Stonehorn Asia Equity Fund (the "**Fund**")

a sub-fund of

Stonehorn Asia ICAV

Supplement to the Prospectus

This Supplement contains specific information in relation to Stonehorn Asia Equity Fund, a sub-fund of Stonehorn Asia ICAV (the **"ICAV"), an open-ended umbrella body corporate limited by shares, with variable capital and segregated liability between sub-funds, which is registered under the laws of Ireland and authorised under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended).**

This Supplement forms part of the Prospectus of the ICAV dated 30 April 2021 (the Prospectus) and should be read in the context of and together with the Prospectus.

The Directors of the ICAV, whose names appear under the section headed "**Directors of the ICAV"** in 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 importance of such information. The Directors accept responsibility accordingly.

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

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

Investors should read and consider the section headed "Risk Factors" of the Supplement before investing in the Fund.

Investors should note that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Fund may have a high volatility due to its investment policy or portfolio management techniques.

Dated: **23 December 2021**

DIRECTORY

1. DEFINITIONS

"ADRs"	has the meaning set out in section 4 headed "**Investment in ADRs**" in this Supplement.
"Asia"	means, but is not limited to, the PRC, Hong Kong, Taiwan, the Republic of Korea (South Korea), India, Singapore, the Philippines, Indonesia, Malaysia, Thailand and Pakistan.
"Australian Dollar", **"AUD"** or **"A$"**	means the lawful currency of Australia or any successor currency.
"Benchmark Index"	has the meaning set out in section 2 headed "**Investment Objective and Policies**" in this Supplement.
"China A Shares"	means domestic shares in PRC incorporated companies listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange, the prices of which are quoted in Renminbi and which are available to domestic investors and foreign strategic investors approved by the China Securities Regulatory Commission, and through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.
"China B Shares"	means shares issued by companies listed on the Shanghai-Stock Exchange or the Shenzhen Stock Exchange, traded in foreign currencies and available for investment by domestic (Chinese) investors and foreign investors.
"China H Shares"	means shares of companies incorporated in the PRC that are traded on the Hong Kong Stock Exchange and which are available to non-domestic (Chinese) investors and foreign investors.
"Greater China Region"	means the PRC, Hong Kong and Taiwan.
"Investment Management Fee"	has the meaning set out in section 17 headed "**Fees and Expenses**" in this Supplement.
"P-Notes"	has the meaning set out in section 3 headed **"Financial Derivative Instruments & Efficient Portfolio Management"** in this Supplement.
"Performance Fee Valuation Day"	means the last Business Day of each calendar year or on the resignation or termination of the appointment of the Investment Manager or in case of closure or merger of funds. In case of merger of funds, the crystallisation of the performance fees of the merging fund should be authorised subject to the best interest of investors of both the merging and the receiving fund. For instance, in case where all involved funds are managed by the same manager (e.g. in the context of a cross-border merger), crystallisation of performance fees should be presumed contrary to investors best interest unless justified otherwise by the relevant manager. .
"Performance Period"	means a period beginning on the date of the Fund's commencement and ending at the close of business of the last Business Day of each Financial Year, and thereafter, is each period commencing as of the day following the last day of the preceding Performance Period and ending at the close of business of the last Business Day of each Financial Year.
"PRC"	means the People's Republic of China.

"Relevant Percentage"	has the meaning set out in section 12 headed "**Key Information for Subscribing and Redeeming**" in this Supplement.
Real Estate Investment Trusts or REITs	A corporation or business trust, which owns, manages, and/or leases commercial real estate properties, and/or invests in real estate related securities, such as mortgaged-backed securities or whole loans.
"RMB"	means *renminbi*, the lawful currency of PRC.
"Stock Connect"	securities trading and clearing linked program with an aim to achieve mutual stock market access between the PRC (Shanghai and Shenzhen respectively) and Hong Kong and enables the Fund to trade eligible China A Shares listed on the relevant stock exchange(s) in the PRC.

2. INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The Fund is a long-only equity fund whose investment objective is to outperform the MSCI AC Asia ex Japan Net Total Return USD Index (NDUECAXJ Index) (the "**Benchmark Index**") over a long term investment horizon. The Benchmark Index is denominated in USD which is also the base currency of the Fund. Past performance will be compared against the version of the Benchmark Index which is denominated in the same currency as the relevant Share Class. Although the investment objective is to outperform the Benchmark Index, equities will be selected by the Fund solely based on the process described in the section headed "Investment Selection" in this Supplement, without any consideration as to whether it is a constituent of the Benchmark Index.

As such the Fund may contain no equities which are constituent elements of the Benchmark Index.

Furthermore as the Fund is actively managed the performance of the Fund may be substantially different (in either a positive or negative sense) to that of the Benchmark Index.

Benchmark Index: *This section is a summary of the principal features of the Benchmark Index and is not a complete description of the Benchmark Index.*

The MSCI AC Asia ex Japan Index captures large and mid-cap representation across 2 of 3 Developed Markets (DM) countries. DM countries include: Hong Kong and Singapore(excluding Japan) and 9 Emerging Markets (EM) countries in Asia. EM countries include: China, India, Indonesia, Korea, Malaysia, Pakistan, the Philippines, Taiwan and Thailand with 944 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

The Benchmark Index is based on the MSCI Global Investable Market Indexes (GIMI) Methodology —a comprehensive and consistent approach to index construction that allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. This methodology aims to provide exhaustive coverage of the relevant investment opportunity set with a strong emphasis on index liquidity, investability and replicability. The Benchmark Index is reviewed quarterly—in February, May, August and November—with the objective of reflecting change in the underlying equity markets in a timely manner, while limiting undue index turnover. During the May and November semi-annual index reviews, the Benchmark Index is rebalanced and the large and mid-capitalization cut-off points are recalculated.

Further information about the Benchmark Index, its composition, calculation and rules for periodical review and about the general methodology behind the MSCI indices can be found on https://www.msci.com.

Investors should note that there is no guarantee that the Fund will achieve this objective over this or any period and that capital is at risk.

Profile of a Typical Investor

The Fund is suitable for investors who primarily seek capital growth. Investors should have a high tolerance for risk and be willing and able to accept high volatility and/or potential losses. The Fund is not appropriate for short term investment and is designed for investors who will hold shares in the Fund as part of a wider diversified portfolio.

Investment Policy

The Fund seeks to outperform the Benchmark Index through deep fundamental stock analysis utilising a pure bottom-up approach (and does not seek alpha through macro analysis). The Fund intends to achieve its investment objective by investing in equities and equity-related securities (such as ADRs and P-Notes) of companies which (a) are listed on stock markets in Asia or (b) derive 50% or more of their revenue or profit from the countries within Asia as determined on the date the investment in that company is made by the Fund and may also invest in ADRs, futures contracts, index futures, swaps and P-Notes and in accordance with the UCITS Regulations other CIS such as REITS.

The Investment Manager expects that they will invest between 0% and 5% in investments held in Japan at any given time over the life of the Fund.

Base Currency

The Base Currency of the Fund is US Dollars.

Investment Selection

The Fund will seek to achieve its objective by investing in a broadly diversified portfolio of equity and equity related securities (with no fixed industry sector weightings) and aim to spread its investment allocation throughout Asia. There are no restrictions on securities that can be held in the portfolio, but rather, selection will be determined by the Investment Manager based on the availability of attractive investment opportunities, as described in the section headed "**Investment Process**" below.

The Fund will invest in equities, equity-related securities (such as ADRs and P-Notes) and warrants of companies which (a) are listed on stock markets in Asia or (b) derive 50% or more of their revenue or profit from the countries within Asia, as determined on the date the investment in that company is made by the Fund.

In relation to the Greater China Region, subject to the requirements of the Central Bank, the Fund may invest directly in China A Shares via Stock Connect and H shares. The Fund may also invest, indirectly in China A Shares, China B Shares via swaps where such shares are not part of the Stock Connect programme.

The P-Notes in relation to such securities are unleveraged instruments and do not embed derivatives. While generally P-Notes in which the Fund will invest will give exposure to underlying securities listed in a Regulated Market, in certain circumstances they may be unlisted and in such circumstances, any investment will be in accordance with the section headed "**Investment Restrictions**" and section 5 headed "**Investment Limits**" in the Prospectus.

The Fund may invest in securities listed or dealt in a Regulated Market or may also invest in unlisted securities in accordance with the Central Bank Investment Restrictions set out in section 5 headed "**Investment Limits**" in the Prospectus.

Investment Process

1. The Investment Manager begins the investment process by generating investment ideas typically based on a combination of investment research completed by it on equities and equity related securities which the Investment Manager may invest in pursuant to this Supplement combined with insights from sell side firms and latest industry and economic trends. Each member of the investment team will cover a number of potential investable stocks. Although the number of investable stocks covered will vary it is expected that the investment team will cover 10-20 investable stocks in each country in Asia. The investment team will have frequent discussions about these investment ideas among themselves, with sell-side contacts, with target company's management teams, as well as regularly attend industry conferences and events so as to build up their knowledge of the securities in which the Fund is seeking to invest in and the markets in which they operate.

2. After an investment idea has been generated, the investment team performs initial diligence, deciding whether further due diligence is warranted. Initial diligence may include conducting background research on the industry the company is involved in, preliminary background checks on the company with industry experts and analysing key historical performance numbers from the annual report of the company and available public information. After the initial analysis has been performed and the analyst has developed an understanding of the risks of the company, the company passes initial corporate governance checks and the analyst thinks the company may be suitable for the portfolio, they will decide whether to proceed to conduct the next level of due diligence. At this stage an initial investment hypothesis is formed, as well as an indication of time / amount of resources which will be required for further due diligence in respect of that investment idea. That initial investment hypothesis will then be assessed and a corporate governance check carried out on the target company and its management team.

3. In addition to corporate governance checks, the investment team also takes into account environmental, social, and governance ("ESG") factors and sustainability risks in its due diligence process. The investment team believes that a company's long-term fundamentals can be affected by ESG issues and potentially act as a detriment to the interests of the Fund's investors from both a risk perspective as well as an investment return perspective. The investment team uses a proprietary ESG analysis and scoring system, which examines sustainability risks and competitive positioning of a company, as an integral part of its investment decision process. Much work is devoted to understanding a company's ESG positioning and how changing environments may impact the company's fundamentals. Using company reports, external data points, plus interaction with company management, the investment team looks at how changing sustainability issues may affect the risk and return profile of each company and assign scores to different ESG metrics such as a company's carbon footprint, workplace safety and culture, raw material consumption habits (with high scores for positive behaviour). Only companies with high scores are included for follow on due diligence.

4. The intensive follow on due diligence stage is where the investment team evaluates the quality of the business and organizational alignment, in order to verify the previously developed investment hypothesis. The Investment Manager intends to deploy various research methods such as; on site due diligence; channel checks and cross checks with suppliers, customers, and competitors; develop financial models with historical and future projections on financial accounts; and detailed analysis of past annual reports, equity IPO prospectuses, and publicly available disclosures. The Investment Manager will run sensitivity analysis on valuation on different scenarios on different sets of assumptions on each investment idea, and aim to get a detailed understanding of the governance and board structure and whether the shareholders' interests are aligned. Different possible scenarios will be examined as part of the sensitivity analysis which will include reviewing the risks to the assumptions that have been made in the financial model, analysing which assumptions are most volatile and which have the biggest sensitivity to valuation and reviewing the worst case and best case scenarios which emerge from the sensitivity analysis. The outcome of the sensitivity analysis will change where changes are made to the assumptions on which the financial model is based and as such the outcome of the sensitivity analysis is proprietary. Findings are discussed between members of the investment team and a decision will at that stage be taken as to whether to make an investment.

5. After an investment has been made the investment team continually monitors the portfolio, tracking the invested company's financial performance and changes to consensus view. The consensus view is based on the average of the data provided by the sell side community which is readily available from Bloomberg. The Investment Manager also tracks the key assumptions on which the decision to invest in a particular security was made, ensuring they continue to align with the previously determined investment hypothesis. The Investment Manager continues to conduct research on both the invested company and industry, monitors price and price-targets (which will be set for all investments but which may be amended and updated by the Investment Manager), assesses macro events to (i) see the impact such macro events have on underlying micro assumptions, (ii) to develop an opinion on how the macro events may potentially impact the financial results of companies within the investment universe,(iii) to assess the impact of macro events on the assumptions that the investment team have made in the financial models and monitor industry changes.

Cash Management

Although maintaining cash or cash equivalents is not a primary investment focus of the Fund, under certain exceptional circumstances (for example, during periods of significant downturn in the economy or political turmoil), the Fund may maintain up to 100% of its Net Asset Value in cash or cash equivalents (including, but not limited to, cash deposits, commercial paper and certificates of deposit), money market funds (limited to 10% in aggregate of the Net Asset Value of the Fund) should the Investment Manager deem such a strategy to be prudent over any time period.

Investors should note that the Fund may at any time hold cash deposits. Investors' attention is drawn to the inherent difference between the Fund's investment in deposits and investors' investment in the Fund. In particular, investors should note that where the Fund invests in deposits, the value of Shareholders' principal invested in the Fund may fluctuate.

Any changes to the investment objective of the Fund and any material changes to the investment policy may not be made without the prior written approval of all Shareholders or approval on the basis of a special resolution cast at a general meeting of Shareholders of the Fund. Any such changes may not be made without the approval of the Central Bank. In the event of a change in investment objective and/or a change to the investment policy, a reasonable notification period will be provided by the Fund to enable Shareholders to redeem their Shares prior to implementation of such change.

The Fund's investments are subject to the investment restrictions as set out in section 5 headed **"Investment Limits"** in the Prospectus.

A list of the stock exchanges and markets in which the Fund is permitted to invest, in accordance with the requirements of the Central Banks UCITS regulations, is contained in Appendix I to the Prospectus and should be read in conjunction with, and subject to, the Fund's investment objective and investment policy, as detailed above. The Central Bank does not issue a list of approved markets.

There can be no assurance that the Fund may achieve its investment objective or avoid substantial losses.

3. FINANCIAL DERIVATIVE INSTRUMENTS & EFFICIENT PORTFOLIO MANAGEMENT

In addition in pursuit of the Fund's investment objective, the Fund may use index futures and P-Notes (to gain exposure to India, Korea and Taiwan) as permitted under the Prospectus and this Supplement for efficient portfolio management purposes where use of such instruments is considered a cheaper, more efficient or risk effective method to gain exposure to certain equity asset classes, for hedging purposes and/or in pursuant of its investment objective as described in section 2 headed **"Investment Objective and Policy"** in this Supplement and in section 8 headed "**Utilisation of FDI and Efficient Portfolio Management"** in the Prospectus.

All FDI transactions entered into will be dealt in on a Regulated Market or on an over the counter basis (OTC) and in the case of OTC transactions will primarily be with counterparties which are credit institutions authorised within the EEA, Switzerland, Jersey, Guernsey, the Isle of Man, the United States, Canada, Japan, Australia or New Zealand. In the case of a counterparty which is not a credit institution, the counterparty must have (or be deemed by the Investment Manager to have) a credit rating of at least A2 or equivalent or otherwise meet the requirements of the Central Bank. The Fund will use the commitment approach to calculate its daily global exposure in accordance with its risk management process and the requirements of the Central Bank.

The Fund will not enter into any FDI transactions with any related parties of the Investment Manager.

Derivatives may either be exchange traded or over-the-counter (OTC) instruments.

Financial derivative instruments may also be used by the Investment Manager to achieve the investment objective of the Fund. The Fund may invest in financial derivative instruments (futures contracts, index futures and P-Notes) and ADRs, for investment purposes, efficient portfolio management purposes, to indirectly gain exposure to underlying equity securities where the Investment Manager feels it is more efficient to do so or as a cheaper alternative to direct investment in that security, or for hedging purposes in accordance with the requirements of the Central Bank.

Index Futures

The Fund may take long positions in equity index futures such as the MSCI Asia-Ex Japan Net Total Returns index futures ("MSCI AxJ") for efficient portfolio management purposes only.

The Investment Manager may also use index future contracts to invest the Fund's cash prior to deploying it in accordance with the Funds investment policy. This means that instead of holding cash, the Fund may use cash purchase index futures contracts so that the Fund has exposure to market returns for the purpose of efficient portfolio management purposes only). In addition, the Investment Manager may use futures to reduce exposure to a market in advance of raising cash from asset sales to fund redemptions from the Fund.

P-Notes

Participation Notes ("**P-Notes**") are financial derivative instruments. Their value is derived from the value of the underlying securities to which they are linked. The value of the P-Notes will typically correspond to the value of the underlying shares they are linked to, in that the value of the P-Notes will rise or fall proportionately with movements in the prices of the underlying shares in the market. An investment in a P-Note entitles the holder to certain cash payments calculated by reference to the securities to which such P-Note is linked. It is not the same as an investment directly in the securities themselves. An investment in the P-Note does not entitle the holder of such P-Note (i.e., the Fund) to the beneficial interest in the securities nor to make any claim against the company issuing the securities.

P-Notes will be used by the Fund in pursuit of its investment objective.

Total Return Swaps

The Fund will engage in total return swaps. These are equity swaps which provide synthetic exposure to China A Shares. The total return swaps are primarily used to gain access to China A Shares which may be unavailable through Stock Connect and are intended to reduce regulatory and operational risk.

The underlying assets of the total return swaps used by the Fund will only consist of China A Shares. The maximum proportion of assets under management of the Fund that can be subject to total return swaps is 100%. The expected proportion of assets under management that will be subject to total return swaps is 20%.

Counterparties

The counterparties to the total return swaps will be the credit institutions authorised within the EEA, Switzerland, Jersey, Guernsey, the Isle of Man, the United States, Canada, Japan, Australia or New Zealand. In the case of a counterparty which is not a credit institution, the counterparty must have (or be deemed by the Manager to have) a credit rating of at least A2, or equivalent, or otherwise meet the relevant requirements of the Central Bank.

Counterparties will not have any discretion over the composition or management of the Fund's investments or under the underlying investments of any FDIs. No approval from counterparties is required in relation to any portfolio transaction (whether related to total return swaps specifically or FDIs in general).

The Fund will not enter into any total return swaps with any related parties of the Manager.

Collateral

In practice, no collateral is expected to be posted by counterparties to the Fund in respect of total return swaps.

Safekeeping

As no collateral is expected to be posted by counterparties to the Fund, no safekeeping of assets would be required in respect of total return swaps.

Return sharing

All the economic benefits (and associated costs) of entering into total return swaps will be received or borne (as appropriate) by the Fund.

4. INVESTMENT IN ADRS

American Depositary Receipts ("**ADRs**") are depository receipts typically issued by a U.S. bank or trust company that evidence ownership of underlying securities issued by a foreign corporation. Generally, depository receipts in registered from are designed for use in U.S securities market, and depository receipts in bearer form are designed for use in securities markets outside the United States. Depository receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. In addition, the issuers of the securities underlying unsponsored depository receipts are not obligated to disclose material information in the United States; and therefore, there may be less information available regarding such issuers and there may not be a correlation between such information and the market value of the depository receipts.

ADRs will be used by the Fund in pursuit of its investment objective.

5. BORROWING

In accordance with the general provisions set out in the Prospectus under the heading Borrowing and Lending Powers and Restrictions, the Fund may borrow up to 10% of its total Net Asset Value on a temporary basis and not for speculative purposes.

6. LEVERAGE AND GLOBAL EXPOSURE

The Fund measures global exposure using the commitment approach. Further information regarding leverage and global exposure is set out in the Prospectus.

The Fund's global exposure (as prescribed in the UCITS Regulations.) relating to FDI, calculated using the commitment approach, must not exceed 100% of its total NAV.

7. INVESTMENT RESTRICTIONS

The investment restrictions applicable to the Fund are set out in the section headed "**Investment Restrictions"** and section 5 headed "**Investment Limits**" in the Prospectus. In addition, the Fund may not invest more than 10% of its assets under management in collective investment schemes such as REITS. REITS will be classified as collective investment schemes when they are open ended and as transferable securities where they are closed ended.

8. INVESTMENT MANAGER AND DISTRIBUTOR

The Manager may, with prior approval from the Central Bank, delegate its functions to third parties.

The Manager has appointed STONEHORN GLOBAL PARTNERS LIMITED as Investment Manager of the Fund and Distributor of the Shares. Under the terms of the Investment Management Agreement, the Investment Manager is responsible, among others, subject to the overall supervision and control of the Manager, for managing the assets and investments of the Fund in accordance with the investment objective and policies of the Fund. The fees of the Investment Manager are payable by the Manager out of the assets of the Fund and are set out later in this Supplement.

STONEHORN GLOBAL PARTNERS LIMITED is regulated and authorised in Hong Kong by the Securities and Futures Commission to undertake asset management licensed activities in respect of professional investors (as defined in the Hong Kong Securities and Futures Ordinance (Cap 571)).

The Investment Manager may, in accordance with the requirements of the Central Bank, appoint one or more sub-investment managers to whom it may delegate all or part of the day to day conduct of its investment management responsibilities in respect of the Fund. Any fees of the Investment Manager's delegate will be paid by the Investment Manager out of the Investment Manager's fee.

9. MANAGER AND DISTRIBUTOR

The ICAV has appointed Bridge Fund Management Limited as Manager of the ICAV and Distributor of the Shares.

The Manager is a privately owned company incorporated with limited liability in Ireland on 16 December 2015 with registration number 573961. The Manager is authorised by the Central Bank to act as a fund management company pursuant to the UCITS Regulations and an Alternative Investment Fund Manager (AIFM) pursuant to the European Communities (Alternative Investment Fund Managers) Regulations, 2013, as amended. Its principal business is acting as manager of investment funds.

10. RISK FACTORS

The risk factors under section 16 headed "**Risk Factors"** in the Prospectus apply to this Fund. Prospective investors should review these carefully and raise any questions they have with their advisers.

Although this is not an exhaustive description of the risks which may apply to an investment in the Fund, prospective investors' attention is particularly drawn to the risks set out in the Prospectus.

In addition, the following risks factors are specific to the Fund:

Asian Geographic Focus Risk

The Fund will focus its investments in the Asian Region. As a result, the Fund's performance may be subject to greater volatility than a more global or geographically diversified fund.

Asian Emerging Market Risk

As the Fund invests in equity markets, its performance is primarily influenced by company-specific changes and changes in economic environment. Moreover, investments in emerging markets such as Asia carry a higher price risk. Prices of securities traded in Asia tend to be less liquid and more volatile.

Frequent political and social unrest in certain Asian countries and associated high inflation and interest rates may lead to significant fluctuations in currencies and stock market prices. Due to the smaller size of many markets in Asia, there is also a risk of restricted liquidity, and possible restrictions on foreigners carrying out currency transactions or investments in certain countries in Asia represent further risks. It is therefore important that investments in the Fund are viewed as long-term in nature.
The trading and settlement practices of some of the stock exchanges or markets on which the Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk in respect of parties with whom it trades and will bear the risk of settlement default.

Currency fluctuations can be severe in emerging countries that have both floating and fixed exchange rate regimes. The latter can undergo sharp one-time devaluations.

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

Local custody services remain underdeveloped in many countries in Asia and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some countries in Asia evidence of title to shares is maintained in "book-entry" form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of the Fund's holding of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by the Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

Asian Emerging market securities

Emerging markets securities typically present even greater exposure to the risks including but not limited to include exchange rate fluctuations and exchange controls; less publicly available information; more volatile or less liquid securities markets; and the possibility of arbitrary action by foreign governments, including the takeover of property without adequate compensation or imposition of prohibitive taxation, or political, economic or social instability and may be particularly sensitive to certain economic changes. Asian Emerging markets securities are exposed to a number of risks that may make these investments volatile in price or difficult to trade. Political risks may include unstable governments, nationalisation, restrictions on foreign ownership, laws that prevent investors from getting their money out of a country and legal systems that do not protect property rights as well as the laws of Ireland.

PRC Government, Economic and Related Considerations

Investing in the PRC exposes the Fund to a higher level of market risk than investments in a developed country. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, settlement risk, greater risk of market shut down or stock suspension, imposition of trading band limits and more governmental limitations on foreign investment than those typically found in developed markets.

The PRC economy has been a planned economy since 1949. One, five and ten-year state plans are adopted by the PRC Government in connection with the development of the economy. Although state owned enterprises still account for a substantial portion of the PRC's industrial output, the state, in general, is reducing the level of direct control which it exercises over the economy through state plans and other measures, and there is an increasing degree of liberalisation in areas such as allocation of resources, production, pricing and management and a gradual shift in emphasis to a "socialist market economy".

During the past 15 years, the PRC Government has been reforming the economic systems of the PRC, and these reforms are expected to continue. Many of the reforms are unprecedented or experimental and are expected to be refined or changed. Other political, economic and social factors could also lead to further readjustments to the reform measures, such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as China A and China B Shares. The Fund's operations and financial results could be adversely affected by adjustments in the PRC's state plans, political, economic and social conditions, changes in the policies of the PRC government such as changes in laws and regulations (or the interpretation thereof), measures which may be introduced to control inflation, changes in the rate or method of taxation, imposition of additional restrictions on currency conversion and the imposition of additional import restrictions. Furthermore, a portion of the economic activity in the PRC is export-driven and, therefore, is affected by developments in the economies of the PRC's principal trading partners.

The PRC economy has experienced significant growth in the past ten years, but such growth has been uneven both geographically and among the various sectors of the economy. The PRC Government has implemented various measures from time to time to control inflation and to regulate economic expansion with a view to preventing overheating of the economy.

Political changes, social instability and adverse diplomatic developments in the PRC could result in the imposition of additional government restrictions including expropriation of assets, confiscatory levels of taxation, currency blockage or nationalisation of some or all of the property held by the underlying issuers of the China A Shares. Any occurrence could adversely affect the interests of the Fund.

Risks of investing in PRC securities

PRC securities markets risk

The national regulatory and legal framework for securities markets in the PRC, including the China A Share markets, are still in a stage of development, and may be characterised by higher liquidity risk than markets in more developed countries, which may in turn result in higher transaction costs and price volatility. There may not be equivalent regulation and monitoring of the PRC securities market and activities by investors, brokers and other participants to that in certain developed markets.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. In addition, the PRC's securities markets are undergoing a period of growth and change, which lead to uncertainties and potentially result in difficulties in the settlement and recording of transactions and in interpreting and applying the relevant regulations. The PRC's regulatory authorities have only recently been given the power and duty to prohibit fraudulent and unfair market practices relating to securities markets, such as insider trading and market abuse, and to regulate substantial acquisitions of shares and takeovers of companies. All of these factors may lead to a higher level of volatility and instability associated with the PRC securities markets relative to more developed markets.

Government intervention and restrictions risk

The liquidity and price volatility associated with China A Share markets are subject to greater risks of government intervention (for example, to suspend trading in particular stocks) and imposition of trading band restrictions for all or certain stocks from time to time. In addition, China A Shares traded in the PRC are still subject to trading band limits that restrict maximum gain or loss in stock prices, which means the prices of stocks may not necessarily reflect their underlying value. Such factors may affect the performance of the Fund, and the subscription and redemption of Shares may also be disrupted.

Accounting and reporting standards risk

PRC companies are required to follow PRC accounting standards and practice which follow international accounting standards to a certain extent. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards. As the disclosure and regulatory standards in the PRC are less stringent than in more developed markets, there might be substantially less publicly available information about issuers in the PRC on which the Investment Manager can base investment decisions.

Trading Volumes and Volatility

The Shanghai Stock Exchange and Shenzhen Stock Exchange have lower trading volumes than most stock exchanges in developed countries and the market capitalisations of listed companies are small compared to those on more developed stock exchanges in developed markets. The listed equity securities of many companies in the PRC are accordingly materially less liquid, subject to greater dealing spreads and experience materially greater volatility. Government supervision and regulation of the PRC securities market and of quoted companies is also less developed. In addition, there is a high measure of legal uncertainty concerning the rights and duties of market participants as compared to investments made through securities systems of established markets.

The PRC stock market has in the past experienced substantial price volatility and no assurance can be given that such volatility will not occur in the future. The above factors could negatively affect the Fund's Net Asset Value, the ability to redeem Shares and the price at which the Shares may be redeemed.

Custody Risk

In a limited number of markets, such as the PRC, where a no failed trade policy is standard market practice, assets may be assigned, transferred, exchanged or delivered without the prior approval of the Depositary or its agent. Once a sale order is placed in relation to assets of the Fund, by virtue of the operation of the settlement system within those markets, those assets will automatically move from custody of the Depositary without the need for the prior approval of the Depositary. Where this occurs the consideration for those assets is remitted to the entity releasing the assets.

RMB currency risk

The RMB is not freely convertible and subject to exchange controls and restrictions. Where the Fund makes investments in assets denominated in RMB there is no guarantee that RMB will not depreciate. Investors whose assets and liabilities are predominantly in currencies other than RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB as well as associated fees and charges.

Risk in dealing in securities through Stock Connect

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEX**"), Shanghai Stock Exchange (SSE) and China Securities Depository and Clearing Corporation Limited ("**CSDCC**") and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, the Shenzhen Stock Exchange ("**SZSE**") and CSDCC. The aim of the Stock Connects is to achieve mutual stock market access between the PRC and Hong Kong.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company as established by The Stock Exchange of Hong Kong Limited ("**SEHK**"), may be able to trade eligible China A shares listed on SSE by routing orders to SSE.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A Shares listed on the SZSE by routing orders to SZSE.

Shanghai-Hong Kong Stock Connect

Under the Shanghai-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Fund) are able to trade certain stocks listed on the SSE market ("**SSE Securities**"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

It is expected that the list of eligible securities will be subject to review.

Shenzhen-Hong Kong Stock Connect

Under the Shenzhen-Hong Kong Stock Connect, Hong Kong and overseas investors (including the Fund) are able to trade certain eligible shares listed on the SZSE market ("**SZSE Securities**"). These include all the constituent stocks of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed China A shares which have corresponding China H Shares listed on SEHK, except the following:

- SZSE-listed shares which are not traded in RMB; and
- SZSE-listed shares which are included in the "risk alert board" or under delisting arrangement.

At the initial stage of the Shenzhen-Hong Kong Stock Connect, investors eligible to trade shares that are listed on the ChiNext Board under Northbound trading will be limited to institutional professional investors (which the Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

Subject to the requirements of the Central Bank, the Fund may seek exposure to stocks issued by companies listed on the PRC stock exchanges via Stock Connect. Stock Connect is a new trading programme that links the stock markets in PRC and Hong Kong and may be subject to additional risk factors. The relevant regulations are untested and subject to change. The programme is subject to quota limitations which may restrict the Fund's ability to invest in China A Shares through the programme on a timely basis and as a result, the Fund's ability to access the China A Shares market (and hence to pursue its investment strategy) will be adversely affected. Where a suspension in the trading through the Stock Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The PRC regulations impose certain restrictions on selling and buying. Hence the Fund may not be able to dispose of holdings of China A Shares in a timely manner. Also, a stock may be recalled from the scope of eligible stocks for trading via the Stock Connect. This may adversely affect the investment portfolio or strategies of the Fund, for example, when the Investment Manager wishes to purchase a stock which is recalled from the scope of eligible stocks. Due to the differences in trading days, the Fund may be subject to a risk of price fluctuations in China A Shares on a day that the PRC stock market is open for trading but the Hong Kong stock market is closed.

The China A Shares traded through Shanghai-Hong Kong Stock Connect are issued in scripless form, so investors will not hold any physical China A Shares. The regulation in relation to Shenzhen-Hong Kong Stock Connect has not yet been issued, but the same treatments are expected to be applies to Shenzhen-Hong Kong Stock Connect.

Under Stock Connect, China A Shares listed companies and trading of China A Shares are subject to market rules and disclosure requirements of the China A Shares market. Any changes in laws, regulations and policies of the China A Shares market or rules in relation to Stock Connect may affect share prices. Foreign shareholding restrictions and disclosure obligations are also applicable to China A Shares.

The Investment Manager will be subject to restrictions on trading (including restriction on retention of proceeds, maximum cross-boundary investment quota and a daily quota) in China A Shares as a result of its interest in the China A Shares. The Investment Manager is solely responsible for compliance with all notifications, reports and relevant requirements in connection with their interests in China A Shares.

Under the current PRC rules, once an investor holds up to 5% of the shares of a company listed on the SSE, the investor is required to disclose his interest within three working days and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the PRC rules. Overseas investors holding China A Shares via Stock Connect are subject to the following restrictions (i) shares held by a single foreign investor (such as the Company) investing in a listed company must not exceed 10% of the total issued shares of such listed company; and (ii) total shares held by all foreign investors (i.e. Hong Kong and overseas investors) who make investment in a listed company must not exceed 30% of the total issued shares of such listed company. If the shareholding of a single investor in a China A Share listed company exceeds the above restrictions, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period.

Trading in securities through the Stock Connect may be subject to clearing and settlement risk. Investors in Hong Kong and PRC can trade and settle shares listed on the other market via the exchange and clearing house in their home market. If the clearing house defaults on its obligation to deliver securities / make payment, the Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.

According to existing PRC practices, the Fund as a beneficial owner of China A Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf.

Greater China Region Risk

Investments in the Greater China Region may be subject to a higher risk than investments in developed market economies. Many countries in the Greater China Region are considered emerging markets, and hence subject to risks such as heightened political unrest, securities whose valuations fluctuate widely, war or social uprising, and domestic economic management (including the risks of remittance restrictions and exchange controls) or sovereign intervention (including the risk of expropriation). There may be less publicly available information about companies in many countries in the Greater China Region, and the stock exchanges and brokerage industries in such countries typically do not have the level of government oversight as do those in developed markets. Such information as is available may be less reliable than that published by or about companies in developed markets. These risks may all impact on entities with operations in the region. Such instability may be reflected in the value of investments made in Greater China Region economies, increasing the risk of adverse performance, and/or loss of investor capital.

Country and Legal Infrastructure

Countries in the Greater China Region have diverse legal, banking and exchange control systems with which prospective investors may not be accustomed. Company laws in some targeted countries are in their early stage. In the development of these, certain new laws might have a negative impact on the value of an investment which cannot be foreseen at the time the investment is made. As the efficacy of such laws is as yet uncertain, there can be no assurance as to the extent to which rights of foreign shareholders can be protected. In addition, there may also be a shortage of qualified judicial and legal professionals to interpret or advise upon recently enacted and future laws in some jurisdictions. It may also be difficult for a Fund to obtain effective enforcement of its rights by legal or arbitral proceedings in the Greater China Region than in countries with more mature legal systems. The value of the Fund's portfolio can be affected negatively by changes in those legal, banking or exchange control systems. Shareholders may lose money in those circumstances.

Corporate Disclosure, Accounting and Regulatory Standards

The disclosure and regulatory standards in some countries in the Greater China Region are in many respects less stringent than standards in certain OECD Countries. There may be less publicly available information about Greater China Region companies than is regularly published by or about companies from OECD Countries. Such information as is available may be less reliable than that published by or about companies in OECD Countries. Greater China Region companies may be subject to accounting standards and requirements that differ in significant respects from those applicable to companies established or listed in OECD Countries. This, if combined with a weak regulatory environment, could result in lower standards of corporate governance and less protection of minority shareholder rights of the companies in which the Fund will invest. The lower level of disclosure, transparency and reliability of certain material information may impact on the value of investments made by the Fund and may lead the Investment Manager or other service providers of the Fund to an inaccurate conclusion about the value of the investments of the Fund.

Indian Market Characteristics

Trading markets in Indian assets, both onshore and offshore, are substantially smaller (on the basis of market capitalisation, value of securities traded and number of participants) than certain other developed markets. As a consequence, the Fund may invest in a relatively limited number of issuers, some or many of which may operate in the same industry or economic sector. Trading markets in India may be subject to greater price volatility and less liquidity than is usually the case in the developed markets globally.

The size of the companies traded on Indian securities markets may pose special risks as they are often smaller than those whose securities are stated in the developed countries globally. Limited product lines, limited markets, and fewer managerial and financial resources, may make smaller companies more vulnerable to losses and increase the possibility of insolvency. Their securities may be more volatile and less liquid because of the less-extensive market making and arbitrage activity. Trades of significant blocks of securities by large investors, and adverse events affecting the markets generally, may have a greater impact than in the market of developed countries.

Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, from time to time, disputes have occurred between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. Similar problems could occur in the future and, if they do, they could harm the market price and liquidity of the equity shares held by the Fund.

There may be less reliable information available in the Indian markets than in other developed countries. The level of government supervision of securities exchanges tends to be lower and broker and listed companies are generally subject to less regulation as well. Accounting, auditing, and financial reporting standards are often less rigorous and may not be consistently applied. Local market participants may have information not available to outsiders. Thus, the Fund may have available less information, and less reliable information, than would be normal in developed countries.

There may be less reliable information available in the Indian markets than in other developed countries. The level of government supervision of securities exchanges tends to be lower and broker and listed companies are generally subject to less regulation as well. Accounting, auditing, and financial reporting standards are often less rigorous and may not be consistently applied. Local market participants may have information not available to outsiders. Thus, the Fund may have available less information, and less reliable information, than would be normal in developed countries.

Indian Governmental, Economic and Political Considerations

The Fund and the price and liquidity of its investments may be affected generally by exchange rates and controls, interest rates, changes in Indian governmental policy, taxation, social and religious instability and political, economic or other developments in or affecting India. In particular future political and economic conditions in India may result in its government adopting different policies with respect to foreign investment. Any such changes in policy may affect ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, with potentially adverse effects on the Fund’s investments. Future actions of the Indian central government or the respective Indian state governments could have a significant effect on the Indian economy, which could adversely affect market conditions and prices and yields of the Fund’s investments.

Indian Regulatory Infrastructure

The regulatory infrastructure in India is unique and relatively underdeveloped. In most cases, securities laws are evolving and far from adequate for the protection of the public from serious fraud. Investments made by the Fund will be subject to risks such as changes in applicable laws, instability of government, possibility of expropriation, limitations on the use or removal of funds or other assets, change in governmental administrations or economic and monetary policy, changes in dealing with nations or changes in provisions related to Double Taxation Avoidance agreements and/or such other treaty and agreements between countries. Also, onshore and/or local currency denominated investments/trades in some of these markets are and may continue to be subject to various regulatory approvals which, where required and deemed appropriate, the Fund will seek to obtain from time to time, however no assurance can be provided that the Fund will be successful in doing so.

Indian Controls on Repatriation of Capital and Profits

The right to repatriate capital, dividends and interest income may be subject to prior government approval. The Fund’s investments, and income it receives on those investments, might be denominated in local currency which will need to be ultimately converted to US Dollars. To the extent that a prior government approval is required to repatriate funds, the Fund may be adversely affected by delay in approval, and where exchange rates are fluctuating, delay may directly and adversely affect the value of the repatriated sum on conversion to US Dollars.

Indian Clearing, Settlement and Registration Systems

Although the Indian primary and secondary equity markets have grown rapidly over the last few years and the clearing, settlement and registration systems available to effect trades on the Indian stock markets have significantly improved with mandatory dematerialization of shares, these processes may still not be on a par with those in more mature markets. Problems of settlement in India may impact on the Net Asset Value and the liquidity of the Fund’s investments.

Equity and Equity-Linked Securities

The Fund will engage in trading equity and equity-linked securities including equity-based derivatives (such as ADRs and P-Notes), the values of which vary with an issuer's performance and movements in the broader equity markets. Numerous economic factors, as well as market sentiment, political and other factors, influence the value of equities. At any given time, the Fund may have significant investments in companies with smaller market capitalisations. These securities often involve greater risks than the securities of larger, better-known companies, including less liquidity and greater volatility.

Market prices of equity securities as a group may drop dramatically in a short period of time, as they have done on several occasions in the past, and they may do so again in the future. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumours of accounting irregularities. These factors may adversely affect the Fund, and consequently, the Net Asset Value per Share.

P-Notes

By investing through P-Notes, the Fund is taking on the credit risk of the issuer of the P-Note. There is a counterparty risk that the issuer will not settle a transaction due to a credit or liquidity problem, thus causing the Fund to suffer a loss. Any insolvency event in relation to, or other failure by the issuers to perform their obligations under the P-Notes will have an adverse impact on the Fund. In addition, in the case of a default, the Fund could become subject to adverse market movements while replacement transactions are executed. The Fund may even suffer losses of up to the full value of the P-Notes issued by a defaulting issuer.

An investment in a P-Note entitles the holder to certain cash payments calculated by reference to the securities to which such P-Note is linked. It is not the same as an investment directly in the securities themselves. An investment in the P-Note does not entitle the holder of such P-Note (i.e., the Fund) to the beneficial interest in the securities nor to make any claim against the company issuing the securities.

Investment through P-Notes may lead to a dilution of performance of the Fund when compared to a fund investing directly in similar assets. Fluctuation in the exchange rate between the denomination currency of the security and the P-Note will affect the value of the P-Note, the redemption amount and the distribution amount on the P-Note.

Foreign Exchange Risk

The Fund is denominated in US Dollars but may issue classes of shares denominated in a currency other than its Base Currency. In addition, the Fund may invest in assets that are denominated in a currency other than its Base Currency. The value of a Shareholder's investment may therefore be affected by movements in the exchange rates between the different currencies. Further, any changes in exchange control regulations may cause difficulties in the repatriation of funds. Dealings in the Fund may be suspended if the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares.

Market Crisis and Governmental Intervention

The global financial markets have recently undergone pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention was in certain cases implemented on an "emergency" basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions was suddenly and/or substantially eliminated. In addition, as one would expect given the complexities of the global financial markets and the limited timeframe within which governments were able to take action, these interventions were sometimes unclear in scope and application, resulting in confusion and uncertainty which in itself was materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

Certain governments and supra-governmental agencies and organisations have previously taken, and in certain cases continue to take significant steps to intervene in the financial markets. Current and future government and/or supra-governmental interventions may lead to a change in valuations of securities that is detrimental to the Fund's investments. Such intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations.

The Investment Manager believes that it is possible that emergency intervention may take place again in the future. The Investment Manager also believes that the regulation of financial markets is likely to be increased in the future. It is impossible to predict the impact of any such intervention and/or increased regulation on the performance of the Fund or the fulfilment of its investment objective.

Market Disruptions

The Fund may incur major losses in the event that disrupted markets and/or other extraordinary events affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from the disconnection from historical prices during periods of market disruption is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Fund from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to the Fund. Because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment vehicles suffered heavy losses even though they were not heavily invested in credit-related investments.

In addition, the global financial markets may undergo further fundamental disruptions in the future, which could result in renewed governmental and/or supra-governmental interventions which may be materially detrimental to the performance of the Fund. Furthermore, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the Fund, and such events may result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for the Fund to liquidate affected positions and thereby expose it to losses. There is also no assurance that off-exchange markets will remain liquid enough for the Fund to close out positions.

Impact of Tariffs or Trade Wars

Tariffs on certain products have recently been imposed or announced by the United States government and new tariffs may also be introduced. The PRC has already announced plans to impose tariffs on a wide range of American products in retaliation for new American tariffs. Additional tariffs could be imposed by the PRC in response to the President's proposal to increase tariffs on products imported from the PRC. There is also a concern that the imposition of additional tariffs by the United States could result in the adoption of tariffs by other countries as well.

The resulting trade war could have a significant adverse effect on world trade and the world economy, and have a material adverse effect on the market prices of equity securities as a group.

Performance Fee Risk

The payment of the Performance Fee as described in section 17 headed "**Fees and Expenses**" in this Supplement to the Investment Manager based on the performance of the Fund may create an incentive for the Investment Manager to make investments that are riskier or more speculative than would be the case in the absence of a Performance Fee. The Investment Manager will have discretion as to the timing and the terms of the Fund's transactions in investments and may therefore have an incentive to arrange such transactions to maximise its fees. Prospective investors should also note that the management fee and Performance Fee payable to the Investment Manager are based on net realised and net unrealised gains and losses as at the end of each calculation period and as a result, Performance Fees may be paid on unrealized gains which may subsequently never be realised by a Fund.

There is no equalisation arrangement in respect of the calculation of the Performance Fees. As there is no adjustment of equalisation credit or equalisation losses on an individual Shareholder basis, a Shareholder may incur a Performance Fee notwithstanding the Shareholder may have suffered a loss in investment in the Shares. On the other hand, a Shareholder may not be subject to any Performance Fee notwithstanding the Shareholder concerned may have realised a gain in investment in the Shares.

Pandemic Risk

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 may result in continued market volatility and a period of economic decline globally. It may also have a significant adverse impact on the value of the Fund's investments and the ability of the Investment Manager to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the

Investment Manager's ability to implement the Fund's investment policy. The Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the ICAV (to include, but not limited to. management, administration, transfer agency, custody and distribution services) may in certain circumstances be interrupted as a result of the pandemic.

Sustainability Risk

Sustainability risks are defined in the Sustainable Finance Disclosure Regulation (EU) 2019/2088 (the 'SFDR') as environmental, social or governance events or conditions that, if they were to occur, could have actual or potential material negative impacts on the value of the investments of the Fund.

The Investment Manager takes into account sustainability risks in its investment decision making process for the Fund, both at the initial due-diligence stage and as part of its ongoing monitoring. The Investment Manager believes that a company's long-term fundamentals can be affected by environmental, social, and governance ("ESG") issues and potentially act as a detriment to the interests of our investors from both a risk perspective as well as an investment return perspective. This is engrained in its investment process and decision-making process. The Investment Manager uses a proprietary ESG analysis and scoring system, which examines sustainability risks and competitive positioning of a company, as an integral part of its investment decision process. Much work is devoted to understanding a company's ESG positioning and how changing environments may impact the company's fundamentals. Using company reports, external data points, plus interaction with company management, the Investment Manager looks at how changing sustainability issues may affect the risk and return profile of each company and assign scores to different ESG metrics such as a company's carbon footprint, workplace safety and culture, raw material consumption habits (with high scores for positive behaviour). Only companies with high scores are included in the investment portfolio.

The Investment Manager considers the different sustainability risks its invested companies may face and how these risks can impact fund performance. As part of its ESG analysis, the Investment Manager performs scenario analysis on multiple trending ESG conditions to assess how those changes can affect the profitability of its invested companies. Part of the analysis involves adopting Porter's 5 forces to examine how sustainability risks affect the competitive positions of each company in its respective industry plus a detailed SWOT (Strength, Weakness, Opportunity, Threat) analysis to provide further insight on how sustainability risks may influence future prospects. For example, the threat of climate change and the depletion of resources can affect a company's sourcing costs and thus may impact the company's stock performance. Also, poor governance will harm a company's human capital and damage relationships which will lead to deteriorating company prospects. Understanding and managing these and other sustainability risk factors are an integral part of the investment decision process.

The Investment Manager has determined that the sustainability risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event) faced by the Fund is low.

For additional information, please refer to the section of the Supplement entitled "Sustainability".

11. DIVIDEND POLICY

The Directors do not currently intend to declare any dividends in respect of the Shares. Accordingly, net investment income on the Fund's investments attributable to the Shares is expected to be retained by the Fund, which will result in an increase in the Net Asset Value per Share of the relevant Share Class.

The Directors nevertheless retain the right to declare dividends in respect of such net investment income on the Fund's investments or out of capital in their sole discretion. In the event that the Directors determine to declare dividends in respect of a Share Class, the relevant Shareholders will be notified in advance of any such change in the dividend policy (including the date by which dividends will be paid and the method by which dividends will be paid).

12. TAX STATUS

Please see section 24 headed "**Taxation**" in the Prospectus.

13. KEY INFORMATION FOR SUBSCRIBING AND REDEEMING

Base Currency

The Base Currency of the Fund is US Dollars but investments and Share Classes may be denominated in other currencies.

Share Classes

The Fund may issue Shares in each of the Share Classes set out below.

Class	A	I	Super-I (USD)	Super-II (USD)	Super-I (EUR)	I (EUR)	I (AUD)	I CHF	A (AUD)
Class Currency	USD	USD	USD	USD	EUR	EUR	AUD	CHF	AUD
Investment Manager Fee (percentage of NAV)	1.25%	1.00%	0.75%	0.60%	0.75%	1.00%	1.00%	1.00%	1.25%
Performance Fee – Relevant Percentage	15% per Share.	15% per Share.	10% per Share.	20% per Share.	10% per Share.	15% per Share.	15% per Share.	15% per Share.	15% per Share.
Performance Period (with the first Performance Period commencing on the date of launch of the Fund)	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly
Hedging	None.	None.	None.	None.	None.	None.	None.	None.	None
Subscription Charge	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.	Not currently charged, but the charge if imposed, may be up to 5% of the Issue Price of Shares purchased or redeemed by Sharehold ers.

Redemption Charge	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.	Not currently charged, but the charge if imposed, may be up to 3% of the Redemption Price of Shares being redeemed.
Exchange / Switching / Conversion Charge	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.	Not currently charged, but the charge if imposed, may be up to 3% of the repurchase amount of the Shares being exchanged.
Minimum Initial Investment	US$300,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$70,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$150,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$70,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$300,000 (or its equivalent in the relevant currency denomination of the Class).
Minimum Holding	US$$300,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$70,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$150,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$70,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$1,000,000 (or its equivalent in the relevant currency denomination of the Class).	US$300,000 (or its equivalent in the relevant currency denomination of the Class).

The Directors reserve the right to differentiate between Shareholders and to waive or reduce the Minimum Initial Investment and Minimum Holding for any Shareholders or to refuse an application for any Shares in their absolute discretion. The Directors can waive any Subscription, Redemption, or Exchange, Conversion or Switching Fee set out above in their absolute discretion.

Additional classes of Shares may be created in accordance with the requirements of the Central Bank.

If the Investment Manager determines not to conduct currency hedging transactions in respect of a Class, currency conversions for subscriptions, redemptions and distributions will be conducted at prevailing spot currency exchange rates and consequently the value of Shares in the unhedged currency Class will be subject to exchange rate risk in relation to the Base Currency

Fees of Manager and Investment Manager

The Management Fee of the Manager is set out later in this Supplement and is paid out of the assets of the Fund.

The Investment Management Fee and Performance Fee (if any) of the Investment Manager are paid out of the assets of the Fund. The fee of any Sub-Investment Manager is paid out of the Investment Manager's fee. Further information is set out later in this Supplement.

The Initial Offer Period for all Classes

The Initial Offer Periods for the A Share Class, I Share Class, Super-I (USD) Share Class, Super-I (EUR) Share Class, Super-II (USD) Share Class, I (EUR) Share Class, I (AUD) Share Class, A (AUD) Share Class and I CHF Share Class are closed.

The Initial Offer Period can be shortened or extended in accordance with the requirements of the Central Bank.

Issue Price for all Classes

During the Initial Offer Period the Initial Issue Price for all Classes in the Fund is 100.00 per Share denominated in the relevant Class Currency.

After the Initial Offer Period, the Issue Price for all Classes in the Fund is Net Asset Value per Share of the relevant Class.

Minimum Fund Size

USD 10 million.

Business Day

A Business Day is (a) any day, other than (i) Saturdays and Sundays; (ii) a day on which banks in Dublin or Hong Kong are not open for business; or (iii) a day, determined at the Investment Manager's discretion, on which any exchange or market on which a substantial portion of the Fund's investments is traded, is closed or while dealings on any one exchange or market are restricted or suspended; or (b) such other day as the Investment Manager may determine from time to time and notify to Shareholders.

Dealing Day

The Dealing Day for Subscriptions and Redemptions is each Business Day.

Dealing Deadline

The Dealing Deadline is 12 noon (Irish time) on the day before the relevant Dealing Day or such other day or time as the Directors may determine provided the Shareholders are notified in advance and it is prior to the relevant Valuation Point.

Valuation Point

The Valuation Point is 4.00pm (New York time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary.

Settlement Date

The Settlement Date for the receipt of monies for subscription for Shares shall be 2 Business Days after the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator.

The Settlement Date for the dispatch of monies for the redemption of Shares shall be within 10 Business Days following the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator.

14. HOW TO SUBSCRIBE FOR SHARES

Requests for the subscription for Shares should be made in accordance with the provisions set out in section 18 headed "**Share Dealings**" in the Prospectus.

15. HOW TO REDEEM SHARES

Requests for the redemption of Shares should be made in accordance with the provisions set out in section 19 headed "**Redemption of Shares"** in the Prospectus.

Redemption requests can be made in terms of number of Shares or by requesting a cash amount.

16. ANTI-DILUTION LEVY

In calculating the subscription amount, the Directors or the Manager may on any Dealing Day impose a charge/anti-dilution levy. The Directors or the Manager may make an adjustment by way of an addition to the subscription amount which will be reflected in the Issue Price, or a deduction from the subscription monies received when there are net subscriptions of a charge/anti-dilution levy, which the Investment Manager considers represents an appropriate figure to cover dealing costs and/or to preserve the value of the underlying assets of the Fund. Any such charge/levy shall be retained for the benefit of the Fund and the Directors or the Manager reserve the right to waive such charge at any time.

The Directors or the Manager may make an adjustment by way of a deduction from either the Redemption Price or the Redemption Proceeds when there are net redemptions, to include a charge/anti-dilution levy, which the Investment Manager considers represents an appropriate figure to cover dealing costs and to preserve the value of the underlying assets of the Fund. Any such charge/levy shall be retained for the benefit of the Fund and the Directors or the Manager reserve the right to waive such charge at any time.

17. ANTI-MONEY LAUNDERING

Measures aimed at the prevention of money laundering may require an applicant for Shares to verify their identity, address and source of funds to the Administrator. The anti-money laundering provisions set out in the Prospectus apply to this Fund.

18. FEES AND EXPENSES

Management Fee

Pursuant to the Management Agreement, the Manager is entitled to charge the Fund an annual fee not to exceed 0.10% of the Net Asset Value of the Fund but subject to a minimum annual fee of not more than €150,000, which fee shall be allocated pro-rata to all sub-funds of the ICAV. The Manager's fee shall be subject to the imposition of Value Added Tax ("**VAT**") if required. The fee will be calculated and accrued daily and is payable monthly in arrears within ten (10) Business Days of the last Business Day of each calendar month. The Manager's fee may be waived or reduced by the Manager, in consultation with the Directors. The Manager shall in addition charge the Fund a once-off initial set-up fee of €15,000 which shall be allocated pro-rata to all the sub-funds of the

ICAV. The Manager shall be entitled to be reimbursed by the Fund for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

Investors should refer to the relevant key investor information document for details of the ongoing charge figure applicable to each class of Shares which represents the current charges applied to that class of Shares. The Manager's fee will include any fee to which it is entitled as Distributor.

Investment Manager Fee

The Investment Manager shall be entitled to a fee payable out of the assets of the Fund (the "**Investment Management Fee**"). The Investment Management Fee is payable monthly in arrear and is calculated by reference to the Net Asset Value of the Fund as at each Dealing Day.

The current Investment Management Fee payable in respect of each Class is set out in the table above. A fee greater than the Investment Management Fee set out in this Supplement may at any time be charged, upon proper notice to Shareholders, and in accordance with the requirements of the Central Bank.

The Investment Manager shall also be reimbursed by the Fund for all fees and properly vouched expenses reasonably incurred by the Investment Manager in the performance of its duties related to the Fund. The Investment Manager shall be responsible for paying the fee due to any Sub-Investment Manager. The Investment Manager's fee will include any fee to which it is entitled to as Distributor.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders or their agents or to intermediaries, part or all of the Investment Management Fee. Any such rebates may be in cash or applied for additional Shares to be issued to the Shareholder.

It is not the current intention of the Investment Manager to rebate to any Shareholder of any Super-I Share Class (or their agents or to intermediaries) part or all of the Investment Management Fee and/or Performance Fee.

Performance Fee

As set out in this Supplement, a Performance Fee is payable at the end of each Performance Period to the Investment Manager. The Performance Fee in respect of each Share shall be calculated as set out below.

The Investment Manager will be entitled to receive a Performance Fee equal to the Relevant Percentage of the amount by which the Net Asset Value per Share exceeds the Benchmark Net Asset Value per Share at the end of each Performance Period in respect of the Benchmark, as set out under the section of this Supplement entitled "Investment Objective". The "**Benchmark Net Asset Value"** is the Net Asset Value per Share as at the last Benchmark Day, calculated to reflect the performance of the Benchmark Index since the last Benchmark Day. The initial value used for calculation is the Initial Issue Price. The Benchmark is considered consistent with the Fund's Investment Policy.

The "**Benchmark Day"** means the Performance Fee Valuation Day in which a Performance Fee was charged.

Following a period of underperformance whereby the Net Asset Value per Share does not exceed the Benchmark Net Asset Value at the end of the Performance Period, no Performance Fee will be payable until such time as the underperformance has been recovered. In any Performance Period in which any accumulated underperformance is recovered, only that part of the outperformance for such period is taken into account for the purposes of calculating the Performance Fee payable for the Performance Period.

The Performance Fee accrual may, however, never be negative. Under no circumstances will the Investment Manager pay money into any sub-fund or to any shareholder for any underperformance.

The Performance Fee in respect of each Performance Period will be calculated by reference to the Net Asset Value per Share before deduction of any accrued Performance Fee for the then current Performance Period but after deduction of all other Fund expenses, (including the Investment

Management Fee) provided that in doing so it is in the Shareholder's best interest, and will have any relevant distributions attributable to each Share added back to the Net Asset Value.

The Performance Fee will be accrued daily and payable to the Investment Manager as of the Performance Fee Valuation Day out of the assets of the Fund attributable to the Shares and will be credited to the Investment Manager as of the Performance Fee Valuation Day.

If the Investment Management Agreement is terminated before the last Business Day of a financial year, the Performance Fee in respect of the then current Performance Period will be calculated and paid as though the date of termination of the Investment Management Agreement were the end of the relevant period.

If Shares are redeemed during a Performance Period, the Performance Fee will be calculated as though the relevant Redemption Day was the end of a Performance Period and an amount equal to any accrued Performance Fee in respect of such Shares will be paid to the Investment Manager. In the event of a partial redemption, Shares will be treated as redeemed on a first in, first out basis for the purpose of calculating the Performance Fee. The accrued Performance Fee in respect of those Participating Shares will be paid to the Investment Manager as soon as reasonably practicable after the relevant Dealing Day.

The Performance Fee shall be calculated by the Administrator, verified by the Depositary prior to payment and not open to the possibility of manipulation.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders or their agents or to intermediaries, part or all of the Performance Fee. Any such rebates may be in cash or applied for additional Shares to be issued to the Shareholder.

Shareholders should note that the Manager may be paid a Performance Fee which will be based on net realised and net unrealised gains and losses as at the end of each Performance Period. Therefore, it is an inherent risk in the Fund that Performance Fee may be paid on unrealised gains which may subsequently never be realised by the Fund.

The Benchmark Index is denominated in USD which is also the base currency of the Fund. Past performance will be compared against the version of the Benchmark Index which is denominated in the same currency as the relevant Share Class.

For the avoidance of doubt, a Performance Fee may be paid in times of negative performance (for example, in instances where the Fund has outperformed the Benchmark, but overall has a negative performance).

Performance Fee Examples

This example deals with accrual and payment of the performance fee for a Fund under different performance scenarios.

Example 1:

Performance Fee:	10%
Scenario:	NAV increases during the initial performance period by a greater amount than the increase of the Index over the same period. The scenario assumes no subscription/redemption activities for the period.
Result:	Performance fee is paid during the performance period.
Detail:	In this example:

- An investor purchases 1000 Shares at an opening NAV per share of 100p at the beginning of the initial performance period (at which point the Share class NAV becomes £1000);
- In the performance period the closing GAV per share increases to 110p (so the Fund has risen 10%)

- Hypothetically, the respective Index for the performance period has risen 5%.

In this situation, a performance fee is payable on the 5% outperformance of the Index (10% of (110p-105p) x weighted average shares) £0.005 of performance fee per weighted average share is crystallised.

The Fund's closing NAV is £1095 and the NAV per share is 109.5p.

Example 2:

Performance Fee: 10%

Scenario: NAV increases during the initial performance period by a lesser amount than the increase of the Index over the same period. The scenario assumes no subscription/redemption activities for the period.

Result: Performance fee is not paid during the performance period.

Detail: In this example:

- An investor purchases 1000 Shares at an opening NAV per share of 100p at the beginning of the initial performance period (at which point the Share class NAV becomes £1000);
- In the performance period the closing GAV per share increases to 110p (so the Fund has risen 10%)
- Hypothetically, the respective Index for the performance period has risen 15%.

In this situation, a performance fee is not payable because the Index has risen by a greater amount than the NAV increase of the Fund.

Example 3:

Performance Fee: 10%

Scenario: NAV decreases during the initial performance period by a lesser amount than the decrease of the Index over the same period. The scenario assumes no subscription/redemption activities for the period.

Result: Performance fee is paid during the performance period.

Detail: In this example:

- an investor purchases 1000 Shares at an opening NAV per share of 100p at the beginning of the initial performance period (at which point the Share class NAV becomes £1000);
- In the performance period the closing GAV per share decreases to 90p (so the Fund has fallen 10%)
- Hypothetically, the respective Index for the performance period has fallen 15%.

In this situation, a performance fee is payable on the 5% outperformance of the Index. (10% of (90p-85p) x weighted average shares) £0.005 of performance fee per weighted average share is crystallised

The Fund's closing NAV is £895 and the NAV per share is 89.5p.

Past Performance

Past performance of the Fund (once available) as against the Benchmark will be disclosed within the relevant KIIDs, which are available from https://www.stonehornpartners.com and may also be obtained via email upon request by contacting TATeam@MJHudson.com.

Depositary Fee

The Fund shall discharge the Depositary's fees and expenses. The Depositary's fee will be charged depending on the assets held by the Depositary and shall be calculated and accrued as of each Valuation Point and shall be payable monthly in arrears and shall be subject to the imposition of VAT if required. The maximum fee payable by the Fund is 0.025% per annum of the assets held by the Depositary, subject to a minimum annual fee of US$30,000 per annum.

The Fund shall pay certain additional fees to the Depositary for the settlement of transactions, for cash transfers and foreign exchange, for manual transactions and trade repairs, at normal commercial rates and for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable by it or to it.

Sub-custodian fees and transaction charges will be charged at normal commercial rates.

Administrator's Fee

The Fund shall discharge the Administrator's fees and expenses (including any reasonable out of pocket expenses incurred on behalf of the Fund). The Administrator's fee shall be calculated and accrued as of each Valuation Point and shall be payable monthly in arrears. The maximum fee payable by the Fund is 0.05% per annum of the assets under administration, subject to a minimum annual fee of US$54,000 per annum.

The Fund shall pay certain additional fees to the Administrator for additional Classes of Shares, for the production of financial statements, for providing tax reporting service, for access to on-line communications and reporting and for the set up and due diligence on investor accounts, the maintenance of the Fund's Shareholder register and for Shareholder transaction processing, at normal commercial rates and for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable by it or to it.

Costs of Establishment of the ICAV and the Fund

The preliminary expenses incurred in connection with the establishment of the ICAV, including obtaining authorisation from any authority, where applicable, filing fees, the preparation and printing of this Supplement and the Prospectus, marketing costs and the fees of all professionals relating to it will be borne by the Fund and are estimated not to exceed the sum stated in the Prospectus. Where subsequent Funds are established, they shall pay a pro-rata share of the preliminary expenses based on the NAV of the relevant Fund as a proportion of the NAV of the ICAV at the launch date of the relevant Fund.

The cost of establishing the Fund and the initial issue of the Shares of the Fund will be paid out of the assets of the Fund and will be amortised over a five year period from Fund launch. The preliminary expenses incurred in connection with the establishment of the Fund are estimated not to exceed €300,000.

19. SUSTAINABILITY

The environmental and social characteristics promoted by the Fund include climate change, sustainability, diversity, human rights, consumer protection, animal welfare, corporate governance, safe working environment, and fair treatment of employees.

In identifying investments which allow the Fund to promote environmental or social characteristics, the Investment Manager adopts the following strategies:

- The Investment Manager believes that it should invest in companies which share a common ESG philosophy and have a clearly defined and transparent corporate governance model. It has developed a comprehensive set of metrics to rate companies on their ESG practices. ESG factors that the Investment Manager rates on include quality of governance reporting, corporate impact on environment and society, and compliance with environmental best practices.

- The Investment Manager takes into account all publicly available information on ESG factors when performing analysis and when making investment decisions. It will integrate its own internal methodology in assessing ESG via engagement with the company and industry consultants as well as accessing third-party research and data providers.

As part of its investment process, the Investment Manager integrates its proprietary company quality and ESG scoring system. A company must pass the Investment Manager's strict ESG scoring pass/fail criteria before it can be considered for investment.

The Investment Manager also assesses the governance practices of issuers through its ESG engagement process to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Manager's view is that it is not just a shareholder in the businesses in which it invests – it is an owner of the businesses on behalf of its clients and therefore has a responsibility to act as a long-term steward of these companies. The Investment Manager will meet with its invested companies to understand their business and strategy in corporate governance. The Investment Manager actively promotes best practices in each of the business' ESG policies with a long-term interest for investors.

Also, the Investment Manager will endeavour to vote at all its investment companies' shareholder meetings. Its principles in voting are to follow the best interest of its investors, to incorporate long-term sustainable investing in-line with industry best practices and to support shareholder initiatives and resolutions promoting EGS disclosure. In addition, the Investment Manager will ask issuers for standardised reporting on ESG issues (using tools such as the Global Reporting Initiative, namely guidelines which provide a holistic framework that addresses broad performance – social, environmental and economic – as to how an organisation is reporting to stakeholders. They guide an organisation's approach to 'proving' its impact) and for ESG issues to be integrated within their annual financial reports.

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The Investment Manager monitors compliance with the social and environmental characteristics outlined above on a regular basis by reviewing with its investee companies, at least annually, their ESG policy. The reviews include conducting ESG site trips, field research, and management interviews on ESG and responsible investing. A company with the right ESG mindset is a key criterion for inclusion in the Manager's investment portfolio. Also, using its proprietary ESG Scoring System, the Investment Manager updates and keeps track of the overall ESG scores of its invested companies to ensure that the characteristics being pursued are met.