

The Directors of Baron Capital UCITS ICAV (the "**ICAV**") whose names appear in the "**Directory**" of the Prospectus accept responsibility for the information contained in 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) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information.

Baron Capital US Real Estate Fund

(A sub-fund of Baron Capital UCITS ICAV, an Irish collective asset management vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)

SUPPLEMENT

DATED 17 July 2025

This Supplement forms part of, and should be read in the context of and together with, the Prospectus dated 10 April 2024 (the "**Prospectus**") in relation to the ICAV and contains information relating to the Fund, which is a sub-fund of the ICAV.

TABLE OF CONTENTS

THE FUND	1
The Fund	1
Share Classes	1
Investor Profile.....	1
INVESTMENT OBJECTIVE AND POLICIES	2
Investment Objective	2
Investment Policy	2
Asset Classes	3
Cash management	4
Leverage.....	4
Benchmarks.....	4
SUBSCRIPTION AND REDEMPTION OF SHARES	5
RISK CONSIDERATIONS	6
Concentration Risk	6
Growth Investing.....	6
General Stock Market.....	6
Risks of Emphasizing a Sector or Industry	6
Real Estate Industry	7
Sustainability Risk	Error! Bookmark not defined.
Sustainable Investments	7
Small and Mid-Sized Companies	7
Non-U.S. Securities	8
Consumer Discretionary Sector	8
DIVIDEND POLICY	9
FEES AND EXPENSES	10
Establishment Expenses	10
APPENDIX 1 – LIST OF SHARE CLASSES	11
APPENDIX 2 – SFDR ANNEX	12

THE FUND

Any words or terms not defined in this Supplement have the same meaning given to them in the Prospectus.

The Fund

Baron Capital US Real Estate Fund is a sub-fund of the ICAV.

The Fund's Base Currency is USD.

For the Fund, every day (except Saturday or Sunday) on which banks in Ireland are ordinarily open for business is a Business Day.

Each Business Day shall be a Dealing Day in respect of the Fund, unless otherwise determined by the Directors and notified to Shareholders in advance.

The Fund's Net Asset Value is calculated at the Valuation Point on each Valuation Day and each Dealing Day shall be a Valuation Day.

Share Classes

The Fund currently offers certain Classes, which are divided into certain categories, the details of which are as follows:

Class Name	B	C	E	Z	Founder
Base Currency Classes Available	USD	USD	USD	USD	USD
Hedged Classes Available	None	None	None	None	None
Unhedged Classes Available	EUR GBP	EUR GBP	EUR GBP	EUR GBP	EUR GBP
Distributing Classes Available	Yes	Yes	No	No	Yes
Accumulating Classes Available	Yes	Yes	Yes	Yes	Yes

Investors should note that Class Z Shares are intended for institutional investors.

Investors should note that Founder Class Shares are generally available to investors who subscribe in the earliest stages of the Fund.

Please note that a list of the available Share Classes in the Fund has been included at Appendix 1 to this Supplement.

Investor Profile

Investment in the Fund is suitable for professional and retail investors who are seeking capital appreciation over the long term but who understand and can accept fluctuations in the value of the investments over the short term, which may temporarily even lead to a scenario of substantial loss of value.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The Fund's investment objective is to seek to achieve capital appreciation over the long term.

Investment Policy

The Fund seeks to achieve its investment objective by investing at least 80% of the Fund's net assets in the equity securities described below, under "Asset Classes", of U.S. and non-U.S. real estate and real estate-related companies and in companies which, in the opinion of the Investment Manager own significant real estate assets at the time of investment ("**Real Estate Companies**"). In the event that a security held by the Fund ceases to be a Real Estate Company and it causes the Fund to fall below its 80% investment minimum, the Investment Manager will adopt as a priority the remedying of the situation, taking due account of the interests of the shareholders. The Fund may invest in companies of any market capitalization. Investment in non-U.S. securities is limited to 35% of the Fund's total assets at the time of purchase, with a maximum of 20% in emerging market securities.

Real Estate Companies are companies the Investment Manager determines are in the real estate industry based on their involvement in construction, ownership, management, operation, financing, refinancing, sales, leasing, development or rehabilitation of real estate or are in a real estate-related industry based on their provision of goods or services to the real estate industry.

A company is considered to own significant real estate assets if, in the opinion of the Investment Manager, the company has 50% or more of its assets attributable to one or more of the following: (a) real estate owned or leased by the company as lessor or as lessee; or (b) the discounted value of the stream of fees or revenues derived from the management or operation of real estate. Examples of companies that might qualify under (a) or (b) above include, but is not limited to, the following:

- Real estate operating companies;
- Real estate investment trusts ("REITs");
- Homebuilders;
- Hotel, hotel management companies and gaming companies;
- Real estate brokerage/services companies and/or management companies;
- Financial institutions that make or service mortgage loans;
- Manufacturers or distributors of construction materials and/or building supplies/ products;
- Home furnishing and home improvement retail companies;
- Companies with significant real estate holdings such as supermarkets, restaurant chains and retail chains;
- Construction and engineering companies; and
- Companies with infrastructure-related assets such as toll roads, bridges, tunnels, parking facilities, railroads, airports, broadcast and wireless towers, electric transmission and distribution lines, power generation facilities, hospitals and correctional facilities.

The Investment Manager's approach to identifying equity securities is fundamental, bottom-up, and research driven. The Investment Manager identifies companies it believes have strong fundamentals, regardless of the macroeconomic environment. The Investment Manager invests with the intention of holding the investment for the long term. In particular, the Investment Manager seeks to identify whether companies have the following criteria:

1. Significant growth potential;
2. Durable competitive advantages;
3. Exceptional management; and
4. Compelling valuations relative to the Investment Manager's projections of intrinsic value.

The Investment Manager's portfolio managers and research analysts generate ideas, both independently and collaboratively. The team analyzes fundamental financial information, such as income statement, cash flow statement, balance sheet, turnover, and other company-specific data, and meets with the management of the company. The team also analyzes environmental, social, and governance ("ESG") factors relating to companies, with a view to identifying sustainability and investment risks and opportunities. The Investment Manager uses, for this purpose, the outcome of its own company and industry-specific ESG research, as well as third-party ESG ratings and research and ESG-specific engagements with investee companies. The Investment Manager applies an exclusionary screen which prohibits the set-up of potential investments in companies in the adult entertainment, civilian firearms, cluster munitions, and tobacco industries, as described in more detail in the SFDR Annex hereto. If a company passes this screen, it is eligible to be considered as a possible investment. The Fund may occasionally have exposure to industries which violate the exclusion criteria because of inherent limitations in the third party dataset used by the Investment Manager, which are described in further detail in the SFDR Annex.

One outcome of the above process is a five-year proprietary valuation model to quantify a company's opportunities and risks, and to estimate the intrinsic value of its business. Each financial model includes five years of historical data and five years of forward-looking estimates. The models project revenues, earnings, and free cash flow.

A decision by the Investment Manager to invest or to sell an existing investment is informed by all of the foregoing but is not bound by any one particular element of it (save for the exclusionary screen, which is binding, albeit subject to the limitations detailed in the SFDR Annex). In particular, the ESG research described above may not be conclusive or employed in the analysis of all companies, and securities of companies may be purchased and / or retained by the Fund for reasons other than ESG factors.

The Investment Manager's research analysts and portfolio managers regularly meet with management and review holdings, stock prices, and market conditions, as well as industry, demographic, and economic trends, throughout the life of an investment. They typically extrapolate trends that they believe may impact a business over the long term and modify their assumptions as necessary, which filter through their valuation models. The Investment Manager continues to hold a stock as long as it believes the stock can meet the Investment Manager's return expectations going forward.

Asset Classes

The Fund will invest primarily in the following securities which may be issued and listed or traded on Recognised Markets globally:

- **Equity and Equity-Related Securities:** Equity securities of companies of any sector or industry classification, which may include common stocks, depositary receipts (American Depositary Receipts, European Depositary Receipts or Global Depositary Receipts) and related securities such as preferred stocks, real estate investment trusts ("REITs") (up to a maximum of 35%), private placement securities including securities of private companies (ie, securities which are not listed or traded on Recognised Markets, within the relevant UCITS limits), unlisted equity securities, initial public offerings (IPOs), secondary offerings, Rule 144A or Regulation S securities (securities offered outside of the US but which are exempt from the registration requirements of Section 5 of the US Securities Act of 1933), and convertible securities.

As described, and subject to the limits, in the Prospectus, the Fund may use the following efficient portfolio management techniques:

	Expected	Maximum
Repurchase and reverse repurchase agreements	2% of NAV	25% of NAV
Securities lending transactions	0% of NAV	25% of NAV

Cash management

The Fund may hold cash or invest its cash balances at such times deemed appropriate by the Investment Manager, pending investment of such cash or in order to fund anticipated expenses of the Fund or otherwise in the sole discretion of the Investment Manager. These investments will be high quality, liquid assets, such as investment grade, short-term debt securities which are listed, traded or dealt in on Recognised Markets and/or cash and cash equivalents (including UCITS eligible money market funds, UCITS eligible passive index tracking ETFs and cash deposits and near cash instruments, such as bank certificates of deposit or bank deposits with credit institutions). The Fund does not otherwise intend to invest in other collective investment schemes.

Leverage

The global exposure of the Fund is calculated using the commitment approach described in the Prospectus.

Benchmarks

The Fund is actively managed. It does not track or seek to replicate the composition of any index or benchmark and is not constrained by any index or benchmark. Benchmarks may be used from time to time as performance comparators.

SUBSCRIPTION AND REDEMPTION OF SHARES

Shares in the Fund will be issued and redeemed on the terms and in accordance with the procedures described in the Prospectus. For detailed information concerning subscriptions and redemptions, please consult the sections under the heading “*Subscription for Shares*” and “*Redemption of Shares*” in the Prospectus. Details specific to the Fund and the Classes are set out below.

The Fund currently offers the Classes of Shares as set out above in the section entitled “The Fund” and the Classes possess the following features relevant to subscriptions and redemptions:

Class Categories					
Class Name	B	C	E	Z	Founder
Minimum Initial Subscription Amount	USD 1,000 EUR 1,000 GBP 1,000	USD 1,000 EUR 1,000 GBP 1,000	USD 1,000,000 EUR 1,000,000 GBP 1,000,000	USD 10,000,000 EUR 10,000,000 GBP 10,000,000	USD 1,000,000 EUR 1,000,000 GBP 1,000,000
Minimum Additional Subscription Amount	N/A	N/A	N/A	N/A	N/A
Minimum Holding Amount	N/A	N/A	N/A	N/A	N/A
Minimum Redemption Amount	N/A	N/A	N/A	N/A	N/A
Maximum Subscription Fee	5%	5%	5%	5%	5%
Maximum Redemption Fee	3%	3%	3%	3%	3%
Initial Offer Price	USD 100 EUR 100 GBP 100	USD 100 EUR 100 GBP 100	USD 100 EUR 100 GBP 100	USD 100 EUR 100 GBP 100	USD 100 EUR 100 GBP 100
Valuation Point	4 pm (U.S. EST) on the relevant Dealing Day or such other time as the Directors shall determine				
Dealing Deadline for Subscriptions	2 pm (Irish time) one Business Day immediately preceding the relevant Dealing Day				
Settlement Deadline for Subscriptions	Close of business (Irish time) on the second Business Day following the relevant Dealing Day				
Dealing Deadline for Redemptions	2 pm (Irish time) one Business Day immediately preceding the relevant Dealing Day				
Target Settlement of Redemption Payments	Close of business two Business Days following the relevant Dealing Day				

RISK CONSIDERATIONS

There can be no assurance that the Fund's investments will be successful or that the investment objective of the Fund will be achieved. Investors should be aware of the risks of the Fund described in the **Risk Considerations** section of the Prospectus and below. An investment in the Fund is suitable only for persons who are in a position to take such risks.

Concentration Risk

Subject to the provisions of the UCITS Regulations, the Fund may at certain times hold large positions in a relatively limited number of issuers, investments, industries, markets or countries including, without limitation, as a result of price shifts of its investments, changes in the composition of the Fund's overall portfolio and other factors. The Fund could be subject to significant losses if it holds a relatively large position in a single issuer or a particular type of investment that declines in value and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances. Additionally, where the Fund's investments are concentrated in a particular country, the Fund will have greater exposure to market, political, legal, economic and social risks of that country than a portfolio which diversifies country risk across a number of countries. As a result, the value of the Fund may be more volatile than a portfolio which diversifies across a larger number of countries or investments.

Growth Investing

In connection with the Fund's investment in growth stocks, potential investors are warned that growth stocks can react differently to issuer, political, market and economic developments than the market as a whole and other types of stocks. Growth stocks tend to be more expensive relative to their earnings or assets compared to other types of stocks. As a result, because growth stocks tend to be sensitive to changes in their earnings and to increasing interest rates and inflation, they tend to be more volatile than other types of stocks.

General Stock Market

Fund losses may be incurred due to declines in one or more markets in which Fund investments are made. These declines may be the result of, among other things, political, regulatory, market, economic or social developments affecting the relevant market(s). In addition, turbulence caused, among other reasons, by increased inflation, or tightening monetary policy or interest rate increases by the US Federal Reserve or similar international bodies, and reduced liquidity in financial markets may negatively affect many issuers, which could have an adverse effect on an investment in the Fund. Global economies and financial markets are increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers worldwide. As a result, local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions or other events could have a significant negative impact on global economic and market conditions. The coronavirus disease 2019 (COVID-19) global pandemic and the aggressive responses taken by many governments or voluntarily imposed by private parties, including closing borders, restricting travel and imposing prolonged quarantines or similar restrictions, as well as the closure of, or operational changes to, many retail and other businesses, have had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may impact an investment in the Fund.

Risks of Emphasizing a Sector or Industry

If the Fund has invested a higher percentage of its total assets in a particular sector or industry, changes affecting that sector or industry may have a significant impact on the performance of the Fund's overall portfolio.

Real Estate Industry

In addition to general market conditions, the value of the Fund will be affected by the strength of the real estate markets. Factors that could affect the value of the Fund's holdings include the following: overbuilding and increased competition; increases in property taxes and operating expenses; declines in the value of real estate; lack of availability of equity and debt financing to refinance maturing debt; vacancies due to economic conditions and tenant bankruptcies; losses due to costs resulting from natural disasters and/or environmental contamination and its related clean-up; changes in interest rates; changes in zoning laws; casualty or condemnation losses; variations in rental income; changes in neighborhood values; and functional obsolescence and appeal of properties to tenants.

Sustainability Risk

The market value of investments of the Fund are subject to the sustainability risks described in the Prospectus (see **"Risk Considerations – Sustainability Risk"** in the Prospectus).

Manner in which sustainability risks are integrated into investment decisions

The Investment Manager takes into account environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment. Some examples of sustainability risks that are routinely assessed by the Investment Manager include exposures, if any, to excluded business activities as outlined in the Investment Manager's Exclusion Policy, environmental regulation in jurisdictions in which companies operate, the impact of capital investment on environmental exposure including carbon emissions, the assessment of a company's ability to attract and retain key talent, ongoing assessment of product safety, and any issues related to corporate governance (remuneration, board composition, share class structure, etc). Factors such as these and others are evaluated on a company-by-company basis using a materiality framework and are considered by the Investment Manager before a decision is made to invest in a certain company, as well as on an ongoing basis. Consideration of these and other factors may cause a reduction in the available universe of potential investments, which from time to time could have an adverse impact on the returns of the Fund.

Assessment of the likely impacts of sustainability risks on the returns of the Fund

The Investment Manager has assessed the likely impacts of sustainability risks on the returns of the Fund and has determined that sustainability risks are not likely to, but may, increase the Fund's volatility and / or magnify pre-existing risks to the Fund and may have a significant negative impact on the value of the portfolio. Sustainability risk may be particularly acute if it occurs in an unanticipated or sudden manner and it may also cause investors to reconsider their investment in the Fund and create further downward pressure on the value of the Fund.

Sustainable Investments

Although the Investment Manager considers sustainability risk as a core part of its investment process and promotes environmental and social characteristics through the use of the exclusionary screen, it does not have a sustainable investment objective and does not commit to any minimum level of investment in sustainable investments.

Small and Mid-Sized Companies

The Investment Manager believes there is more potential for capital appreciation in small-and mid-sized companies, but there also may be more risk. Securities of small-and mid-sized companies may not be well known to some investors, and the securities may be less actively traded than those of large businesses. The securities of small-and mid-sized companies may fluctuate in price more widely than the stock market generally, and they may be more difficult to sell during market downturns. Small-and mid-sized companies rely more on the skills of the Investment Manager and on their continued tenure. Investing in small-and mid-sized companies requires a long-term outlook and may require Shareholders to assume more risk and to have more patience than investing in the securities of larger, more established companies.

Non-U.S. Securities

Investing in non-U.S. securities may involve additional risks to those inherent in investing in U.S. securities, including exchange rate fluctuations, political or economic instability, the imposition of exchange controls, expropriation, limited disclosure and illiquid markets.

Consumer Discretionary Sector

The consumer discretionary sector (including businesses operating in hotel, hotel management and gaming, home furnishing and home improvement retail companies and supermarkets, restaurant chains and retail chains) may be affected by changes in domestic and international economies, exchange and interest rates, inflation, competition, consumers' disposable income, consumer preferences, social trends and marketing campaigns.

DIVIDEND POLICY

As at the date hereof, the Fund offers Accumulating and Distributing Classes. The Directors may declare a dividend with respect to certain Classes.

For Accumulating Classes net investment income on the Fund's investments attributable to each Class is expected to be retained by the Fund, which will result in an increase in the Net Asset Value per Share of the relevant Class.

The Directors nevertheless retain the right to declare dividends in respect of the Accumulating Classes out of such net investment income on the Fund's investments in their sole discretion. In the event that the Directors determine to declare dividends in respect of any Accumulating Class of Shares on a once-off basis, Shareholders will be notified in advance, including the date by which distributions will be paid and the method by which distributions will be paid.

In respect of Distributing Classes, it is the current intention of the Directors, subject to any de minimis threshold, to declare dividends out of gross income attributable to Distributing Classes. Distributions out of gross income are made up of net income and realised and unrealised capital gains net of realised and unrealised losses. Under normal circumstances, the Directors intend that dividends shall be declared on an annual basis on or about the last day of January in each year in respect of the previous calendar year. Any such dividend will be normally be paid within 10 Business Days. However, Shareholders should note that the Directors may, in their discretion, decide not to make such payment in respect of a Distributing Class.

Dividends, if declared, will be automatically reinvested in additional Shares at the NAV per Share or, at the Shareholder's option, paid in cash, at the Shareholder's risk and expense, to the bank account or accounts designated on the Shareholder's Initial Application Form.

FEES AND EXPENSES

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

The Investment Manager receives an investment management fee (up to the annual percentage of the Net Asset Value set out below, accruing daily and paid monthly in arrears) (the "**Investment Management Fee**"). The Fund is also responsible for the payment of (a) fees to the Management Company, Administrator and Depositary and (b) the Core Operating and Administrative Expenses (together, the "**Other Expenses**"). The Core Operating and Administrative Expenses (as described in the Prospectus) vary over time but are not anticipated to exceed the amount set out below. This notwithstanding, the Investment Management Fee and the Other Expenses are capped (the "**Capped Amount**").

Share Class	Investment Management Fee rate	Other Expenses	Capped Amount
B	1.50%	0.15%	1.65%
C	1.60%	0.15%	1.75%
E	0.90%	0.15%	1.05%
Z	0.70%	0.15%	0.85%
Founder	0.50%	0.15%	0.65%

Where the Investment Management Fee and the Other Expenses are greater than the Capped Amount, the Investment Manager shall waive such portion of the Investment Management Fee as is necessary to ensure that the amount paid by the Fund does not exceed the Capped Amount. In the event that this waiver is not sufficient, the Investment Manager shall pay the excess itself (ie, the Fund shall not pay more than the Capped Amount).

Where the Investment Management Fee and the Other Expenses are less than the Capped Amount, the Fund pays only the Investment Management Fee and the Other Expenses.

Establishment Expenses

The cost of establishing the Fund including the expenses associated with obtaining authorisation from the Central Bank, filing fees, the preparation and printing of this Prospectus, marketing costs and the fees and expenses of legal counsel and other professionals involved in the establishment and initial offering of the Fund will be borne by the Investment Manager.

APPENDIX 1 – LIST OF SHARE CLASSES

- (i) Class B (USD) (Acc and Dis)
- (ii) Class B (EUR Unhedged) (Acc and Dis)
- (iii) Class B (GBP Unhedged) (Acc and Dis)
- (iv) Class C (USD) (Acc and Dis)
- (v) Class C (EUR Unhedged) (Acc and Dis)
- (vi) Class C (GBP Unhedged) (Acc and Dis)
- (vii) Class E (USD) (Acc)
- (viii) Class E (EUR Unhedged) (Acc)
- (ix) Class E (GBP Unhedged) (Acc)
- (x) Class Z (USD) (Acc)
- (xi) Class Z (EUR Unhedged) (Acc)
- (xii) Class Z (GBP Unhedged) (Acc)
- (xiii) Class Founder (USD) (Acc and Dis)
- (xiv) Class Founder (EUR Unhedged) (Acc and Dis)
- (xv) Class Founder (GBP Unhedged) (Acc and Dis)

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

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

Product name: Baron Capital US Real Estate Fund (the "Fund") **Legal entity identifier:** 529900TML05WQF6YUZ80

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☐ ☐ **Yes**
☒ ☐ ☒ **No**

☐ It will make a minimum of sustainable investments with an environmental objective: ____% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ 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 ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of sustainable investments with a social objective: ____%	☒ It promotes E/S characteristics, but will not make any sustainable investments

While the Fund promotes environmental and social characteristics and makes no minimum percentage commitment to making sustainable investments, it also does not exclude investment in any type of sustainable investment and in practice the Fund may (but is not required to) make some sustainable investments.

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

The Fund promotes the following social characteristics through the application of an exclusionary screen:

- Gender equality
- Gun control
- Community health
- Avoiding the financing of controversial weapons

Through its exclusion criteria, the Fund promotes the above social characteristics by excluding issuers that are directly involved in, and/or derive a certain amount of revenue from, the manufacture, production, distribution or supply of products relating to the following industries:

Excluded industry	Social Characteristic
Adult entertainment	Gender equality
Civilian firearms	Gun control
Tobacco	Community health

The Fund methodically exercises its voting rights, and may engage with the management of companies on material ESG issues and may discontinue investment if progress proves unsatisfactory.

Please refer to the exclusions policy for the Fund at www.baroncapitalgroup.com/sites/default/files/Baron-Exclusion-Policy-May-2023.pdf for further information.

The Fund does not use any indices as reference benchmarks.



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

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

The Fund measures its attainment of the social characteristics promoted by this Fund through its exposure, in percentage market value, to industries that violate any of its exclusion criteria.

While the Fund aims to have no exposure to industries which violate the exclusion criteria, it may occasionally have such exposure because the Investment Manager uses MSCI's ESG Business Involvement Screening Research (BISR), a third party data set to identify publicly traded businesses engaged in the excluded activities. This third party data set may not identify every company. In addition a company may become involved in those activities after the Fund has made the investment or the relevant company may acquire another business which is engaged in such activities.

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?

The Fund does not commit to investing in sustainable investments.

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? Details:

Not applicable.

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.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial

product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Yes

☒ No

The Investment Manager does not currently consider the principal adverse impacts ("PAIs") of investment decisions on sustainability factors, within the meaning of Article 7 of the SFDR, as they relate to the management of the Fund.

Meaningful consideration of PAIs is not currently possible due to the difficulty in obtaining the requisite data on which the Investment Manager, would be obligated to report on in accordance with the SFDR, and in any case, the possibility that such data may be incomplete, estimated, out of date and/or otherwise inaccurate. This is partially due to the fact that investee companies and/or underlying issuers are often not obligated to - and do not currently - report by reference to the same data.

Notwithstanding the aforementioned barriers to the identification and prioritisation of PAIs, the Investment Manager will re-evaluate its position on a periodic basis, giving due consideration to market developments.



What investment strategy does this financial product follow?

The Fund invests primarily in equity securities in developed and emerging markets located throughout the world, issued by companies across all capitalizations.

The Investment Manager's approach to identifying equity securities is fundamental, bottom-up, and research driven. The Investment Manager identifies companies it believes have strong fundamentals, regardless of the macroeconomic environment, and it invests for the long term. The Investment Manager's portfolio managers and research analysts generate ideas, both independently and collaboratively. Companies identified in this way are first assessed against an exclusionary screen (described below). Companies that pass the screen are then researched by the Investment Manager's own research team. The team analyses fundamental financial information, as well as environmental, social, and governance information (namely the sustainability indicators described above).

A decision by the Investment Manager to invest (or to sell an existing investment) is informed by all of the foregoing but is not bound by any one particular element of it (save for the screen, which is binding). In particular, the consideration of sustainability indicators described above may not be conclusive or employed in the analysis of all companies, and securities of companies may be purchased and / or retained by the Fund for reasons other than ESG factors.

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

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?

As described above, the exclusion policy screen is the sole binding element of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product. The screen covers investment in adult entertainment, civilian firearms, cluster munitions and tobacco, as follows:

- **Adult Entertainment**

The Investment Manager's portfolio managers are prohibited from purchasing securities of businesses that are involved in the production, distribution or retailing of adult entertainment products. The Investment Manager defines adult entertainment products as material in which the dominant theme is sexually explicit conduct, specifically the depiction or description of sexual activities in a lascivious way.

- **Civilian Firearms**

The Investment Manager's portfolio managers will not purchase securities of businesses that manufacture handguns, pistols, shotguns, rifles, revolvers, and ammunition for civilian use. The Investment Manager does not exclude businesses whose products are sold to governments or are for military or police use.

- **Cluster Munitions**

The Investment Manager's portfolio managers will not purchase securities of businesses that are involved in using, developing, producing, acquiring, stockpiling, retaining, or transferring cluster munitions.

- **Tobacco**

The Investment Manager's portfolio managers will not purchase securities of businesses that produce, distribute, retail, license, or supply key tobacco products and services.

Companies will be added to the exclusion list if MSCI's ESG Business Involvement Screening Research (BISR) identifies them as being directly involved in adult entertainment, civilian firearms, cluster munitions or tobacco and if they derive a certain amount of revenue from their involvement.

The activities and thresholds are as follows:

- 5% or more of revenue is derived from production activities
- 10% or more of revenue is derived from distributing, retailing, supplying or licensing activities
- 10% or more of revenue from a combination of the above-mentioned business activities

Further details on the MSCI's ESG BISR may be found here <https://www.msci.com/documents/1296102/14524248/MSCI+ESG+Research+BISR+Methodology+Overview.pdf>.

The exclusion list includes primary and secondary listings.

The third-party dataset that the Investment Manager uses may not identify every company, directly or indirectly, involved in activities the Investment Manager seeks to avoid, and the Investment Manager recognizes that different systems may estimate exposures using different methods and assumptions, producing disparate results. If an existing holding becomes involved in any of these areas directly or indirectly, or if a business in which the Investment Manager invests acquires part or all of a business engaged in these activities, the research analyst covering the company, the portfolio manager who invested in the business, and the Investment Manager will evaluate the activity and exposures collaboratively and determine if continuing to own the company complies with the exclusionary policy. The Investment Manager occasionally invests in private companies within the relevant UCITS limits, which would not be captured by the MSCI data. In these instances, it is the responsibility of the analyst covering the stock and the portfolio manager who wants to invest in it to provide research and analysis supporting their assessment that an investment in the private business would comply with the exclusionary policy prior to initiating security set up.

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

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

The Fund does not apply a commitment minimum rate to reduce the scope of investments prior to the application of the investment strategy.

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

The good governance of the investee companies is assessed during research and due diligence process against key governance and business integrity requirements, including: how well the companies' interests align with the interests of minority shareholders, number of independent directors, reasonable compensation practices, and transparent management teams that think and act like owners. The Investment Manager looks for demonstrable alignment among the interests of shareholders, management, and the owners/founders.

In addition, the Investment Manager adopts a proxy voting policy, which is designed to support good governance policies, and it has a separate section providing guidance on ESG and disclosure proposals. The Investment Manager has created processes to include engagement with companies on ESG issues on the basis that direct communication and engagement between investors and companies on ESG matters is an important element of the portfolio management services provided to clients and investors. The Investment Manager analyzes each shareholder proposal related to these topics on a case-by-case basis. Engagement may lead to making decisions that favour actions on a variety of factors that intend to maximize an investee company's shareholder value and contribute to the Investment Manager's overall research on, and developing a holistic view of, the investee company. The Investment Manager's voting behaviour and use of proxy service advisors has been consistent with its proxy voting policy.

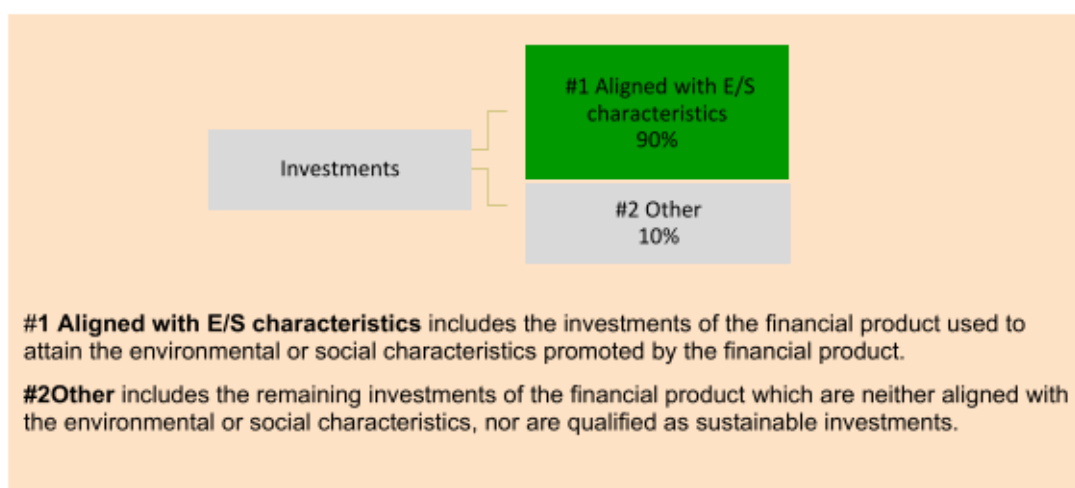


Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

What is the asset allocation planned for this financial product?



As noted above, the sole binding element of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the Fund is the exclusionary screen. Every company in which the Fund invests must pass the screen. The Fund may also invest up to 10%, for cash management purposes, in cash and cash equivalents; as such 90% of the Fund's portfolio is aligned with the binding environmental and social characteristic.

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

The Fund does not intend to use derivatives to attain the environmental or social characteristics promoted.

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.



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

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any "sustainable investments" within the meaning of the SFDR.

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

Yes:

☐ In fossil gas

☐ In nuclear energy

☒ No

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.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



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 Regulations (EU) 2022/1214.

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

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

The Fund does not commit to make investments that are aligned with the EU Taxonomy.



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

The Fund does not commit to a minimum share of sustainable investments.



What is the minimum share of socially sustainable investments?

The Fund does not commit to investing in socially sustainable investments.



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

Investments referred to under “#2 Other” include cash and cash equivalents for liquidity management purposes. Given the nature of such investments, no environmental or social safeguards are applied.



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?

The Fund does not use a designated index to reference benchmark its investments, neither in terms of financial performance, nor in terms of benchmarking whether it is aligned with the environmental and/or social characteristics that the Fund promotes.

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

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

www.fundrock.com

