Coho ESG US Large Cap Equity Fund

The investment objective is to achieve a return greater than the overall US equity market as defined by the S&P 500 index by investing in US large cap and midcap equities, , while seeking to promote environmental, social, and governance ("ESG") characteristics. The Fund has a focus on capital preservation relative to the overall U.S. equity market in down markets while being close to fully invested in equities at all times. The Fund aims to achieve its objective of pursuing sustainable investment through the investment process as described in this document.
The Coho ESG US Large Cap Equity Fund is classified as an Article 8 Fund for the purposes of SFDR.

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A) Summary

The investment objective is to achieve a return greater than the overall US equity market as defined by the S&P 500 index by primarily investing in US large cap and midcap equities, while seeking to promote environmental, social, and governance ("ESG") characteristics.

The Fund falls within the scope of Article 8 of SFDR through its promotion of environmental and social characteristics and does not have sustainable investment objective or goal. The Fund does not invest in "sustainable investments" as defined under SFDR and does not take into account the EU Taxonomy criteria for environmentally sustainable economic activities.

Under normal market conditions, the Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of ESG Companies, as defined below.
For the investment process, the Investment Manager applies a fully integrated approach to ESG research. ESG considerations are implemented on a continuous basis as part of the investment process.

The Investment Manager promotes the following environmental, social, and governance factors when assessing sustainability risks and investment selection to promote environmental and/or social characteristics. Further details can be found in section (c).

- Environmental: The Investment Manager assesses a company's environmental performance, disclosures, and goals, to promote low environmental impact and minimize environmental risks.
- Social: The Investment Manager evaluates a company's management of labor, supply chain, product stewardship, and community relations to promote a positive social impact and minimize social risks.
- Governance: The Investment Manager reviews a company's corporate governance practices, determined and executed by management and the board of directors to promote positive financial and corporate sustainability performance.

The ESG process is anchored by four main pillars, including proprietary scores, materiality maps, direct engagement and active ownership, which help indicate performance on sustainability.

With respect to the promotion of Environmental and Social ("E&S") characteristics, the Investment Manager measures the attainment of such characteristics by the following processes:

- Maintaining and periodically updating proprietary quantitative scores; reviewing historical trends and rankings compared to the S&P 500 index constituents and industry peers.

- Maintaining and periodically updating materiality maps as defined in section (f) for portfolio holdings and using these to inform engagement.

- Periodically engaging with portfolio holding companies on material ESG issues; encouraging positive change for the ESG characteristics promoted; reviewing controversies and engaging on these issues.

- Taking an active and responsible approach to proxy voting by using customized ESG proxy voting guidelines for casting votes, when required.

The Investment Manager begins with a screen of approximately 1,000 larger cap companies. Through a combination of quantitative and qualitative analyses, the Investment Manager further reduces the larger cap universe to approximately 250 companies, which it believes have stable and predictable growth in earnings, revenues, and dividends. These companies are further screened using quantitative and qualitative methods to evaluate those prospective portfolio companies based on the promotion and following of ESG best practices described in section (j). The Investment Manager's evaluation of a particular company's adherence to ESG best practices utilizes a proprietary quantitative process complemented with in-depth qualitative analysis. Industry-specific, material ESG value drivers are identified for each company based on the internally derived criteria and the Sustainability Accounting Standards Board ("SASB") framework.

The Investment Manager also reviews corporate sustainability reports, Carbon Disclosure Project scores, government databases, Bloomberg ESG analytics, MSCI ESG Manager data, Glass Lewis reports, Institutional Shareholder Services Inc. ("ISS") scores and conducts engagement with company management. The final step of the process incorporates a multi-factor scoring methodology and incorporates metrics from company financial filings, corporate responsibility reports and proxy disclosures. The result is an investable universe of companies that satisfy the Investment Manager's financial criteria and demonstrate a strong and/or improving commitment to ESG best practices ("ESG Companies").

An index has not been designated as a reference benchmark to meet the environmental or social characteristics promoted by the Fund.

B) No sustainable investment objective

The Fund falls within the scope of Article 8 of SFDR through its promotion of environmental and social characteristics and does not have sustainable investment objectives or goals. The Fund does not invest in "sustainable investments" as defined under SFDR and does not take into account the EU Taxonomy criteria for environmentally sustainable economic activities.

C) Environmental or Social ("E/S") characteristics of the financial product

The Fund aims to promote environmental and social characteristics in accordance with Article 8 of SFDR through its investment selection process. The Investment Manager defines environmental and social characteristics as those environmental, social or governance criteria that have a positive environmental and/or social impact.

The Investment Manager promotes the following environmental, social, and governance factors when assessing sustainability risks and investment selection to promote environmental and/or social characteristics.

- Specific environmental factors evaluated by the Investment Manager include a company's policy towards climate change, carbon emissions, air/water pollution and energy efficiency. The Investment Manager sources numerical data on metrics such as carbon emissions, water, waste, energy consumption, and policy-based information directly from company fillings. The data is supplemented by qualitative analysis based on engagement with the company and third-party sources such as CDP, Bloomberg, and MSCI. Relevant metrics include but are not limited to (a) energy intensity per sales (MWh/1m USD sales); (b) greenhouse gas intensity per Sales (mt/1m USD sales); (c) Water Intensity per Sales (cbm/1m USD Sales).

- From a social perspective, the Investment Manager reviews company labor standards, its community relations, and its human rights record and policies. The Investment Manager sources numerical data on metrics such as percent of women in the workforce, safety rates, community spending, and policies related to diversity, human rights, and supply chain audits directly from company fillings. The information is supplemented by qualitative analysis based on company engagement and third-party sources such as MSCI, Bloomberg, and Glass Lewis.

- In terms of governance, the Investment Manager incorporates an analysis of the company's board composition, long-term sustainability incentives and transparency in disclosure. The Investment Manger also considers the company's leadership, audits and internal controls, compliance with laws and regulations, and shareholder rights.

The Investment Manager analyzes these factors with a preference for positive and improving trends when considering individual stocks for purchase in the portfolio.

D) Investment strategy

INVESTMENT OBJECTIVE

The investment objective is to achieve a return greater than the overall US equity market as defined by the S&P 500 index by primarily investing in US large cap and midcap equities, while seeking to promote environmental, social, and governance ("ESG") characteristics.

INVESTMENT POLICIES

The Fund intends to invest at least 80% of its Net Asset Value in equity securities, primarily common stock issued by companies which are either established in the US or which derive significant revenue and/or profits from the US. The Fund may invest in large cap companies which are companies that have a market capitalisation in excess of $10 billion. The Fund may also invest in midcap companies which are companies that have a market capitalisation between $3 billion and $10 billion. It is expected that the Fund will predominantly invest in large cap companies. The Fund's investments undergo an ESG-related review to help to determine their potential eligibility for inclusion in the Fund's investable universe. ESG factors utilised in the review process reflect a variety of key sustainability issues and span a range of metrics.

The Investment Manager may also invest up to 20% of its Net Asset Value in equity related securities in circumstances where direct exposure to certain securities is uneconomic, impractical or not possible. Equity related securities include the following or similar types of securities: securities of issuers directly or indirectly in the form of Global depository receipts (GDRs), American depository receipts (ADRs), International depository receipts (IDRs), and European depository receipts (EDRs).

For defensive purposes, the Fund may keep up to 20% of its Net Asset Value in cash or cash equivalent instruments such as short-term government obligations and fixed income government bonds with a minimum rating of Aa+ (Moody's, Fitch, S&P).

The Investment Manager uses its discretion as to when to invest in these asset classes, based on conditions in equity markets and will do so with the aim of reducing the effects of the volatility of equity markets on the Fund's portfolio and preserving the capital of the Fund.

The Fund's investments in equities and equity-related securities will be listed or traded on Markets, provided however that the Fund may invest up to 10% of Net Asset Value in such securities and/or other eligible ancillary liquid assets which are not listed or traded on Markets.

For the purposes of classifying the Fund as an equity fund under the German Investment Tax Act, the Fund continuously invests at least 51% of its Net Asset Value in the equity securities of large capitalisation companies.

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The Fund is actively managed, and the S&P 500 Index (the "Index") is used for performance measurement only. The Index is not used for asset allocation and the Fund's investment policy is not constrained by the extent to which the weightings in the portfolio differ to the Index and the Fund is not required to have any target with regard to tracking error. The Index is not used to define the portfolio composition of the Fund or as a performance target.

The S&P 500 is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of US equities and is meant to reflect the risk/return characteristics of the large cap universe. Companies included in the index are selected by the S&P Index Committee, a team of analysts and economists at Standard & Poor's. The S&P 500 is a market value weighted index – each stock's weight is proportionate to its market value. The S&P 500 has not been designated as a reference benchmark for the Fund to determine the environmental and social characteristics being promoted.

INVESTMENT STRATEGY

The Fund aims to achieve its objective through the investment process as described below.

The Investment Manager aims to promote environmental, social, and governance characteristics through the investment selection process as described below and such considerations are implemented on a continuous basis as part of this process.

Under normal market conditions, the Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of ESG Companies, as defined below. The Fund's investments in equity securities will primarily consist of common stocks. The Fund focuses its investments in dividend paying equity securities issued by larger capitalization ("larger cap") companies. The Fund generally considers a company to be a larger cap company if it has a market capitalization, at the time of purchase, over $10 billion.

The Investment Manager begins with a screen of approximately 1,000 larger cap companies. Through a combination of quantitative and qualitative analyses, the Investment Manager further reduces the larger cap universe to approximately 250 companies, which it believes have stable and predictable growth in earnings, revenues, and dividends. In addition, both the quantitative and the qualitative processes focus on identifying and tracking the most relevant and/or material ESG factors for each industry and company. The result is an investable universe of companies that satisfy the Investment Manager's financial criteria and demonstrate a strong and/or improving commitment to ESG best practices ("**ESG Companies**"). Key characteristics are summarized below:

- *ESG driven* – securities in the portfolio have strong ESG characteristics; examples of ESG characteristics monitored at the company and portfolio level include Energy Intensity, GHG Intensity, Water Intensity, ESG Disclosure scores, Board Diversity, and Independence of the

Board;

- Stability – low variability in earnings, revenues, and financial strength;
- Growth – absolute and relative growth in earnings, revenues, and dividends;
- Profitability – the ability to consistently generate revenues in excess of expenses and to minimize capital investment;
- Quality – balance sheet strength, management depth, integrity, and the ability to skillfully execute strategic objectives; and
- Shareholder focus – transparency of financials and operational strategy, capital allocation preferences, including dividends, buybacks, and acquisitions.

It is at this point that the Investment Manager utilizes a conservative, "bottom-up" approach, constructing and applying a dividend discount model to identify companies within this universe that possess reasonable valuations for inclusion in the Fund's investment portfolio. As an important component of its investment strategy, the Investment Manager also meets regularly with management of its portfolio and prospective portfolio companies, as well as their competitors, customers, and suppliers. Engagement and proactive dialogue on key ESG issues are also important aspects of the research process. The Investment Manager's portfolio construction process focuses on risk control and protecting principal in down markets, while capturing most of the upside performance. The Fund is generally comprised of 25 to 35 equity securities chosen because:

- They meet the Investment Manager's earnings and stability criteria, dividend and cash flow growth, and ESG practices;
- The Investment Manager has established comfort with the long-term qualitative aspects of the investments;
- The Investment Manager has talked with relevant management, competitors, customers and suppliers;
- The Investment Manager's dividend discount model reflects valuations that are compelling based on the expected rate of return estimates of the securities in the portfolio; and
- The Investment Manager objectively identifies and monitors material operating metrics, financial metrics, and sustainability metrics, which include stewardship and responsible use of resources to further social, economic and environmental good, that it expects the companies to maintain or achieve at specific points in time.

GOVERNANCE

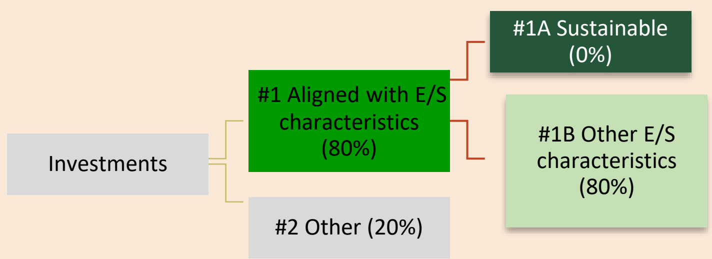
When analysing 'good governance' practices across the universe of potential investments, the Investment Manager considers several metrics in accordance with the Investment Manager's ESG assessment methodology, as described under the heading "Investment Strategy" in the Supplement. In terms of governance, the Investment Manager incorporates an analysis of the investee company's leadership, board structure and composition, executive pay and incentive metrics including those related to sustainability, audits and internal controls, compliance with laws and regulations, and shareholder rights. The Investment Manager analyzes these metrics with a preference for positive and improving trends when considering individual stocks for purchase in the portfolio.

The Investment Manager actively engages with its investee companies on good governance practices during the due diligence process and on a regular basis upon inclusion in the Fund. As an important component of its investment strategy, the Investment Manager also meets regularly with management of its portfolio and prospective investee companies, as well as their competitors, customers, and suppliers. Engagement and proactive dialogue on key ESG issues are also important aspects of the research process.

ESG considerations are identified and implemented by the Fund's Investment Manager. The ICAV and the Manager have appointed an Advisory and Marketing Support Agent which provides non-discretionary advice on certain ESG considerations to the Investment Manager to support the assessment of 'good governance' practices.

E) Proportion of investments used to meet E/S characteristics

The Fund invests at least 80% of its NAV, in normal market conditions, to investments in equity securities of ESG Companies. These investments can be categorised as "#1 Aligned with E/S characteristics". The Fund currently does not commit to invest in sustainable investments. The remaining investments in the Fund can be categorised as "#2 Other". Investments that might fall under "#2 Other", and for defensive purposes, include cash or other cash equivalent instruments, such as short-term government obligations and fixed income government bonds with a minimum rating of Aa+ (Moody's, Fitch, S&P), and equity related securities, which include the following or similar types of securities: securities of issuers directly or indirectly in the form of Global depository receipts (GDRs), American depository receipts (ADRs), International depository receipts (IDRs), and European depository receipts (EDRs).



#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.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

F) Monitoring of E/S characteristics

For the investment process, the Investment Manager applies a fully integrated approach to ESG research. ESG considerations are implemented on a continuous basis as part of the investment process. The ESG process is anchored by four main pillars as follows, which help indicate performance on sustainability:

- Proprietary scores: The Investment Manager's proprietary quantitative model provides a baseline assessment for each company. A wide range of metrics is reviewed, both numeric and policy based. Rate of change is considered an important driver of shareholder value; hence, there is a focus on multi-year trends.

- Materiality maps: The Investment Manager employs forward looking materiality-based qualitative assessments to supplement the backward-looking quantitative data.

- Engagement: The Investment Manager regularly engages with companies to refine inputs for its qualitative assessments. During these meetings, the Investment Manager advocates for positive progress on key ESG metrics and enhanced data disclosure.

- Active ownership: The Investment Manager believes thoughtful and responsible voting promotes board and management behaviour that should, over the long term, minimize risks for the underlying companies and translate into strong shareholder returns. The Investment Manager votes all proxies using customized ESG proxy voting guidelines.

While many factors may be considered in the assessment of any investment, under normal market conditions, the Fund shall be required to invest at least 80% of its NAV (plus any borrowings for investment purposes) in equity securities of ESG Companies (as defined in the Supplement under the heading "Investment Strategy"), namely, companies that satisfy the Investment Manager's financial criteria and demonstrate a strong and/or improving commitment to ESG best practices. The Fund will seek to avoid investing in companies which themselves or through entities such companies control, which produce or are involved in the following industries:

- Defense;
- Firearms;
- Mining;
- Tobacco;
- Alcohol; and
- Gambling.

In addition, the Investment Manager, with respect to the Fund, adheres to the Norges Bank Investment Management ESG exclusion list of companies. Securities will not be included in the Fund's portfolio if they are on the Norges Bank exclusion list of companies. The Norges Bank exclusion list is being monitored on an ongoing basis by the Compliance Department of the Investment Manager. The Compliance Department completes periodic reviews of the new Norges Bank exclusion list against the previous Norges Bank exclusion list to ensure that the Investment Manager's compliance systems is accurate. The Compliance Department also receives advice from the Advisory and Marketing Support Agent regarding potential companies to exclude using ESG criteria, in accordance with the guidelines for the observation and exclusion of companies as set out above. The Investment Team of the Investment Manager reviews the newly added companies to the Norges Bank exclusion list to confirm that the Fund has no exposure. In the unlikely event there was exposure, the Investment Manager would divest of the stock.

The Investment Manager is a signatory to the UN Principles for responsible Investment ("UNPRI"), thereby undertaking to incorporate ESG issues into its analysis and decision-making processes in the investment area. The Investment Manager incorporates the principles of UNPRI in its evaluation of the environmental, social and governance considerations.

G) Methodologies

As described in section (f) above, the ESG process is anchored by four main pillars which help indicate performance on sustainability. With respect to the promotion of E&S characteristics, the Investment Manager measures the attainment of such characteristics by the following processes:

- Maintaining and periodically updating proprietary quantitative scores; reviewing historical trends and rankings compared to the S&P 500 index constituents and industry peers.
- Maintaining and periodically updating materiality maps as defined in section (f) for portfolio holdings and using these to inform engagement.
- Periodically engaging with portfolio holding companies on material ESG issues; encouraging positive change for the ESG characteristics promoted; reviewing controversies and engaging on these issues.
- Taking an active and responsible approach to proxy voting by using customized ESG proxy voting guidelines for casting votes, when required.

H) Data sources and processing

For sources of data, the Investment Manager will review corporate sustainability reports, Carbon Disclosure Project scores, government databases, Bloomberg ESG analytics, MSCI ESG Manager data, Glass Lewis reports, Institutional Shareholder Services Inc. ("ISS") scores and conduct engagement with company management. The final process incorporates a multi-factor scoring methodology and incorporates metrics from company financial filings, corporate responsibility reports and proxy disclosures.

The Investment Manager has implemented the processes below to collect, update and review data.

For the proprietary quantitative scores, data is collected through an automated extraction process using Bloomberg ESG analytics as its source. This source contains information including company disclosed data, Carbon Disclosure Project scores, Institutional Shareholder Services Inc. ("ISS") scores, and MSCI ESG Manager data. The model is updated, and data availability and quality is reviewed and validated at least annually. The Investment Manager compares the output against prior periods to help ensure data integrity.

For the materiality maps, data points are collected manually from sustainability reports, proxy filings, and MSCI ESG Manager and Glass Lewis reports and then consolidated in a template. Data availability and quality is reviewed and validated when the materiality maps are updated periodically. The Investment Manager compares the output against the prior period and across multiple sources to help ensure data integrity.

I) Limitations to methodologies and data

The Investment Manager has identified the following limitations in its methodologies and data:

- varying levels of disclosure by companies and via third-party vendors;
- limited data comparability;
- Limitation on the availability of current and/or historical data;
- Where gaps in public disclosures exists, the Investment Manager engages with companies to try and bridge the data gap.

J) Due diligence

The Investment Manager begins with a screen of approximately 1,000 larger cap companies. Through a combination of quantitative and qualitative analyses, the Investment Manager further reduces the larger cap universe to approximately 250 companies, which it believes have stable and predictable growth in earnings, revenues, and dividends. These companies are further screened to evaluate those prospective portfolio companies based on the promotion and following of ESG best practices. The Investment Manager's evaluation of a particular company's adherence to ESG best practices utilizes a proprietary quantitative process complemented with in-depth qualitative analysis. Industry-specific, material ESG value drivers are identified for each company based on the internally derived criteria and the Sustainability Accounting Standards Board ("SASB") framework. Material ESG drivers are the most relevant and financially important ESG aspects of the company's business model. These "drivers" can have a significant short or long-term impact on asset selection and serve as a tool to quantify a company's ESG performance.

As described in section (f) above, the ESG process is anchored by four main pillars which help indicate performance on sustainability. With respect to the promotion of E&S characteristics, the Investment Manager measures the attainment of such characteristics by the following processes:

- Maintaining and periodically updating proprietary quantitative scores; reviewing historical trends and rankings compared to the S&P 500 index constituents and industry peers.
- Maintaining and periodically updating materiality maps as defined in section (f) for portfolio holdings and using these to inform engagement.
- Periodically engaging with portfolio holding companies on material ESG issues; encouraging positive change for the ESG characteristics promoted; reviewing controversies and engaging on these issues.
- Taking an active and responsible approach to proxy voting by using customized ESG proxy voting guidelines for casting votes, when required.

The sector exclusions noted in section (f), as well the Norges Bank exclusion list, are applied after the investment universe of approximately 250 companies is determined to prevent purchase of these securities. The Compliance Department also completes periodic reviews of the new Norges Bank exclusion list against the previous Norges Bank exclusion list to ensure that the Investment Manager's compliance systems is accurate.

K) Engagement policies

The Investment Manager regularly engages with companies to refine inputs for its qualitative assessments. During these meetings, the Investment Manager advocates for positive progress on key ESG metrics and enhanced data disclosure. Additionally, the Investment Manager engages on ESG as it relates to proxy voting matters to collect information for proxy voting decisions. Through the proxy voting process, the Investment Manager votes on sustainability-related topics.

The Investment Manager continues to take an active role in the proxy voting process through ESG analysis and engagement. The Investment Manager believes that thoughtful and responsible voting promotes board and management behaviors which should, over the long term, minimize risks for portfolio companies and translate into strong shareholder returns. The Investment Manager votes all proxies using customized ESG proxy voting guidelines. The Investment Manager makes decisions that it believes are in the best interest of shareholders and benefit stakeholders including employees, society, and the environment. To read the full article on proxy voting and engagement please click the following link:

Coho Partners, Ltd. ESG Insights: Active Proxy Voting (candoris.nl)

For additional ESG Insights published by Coho Partners, please click the following link:

ESG Investing | Coho Partners

L) Designated reference benchmark

An index has not been designated as a reference benchmark to meet the environmental or social characteristics promoted by the Fund.

M) Sustainability Risk

Pursuant to the SFDR, the Manager in respect of the Fund is required to disclose the manner in which sustainability risks are integrated into the investment decision of the Funds and the results of the assessment of the likely impacts of sustainability risks on the returns of the Funds.

Such risks are principally linked to climate-related events resulting from climate change (the socalled physical risks) or to the society's response to climate change (the so-called transition risks), which may result in unanticipated losses that could affect the Funds' investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into sustainability risks.

The Investment Manager integrates sustainability risks into its investment decision making and risk monitoring of the Fund to the extent that they represent potential or actual material risks and/or opportunities to maximising the long-term risk-adjusted returns. Steps are taken by the Investment Manager to identify and assess sustainability risks as part of its decision making process. The Investment Manager's assessment is that the integration of sustainability risks into 10 its processes should generally help to mitigate any potential material negative impact of such risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of any investment.

N) No consideration of adverse impacts on sustainability factors

Coho Partners does not currently consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR. Principal Adverse Impacts (PAI) data is often not readily available and is difficult to collect, especially across U.S. based companies. Coho Partners' position on this matter will be reviewed at least annually, and Coho Partners will continue to research and develop procedures which will enable us, over time, to gather more granular data on the impacts of investment decisions on sustainability factors.

O) Remuneration policy

The remuneration policies and practices of Coho Partners are aligned with the ESMA guidelines and SFDR (where appropriate). The remuneration of identified staff is aligned with the management of short and long-term risks, including sustainability risks in accordance with SFDR.

P) Annex IV – Periodic Disclosure

Sustainable Finance Disclosure Regulations ("SFDR") and Taxonomy Regulations

ANNEX IV

Click here for the ANNEX IV reporting