the Investment Manager is mindful of the global issues facing humanity and the obligation to take steps whenever possible to support initiatives that seek to address these. In this regard the Investment Manager and Investment Adviser seek to focus on investments in companies that have fully adopted, or those that are actively transitioning, their business models / processes to more sustainable approaches; whilst discouraging investments in companies that are falling short in this regard. As part of the Investment Manager and Investment Adviser's approach, each seeks to allocate investment to companies that have demonstrated strong corporate governance practices. Insights in this regard are obtained via specialist third party firms, such as Sustainalytics and ISS, prior to any investment being made as well as on an ongoing basis for positions held.

Environmental Characteristics

Recognising the impact energy production (in all its forms) has on carbon emissions, the Investment Manager and Investment Adviser will seek to align to PAI 4 (exposure to companies active in the fossil fuel sector). As such the Investment Manager and Investment Adviser will not knowingly invest in companies that derive a significant proportion (the Investment Manager and Investment Adviser define "significant" as being greater than 10%, unless specified otherwise below) of their revenue from the following product areas:

- Thermal Coal Extraction,
- Oil Sands Extraction,
- Arctic Oil and Gas Exploration and Extraction,
- Shale Energy Extraction.

Further, investment in companies which derive in excess of 25% of their revenue from Thermal Coal Power Generation are also excluded. Adoption of such an approach seeks to direct investments to companies that are actively transitioning their business models / processes to more sustainable approaches to adhere to a net zero emissions target.

Adoption of such an approach seeks to direct investments to companies that are actively transitioning their business models / processes to more sustainable approaches; whilst discouraging investments in companies that are falling short or that are deemed to be fundamentally contradictory to and have an inability to adjust their business model to adhere to a net zero emissions target.

The Investment Manager and Investment Adviser also believe that adopting this approach will support the PAI 7 (reducing or avoiding exposure to companies that have a negative impact on biodiversity sensitive areas).

Social Characteristics

In accordance with the Investment Manager's aim to promote well-being and healthy lifestyles the Investment Manager and Investment Adviser have concluded that it would be inappropriate to continue to allow investments in tobacco related products or production. The tobacco industry produces and promotes a product that has been scientifically proven to be addictive, to cause death and disease and to give rise to a variety of social ills, including increased poverty. The Investment Manager does not believe that engagement with the industry will lead to change, as tobacco companies will not stop producing cigarettes. The Investment Manager has therefore determined that investing in tobacco is not compatible with its commitment to promoting healthy lives and well-being and believes divestment and excluding investment in the industry is the most appropriate course of action. No engagement is undertaken with companies within the tobacco industry.

Further, the Investment Manager wishes to promote peaceful societies in alignment with the PAI 14. In light of this, the Investment Manager and Investment Adviser have determined that investments will be restricted as summarised below.

The Investment Manager acknowledges the right of nations to use legitimate weapons for national self-defence and national security purposes as set forth in the Charter of the United Nations. Therefore the Investment Manager accepts that various types of weapons are necessary for achieving internationally accepted goals such as peacekeeping missions. However, the defence industry is complex, and the Investment Manager is mindful that the industry entails significant risks related to various types of controversial weapons and their potential use where international humanitarian laws could be violated; or used for purposes other than national security and self-defence. As such, the Investment Manager focuses specifically on controversial weapons. These are weapons which (could) inflict large-scale suffering on civilians, or the victims of which are civilians which the Investment Manager deems would be in breach of the principles around peace and justice. The Investment Manager has elected to focus on the following types of weapons:

- Weapons of mass destruction (Nuclear weapons, Chemical weapons & Biological weapons); and
- Weapons which impose considerable risk to civilians during and / or after the cessation of hostilities (Anti-personnel mines, Cluster bombs, Munitions with depleted uranium).

The Investment Manager seeks to ensure that no investments are made in companies which are involved in the core weapon system, or components/services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapons listed.

In order to monitor and measure that these aspirations are met, as well as to take account of the Investment Manager's wider view on activities that can be detrimental to the promotion of individual well-being and health, and also detrimental for peaceful and just societies, the Investment Manager has elected to monitor the portfolio against the following metrics and ensures that investee companies have no significant:

- Exposure to companies associated with the tobacco industry;
- Exposure to companies associated with the adult entertainment industry;
- Exposure to predatory lending;
- Exposure to Sanction lists re countries subject to social violations;
- Exposure to companies involved with controversial weapons or small arms

The Investment Adviser, with the support of Sustainalytics, considers the above metrics prior to any investments being made.

By virtue of the approach outlined in Annexes 1 and 2 of the Fund supplement, and the Responsible Investment Policy, Voting Rights Policy, Shareholder Engagement Policy in place, typically, a minimum proportion of 60% of the Fund's assets are used to attain the environmental and social characteristics promoted by the Fund.

The Fund has not designated a reference benchmark in order to determine whether the Fund is promoting environmental and/or social characteristics.

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

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.

- Through regular reviews of the investment portfolio at both the Investment Manager and Investment Adviser the following factors are monitored, consideration of which are reflected in the research, asset allocation and portfolio construction decisions taken by the Investment Adviser in the implementation of the investment strategy:
 - Carbon risk, intensity and involvement – considering the carbon emissions, as well as exposure to sources of emissions and carbon reduction solutions within the portfolio;
 - Product involvement – covering Business Practices, Defence & Military, Energy, Environmental, Health & life and Values Based exposures within the portfolio on an absolute and relative basis;
 - PAIs – both compulsory and elective indicators - sustainability indicators consider: adverse impacts on the climate and other environment-related adverse impacts, such as air pollutant emissions, and adverse impacts in the field of social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.
 - The Sustainable Development Goals (“SDGs”) - universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. The 17 Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals. As at the time of drafting the Investment Manager and Investment Adviser actively monitor the portfolio's absolute and relative exposure to 12 of the 17 SDGs;
 - Impact metrics – these are a set of 5 metrics which seek to analyse and demonstrate the portfolio's exposure to factors that contribute positively towards the following areas; the provision of basic needs, support for human development, climate action, resource security and the protection of a healthy ecosystem;
 - Energy consumption – recognising that energy production is the single largest contributor to carbon emissions both historically and today, and that there is significant disparity across industries as to the level of energy consumption, industry level analysis is undertaken utilising the Statistical classification of economic activities in the European Community (“NACE”) classifications. The NACE classifications run from A to L and cover industries such as manufacturing, construction, real estate and electricity, gas, steam & air conditioning.
- Monitoring of the above indicators is commonly undertaken on both an absolute and relative basis, with reference to either the benchmark index or peer group. Whilst these characteristics are actively monitored by the Investment Manager and Investment Adviser on an ongoing basis, there are no defined targets in relation to any such characteristic at this time.

● **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?**

- N/A

● **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?**

- N/A

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

- N/A

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

- N/A

The EU Taxonomy sets out a “do not 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, given that Third Party methodologies and ratings provide different results. The Investment Manager continues to monitor data that is made available in this regard.



What investment strategy does this financial product follow?

- To achieve long term capital growth through investment in a portfolio of predominately large Cap European equities. Positions are selected through a discretionary investment process based on fundamental financial analysis. The Fund invests in European mid & large cap equities and is concentrated within the Portfolio Managers’ strongest convictions (30 to 40 positions). The strategy tends to maintain a quality bias, but the team remains style agnostic and strives to invest in companies with the best risk/return profile.

- As part of the investment process the Investment Adviser will consider the following factors:

- The potential for any investment being made to have a negative affect on biodiversity sensitive areas;
- The impact that a business has in terms of promoting well-being and healthy lifestyles;
- Whether an investee company will have a positive or negative effect with regards to inequality between countries, or the ambition to promote peaceful societies.

- Whilst there is a binding exclusion list (with specific revenue thresholds applicable to different sectors/industries); there is a non-binding aspiration to limit exposure to severe and high ESG risk rated stocks. This secondary component is non-binding as the Investment Manager and Investment Adviser accept today that a company can be negatively rated from an ESG risk rating perspective based on historic observations; however that they have demonstrated that they are taking action to address the factors that lead to the negative assessment. Further there may be instances where it is deemed beneficial to maintain exposure to "brown" companies (those considered to be involved with environmentally harmful activities), if it is determined that through the Fund’s ownership stake and active engagement (either individually or through collaboration with other investors) the Investment Manager and Investment Adviser can encourage positive change.

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

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

● **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 investment strategy combines both top down macro economic analysis, coupled with fundamental bottom up stock selection.
- As part of the bottom up stock selection process, inputs will be included that focus on the ESG positioning of the company (Sustainalytics being the primary source), ensuring the policies, procedures and the indicators identified as targets for the strategy are reflected. The exclusion list is binding (with specific revenue thresholds applicable to different sectors/industries).

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

- The Fund's approach to attaining the E/S characteristics specified above are outlined in more detail within Annex 1 of the Supplement. By virtue of the approach outlined in Annex 1 and the policies in place (available at www.ericsturdza.com), typically, a minimum proportion of 60% of the Fund's assets are used to attain the E/S characteristics. The remaining proportion of 40% are used to pursue additional objectives of the Fund and can include cash and cash equivalent exposures.
- In addition, the Investment Manager is committed to ensuring that it has a higher average ESG risk rating than the average ESG risk rating of the investment universe, as well as ensuring that the portion of the Fund's portfolio with an ESG rating is higher than;
 - 90% for equities issued by large capitalisation companies whose registered office is located in developed countries, debt securities and money market instruments with an investment-grade credit rating, or sovereign debt by developed countries; or
 - 75% for equities issued by large capitalisation companies whose registered office is located in emerging countries, equities issued by small and medium capitalisation companies, debt securities and money market instruments with a high yield credit rating, or sovereign debt by emerging countries.

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

- Investee Companies should follow Good Governance practices as a pre-condition for investment. Whilst "good governance" is not defined in the legislation, the Investment Manager and Investment Adviser consider it to be a standard of governance which is broadly reflective of industry-established norms and practices with regards to management structures, corporate culture, compliance with applicable law and the absence of negative events. The investment team are responsible for the ongoing assessment and monitoring of the governance practices of the companies in which the Investment Manager and Investment Adviser invest. Such an assessment is inherently subjective, and must be made in context of the strategy, using available data and research deemed most relevant. The team re-evaluate their initial assessment on an ongoing basis, and when they become aware of new events or information which might have a material impact on their initial determination.
- The Investment Adviser performs its own assessment of the governance practices of the companies and may use any number of internal and external sources. In support of this assessment, the Investment Manager provides them with access to governance research produced by a number of external data vendors. The Investment Manager independently reviews governance at underlying companies and challenges the Investment Adviser should any concerns be identified.
- Investments in government debt, index based derivatives and short positions are not in scope of this policy and will not be assessed for good governance.

What is the asset allocation planned for this financial product?

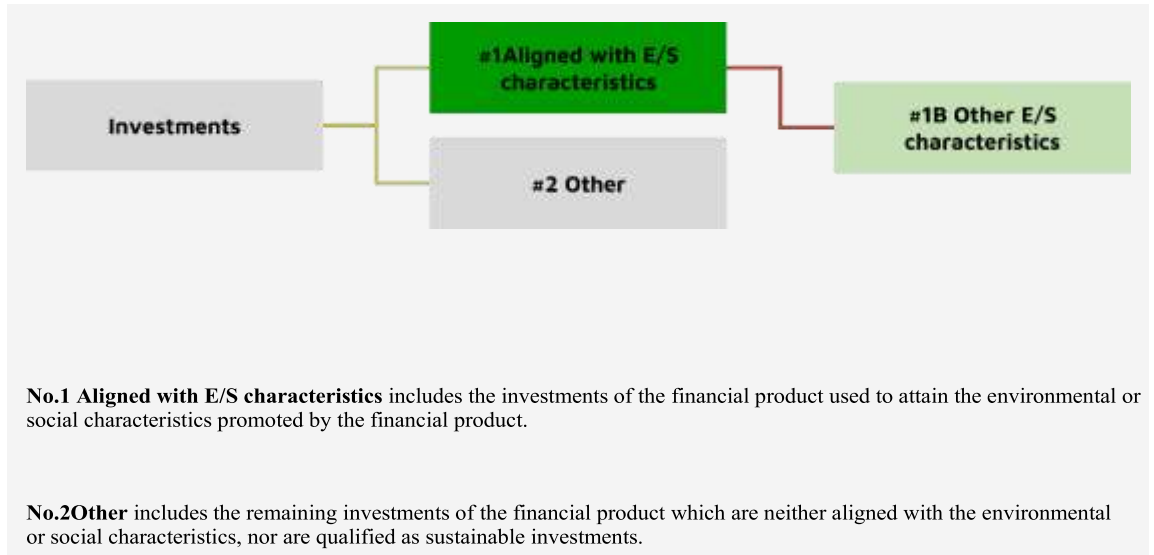
- Such considerations are incorporated within the investment process, research and stock selection process applied by the investment team and will influence the team's proprietary assessment of the risk/reward profile of the investee company. The Fund's approach however to attaining the E/S characteristics are outlined in more detail within Annex 1 of the Supplement. By virtue of the approach outlined in Annex 1 and the policies in place (available at www.ericsturdza.com), typically, a minimum proportion of 60% of the Fund's assets are used to attain the E/S characteristics. The remaining proportion of 40% are used to pursue additional objectives of the Fund and can include cash and cash equivalent exposures.



Asset allocation describes the share of investments in specific assets.

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 companies.



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

- Derivatives are not used to attain E/S characteristics promoted by the Fund.



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

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

- 0% of the investments are taxonomy-aligned. The Fund currently bears no objective in terms of alignment with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas

In nuclear energy

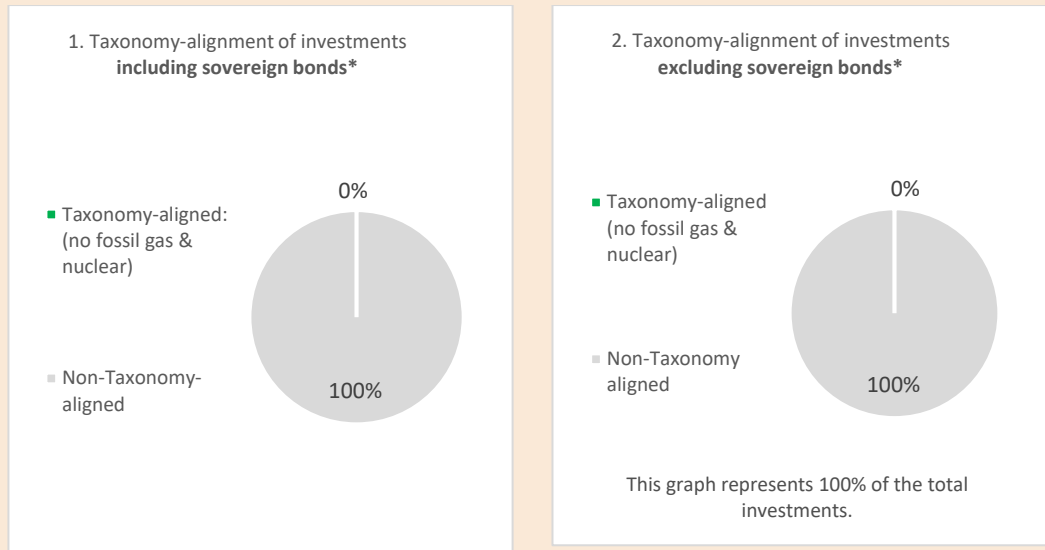
No

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.

¹Fossil 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.

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?**

- Transitional activities: 0%
- Enabling activities: 0%

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

- N/A

● **What is the minimum share of socially sustainable investments?**

- N/A

● **What investments are included under "No.2 Other", what is their purpose and are there**

- any minimum environmental or social safeguards?

- This Fund bears no strict constraint in terms of socially or environmentally sustainable investments.

● **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?**

- No

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

- N/A

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

- N/A



are sustainable investments with an environmental objective that

do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



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

- **How does the designated index differ from a relevant broad market index?**
 - N/A
- **Where can the methodology used for the calculation of the designated index be found?**
 - N/A



Where can I find more product specific information online?

- More product-specific information can be found on the website:
<https://www.ericsturdza.com/en/funds/strategic-europe-quality-fund/b-eur/>