

Letko Brosseau Global Emerging Markets Equity Fund

Supplement dated 30 July 2024 to the Prospectus for Candoris ICAV

This Supplement contains specific information in relation to the Letko Brosseau Global Emerging Markets Equity Fund (the "**Fund**"), a sub-fund of Candoris ICAV (the "**ICAV**") an umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank.

This Supplement forms part of and should be read in conjunction with the Prospectus dated 22 July 2021, the Addendum to the Prospectus dated 19 January 2023 and the Existing Fund Supplement dated 30 July 2024 (together the Prospectus). In the event of any inconsistency between the Prospectus and this Supplement, this Supplement shall prevail.

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

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should note the difference between the nature of a deposit and the nature of an investment in the Fund, in particular the risk that the principal invested in the Fund is capable of fluctuation and thus Shareholders may not have all of their principal returned to them on redemption. In addition, investment into the Fund will not benefit from any deposit protection scheme such as might be applicable to an investment in a deposit.

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

Dated: **30 July 2024**

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1. INVESTMENT OBJECTIVE

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

2. INVESTMENT POLICIES

In pursuing its investment objective, the Fund will primarily invest in a diversified portfolio of equity and equity-related securities, details of which are set out below. The Fund may also hold ancillary liquid assets, investments in collective investment schemes and hold cash positions, as further outlined below.

The Fund promotes environmental, social, and good governance characteristics through its investment selection process as described in further detail below under the heading "*Approach to ESG Integration*".

Equities and Equity-related Securities

The Fund can invest up to 100% of the Net Asset Value in equities and equity-related securities, which are listed on a recognised Market or, subject to the investment restrictions set out in the section of the Prospectus entitled "Funds", sub-paragraph, "Investment Restrictions", which are not listed or traded on a recognised Market. The Fund will invest primarily in publicly-traded equities from companies operating in countries classified as Emerging Markets or Frontier Markets (as detailed below under the heading "*Geographic, Industry and Market Focus*". The Fund may also invest in listed equities not headquartered in an Emerging Markets or Frontier Markets but where a substantial portion of their economic activity is derived from an Emerging Market or Frontier Market.

Equity and equity-related securities to which the Fund may have exposure include to common stock, securities convertible into common shares, Real Estate Investment Trusts ("**REITs**"), preferred and convertible preferred shares, depository receipts such as American depository receipts ("**ADRs**"), global depository receipts ("**GDRs**"), International depository receipts ("**IDRs**"), and European depository receipts ("**EDRs**"), rights and warrants (which are issued by a company to allow holders to subscribe for additional securities issued by that company). Any investment by the Fund in warrants and/or rights will not embed leverage and will not embed a derivative component.

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.

Regulated Funds and Exchange Traded Funds

The Fund may invest up to 10% of its Net Asset Value in the units and/or shares of collective investment schemes, including exchange-traded funds ("**ETFs**") and money market funds, established as UCITS or alternative investment funds eligible for investment by a UCITS in accordance with the requirements of the Central Bank (each a "**Regulated Fund**"). Up to 10% of the Net Asset Value of the Fund may be invested in any one single Regulated Fund. The Regulated Funds in which the Fund may invest may be domiciled in the European Economic Area (EEA), the U.S., the United Kingdom, the Isle of Man, Guernsey, and Jersey. The Fund will invest in Regulated Funds primarily when such investment is consistent with the Fund's primary investment focus, for the purposes of gaining exposure to the types of instruments described herein or otherwise for liquidity management purposes.

For the avoidance of doubt, open-ended ETFs are considered collective investment schemes for the purposes of the above restriction. The Fund will not invest in ETFs based in the U.S.. Any investment in open-ended ETFs will be in accordance with the investment limits for investment funds, as set out under in the section of the Prospectus entitled "Funds", sub-

paragraph, "*Investment Restrictions*". Any investment by the Fund in Regulated Funds will not embed leverage and will not in any circumstances embed a derivative.

Ancillary Liquid Assets and Cash Management

Although it will be normal policy of the Fund to deploy its assets as detailed above, the Fund may also hold cash (including in currencies other than the Base Currency) or ancillary liquid assets (comprising short term Money Market Instruments, non-bespoke fixed or floating rate notes (i.e. short-term instruments issued under a legally binding facility (a form of revolving credit), which are underwritten by a bank or banks) and fixed or variable rate commercial paper (which are considered investment grade or above as rated by the principal rating agencies) and US treasury issues and other types of debt securities (such as fixed and floating rate bonds), which will be listed on a recognised Market, and cash equivalents such as certificates of deposit, term deposits, treasury bills, government's promissory notes, banker's acceptance, other similar short terms instruments and cash deposits denominated in such currency or currencies as the Investment Manager may determine). Such debt securities referred to above will be issued by governments or corporations and rated equal to or better than BBB- by Standard & Poor's or Fitch, or Baa3 by Moody's, or an un-rated security deemed to be of equivalent standing by the Investment Manager. In the case of a split-rated security, the highest rating will apply. Money Market Instruments, such as short term treasury bills and treasury notes (both fixed and floating rate), certificates of deposit and bankers' acceptances, are instruments normally dealt in on the money market which: (i) are liquid, i.e. capable of being converted to cash within seven business days at a price closely approximating their current value; and (ii) have a value which can be accurately determined at any time.

Cash and ancillary liquid assets may be held for cash management purposes, for example, pending investment of subscription monies or in anticipation of future redemptions, tactical deployment of capital and pending investment in alternative equity related investments. 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 amount of cash and /or ancillary liquid assets that the Fund will hold will vary depending on the foregoing circumstances set out in this paragraph, however, it is possible that up to 20% of the Net Asset Value of the Fund may be held in cash or ancillary liquid assets at any time.

The Fund will invest in emerging market countries that are typically those of poorer or less developed countries and other countries which typically exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. Emerging market countries may include, but are not limited to, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The Fund may also invest in frontier market countries, which are a subset of and are the least developed amongst the emerging market countries, with less developed capital markets and lower liquidity. Frontier market countries may include, but are not limited to, Bahrain, Bangladesh, Bolivia, Botswana, Bulgaria, Croatia, Dominican Republic, Estonia, Ghana, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Latvia, Lebanon, Libya, Lithuania, Mauritius, Morocco, Nigeria, Mongolia, Myanmar, Oman, Pakistan, Palestine, Panama, Paraguay, Romania, Saudi Arabia, Serbia, Slovenia, Slovakia, Sri Lanka, Tanzania, Trinidad & Tobago, Tunisia, Uruguay, Vietnam and the West African Economic and Monetary Union (consisting of Benin, Burkina Faso, Ivory Coast, Guinea-Bissau, Mali, Niger, Senegal and Togo), and Zimbabwe.

The Fund will pursue its investment objective by investing at least 80% of its Net Asset Value, and up to 100% of its Net Asset Value, in such emerging market and frontier market countries. The Fund will not invest in securities traded on Russian markets.

In making its investments, the Fund does not intend to concentrate on any particular industries or sector.

Benchmark

The Fund is actively managed and is compared to MSCI Emerging Markets Total Return Net Index (the "**Index**") as a benchmark solely for performance measurement purposes. The Index is designed to measure the performance of the large and mid-cap representation across a number of emerging market countries. Investments in the portfolio are not specifically selected from the constituents of the Index, hence the Fund's investment policy is in no way constrained and the degree of deviation from the Index may be significant. The Index has not been chosen for the purpose of achieving the social or environmental characteristics promoted by the Fund.

Markets

Except to the extent permitted by the UCITS Regulations, the securities in which the Fund will invest will be listed or traded on a recognised Market. Where it is considered appropriate to achieve the investment objective of the Fund, the Fund may invest up to 10% of its NAV in securities which are not listed or traded on a recognised Market.

Long / Short Positions

The Fund will primarily seek to obtain long exposures to the asset classes as described above, in order to seek to achieve its investment objective. It is expected that the total net long positions will not exceed 100% of the Net Asset Value of the Fund. The Fund shall not adopt any short positions.

Securities Financing Transactions

The Fund will not enter into securities financing transaction arrangements.

3. INVESTMENT STRATEGY

The Investment Manager follows a bottom-up fundamental analysis approach to uncover mispriced investment opportunities in emerging markets. A bottom-up fundamental analysis approach means that the Investment Manager's global sector specialists are performing in-depth research for each potential investment opportunity, taking in consideration expected returns and risks. The Investment Manager seeks to manage the risk profile of the Fund through diversification of investments by country, sector and company and by seeking to pay a price that is below the Investment Manager's estimates of the underlying business value, as determined by assessing the net present value of future cash flows.

The Investment Manager will seek to concentrate the Fund's investments in what it believes to be best, highest conviction ideas in emerging markets where the Fund may generate positive return on investment over the long term. The Investment Manager aims to exploit inefficiencies in emerging markets across the spectrum of market capitalisation. The Investment Manager believes that small and mid-caps segments, as well as off-benchmark securities are offering plenty of opportunities to exploit inefficiencies in emerging markets.

The Investment Manager's stock selection process starts with the entire universe of publicly traded companies in emerging markets. External data suppliers (such as Bloomberg and Factset), investment brokerage earnings reports, cash flow and sales estimates are used to help identify areas of potential under-valuation.

The investment team research the fundamental characteristics of each company, including cost structures, proprietary products, growth prospects for their products or services, barriers to entry, market position, management quality, financial structure, and potential for acquisition or takeover. The investment team seek to identify businesses that produce quality products in stable or growing markets at a low cost, and have the potential for improved profitability and which have a history of issuing dividends. Individual names are added to the Fund based on their ability to double in value over 5 years. Detailed long-range financial forecasts are prepared by the investment team for each company. In addition, the Investment Manager also conducts interviews with management at selected companies each year prior to investment and thereafter, on a continuing basis.

Approach to ESG Integration

The Fund promotes environmental, social, and good governance characteristics through its investment selection process. ESG considerations are integrated into the fundamental analysis the Investment Manager performs on each individual investment and is an integral part of the investment strategy.

ESG considerations are identified and implemented by the Fund's Investment Manager. As part of the Investment Manager's investment approach, all members of its investment team must continually take ESG considerations into account as part of the investment reviews. For example, the Investment Manager will complete a review of the ESG characteristics of a company based on the core criteria of the SASB2 (Sustainability Accounting Standards Board) and the 77 SASB sectoral reports that identify the major ESG issues in each sector. Each member of the Investment Team must continually assess the risks and opportunities related to ESG factors within the sectors, sub-sectors and companies they study.

ESG analysis is an integral part the Investment Manager's research process and allows for upstream identification of any current environmental, social or governance conditions that could become major operational or financial risks for a company in the future if they are not addressed. This analysis gives the Investment Manager the opportunity to be proactive in its engagement with prospective companies in order to encourage them to remediate any shortcomings observed, and to ensure that the Investment Manager adopt a longer investment horizon, rather than focusing only on short-term financial goals. Finally, the ESG analysis performed by the Investment Manager allows it to better assess management teams within companies in order to ensure that they prioritize an optimal long-term value-creation process for the benefit of all of the company's stakeholders and investors.

The Advisory and Marketing Support Agent provides non-discretionary advice on certain ESG considerations to the Investment Manager as further described under "**Advisory and Marketing Support Agent**" below.

ESG characteristics are defined as environmental, social or governance criteria that have a positive environmental and/or social impact.

The Investment Manager evaluates carbon emissions for each individual issuer when information is available from third party service providers and also at the overall portfolio level. The Investment Manager utilizes data from third party vendors such as Sustainalytics to evaluate the carbon intensity of portfolio companies. This data is integrated into the investment management process at the research phase and when monitoring portfolio companies. The Investment Manager encourages issuers to make plans to reduce carbon emissions in line with the Paris Accord by way of engagement.

Environmental & Social characteristics promoted by the Fund

The Fund will promote the below environmental and social characteristics through its investment selection process. Investment analysts within the Investment Manager's investment

team monitor criteria for investee companies, and seek evidence that management is working towards improvement of its operations in these areas.

The Investment Manager's investment team monitor criteria for investee companies, through a review of material ESG issues, such as those identified by the Sustainability Accounting Standards Board ("**SASB**"). Material ESG issues may include issues identified by SASB as potentially material for a company operating in a specific industry as set out in one of SASB's industry reports.

The Investment Manager's review is supplemented by the research prepared by Sustainalytics and Glass Lewis. The Investment Manager's evaluation of companies includes an examination of the Fund's exclusionary criteria, such as thermal coal, etc. Where a company is subsequently included in the Fund's portfolio, the Investment Manager's investment team will maintain ongoing dialogue with the company, including for any ESG areas that require ongoing monitoring. This is supported by semi-annual ESG screening prepared by Sustainalytics, which includes ongoing monitoring of involvement in exclusionary areas.

The Fund recognises that by nature, emerging markets are generally less progressed with relation to environmental and social practices relative to their developed market counterparts.

A full list of the Fund's exclusionary criteria is described in the "*Guidelines for the observation and exclusion of companies based on the application of ESG criteria*" section below.

Environmental:

- Climate change awareness: The Fund will promote the selection of companies that contribute positively towards the global energy transition and reduction of global greenhouse gas ("**GHG**") emissions. As part of the process to identify and select companies, the Investment Manager analyses data from third-party data vendors such as Sustainalytics which allows the Investment Manager to evaluate the carbon intensity of portfolio companies. While the Investment Manager will not exclude companies solely based on GHG emissions, the Investment Manager considers the impact on the portfolio's total GHG emissions as well as progress towards reducing GHG emissions. The Investment Manager will engage with companies that have high levels of GHG emissions in the context of their industry and operations. As part of its interactions with the management and boards of directors of portfolio companies, the Investment Manager seeks to promote the implementation of plans to reduce carbon emissions by such companies by promoting such companies to utilise greater disclosure, to set net-zero or interim emissions reduction targets, and to provide detailed explanations of how those targets will be achieved. Such companies shall be expected to have clear targets in relation to net-zero or interim emissions reductions as set out through the adoption of appropriate policies of setting net-zero or interim emissions reductions targets. The Investment Manager tracks net zero targets and interim targets for all companies, and will monitor progress towards those targets, utilising publicly available disclosures made available by such companies and their policies of setting net-zero or interim emissions reductions targets. The Investment Manager shall assess whether the companies in the portfolio have committed to setting science based GHG emissions targets, as defined by the international NGO, the Science Based Targets initiative ("**SBTI**") and will track companies with the SBTI certification. SBTI seeks to define and promote best practice in emissions reductions and net-zero targets in line with climate science, and through its validation services arm, assesses and validates companies' net-zero or interim emissions reductions targets.
- Water: The Fund promotes the conservation and responsible use of water in investee companies' operations.

Social:

- Diversity and Inclusion: The Fund promotes diverse gender representation at the board level.
- Occupational health and safety: The Fund promotes investee companies which provide a safe and healthy workplace environment for its employees and the communities they operate in.

Guidelines for the observation and exclusion of companies based on the application of ESG criteria:

The Investment Manager observes the following list of sector exclusions:

- Tobacco
- Thermal coal
- Gambling
- Cluster munitions
- Controversial weapons
- Fur
- Adult entertainment

In addition, the Investment Manager, with respect to the Fund, follows the Norges Bank Investment Management ESG exclusion list of companies. Norges Bank decides on which companies are to be included in the exclusion list of companies. Exclusions on the list as of 1 January 2015 are the decision of Norges Bank's Executive Board. Exclusions previous to this date are decisions made by the Norwegian Ministry of Finance. The decisions are based on recommendations from the Council on Ethics appointed by the Norwegian Ministry of Finance. For the product-based coal criterion, decisions on which companies to exclude are based on recommendations from Norges Bank Investment Management. Securities will not be included in the Fund's portfolio if they are on the Norges Bank exclusion list of companies details of which can be accessed at the following link: <https://www.nbim.no/en//responsible-investment/exclusion-of-companies>

The Investment Manager has committed to reviewing ESG characteristics of securities held in the portfolio on an annual basis and more frequently as needed. Where material ESG issues are identified the impact of these ESG issues is incorporated into our broader company evaluation. This may lead to a decision not to invest or divest from an investment.

The Investment Manager is a signatory of the UN Principles for Responsible Investment and follows its guidelines.

Principal Adverse Impact Statement

Taking due account of the nature and scale of its activities, neither the Manager nor the Investment Manager currently considers the principal adverse impacts of investment decisions of the Fund on sustainability factors (in the manner specifically contemplated by Article 7(1) (a) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"). The Investment Manager consider this an appropriate and proportionate approach to compliance with its obligations under SFDR. The Investment Manager will review this decision annually and more frequently as needed.

Regulation EU 2020/852 - Taxonomy Regulation

The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities. Accordingly, the Fund's investment in

economic activities that qualify as environmentally sustainable within the meaning of Article 3 of the Taxonomy Regulation is 0%. This is on the basis that, while the Fund promotes social and environmental characteristics, as at the date of this Supplement, it does not actively seek to make investments in one or several economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

Pre-Contractual Disclosures in accordance with Commission Delegated Regulation of 6 April 2022 supplementing Regulation (EU) 2019/2088 ("SFDR Level II")

Further information can be found in the Fund's Pre-Contractual Disclosures Annex in accordance with SFDR Level II at Appendix 1.

4. INVESTMENT MANAGER

Letko, Brosseau & Associates Inc. (the **Investment Manager**) whose registered office is 1800 McGill College Avenue, Suite 2510, Montreal, Quebec, Canada, H3A 3J6, has been appointed by the Manager to act as the discretionary investment manager to the Fund pursuant to an investment management agreement between the ICAV, the Manager and the Investment Manager dated 30 July 2024, as may be amended from time to time (the "**Investment Management Agreement**"). The Investment Manager is registered with the Autorité des marchés financiers (Québec) and investment management activities to collective investment schemes and other financial products.

The Investment Management Agreement provides that the appointment of the Investment Manager as discretionary investment manager will continue in force unless and until terminated by any party giving to the others 90 days' notice in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by any party to the others. Under this agreement, the Investment Manager shall not be liable to the ICAV, the Fund, the Manager or any Shareholders or otherwise for any error of judgement or loss suffered by the ICAV, the Fund or any such Shareholder in connection with the Investment Management Agreement unless such loss arises from the negligence, fraud, bad faith or wilful default in the performance or non-performance by the Investment Manager or persons designated by it of its obligations or duties under the Investment Management Agreement or breach of contract on the part of the Investment Manager or any of its agents or delegates or their agents.

5. ADVISORY AND MARKETING SUPPORT AGENT

The ICAV and the Manager have appointed Candoris B.V. (the **Advisory and Marketing Support Agent**) to: (i) provide advisory support services in respect of the Fund pursuant to the terms of an advisory agreement dated 30 July 2024 (as may be amended from time to time) between the ICAV, the Manager and the Advisory and Marketing Support Agent as may be amended; and (ii) provide marketing support services in respect of the Fund pursuant to the terms of a marketing support agreement dated 30 July 2024 between the ICAV, the Manager and the Advisory and Marketing Support Agent (together the **Advisory and Marketing Support Agreements**).

The role of the Advisory and Marketing Support Agent includes the provision of non-discretionary advice to the ICAV, the Manager and the Investment Manager regarding companies to exclude using ESG criteria in accordance with the guidelines for the exclusion of companies set out under the heading "**Investment Strategy**" above. The Advisory and Marketing Support Agent does not have any discretionary powers over the construction of the Fund's portfolio. The Advisory and Marketing Support Agent will also provide support and assistance with registration of the Fund for marketing and distribution, preparation of factsheets and marketing materials and assist with investor/client relations.

6. CONFLICTS OF INTEREST

In addition to the details of the conflicts of interest with the ICAV set out in the Prospectus, at the date of this Supplement:

Dirk (Rick) van de Kamp and Martijn van Vliet are each Directors of the ICAV, and partners and directors of the Advisory and Marketing Support Agent.

7. BORROWINGS

In accordance with the general provisions set out in the Prospectus, the Fund may borrow up to 10% of its net assets on a temporary basis.

8. LEVERAGE

The Fund's global exposure will be calculated using the commitment approach and leverage will not exceed 100% of its Net Asset Value at any time. The Investment Manager will not utilise derivatives and in practice, the Investment Manager does not anticipate that the Fund will typically be leveraged. The Investment Manager will measure global exposure daily.

9. RISK FACTORS

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. These risk factors are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional Investment Managers before making a subscription request for Shares. The investments of the Fund may be subject to market fluctuations, currency fluctuations, custody and settlement risks, registration risk and foreign exposure risk.

In addition, the following risk factors apply to the Fund:

9.1. General Risk

The net asset value of the Fund and investment return will fluctuate based upon changes in the value of its portfolio securities. The market value of a security may move up or down, sometimes rapidly and unpredictably. These fluctuations may cause a security to be worth less than the price originally paid for it, or less than it was worth at an earlier time. Market risk may affect a single issuer, industry, sector of the economy or the market as a whole. U.S. and international markets have experienced, and may continue to experience, volatility, which may increase risks associated with an investment in the Fund. The market value of securities in which the Fund invests is based upon the market's perception of value and is not necessarily an objective measure of the securities' value. In some cases, for example, the stock prices of individual companies have been negatively affected even though there may be little or no apparent degradation in the financial condition or prospects of the issuers. Similarly, the debt markets have experienced substantially lower valuations, reduced liquidity, price volatility, credit downgrades, increased likelihood of default, and valuation difficulties. As a result of this significant volatility, many of the following risks associated with an investment in the Fund may be increased. Continuing market volatility may have adverse effects on the Fund.

9.2. Objective Risk

There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon equity securities before investing in the Fund.

9.3. **Equity Securities Risk**

The Fund invests in common stock, which subjects the Fund and its shareholders to the risks associated with common stock investing. These risks include the financial risk of selecting securities that do not perform as anticipated, the risk that the stock markets in which the Fund invests may experience periods of turbulence and instability, and the general risk that global economies may go through periods of decline and cyclical change. The Fund may also invest in preferred stock which is subject to many of the risks associated with debt securities, including interest rate risk. In addition, preferred stock may not pay a dividend, an issuer may suspend payment of dividends on preferred stock at any time, and in certain situations an issuer may call or redeem its preferred stock or convert it to common stock. Many factors affect the performance of each company, including the strength of the company's management or the demand for its product or services. Investors should be aware that the value of a company's share price may decline as a result of poor decisions made by management or lower demand for the company's products or services. In addition, a company's share price may also decline if its earnings or revenues fall short of expectations. There are overall stock market risks that may also affect the value of the Fund. Over time, the stock markets tend to move in cycles, with periods when stock prices rise generally and periods when stock prices decline generally. The value of the Fund's investments may increase or decrease more than the stock markets in general. Of course, the Fund is subject to these same risks to the extent that it invests directly in common stocks.

9.4. **Risks of Equity-Related Securities**

Equity-related securities are generally subject to the same risks as the equity securities or baskets of equity securities to which they relate. Upon the maturity of the equity related securities, the Fund generally receives a return of principal based on the capital appreciation of the underlying securities. If the underlying securities decline in value, the equity related securities may return a lower amount at maturity. The trading price of an equity related security also depends on the value of the underlying security. Warrants and rights, which provide rights to buy securities, can provide a greater potential for profit or loss than an equivalent investment in the underlying security. Prices of warrants and rights do not necessarily move in tandem with the prices of the underlying securities and may be volatile. Warrants and rights have no voting rights, pay no dividends and offer no rights with respect to the assets of the issuer other than a purchase option. If a warrant or right held by a Fund is not exercised by the date of its expiration, the Fund would lose the entire purchase price of the warrant or right.

9.5. **Depositary Receipts**

The Fund may invest in depositary receipts, including ADRs, GDRs, IDRs and EDRs. Depositary Receipts are equity-related instruments that represent a non-U.S. company's publically traded securities and are traded on local stock exchanges. The Fund may utilise depositary receipts to gain exposure to equity securities of non-US issuers, particularly where such instruments represent a benefit to the relevant Fund over direct investment in the underlying equity securities. Although certain depositary receipts may reduce or eliminate some of the risks associated with non-U.S. investing, these types of securities generally are subject to many of the same risks as direct investment in securities of non-U.S. issuers.

9.6. **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 Fund 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 so-called 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. The Investment Manager's assessment is that integration of sustainability risks should help mitigate the 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.

9.7. **General risks associated with ESG investing**

Use of ESG criteria by the Investment Manager to select investments for the Fund involves a degree of subjectivity on the part of the Investment Manager. There can be no assurance that the ESG criteria taken into account by the Investment Manager will result in the Fund's investments aligning with a Shareholder's specific values or beliefs. The ESG criteria may be amended at any time without prior notice being given to a Fund or its Shareholders.

While investments will not be selected solely on the basis of ESG criteria and other business risks and opportunities the company is facing are also taken into account, the selection of investments based on the Investment Manager's ESG criteria may affect the Fund's ability to select, or maintain exposure to, certain investments. This may result in the performance of the Fund differing from a fund with a similar strategy that does not take ESG criteria into consideration.

9.8. **Management Risk**

Management risk is the risk that the investment process used by the Fund's portfolio manager could fail to achieve the Fund's investment goal and cause an investment in the Fund to lose value.

9.9. **Limited Operating History Risk**

The Fund has a limited history of operation. Accordingly, an investment in the Fund entails a high degree of risk. There can be no assurance that the Fund and the Investment Manager will achieve the Fund's investment objective notwithstanding the performance of any or all of the foregoing or their respective affiliates or principals in other transactions including, without limitation, arrangements similar in nature to the Fund.

9.10. **Conflict of Interest Risk**

The ICAV and the Manager will rely on the Investment Manager in implementing its investment strategies. The Directors together with the Manager have determined the investment policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an on-going basis. The investment Manager will initiate and execute all investments. Investors must rely on the judgement of the Directors and the Manager in determining to invest in the manner set out herein. The Investment Manager and its principals will devote a portion of their business time to the ICAV's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based on or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

9.11. **Default of Service Provider**

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Manager, the Investment Manager, the Administrator or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

9.12. **Limited Disposal Rights Risk**

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

9.13. **Taxation Risk**

A risk exists that the tax authorities in countries in which the Fund invests may, where relevant, not be prepared to permit persons in their jurisdictions to pay interest to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

9.14. **Valuations of Net Asset Value Risk**

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed "**Valuation of Assets**".

9.15. **Lack of Operating History Risk**

The Fund has limited operating history. There can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Directors may determine to liquidate the Fund. Liquidation of the Fund can be initiated by the Directors if it determines it is in the best interest of shareholders. The timing of any Fund liquidation may not be favourable to certain individual shareholders.

9.16. **Emerging Markets / Frontier Markets Risk**

Investment in Emerging Market securities and securities with Emerging Markets exposure involves a greater degree of risk than investment in securities of issuers based in developed countries. Investing in securities with exposure to Frontier Markets carries a higher degree of risk with the risks associated with exposure to Emerging Markets being amplified when investing in Frontier Market countries or being otherwise exposed to Frontier Markets. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, more accounting or financial fraud, less favourable tax provisions, and a greater likelihood of severe inflation and economic instability, political risks, unstable currency, war and/or expropriation of personal property than investments in securities of issuers based in developed countries. In addition, investment opportunities in certain Emerging Markets/Frontier Markets may be restricted by legal limits on foreign investment in local securities.

Emerging Markets/Frontier Markets generally are not as efficient as those in developed countries. In some cases, a market for a security may not exist locally, and transactions will need to be made on a neighbouring exchange. Volume and liquidity levels in Emerging Markets/Frontier Markets are lower than in developed countries. When seeking to sell emerging market/frontier market securities, little or no market may exist for such securities. In addition, issuers based in Emerging Markets/Frontier Markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable

to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the governments or securities exchanges in Emerging Markets/Frontier Markets may not accurately reflect the actual circumstances being reported.

The issuers of some emerging market securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and, therefore, potentially carry greater risks. Custodial expenses and transaction costs for a portfolio of Emerging Markets/Frontier Markets securities generally are higher than for a portfolio of securities of issuers based in developed countries.

Please also refer to the "Emerging Market Assets" section in the "Risk Factors" section of the Prospectus.

9.17. Risks of Investing in Other Regulated Funds

The Fund may purchase shares of other Regulated Funds where such investment is consistent with its investment objective, policies and restrictions applicable to that Fund. The Regulated Funds invested in by the Fund may be UCITS and/or other Regulated Funds eligible for investment by a UCITS. The cost of investing in the Fund which purchases shares of other Regulated Funds will generally be higher than the cost of investing in an investment fund that invests directly in individual stocks and bonds. By investing in the Fund, an investor will indirectly bear fees and expenses charged by the underlying Regulated Funds in addition to the Fund's direct fees and expenses. Where the Fund invests substantially in other Regulated Funds, the risks associated with investing in the Fund may be closely related to the risks associated with the securities and other investments held by the other Regulated Funds. The Fund will typically gain exposure to other Regulated Funds, which have substantially similar asset classes, however there may be instances where the other CIS has exposure to other asset classes.

10. HEDGING TRANSACTIONS

No share class currency hedging in respect of Class I4 or Class Launch Shares is proposed. The Fund may otherwise seek to hedge the foreign currency exposure of Classes (other than Class I4 and Class Launch Shares) denominated in a currency other than the Base Currency of the Fund in order that investors in that Class receive a return in the currency of that Class substantially in line with the investment performance of the relevant Fund.

There can be no assurance that such hedging transactions will be effective so far as the Shareholders of the relevant Classes are concerned. Further details of the allocation to the relevant Class of the gains/losses on and the costs of the relevant financial instruments relating to class specific hedging are included in the Prospectus under the heading "Hedged Classes".

The ICAV may appoint a service provider (which may without limitation be the Depositary or an affiliate of the Depositary) to implement the share class currency hedging arrangements described in this Supplement on a non-discretionary basis. The fees payable to any such service provider shall be payable out of the assets of the Fund (attributable to the relevant Class) at normal commercial rates.

11. DIVIDEND POLICY

Under the Instrument, the Directors have the discretion to decide whether or not any distribution will be made from the income or capital gains of the ICAV in relation to any financial year and (if so) the amount to be distributed. It is not the present intention of the Directors to declare distributions on any Classes of Shares in the Fund.

If the dividend policy of a Class should change, full details will be provided in an updated Supplement and Shareholders will be notified in advance of the change in policy.

12. PROFILE OF A TYPICAL INVESTOR

The Fund is designed for retail and institutional investors seeking pooled exposure to equities in Emerging Markets and Frontier Markets, and who are comfortable with a higher level of investment risk and volatility. It is expected that the Fund will be held as part of a diversified portfolio. Share prices will fluctuate and may fall in value. It is important to understand that the Fund should be viewed as a long term investment.

13. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is US Dollar.

Shares available for subscription

The following Classes are currently available for subscription:

Share Class	Currency	Minimum Initial Investment Amount	Minimum Additional Investment Amount	Minimum Shareholding
Class I1	USD	\$1,000,000	\$1,000	\$1,000
Class I2	USD	\$10,000,000	\$1,000	\$1,000
Class I3	USD	\$25,000,000	\$1,000	\$1,000
Class I4	EUR	€1,000,000	€1,000	€1,000
Class Retail	USD	\$1,000	\$100	\$1,000
Class Launch*	EUR	€10,000	€1,000	€1,000

The Minimum Initial Investment Amount, the Minimum Additional Investment Amount and/or the Minimum Shareholding may be reduced or waived at the discretion of the Directors, provided that Shareholders in the same Class shall be treated equally and fairly.

*Class Launch Shares are only available for subscription from 31 July 2024 until the earlier of either (i) 31 January 2025, or (ii) the date upon which the Net Asset Value of the Fund exceeds \$100 million. Thereafter, subscriptions for additional Shares in Class Launch Shares are restricted to only those existing Shareholders already holding Class Launch Shares.

The Directors may, in their sole and absolute discretion, close some or all of the Classes in the Fund to subscriptions from existing and/or new Shareholders. The Directors may subsequently re-open some or all of the Classes in the Fund to further subscriptions from existing and/or new Shareholders at their discretion and the process of closing and potentially, re-opening the Classes may be repeated thereafter as the Directors may determine from time to time. Shareholders may ascertain the closed or open status of the Classes of the Fund and if those

Classes are open to existing and/or new Shareholders by contacting the Administrator, the Manager, the Advisory and Marketing Support Agent or the Investment Manager. Closing the Fund to new subscriptions will not affect the redemption rights of existing Shareholders in the Fund and such Shareholders will be permitted to convert into other Classes of the same Fund or a Class of another Fund as outlined under the section of the Prospectus entitled "Share Dealings", sub-paragraph "Exchange of Shares".

Minimum Fund Size

If the Fund's assets fall below \$30 million, the Directors may, at their absolute discretion, and following discussion with the Manager, resolve to terminate the Fund where the assets of the Fund remain under this size for a period of 6 weeks.

Initial Offer Period

The Initial Offer Period for each class of Shares shall commence from 9:00am (Irish time) on 31 July 2024 and shall continue until 5.00 pm (Irish time) on 31 January 2025 and shall be at the Initial Issue Price, as set out below. The Initial Offer Period of each Class of Shares may be extended or shortened as the Directors may determine in accordance with the requirements of the Central Bank.

Initial Issue Price

During the Initial Offer Period, Shares in the following Classes will be available at the below initial issue price or the equivalent amount in another currency (the "**Initial Issue Price**"):

- a) Class I1, Class I2, Class I3 Shares and Class Retail will be available for subscription at \$100 per Share; and
- b) Class I4 and Class Launch will be available for subscription at €100 per Share.

After the Initial Offer Period of each Class, such Class will be available for subscription at the Net Asset Value per Share.

Business Day

Any day (except Saturday or Sunday) on which the banks in Ireland and New York are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day. There shall be at least one Dealing Day per fortnight.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions and Redemptions is defined as 3:00 p.m. (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 2nd Business Day falling after the Dealing Day on which the redemption request was received. However, the ICAV may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to

the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Class.

Valuation Point

The Valuation Point shall be 10.00 p.m. (Irish time) / 5.00 p.m. (New York time) on the relevant Dealing Day, or such other time as the Directors may on an exceptional basis determine and notify in advance to Shareholders, provided that there shall always be a Valuation Point for each Dealing Day and the Valuation Point shall always be after the Dealing Deadline. This Supplement shall be updated in the event of a change of the Valuation Point.

Swing Pricing

In the appropriate circumstances, swing pricing can be employed as an effective mechanism to protect Shareholders against the effects of dilution which may occur as a result of higher transaction related costs associated with significant net inflows or outflows. In order to prevent this effect the Directors or the Manager shall, in respect of the Fund apply "swing pricing" methodology that calculates the subscription and redemption price per Share by adjusting on the respective Dealing Day the Net Asset Value per Share upwards or downwards by a swing factor that reflects the amount of dilution due to dealing and other costs which would be payable on the effective acquisition or disposal of assets in the relevant Fund if the net subscriptions and redemptions exceed a threshold ("**Swing Threshold**") set by the Manager and/or Directors as amended from time to time.

Unless the Directors determine otherwise, the Net Asset Value on a Dealing Day will be adjusted to calculate the subscription and redemption price in the following circumstances: (a) on the Fund experiencing levels of net subscriptions (i.e. subscriptions are greater in value than redemptions) in excess of the Swing Threshold, the NAV will be adjusted upwards by the swing factor calculated by the Administrator and approved by the Manager and/or Directors from time to time which shall not exceed 5%; and/or (b) on the Fund experiencing levels of net redemptions (i.e. redemptions are greater in value than subscriptions) in excess of the Swing Threshold, the NAV will be adjusted downwards by the swing factor calculated by the Administrator and approved by the Manager and/or Directors from time to time, which shall not exceed 5%; and/or (c) in any other case where the Directors are of the opinion that it is in the interests of existing/remaining Shareholders and potential Shareholders that the NAV be adjusted. For the purpose of calculating any expenses of the Fund which are based on the Net Asset Value of the relevant Fund, the Administrator will continue to use the un-swing Net Asset Value.

14. FEES AND EXPENSES

The fixed fees payable by the Fund are currently as set out below. The fees and out-of-pocket expenses of the Manager, the Investment Manager, the Advisory and Marketing Support Agent (in respect of the provision of marketing support services), the Administrator, the Depositary, the relevant portion of the Directors' fees payable by the ICAV which have been allocated to the Fund, administrative expenses of the Fund, sub-depositary fees (which shall be charged at normal commercial rates), the regulatory levy of the Fund, establishment costs, registration costs and Other Administrative Expenses as described under the heading "Fees and Expenses" in the Prospectus shall be discharged out of the Fixed TER specified below. For the avoidance of doubt, Extraordinary Expenses (as set out in the Prospectus) are not included in the Fixed TER.

The establishment costs of the Fund shall not exceed €25,000. The establishment costs will be amortised over a period of three years.

The Fixed Management Fee covers the fees and out-of-pocket expenses of the Investment Manager and Advisory and Marketing Support Agent (in respect of the provision of advisory services). The other fees and expenses listed above will be paid out of the Fixed Service Fee.

In circumstances where the other fees and expenses accrued by the Fund, which are listed above as being paid out of the Fixed Service Fee, exceed the Fixed Service Fee set out below, those excess other fees and expenses shall be discharged from the Fixed Management Fee or the Fixed Service Fee payable out of the assets of the Fund before it is paid to the Manager, Investment Manager and Advisory and Marketing Support Agent and the amount remaining for payment to such parties shall be reduced accordingly.

The Fixed Management Fee and Fixed Service Fee comprising the Fixed TER specified below are payable out of the assets of the Fund at the levels specified below, including for example where the fees and out-of-pocket costs and expenses of the Manager, Investment Manager and Advisory and Marketing Support Agent (in respect of the provision of advisory services) are less than the Fixed Management Fee and/or where the other fees, costs and expenses listed above as being paid out of the Fixed Service Fee are less than the Fixed Service Fee. Notwithstanding the foregoing, in circumstances where the actual fees, costs and expenses attributable to the Fixed TER are less than the Fixed Management Fee and Fixed Service Fee by an amount greater than 0.15% of NAV, in such circumstances, than any such excess amount greater than 0.15% of NAV will be returned to the account of the relevant Share Class. For the avoidance of doubt, where the actual fees, costs and expenses attributable to the Fixed TER are less than the Fixed Management Fee and Fixed Service Fee by an amount between 0 and 0.15% of NAV, such amounts will be charged to the Fund and will not be returned to the account of the relevant Share Class. The Manager and the ICAV shall review the appropriateness of the fees and expenses arrangements in relation to the Fund on an at least annual basis.

In no circumstances will fees and expenses be carried forward.

	Class I1	Class I2	Class I3	Class I4	Class Retail	Class Launch
Fixed Management Fee	0.75% of NAV	0.65% of NAV	0.60% of NAV	0.75% of NAV	1.50% of NAV	0.45% of NAV
Fixed Service Fee	0.20% of NAV	0.20% of NAV	0.20% of NAV	0.20% of NAV	0.25% of NAV	0.20% of NAV
Fixed TER	0.95% of NAV	0.85% of NAV	0.80% of NAV	0.95% of NAV	1.75% of NAV	0.65% of NAV

The Fixed Management Fee and Fixed Service Fee will accrue daily and are payable quarterly in arrears out of the assets of the Fund.

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

APPENDIX 1
ANNEX II

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

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Letko Brossseau Global Emerging Markets Equity Fund
635400BVS9DHU3F4Z85

Legal entity identifier:

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes
 No

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> 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 <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments
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What environmental and/or social characteristics are promoted by this 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 Fund will promote the below environmental and social characteristics through its investment selection process. Analysts within the Investment Manager's investment team monitor criteria for investee companies, and seek evidence that management is working towards improvement of its operations in these areas. The Investment Manager's investment team monitor criteria for investee companies, through a review of material ESG issues as identified by the Sustainability Accounting Standards Board (SASB), together with its own review of the company and its policies and procedures to respond to such issues. The Investment Manager's review is supplemented by the research prepared by Sustainalytics and Glass Lewis. The Investment Manager's evaluation of companies includes an examination of the Fund's exclusionary criteria, such as thermal coal, etc. Where a company is subsequently included in the Fund's portfolio, the Investment Manager's investment team will maintain ongoing dialogue with the company, including for any ESG areas that require ongoing monitoring. This is supported by semi-annual ESG screening prepared by Sustainalytics, which includes ongoing monitoring of involvement in exclusionary areas.

The Fund recognizes that by nature, emerging markets are generally less progressed with relation to environmental and social practices relative to their developed market counterparts.

Environmental characteristics

- Climate change awareness: The Fund will promote the selection of companies that contribute positively towards the global energy transition and reduction of GHG emissions. As part of the process to identify and select companies, the Investment Manager analyses data from third-party data vendors such as Sustainalytics which allows the Investment Manager to evaluate the carbon intensity of portfolio companies. While the Investment Manager will not exclude companies solely based on GHG emissions, the Investment Manager considers the impact on the portfolio's total GHG emissions as well as progress towards reducing GHG emissions. The Investment Manager will engage with companies that have high levels of GHG emissions in the context of their industry and operations. As part of its interactions with the management and boards of directors of portfolio companies, the Investment Manager seeks to promote the implementation of plans to reduce carbon emissions by such companies by promoting such companies to utilise greater disclosure, setting of net-zero or interim emissions reduction targets, and to provide detailed explanations of how those targets will be achieved. Such companies shall be expected to have clear targets as set out through the adoption of appropriate policies of setting net-zero or interim emissions reductions targets. The Investment Manager tracks net zero targets and interim targets for all companies, and will monitor progress towards those targets, utilising publicly available disclosures made available by such companies and their policies of setting net-zero or interim emissions reductions targets. The Investment Manager shall assess whether the companies in the portfolio have committed to setting science based GHG emissions targets, as defined by the international NGO, the SBTi and will track companies with the SBTi certification. SBTi seeks to define and promote best practice in emissions reductions and net-zero targets in line with climate science, and through its validation services arm, assesses and validates companies' net-zero or interim emissions reductions targets.
- Water: The Fund promotes the conservation and responsible use of water in investee companies' operations.

Social Characteristics

- Diversity and Inclusion: The Fund promotes diverse gender representation at the board level.

- Occupational health and safety: The Fund promotes investee companies which provide a safe and healthy workplace environment for its employees and the communities they operate in.

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

The Fund will measure attainment of the environmental and social characteristics above through the following sustainability indicators, which are measured and tracked by the Investment Manager:

- *Climate change characteristics* will be measured through GHG emissions. The Investment Manager receives third-party data from third party data vendors such as Sustainalytics which allows the evaluation of carbon intensity of portfolio companies. While the Investment Manager will not purely exclude companies based on GHG emissions, the Investment Manager considers the impact on the portfolio's total GHG emissions as well as progress towards reducing GHG emissions.
- *Water conservation* will be qualitatively tracked based on usage and treatment. The Investment Manager notes that water conservation varies across industries and is not a material issue for all companies. The Investment Manager assesses information disclosed by portfolio companies in their annual reports, focusing on water conservation metrics specific to industry. The Investment Manager actively engages with portfolio companies to encourage disclosure of water-related metrics and information, particularly when it is a material issue for the company or when it operates in a water-scarce region.
- *Diversity and Inclusion* is measured for current and prospective portfolio companies based on percentage of female representation at the board level. The Investment Manager aims to see improvement in board diversity over the long-term, while recognizing that changes in board members happen on an infrequent basis. The Investment Manager tracks board diversity directly from company disclosures.
- *Occupational health and safety* is measured by workplace injuries, fatalities and accidents. Portfolio companies which experience incidents should have measures in place to prevent future occurrences. This information is available directly from company disclosures.

The Investment Manager shall adhere to the exclusionary principles set out in the Supplement under the heading "*Guidelines for the observation and exclusion of companies based on the application of ESG criteria*" and as discussed in further detail below.

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

Not applicable. The Fund does not have sustainable investment objectives.

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

— — *How have the indicators for adverse impacts on sustainability factors been taken into account?* Not applicable

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

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.

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

Details: Not applicable



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

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.

Yes, _____

No

What investment strategy does this financial product follow?



The Investment Manager follows a bottom-up fundamental value investing approach to uncover mispriced investment opportunities in emerging markets. Companies are analyzed in detail using a bottom-up approach, which is backed by a top-down macro-economic analysis. The objective is to understand the positioning of the companies within their respective markets, their growth prospects and their cost structures, in order to obtain a proper valuation. The Investment Manager's investment team pays particular attention to the price paid for each investment in both absolute and relative terms. Determining the intrinsic value of companies and ensuring that fair value is paid is an important component of the Investment Manager's investment process. The investment team is constructed using a sector-based approach at the global level, which facilitates the evaluation of opportunities within a global context. The Investment Manager believes that the value-creation process requires a long-term investment horizon.

The Investment Manager's approach to incorporating ESG criteria is based upon the Investment Manager's investment team assessing ESG aspects of the companies they are

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

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

charged with tracking into account. The Investment Manager's study of the ESG characteristics of a company is based on the core criteria of the Sustainability Accounting Standards Board (the "**SASB**") and the 77 SASB sectoral reports that identify the major ESG issues in each sector. The Investment Manager's analysis continually assesses the risks and opportunities related to ESG factors within the sectors, sub-sectors and companies they study.

ESG analysis is an integral part of the Investment Manager's research process and has been since the Investment Manager's inception in 1987. The ESG analysis allows for upstream identification of any current environmental, social or governance conditions that could become major operational or financial risks for the company in the future if they are not addressed.

Engagement Strategy

The foregoing analysis gives the Investment Manager the opportunity to be proactive in its discussions with companies to encourage them to correct any shortcomings observed and allows the Investment Manager to encourage the executives to adopt a longer investment horizon, rather than focusing solely on short-term financial goals. Finally, this ESG approach allows the Investment Manager to better assess the management teams in order to ensure that they prioritize an optimal long-term value-creation process for the benefit of all the firm's stakeholders.

● ***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?***

i. Engagement

To ensure effective and focused engagement with companies, the Investment Manager has set out the above mentioned environmental and social characteristics to help direct its analysis.

Working in alignment with the environmental and social characteristics, the Investment Manager's analysts set a sector engagement agenda to follow while engaging with companies on the highest priority topics. Analysts will choose specific priority engagement topics which best fit each company and their ESG risks and opportunities. Engagement topics may change on a periodic basis as ESG priorities shift over time. Information on these engagements is collected and used for internal analysis of ESG risks, external communications and tracking of progress on key issues by the Investment Manager.

The Investment Manager maintains an ongoing dialogue with management and occasionally engages directly with board members, which enables the Investment Manager to address issues as they arise. If dialogue fails, escalation measures include reflecting the Investment Manager's concerns through proxy voting, as well as gradual and orderly divestments. In very rare instances, the Investment Manager may consider legal action if it believes its clients have been, or may be, wronged.

More details surrounding the Investment Manager's engagement practices can be found in its *ESG Engagement Policy* available at <https://candoris.nl/fund-documents/>

ii. Integration of third party data

As previously outlined, the Investment Manager utilizes data from third party vendors such as Sustainalytics to evaluate the carbon intensity of portfolio companies. This data is integrated into the investment management process at the research phase and when monitoring portfolio companies.

The Investment Manager does not take an exclusionary approach to third party data but rather uses it as a basis for research and engagement. In particular, third party data can be used to evaluate greenhouse gas emissions as described previously.

iii. Negative screening

The Investment Manager shall adhere to the exclusionary principles set out in the Supplement under the heading "*Guidelines for the observation and exclusion of companies based on the application of ESG criteria*".

The Fund shall not invest in those companies that have been included in the Norges Bank Investment Management ESG exclusion list of companies, a list which applies the guidelines for the observation and exclusion of companies as detailed in the Supplement of the Fund. The Norges Bank Investment Management ESG exclusion list is being monitored on an on-going basis by the Investment Manager using its internal compliance systems, in consultation with the Advisory and Marketing Support Agent, which provides advice to the Investment Manager regarding companies to exclude using ESG criteria in accordance with the guidelines for the observation and exclusion of companies as set out above. Where a security held in the portfolio is added to the Norges Bank Investment Management ESG exclusion list, it will typically be divested within 30 days.

Generally, rather than relying on exclusionary screens, the Investment Manager prefers to actively engage with companies. The Investment Manager's process does not assign a specific weight to ESG factors. Rather, the Investment Manager views ESG as a specific set of risks, not unlike the many other risks a company faces, such as competition, geopolitics, economic, or supply chain-related risks. The Investment Manager believes that global investment exclusion is necessary in the areas of tobacco, mining of thermal coal, gambling, cluster munitions, controversial weapons, fur, and adult entertainment, using a 10% revenue threshold. When the Investment Manager becomes aware that a security held in the portfolio exceeds the threshold, the security will typically be divested within 30 days.

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

Not applicable. The Fund has no committed minimum rate.

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

The Investment Manager firmly believes that companies with sound business practices, including strong corporate governance, are more likely to succeed and deliver stronger financial performance over time. The Investment Manager believes it is therefore important to engage with its current and prospective investee company partners on a regular basis to properly assess their ESG practices and understand the risks these businesses face. Through this process the Investment Manager can question their actions and better appreciate how they can reduce risk and benefit from opportunities around key ESG topics.

Strong governance is something that the Investment Manager has always supported. The Investment Manager believes the voting right is one of the most important rights inherent to shareholding. The Investment Manager takes very seriously its responsibility of ensuring that proxies received are voted and that the decisions taken represent the long-term interests of shareholders.

In general, the Investment Manager promotes equal treatment of all shareholders and votes against restricting the composition or conduct of the board of directors. The Investment

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

Manager also seeks to ensure that executive compensation and option plans are fair, reasonable, and do not result in excessive shareholder dilution.

Engagement with company management and the board of directors is a key part of the investment approach, and the Investment Manager will challenge them when it believes their actions are not in the best interest of shareholders. Some examples of topics which the Investment Manager would engage with management on are business ethics, management of the legal and regulatory environment, critical incident risk management, systemic risk management, competitive behaviour, executive compensation, and corruption.

A particular area of focus in Emerging Markets is good governance. Voting rights are one of the most important rights inherent to shareholding. The Investment Manager undertakes this duty with the utmost diligence to ensure that proxies are voted and that the decisions taken represent shareholders' long-term interests.

The Investment Manager votes all proxies itself following in-depth reviews of all proxy materials in accordance with its internal Proxy Voting Guidelines and Corporate Governance Principles, and considers the research provided by Glass Lewis, a leading independent proxy advisory firm.

ESG considerations are identified and implemented by the Fund's Investment Manager. The ICAV and 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, such as:

- **Environmental:** The Investment Manager assesses how a company performs as a steward of nature. The Investment Manager analyses how the Fund's activities impact the environment and manages environmental risks.
- **Social:** The Investment Manager examines the strengths and weaknesses of how a company manages relationships with employees, suppliers, customers, and the communities where it operates.

Governance: The Investment Manager evaluates a company's leadership, executive pay, tax compliance (in particular any companies highlighted for significant tax violations) and shareholder rights.

Asset allocation describes the share of investments in specific assets.

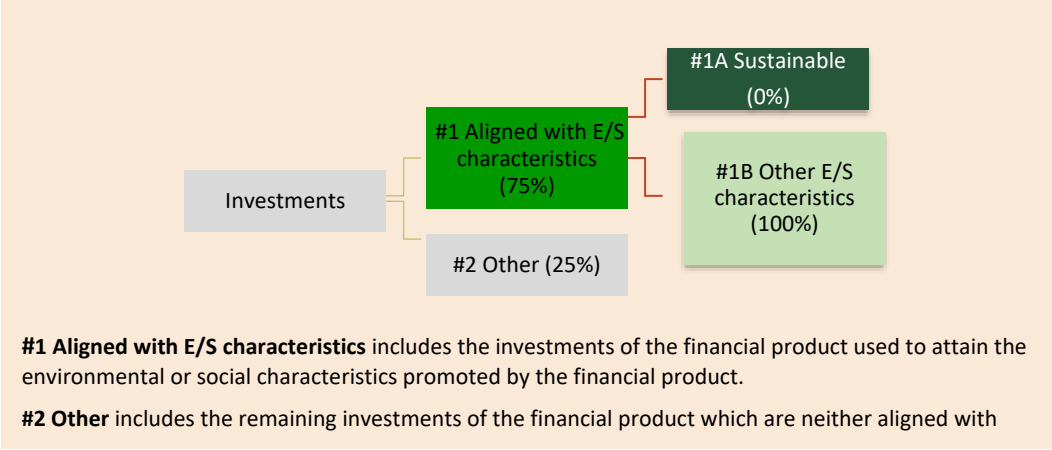


What is the asset allocation planned for this financial product?

The Fund will invest a minimum of 75% of its assets in emerging market equities and equity-related securities. All equity investments are assessed and monitored for alignment with E/S characteristics on an ongoing basis and can be categorised as #1 Aligned with E/S characteristics. The Fund will not make sustainable investments. The Investment Manager recognizes that while all investments are assessed for alignment with E/S characteristics, there are no quantitative exclusionary thresholds to meeting the assessment criteria. The Investment Manager's analysts assess investments for the E/S characteristics in the context of the industry and circumstances impacting the investee company, and the Investment Manager seek to actively engage with management on these E/S characteristics. The remaining investments, including cash and money market equivalents are included in #2 Other.

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?**

Not applicable. The Fund does not use derivatives.



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

The Fund does not invest in sustainable investments with an environmental objective which are aligned with EU Taxonomy under the Taxonomy Regulation. As a result, the percentage of the Fund's investments that will be in economic activities that qualify as environmentally sustainable is 0%.

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

Yes:

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

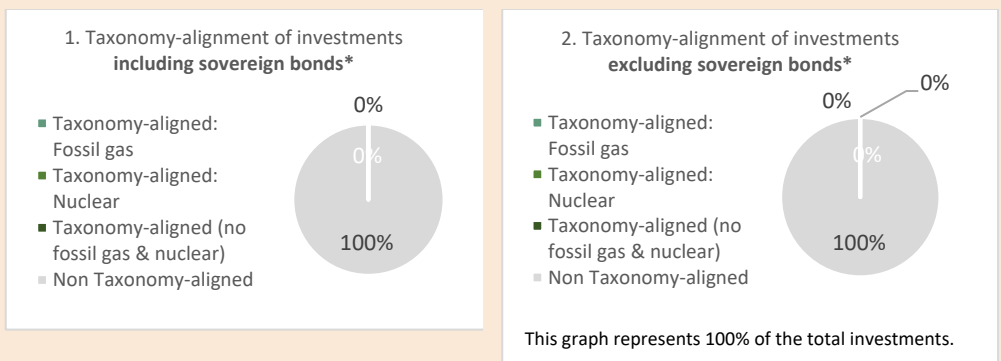
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

- In fossil gas
- In nuclear energy
- No

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



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

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

- The proportion of investments in environmentally sustainable economic activities is currently 0% of NAV, which comprises of 0% of NAV in transitional and 0% of NAV in enabling activities



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

As the Fund does not make any sustainable investments, the minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy is 0% of the NAV.



What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments is 0% of NAV.



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

Cash and other ancillary liquid assets (as detailed in the Supplement under the heading "Ancillary Liquid Assets and Cash Management" are included under #2 Other. Given the nature of these investments, they cannot be assessed for E/S criteria. Generally, the Fund will be fully invested in equities and equity-related securities. The Investment Manager uses its discretion as to when to invest in cash and ancillary liquid assets, 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 amount of cash and /or ancillary liquid assets that the Fund will hold will vary, however, it is possible that up to 20% of the Net Asset Value of the Fund may be held in cash and ancillary liquid assets at any time.

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



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

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

Not applicable, as above.

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

Not applicable, as above.

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

Not applicable, as above.

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

Not applicable, as above.

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



Where can I find more product specific information online?

More product-specific information can be found on the website: Fund data, documents, supplemental information and contact information is available on <https://candoris.nl/fund-documents/>.

