Website Disclosure for Financial Products with a

Environmental and/or social characteristics

As referred to in Article 8 (1, 2, 2a) of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name
SPARX Japan Equity Long Short Fund

Legal entity identifier
2138009S3RXCWVI6BU18

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: 0% ☐ 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 proportion of 5% 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**: 0%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Summary

This disclosure provides detailed sustainability-related disclosures regarding the SPARX Japan Equity Long Short Fund (the "Fund") - a sub-fund of the Strategic Investment Funds UCITS plc - pursuant to Article 10 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("SFDR").

The Fund is designed to preserve capital and achieve long-term capital appreciation, regardless of the overall direction of the Japanese stock markets. The Fund adopts a long/short investment strategy, allowing it to capitalize on market opportunities and manage risk across varying economic and market conditions.

The Fund seeks to achieve its objectives by primarily investing in Japanese equity securities and equity-related financial derivative instruments. The investment approach involves taking long positions in undervalued companies and synthetic short positions in overvalued companies. These positions are identified using a research-driven, bottom-up analysis conducted by the Investment Manager, who leverages a proprietary database, direct company engagement, and decades of experience in the Japanese market. This method enables the Fund to identify discrepancies between a company's intrinsic value and its market price, while employing hedging techniques to mitigate downside risks.

To implement this strategy effectively, the Fund relies extensively on financial derivative instruments (FDIs), such as equity swaps, options, and futures. These instruments allow the Fund to manage risk, enhance returns, and create synthetic exposure to selected equities. The Fund's long positions can comprise Japanese equities and related equity derivatives, as well as convertible bonds and warrants, while synthetic short positions are executed primarily through equity swaps. The combination of long and short positions aims to provide absolute returns, with an emphasis on delivering stability over medium to long-term investment horizons.

The Fund's active management style is not benchmark-constrained, but performance is measured against the TOPIX Index for reference purposes. However, outperforming the index is not a specific goal, and the Fund's holdings may deviate significantly from it. The Fund is fully discretionary and does not track or replicate any index.

Sustainability is integrated into the Fund's investment approach. It promotes environmental and social characteristics in accordance with Article 8 of the EU Sustainable Finance Disclosure Regulation (SFDR).

The environmental characteristics promoted by the Fund include clean water and sanitation, affordable and clean energy, sustainable cities and communities, responsible consumption and production, climate action, life below water and life on land.

The social characteristics promoted by the Fund include: no poverty, no hunger, good health and well-being, quality education, gender equality, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, peace, justice and strong institutions and strengthen the means of implementation and revitalise the global partnership for sustainable development.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted.

Additionally, the Fund aims to allocate at least 5% of its net asset value to sustainable investments that align with environmental or social objectives.

The Fund uses several sustainability indicators to measure the attainment of the environmental and social characteristics:

Characteristic 1: Exclusion Criteria

The Investment Manager negatively screens for long single stock positions that (a) conflict with the Investment Manager's exclusion policy which outlines industries/activities that have potentially negative environmental or social characteristics, and (b) that are exposed to severe controversies.

Characteristic 2: ESG Scoring

The fund uses Sustainalytics' ESG Risk Ratings to measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks.

No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

The Fund aims to allocate at least 5% of its net asset value to sustainable investments that align with environmental or social objectives. The Investment Manager must be satisfied that an investment meets three criteria in order to be classified as a Sustainable Investment. These investments (a) must align with one or multiple United Nations Sustainable Development Goals ('SDGs'), (b) do not do significant harm to any environmental or social sustainable investment objective, and (c) follow good governance practices.

Environmental or social characteristics of the financial product

The environmental characteristics promoted by the Fund include clean water and sanitation, affordable and clean energy, sustainable cities and communities, responsible consumption and production, climate action, life below water and life on land.

The social characteristics promoted by the Fund include: no poverty, no hunger, good health and well-being, quality education, gender equality, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, peace, justice and strong institutions and strengthen the means of implementation and revitalise the global partnership for sustainable development.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted.

Investment strategy

The Fund will implement a long/short investment strategy.

The Fund's portfolio is actively managed, and investment selection is research driven. The Investment Manager will focus on individual stock selection using a "bottom up" research approach by identifying attractive (in the view of the Investment Manager) companies for investment before looking at economic and industry trends. The Investment Manager will seek to identify and arbitrage "value gaps" between a company's intrinsic value and its stock price by identifying a catalyst to narrow the value gap. The Investment Manager will employ a direct research approach, visiting companies annually to conduct interviews with management and using its experience in investing in Japan and its knowledge of Japanese corporate culture. The Investment Manager will screen potential investments using a fundamental approach, which includes evaluating various factors such as quality of management, business model and market growth potential. As an actively managed Fund, portfolio holdings are not selected by reference to a specific index or other "benchmark".

While the holding periods of the synthetic long and synthetic short positions are not strictly defined, the Investment Manager will undertake portfolio transactions without regard to holding periods, if in its judgement, such transactions are beneficial to meet the Fund's investment objective, under the overall economic, financial and market conditions.

The Fund sees sustainability as a long-term driver for structural change and research shows that companies with sustainable business practices are more successful. The Fund therefore adheres to the approach of building a portfolio by selecting individual stocks through bottom-up research. The Investment Manager emphasizes companies with high stakeholder value and economic value when selecting portfolio companies. These companies are able to generate stable, profitable, and growing profits by utilizing a solid business foundation built by rewarding not only shareholders but also customers, employees, business partners, local communities, the global environment, and other stakeholders. To identify such companies, the Investment Manager incorporates non-financial information, such as ESG, in addition to financial information, into our research and analysis.

The Fund uses several binding elements to select the investments to attain each of the environmental or social characteristics promoted by the Fund:

Characteristic 1: Exclusion Criteria

The Investment Manager negatively screens for long single stock positions that:

(a) conflict with the Investment Manager's exclusion policy which outlines industries/activities that have potentially negative environmental or social characteristics.

The Investment Manager's exclusion policy encompasses both product-based and conduct-based approaches, as outlined in further detail below.

Product-based exclusions: The Investment Manager excludes, from the scope of investment, businesses with a strong negative impact on society, and businesses whose main sales are derived from controversial business lines that are unsuitable for investment in terms of either stakeholder value or economic value, or both:

- Adult Entertainment: The Investment Manager excludes companies deriving 10% or more of their sales from adult-entertainment / pornography-related activities.
- Alcohol: The Investment Manager excludes companies that generate 10% or more of its sales from the production of alcohol. Retailers are also limited to the 10% threshold.
- Conventional Oil & Gas: The Investment Manager excludes companies that generate more than 10% of revenues from oil & gas sales. Oil & gas is defined as companies operating in the exploration, production, refining, transportation and/or storage of oil & gas assets.
- Gambling: The Investment Manager excludes companies that generate 10% or more of its sales from gambling and/or the production of gambling related components.
- Power Production: The Investment Manager excludes investments in utilities that have: 1) power generation by coal > 10%; 2) power generation by oil and gas > 10%; 3) power generation by nuclear >10%
- Thermal Coal and Coal Generation: The Investment Manager excludes mining companies that generate 10% or more of their revenues from thermal coal, and power producers that generate 10% or more of their revenues from thermal coal. Irrespective of this threshold, companies that are expanding their thermal coal and/or coal generation businesses are excluded.

- Tobacco: The Investment Manager excludes companies where 10% or more of its sales are derived from the production of tobacco and related components. Retailers are also limited to the 10% threshold.

- Unconventional Oil & Gas: The Investment Manager excludes oil & gas companies that are active in unconventional oil and gas extraction. Types of unconventional considered: 1) arctic drilling; 2) shale oil/gas; 3) tar sands. Thresholds: a. revenue share >10%; b. no expansion plans.

- Controversial Weapons: The Investment Manager excludes companies with activities related to the production of controversial weapons, defined as the direct or indirect involvement in the production, manufacture, and sale of weapons that can have a disproportionate and indiscriminate impact on civilian population including anti-personnel mines, cluster munition, depleted uranium and biological & chemical weapons.

- Military Contracting and Small Arms: The Funds exclude companies that generate 10% or more of its sales from Military Contracting and/or the production of small arms. This is defined as the involvement in the production, research and development, mgmt./ services / maintenance, integration or customization, testing and/or sales/trade of weapons of war that are the subject to arms export regulations.

Conduct-based exclusions: The Investment Manager excludes, from the scope of investment, businesses with that have been through any conduct-based issues in the past, and that have not been able to confirm that the issue has been completely resolved, is unlikely to recur, and will endeavour during the investment period to engage for improvement.

- Companies critical of protecting human rights or complicit in human rights violations

- Companies that exclude the formation of labour unions and/or collective bargaining or practice forced labour, child labour, and/or discrimination in workplace/jobs

- Companies that are critical of prevention of environmental problems or hinder the dissemination of environmental technologies

- Companies that engage in extortion or corruption

- Companies that sacrifice biodiversity

- Companies with a negative impact on water resources

- Companies that intentionally evade taxes

- Company with an autocratic governance system

(b) are exposed to severe controversies

The Investment Manager excludes investments that are exposed to severe controversies, as assessed by Sustainalytics' Controversies Research. Controversies are deemed as severe when it is given a controversy rating of 5 by Sustainalytics (on a scale from 1 to 5).

These criteria used in Sustainalytics' Controversies Research are in line with the United Nations Global Compact (UNGC) principles to assess the behaviour of companies.

The Investment Manager then assesses how recently it occurred, the severity of the violation of the breach, and what actions were taken to remedy this. This analysis feeds into the Investment Manager's assessment of current governance practices noting that a severe controversy rating typically represents exceptional egregious corporate behavior. If the severity of the controversy is minor (i.e. Sustainalytics Score <5), the company will be put under observation and engagement activities will be conducted to seek improvement.

If a portfolio company is categorized as having exposures to severe controversies (i.e. a Sustainalytics Score of 5), all the shares held within the Fund will be sold within a reasonable period of time taking into account the best interests of the Fund and its Shareholders.

Exposure to controversies is continuously monitored by the portfolio managers. Besides the effect of the controversy itself, as above, the company's response to a controversial event is also monitored. Where the company has used this as a learning experience to improve the robustness of its governance and controls, the Investment Manager would view this in a positive light.

Further information on the Sustainalytics controversy ratings and methodology is set out above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?".

Characteristic 2: ESG Scoring

ESG Risk Rating – Source: Sustainalytics. Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. The risk ratings assigned vary from negligible risk (0 and 9.99 points), low risk (10 and 19.99 points), medium risk (20 and 29.99 points), high risk (30 and 39.99 points) and severe risk (40 points and above). Further information on the Sustainalytics ESG ratings and methodology is set out above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?".

The Investment Manager evaluates not only the overall ESG score of the portfolio but also carefully considers the ESG ratings of individual issuers when making investment decisions.

In the limited circumstances where (i) Sustainalytics does not provide coverage, or (ii) the Investment Manager determines, via publicly available information and/or its direct engagement with an issuer, that the ESG data does not accurately reflect the ESG rating of an issuer, the Investment Manager will construct a proprietary ESG Risk Rating based on a bottom-up analysis of ESG data, resulting in a High, Medium, or Low Risk assessment on Environmental, Social and Governance. This bottom-up analysis is based on desk research and various third-party data sources to supplement the Investment Manager's engagement and proprietary research, such as Bloomberg ESG, S&P Trucost. Furthermore, the Investment Manager uses engagement to gather data directly from portfolio companies through direct dialogue with company management.

Accordingly, the Investment Manager may invest in companies with ESG scores classified by Sustainalytics as High or Severe Risk, or with internal ratings categorized as High, if the Investment Manager identifies clear efforts by the issuer to improve their ESG performance. In many cases, when an issuer's ESG rating is classified as High or Severe Risk, this often reflects a lack of up-to-date and fully accurate data capturing the unique circumstances of an issuer or an issuer's actual ESG efforts and progress being made to address ESG matters. However, through direct engagement with issuers, the Investment Manager can assess whether the relevant issuers are indeed taking appropriate actions toward ESG initiatives. Therefore, even if an issuer is classified as Severe or High Risk in the ESG data received and analysed, if the Investment Manager determines, based on its own analyses and mentioned above and more fully described under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?" and/or via its direct engagement with an issuer, that the ESG data does not accurately reflect the ESG rating of an issuer, the Investment Manager may on that basis, determine that an investment in the relevant issuer is appropriate and aligns with its broader investment strategy and sustainable objectives. Separately and subject to meeting the Fund's stated minimum proportion in investments which attain the environmental and social characteristics of the Fund, from a financial return perspective, an issuer's room for improvement in ESG practices may contribute to a value gap between intrinsic value and market price. As such, avoiding investments solely based on a Severe or High Risk classification may lead to missed opportunities for generating financial returns

This approach reflects the Investment Manager's commitment to identifying value in companies that may be in transition or working toward positive change, ensuring that the Investment Manager remains aligned with both sustainability goals and investment potential.

However, the Investment Manager is committed to ensuring that the overall ESG risk of the Fund remains lower than that of the TOPIX index.

This commitment reflects the Investment Manager's dedication to maintaining a robust ESG profile for the Fund while aligning with the highest standards of sustainability. By keeping the ESG risk below that of the TOPIX, the Investment Manager aims to demonstrate a proactive approach to managing environmental, social, and governance factors, ultimately enhancing the Fund's resilience and appeal to sustainability-conscious investors.

The Fund seeks to achieve an average ESG risk rating which is lower than the average ESG risk rating of the TOPIX, as calculated by the Investment Manager on a quarterly basis on 31 March, 30 June, 30 September and 31 December and reported on an annual basis within the SFDR Periodic Report Annex. The Fund's ESG risk rating is calculated by the Investment Manager using a weighted average based on data from Morningstar Sustainalytics, with the analysis conducted by the Investment Manager's Risk Analysis Team (which operates independently from the investment team and reports directly to the board of the Investment Manager). Similarly, the ESG rating for TOPIX is calculated using the same methodology. Details of the ESG rating of the TOPIX is not currently publicly available but details are available from the Investment Manager on request.

Sustainable Investments

In the context of the Fund's investment in Sustainable Investments, the Investment Manager must be satisfied that an investment meets three criteria to classify an investment as a Sustainable Investment. Investments that:

(a) align with one or multiple United Nations Sustainable Development Goals ('SDGs')

The Investment Manager has regard to the United Nations Sustainable Development Goals ('SDGs') as a reference for the Fund's investment in Sustainable Investments. The Investment Manager believes that all SDGs are equally important and deeply interconnected.

In its analysis of the SDG contribution of an issuer, and having regard to the Fund's stated minimum commitment to environmental and social Sustainable Investments (i.e. 2.5% of net asset value in environmental Sustainable Investments and 2.5% in social Sustainable Investments) the Investment Manager applies a 30% revenue threshold, considering only companies that derive more than 30% of their total revenue from activities contributing to the identified SDG targets. These companies are included in the calculation of the Fund's minimum commitment to investments in environmental and social Sustainable Investments.

When evaluating a company's alignment with relevant SDGs, the Investment Manager conducts a comprehensive research process. This involves reviewing publicly disclosed materials to gain a deeper understanding of the company's strategies and sustainability initiatives. Additionally, the Investment Manager may engage directly with the company to gather insights into its operations, products, and services. Based on this thorough analysis, the Investment Manager assesses whether the company demonstrates a commitment to and alignment with achieving the objectives of the relevant SDGs. Due to data availability and quality considerations, the Investment Manager does not apply third-party data for the SDG contribution analysis, but conducts bottom-up research using annual reports and other available documentation, to determine revenue breakdowns of relevant activities.

For the purpose of this assessment, the Investment Manager considers the following SDGs to have a more environmental focus: SDG6: Clean Water and Sanitation; SDG7: Affordable and Clean Energy; SDG11: Sustainable Cities and Communities; SDG12: Responsible Consumption and Production; SDG13: Climate Action; SDG14: Life Below Water; SDG15: Life on Land.

For the purpose of this assessment, the Investment Manager considers the following SDGs to have a more social focus: SDG1: No Poverty; SDG2: No Hunger; SDG3: Good Health and Well-Being; SDG4: Quality Education; SDG5: Gender Equality; SDG8: Decent Work and Economic Growth; SDG9: Industry, Innovation and Infrastructure; SDG10: Reduced Inequalities; SDG16: Peace, Justice and Strong Institutions; SDG17: Partnerships for the Goals.

(b) do not do significant harm to any environmental or social sustainable investment objective based on an assessment of all mandatory principal adverse impact indicators and any relevant additional indicators to determine what indicators are relevant in the context of the investments of the Fund. Relevant principal adverse indicators for this Fund include (PAI 4) active in the fossil fuel sector , (PAI 7) has sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas, (PAI 10) has been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises and (PAI 14) is involved in the manufacture or selling of controversial weapons. The Investment Manager will assess each PAI based on a Yes/No determination. If a PAI is not relevant to the investments of the Fund no further action is required. If a PAI is not relevant to an issuer an investment is considered not to do any significant harm. If a PAI may be relevant to an issuer, but does not contradict the Investment Manager's exclusion policy (as further detailed above) the Investment Manager may invest in the issuer but will conduct research and may initiate engagement with the issuer to ensure or encourage more sustainable actions if the Investment Manager believes they are required.

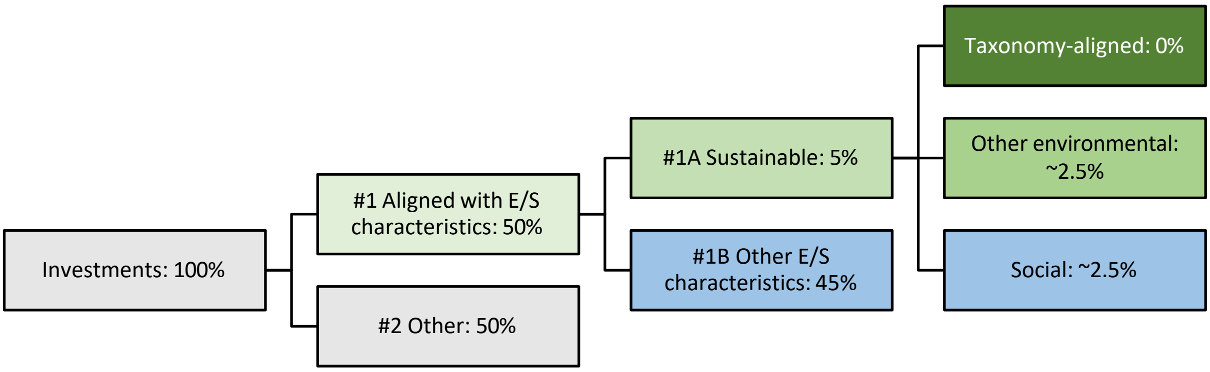
(c) follow good governance practices

To assess whether each underlying holding follows good governance practices, the Investment Manager assesses whether the holding has at least four out of the following eight policies in place: Ethics Policy, Employee Protection / Whistle Blower Policy, Equal Opportunity Policy, Health and Safety Policy, Human Rights Policy, Policy Against Child Labour, Training Policy, Anti-Bribery Ethics Policy. In case the holding has three or less policies in place, the Investment Manager will conduct a closer due diligence on the holding's governance structure.

Proportion of investments

The Fund expects to hold a minimum proportion of 50% of net asset value which attains the environmental or social characteristics promoted by the fund, and within that holding it expects it will have a minimum proportion of 5% of net asset value in sustainable investments. Short positions fall under "Other" investments since they are not typically aligned with promoting positive environmental or social outcomes. In addition, financial derivative instruments used for portfolio and/or share class hedging fall under "Other".

The graph below provides a breakdown of the planned asset allocation for the Fund:



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.
The category **#1 Aligned with E/S characteristics** covers: – The Subcategory **#1A Sustainable** covers environmentally and socially sustainable investments. – The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Monitoring of environmental or social characteristics

The Fund uses several indicators to measure the attainment of the environmental and social characteristics and to ensure on an ongoing basis that the binding elements of the Fund are met throughout the lifecycle of the Fund.

Characteristic 1: Exclusion Criteria
The Investment Manager negatively screens for long single stock positions that (a) conflict with the Investment Manager's exclusion policy which outlines industries/activities that have potentially negative environmental or social characteristics, and (b) that are exposed to severe controversies.

Characteristic 2: ESG Scoring
The fund continuously assesses and monitors its portfolio to ensure that investments align with its ESG goals, using specific indicators and methodologies.

Sustainable Investments
In the context of the Fund's investment in Sustainable Investments, the Investment Manager must be satisfied that an investment meets three criteria to classify an investment as a Sustainable Investment. Investments that:

a) align with one or multiple United Nations Sustainable Development Goals ('SDGs')
b) do not do significant harm to any environmental or social sustainable investment objective based on an assessment of all mandatory principal adverse impact indicators and any relevant additional indicators to determine what indicators are relevant in the context of the investments of the Fund.
c) follow good governance practices

These practices help ensure that the fund adheres to its sustainability objectives in line with Article 8 classification under the SFDR.

The promoted environmental or social characteristics of the Fund are subject to independent oversight by the management company and are monitored regularly.

Methodologies

The Fund uses as proprietary methodology to assess the attainment of the listed environmental and social characteristics, largely centered around an analysis of the sustainability indicators listed earlier in the document. This information is supplemented with internal research conducted by the portfolio managers to determine our own assessment of a portfolio company's perceived level of risk in relation to its material ESG and sustainability-related themes. This qualitative analysis provides an earnings and risk assessment of portfolio companies to help value each business as well as indicate whether it is contributing to the attainment of the environmental and social characteristics.

Data sources and processing

Characteristic 1: Exclusion Criteria

- Exclusion policy analysis - Source: Sustainalytics
- Occurrence and severity of controversies – Source: Sustainalytics. Sustainalytics' Controversies Research identifies companies involved in incidents and events that may pose a business or reputation risk to a company due to the potential impact on stakeholders or the environment. Controversies are rated on a scale from 1-5, with 5 denoting controversies that have the most severe impact to stakeholders and the environment. This rating is accompanied by an in-depth qualitative assessment.

Characteristic 2: ESG Scoring

- ESG Risk Rating – Source: Sustainalytics. Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. The risk ratings assigned vary from negligible risk (0 and 9.99 points), low risk (10 and 19.99 points), medium risk (20 and 29.99 points), high risk (30 and 39.99 points) and severe risk (40 points and above). Further information on the Sustainalytics ESG ratings and methodology is set out above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?".

Sustainable investment assessment

- Alignment with United Nations Sustainable Development Goals ('SDGs') – Source: United Nations Sustainable Development goals; desk research
- Principal adverse impact indicators – Sources: combining data from several sources, including Sustainalytics, Trucost, and own research. Where data is not available, the Investment Manager will apply a best-efforts approach, for example by carrying out additional research, cooperating with other third-party data providers, or making reasonable assumptions and/or estimations.
- Good governance practices - Source: Bloomberg ESG

In addition to the above-mentioned sources, the Fund uses other third-party data sources to supplement proprietary research, such as S&P Trucost, ISS, CDP, and MSCI.

A dedicated analyst compiles, assesses and aggregates ratings and carbon data from service providers in order to validate the data gathered. In instances where there is a lack of available data, estimations may be used.

Limitations to methodologies and data

The use of estimations in lieu of observed data may be potentially less reliable than observed data, so extra caution is taken to ensure they portray an accurate picture. Estimations are always clearly indicated to avoid misrepresentation and aim to reflect the true economic reality as closely as possible.

The availability, quality and relevance of data relating to sustainability exposure within the investment universe may be limited and inconsistencies with respect to the evaluation of particular companies by third party research and data providers or material inaccuracies in the sustainability related information reported by companies.

Due diligence

Please refer to Investment Strategy section for a detailed description of the due diligence processes that are carried out on the underlying portfolio companies of the Fund.

The investment team works in a collaborative manner, and knowledge sharing between team members is encouraged. Internally, team members will discuss the findings of their due diligence to ensure their findings are interpreted consistently among the team. The conclusions made as part of the overall investment analysis process, incorporating ESG and sustainability factors, is included as consideration by the Investment Committee before a final investment recommendation is made.

Engagement policies

The Investment Manager conducts engagement activities to build good relations with listed companies and may initiate engagement with a company to ensure or encourage more sustainable actions if they believe it is required. Through discussion, they are dedicated to understanding a company's priorities and strategies of ESG on a case-by-case basis and voicing their opinion accordingly.

Engagement activities have two purposes and two effects. The first purpose is to research listed companies. Discussion allows for the exposure of key knowledge that is often unavailable from presentations or the company's website. The second purpose is to share opinions as a shareholder and management expert such that the company can consider an outside perspective of itself.

The first effect of engagement is improved fundamentals, such as the business model or ESG. Since these aspects are deeply rooted in overall company strategy, this engagement strategy is effective in both encouraging top management to change strategy or supporting and further justifying its current strategy. The second effect of engagement is to shrink a company's value gap. Listed companies often trade at a discounted value to their true intrinsic value for a multitude of reasons such as bad disclosures of strategy, business model, or ESG.