

DIVERSITY AND INCLUSION FAM FUND

SUPPLEMENT DATED 1 DECEMBER 2022

This Supplement contains specific information in relation to **DIVERSITY AND INCLUSION FAM FUND** (the "Fund"), a sub-fund of **FAM SERIES UCITS ICAV** (the "ICAV"), an open-ended umbrella type Irish Collective Asset-management Vehicle with variable capital and segregated liability between sub-funds, authorised by the Central Bank on 1 August 2018 pursuant to the UCITS Regulations.

This Supplement forms part of and should be read in the context of and in conjunction with the prospectus of the ICAV dated 1 December 2022 and the Addendum thereto (together the "Prospectus").

Interpretation and Definitions

Defined terms used in this Supplement will bear the meaning given to them in the Prospectus or shall have the meaning given to them in this Supplement. In the event of any inconsistency between the Prospectus and this Supplement, the terms of this Supplement will prevail.

Diversity Companies	means companies that demonstrate sustainability and gender and/or ethnic diversity. Diversity Companies must have at least 30% women and/or 30% ethnic minority representation on boards at the time of purchase. Diversity Companies acquired for their ethnic minority representation must also have no single ethnicity representing more 70% of the board at the time of purchase. The Investment Manager also considers other measures of gender and/or ethnic diversity as described in the EQL framework below in assessing the contribution of Diversity Companies to the sustainable objective.
Inclusion Companies	means companies that are considered by the Investment Manager to deliver solutions to empower social equality and as further described in the ESG criteria and sustainability criteria described below, these can be understood by reference to the United Nations Sustainable Development Goals framework as companies that are focused on matters such as sustainable development goals such as good health and wellbeing, quality education; gender equality; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; peace, justice and strong institutions; or other companies which the Investment Manager considers appropriate to invest in pursuit of the sustainable objective.

Investment Objective and Policies

The investment objective of the Fund is to maximise total returns through a combination of income and capital appreciation through investing in companies that have demonstrable gender and/or ethnic diversity, or which provide solutions empowering social equality.

The Fund seeks to achieve its investment objective by investing at least 80% of its Net Asset Value in equity securities and equity related securities such as common stock or preferred stock of Diversity Companies and Inclusion Companies. The Fund holds at least 15% and typically a maximum of 30% of its Net Asset Value in Inclusion Companies.

The Fund may invest in equity securities of Diversity Companies and Inclusion Companies operating in any market sector or with any market capitalisation and that may be domiciled, incorporated or listed in any country, including up to 20% of the Fund's Net Asset Value that may be invested in emerging markets issuers.

The Fund may invest up to 20% of its Net Asset Value in deposits, money market instruments such as T-bills, certificates of deposit, commercial paper and bankers' acceptances, and warrants. Investment in warrants will not be leveraged and will be limited to 10% of the Fund's Net Asset Value.

No more than 10% of the Fund's Net Asset Value may be invested in units or shares of collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations and the purpose of such investment is to gain exposure to the types of investments described herein.

Benchmark Information

The Fund is actively managed. The Investment Manager has selected the MSCI ACWI Net Return Index ("Index") that will be used as a comparison for the investment performance only. The Index is designed to represent performance of a broad range of large and mid-cap stocks from around the world, including developed markets and emerging markets. The Index is not an ESG benchmark and is not consistent with ESG or sustainability criteria. The Investment Manager does not intend to replicate the composition of such Index and may at all times exercise total freedom by investing in securities which are not included in the referenced Index or which are present in different proportions.

Other than permitted investment in unlisted securities and OTC FDIs, the Fund's investments will be limited to securities that are traded on the markets listed in Schedule I of the Prospectus

Selection of Investments and ESG Integration

Sustainability considerations are integrated into the Investment Manager's investment process with a focus on the long-term sustainability of investments and for this purpose the Investment Manager systematically includes ESG analysis in its investment decision making process by relying on certain ESG screenings and ESG quality assessment, which are summarised below.

ESG screening:

The Investment Manager performs a screening of the investible universe against its ESG criteria and sustainability criteria and excludes investments that do not comply with the Fund's investment objective. The following types of exclusions apply to the Fund:

- Norms-based exclusions: investments that are assessed to be in breach of commonly accepted standards of behaviour related to human rights, labour rights, environment and anti-corruption, including companies that are deemed to be in breach of the United Nations Global Compact Principles are excluded.
- Sector-based and/or values-based exclusions: investments and/or sectors exposed to business activities that are assessed to be damaging to human health, societal wellbeing, the environment, or otherwise assessed to be misaligned with the Fund's values-based criteria such as munitions manufactures, adult entertainment or gambling.
- Other exclusions: investments assessed to be otherwise in conflict with the ESG Criteria and sustainability criteria such as thermal coal and oil gas extraction.

Moreover, the Investment Manager will comply with the Manager's exclusion list which is based on the Manager's exclusion policy and compiled by the Manager, unless the Investment Manager's exclusions result in a more stringent rule than that or those provided for by the Manager and, in such case, the Investment Manager's more stringent rule(s) will apply. The Manager's exclusion policy may be obtained on the Manager's website at: <http://finecoassetmanagement.com/sustainability/>. The Manager's exclusion list may be obtained upon request from the Manager by reaching out to the contact details available on its website at: <http://finecoassetmanagement.com/contact/>.

ESG Quality Assessment:

The Investment Manager then assesses the sustainability credentials of the remaining investible universe.

Diversity Companies eligible for investments are those that meet the criteria of a fundamental assessment performed by the Investment Manager (known as the Investment Manager's "EQL framework") as follows:

- ESG Credentials: environmental and social responsibility characteristics evidenced by strong governance and sustainable business practices.
- Quality Credentials: the quality and durability of the company's business model and its ability to produce sustainable economic returns.
- Leading Diversity: the company's commitment towards diversity leadership through diversity representation, policies and targets.

Inclusion Companies eligible for investment are those that meet the criteria of a fundamental assessment performed by the Investment Manager (known as a III framework focusing on Investment, Intention and Impact):

- Investment Credentials: the quality and durability of the company's business model and its ability to produce sustainable economic returns.
- Intention: the company's purpose as evidenced by the alignment of its mission statement with its corporate strategy and actions.
- Impact: the scale of the net positive societal impact and the company's progress in addressing social equality challenges.

From the list of eligible Diversity and Inclusion Companies (or "watchlist") the Investment Manager seeks to invest in three categories of companies: (i) companies whose products or services have or could have a transformational effect on social equality (known as "pioneers"), (ii) companies that provide the tools for others to empower social equality (known as "enablers"), and (iii) companies that spearhead and mainstream sustainability in industries empowering social equality, but which may have more established profitability than pioneers (known as "leaders").

When constructing the portfolio the Investment Manager selects investments from the watchlist. The Investment Manager focuses on valuation, using scenario based analysis which assigns values and probabilities to a range of bullish to bearish market conditions, in order to estimate an intrinsic value. The Portfolio Manager typically seeks an attractive margin of safety between its assessment of intrinsic value and the share price before investing.

For any additional information on the Investment Manager's sustainable investing approach, please refer to the website <https://www.mandgplc.com/our-business/mandg-investments/responsible-investing-at-mandg-investments> – "Responsible Investment" section.

Use of Financial Derivative Instruments ("FDIs") and other Instruments and Techniques

The Fund may engage in transactions in FDI for the purposes of efficient portfolio management and hedging.

The types of FDIs that the Fund may use are listed and/or unlisted: currency forwards, futures and forward contracts, exchange traded futures and options as described below and the underlying assets of FDIs will be limited to those investments that the Fund may acquire in accordance with its investment policy. Transactions in FDIs will be used for the purpose of meeting the Fund's investment objective, to protect risk to capital as well as hedge against currency risk. The expected effect of the use of these instruments will be to enhance returns and/or to reduce inherent risks affecting the Fund's investments. For information in relation to the risks associated with the use of FDIs, please refer to the "Risk Factors" section of the Prospectus.

Currency Forwards: Currency forwards may be used for the purpose of hedging currency exchange risk arising from the redenomination of an asset into a currency other than the Fund's Base Currency or to mitigate the exchange rate risk between the Base Currency of the Fund and the currency designation of a particular share classes where relevant.

Futures and forwards: Futures and forwards may be used to hedge against downward movements

in the value of the Fund's portfolio (i.e. the Fund may enter into futures/forwards to sell investments at a fixed price thereby establishing a floor on the price at which investments may in the future be disposed), either by reference to individual equities or markets to which the Fund may be exposed.

Options: The Fund may acquire options and in particular call options may be used to gain exposure to equities and can provide an efficient, liquid and effective mechanism for taking a position in equities. Put options may be used to hedge against downside risk by permitting the Fund to sell investments at a fixed price and thereby protect the value of its portfolio in circumstances of a selloff and decline in market values.

Securities Lending Agreements: Securities lending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at a pre-agreed time. These agreements will only be used for efficient portfolio management to enhance overall returns to the Fund through the receipt of finance charges for the lending by the Fund of investments that it may acquire in accordance with its investment policy and are subject to the conditions and limits set out in the Central Bank UCITS Regulations. Counterparties to any securities lending activity will comply with Regulation 8 of the Central Bank UCITS Regulations. The Fund will only act as a lender under securities lending transactions and exposure to securities lending transactions is expected to be between 0% and 30% of the Fund's Net Asset Value, subject to a maximum exposure of 30% of the Fund's Net Asset Value.

Risk Measurement - Global Exposure and Leverage

Global exposure is calculated using the commitment approach. Global exposure and leverage as a result of FDIs, as measured using the commitment approach, shall not exceed 100% of the Fund's Net Asset Value.

SFDR Classification: The Manager has categorised the Fund as meeting the provisions set out in Article 9 of SFDR for products which have sustainable investment as their objective, as further described in Annex III at the end of this Supplement¹.

SFDR Disclosure

When assessing the Sustainability Risk associated with the Fund's underlying investments, the Investment Manager is attempting to understand the likelihood of the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (see definition of "Sustainability Risks" in the main body of the Prospectus).

While the Investment Manager integrates Sustainability Risk into the Fund's investment decision making process as described below, the output of such Sustainability Risk integration is not the determining factor, considered in the investment decisions of the Investment Manager in respect of the assets which the Fund may buy and/or hold. Accordingly, the Investment Manager may buy and/or hold assets which may expose the Fund to high or low levels of Sustainability Risk.

The Fund integrates Sustainability Risk into its investment decision making process as summarised below:

- (i) Prior to acquiring investments on behalf of the Fund, the Investment Manager uses Sustainability Risk metrics of a third party data service provider, and/or Sustainability Risk metrics based on internal research, in order to assess the relevant investment against Sustainability Risk factors.

¹ The information contained in Annex III has been completed using information provided by the Investment Manager of the Fund.

- (ii) The Investment Manager will comply with its own exclusion policy and the Manager’s exclusion list, whereby potential investments are removed from the investment universe on the basis that they pose a too great Sustainability Risk.

It has been determined that the Fund may have a lower prospect of being impacted by Sustainability Risk given that the Fund falls within the meaning of Article 9 of SFDR. To the extent that a Sustainability Risk occurs, there may be a sudden, material negative impact on the value of an investment, and hence there may be a material negative impact on the Net Asset Value of the Fund. Such negative impacts may result in an entire loss of value of an investment. The Manager and Investment Manager acknowledge that the Fund’s exposure to Sustainability Risks is changeable and shall keep the Fund’s exposure to these risks under periodic review. Where the Manager and/or the Investment Manager considers, as a result of such a review, that the Fund’s approach to the management of Sustainability Risks is to materially change, these disclosures will be updated accordingly.

It is possible that an assessment of Sustainability Risk may influence a decision by the Investment Manager to not make an investment, or to dispose of an existing investment that would otherwise be considered as attractive to invest in or retain, when confining the factors considered to financial-related elements such as financial position, revenue, capital structure etc.

Taxonomy Disclosure

While the Fund has sustainable investment as its objective within the meaning of Article 9 of the SFDR, it should be noted that as the investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation, the Fund’s portfolio alignment with the Taxonomy Regulation is not calculated. It follows that the Fund does not currently commit to investing more than 0% of its assets in investments aligned with the Taxonomy Regulation. The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Please refer to the section of the Prospectus entitled "Sustainable Finance Disclosures" for further information.

Investor Profile

The Fund is suitable for investors seeking income and capital growth from investment in issuers that demonstrate a commitment towards diversity leadership or provide solutions empowering social equality. The Fund is suitable for investors who are willing to accept a moderate to high level of volatility and should be viewed as a medium to long term investment.

Base Currency: US Dollar

Investment Manager

The Manager has appointed M&G Investment Management Limited of 10 Fenchurch Avenue London, EC3M 5AG, United Kingdom to act as the investment manager pursuant to an investment management agreement dated 31 July 2018 as may be amended and updated from time to time. The Investment Manager will provide discretionary investment management services to the Fund subject to the overall supervision of the Manager. The Investment Manager’s principal business and occupation is to provide investment management services to clients.

Offer of Shares

The following Classes of Shares are available for subscription:

Share	Initial	Initial	Currency	Sales	Minimum	Distribution
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Class	Offer Price	Offer Period	Denomination and Hedged Class		Charge	Initial Subscription and Minimum Subsequent Subscription	Type
Class L Acc	€100	Closed	Euro	No	Yes/5%	€1,000 / €100	Accumulating
Class L Dist	€100	Closed	Euro	No	Yes/5%	€1,000 / €100	Distributing
Class LH Acc	€100	Closed	Euro	Yes	Yes/5%	€1,000 / €100	Accumulating
Class A Acc	€100	2 December 2022 – 1 June 2023	Euro	No	No	€1,000 / €100	Accumulating
Class I Acc	€100	Closed	Euro	No	No	€1,000,000 / €100	Accumulating
Class J Acc	€10000	Closed	Euro	No	No	€1,000,000 / €100	Accumulating
Class J Dist	€10000	2 December 2022 – 1 June 2023	Euro	No	No	€1,000,000 / €100	Distributing

During the initial offer period Shares are available for subscription at the initial offer price as indicated in the table above. Where the initial offer period has closed, Shares will be available at the prevailing Net Asset Value of each Class of Shares.

Application for Shares

Full details on how to purchase Shares are described in the Prospectus under the section titled “Application for Shares”. Investors should note the following Dealing Deadline and Valuation Point that shall apply in respect of applications for Shares of the Fund:

“**Dealing Deadline**” means 11:59am (Irish time) on the relevant Dealing Day; and

“**Valuation Point**” means 11:59pm (Irish time) on the relevant Dealing Day.

Applications for Shares may be made to the Paying Agent or the Administrator (whose details are set out in the Application Form). Applications received by the Paying Agent or the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day, unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day, provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Fees and Expenses

Fees and expenses are payable out of the Fund and details of how Fees are accrued and paid, and details of other general management and fund charges, are set out in the Prospectus under the heading “Fees and Expenses”.

Manager’s Fee

The Manager shall be entitled to a management fee of up to 2.50% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares. The fees of the Investment Manager shall be paid out of the Manager’s fees and not out of the assets of the Fund.

Administrator's Fee

Up to 0.3% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Depositary's Fee

Up to 0.2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Sales charge:

Up to 5% of the value of the gross subscription, except in respect of an Underlying Fund which is managed, directly or by delegation, by the Manager or by any other entity with which the Manager is linked by common management or control, or by a substantial direct or indirect holding; in which case, in order to avoid double-charging, either (i) the Underlying Fund will waive any sales charge, or (ii) any sales charge will be waived in respect of the Fund. In respect of scenario (ii) above, the principle of equal and fair treatment of the investors will at all times be met by the Fund in accordance with the Central Bank UCITS Regulations.

If a sales charge is incurred, Shareholders should view their investment as medium to long-term.

Establishment Costs

The costs of establishing the Fund, obtaining approval from any authority, filing fees, the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to it, which are estimated not to exceed €25,000 will be borne by the Fund and amortised over the first five years of the Fund's operation (or such other period as may be determined by the Directors in their discretion).

Risk Factors

The attention of investors is drawn to the section headed "Risk Factors" in the Prospectus.

ANNEX III

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Diversity and Inclusion FAM Fund
Legal entity identifier: 254900CFRFO6N4U4IW65

Sustainable investment objective

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with a social objective: 80%	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

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

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



What is the sustainable investment objective of this financial product?

To invest in companies that have demonstrable gender and/or ethnic diversity, or which provide solutions empowering social equality.

- **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

For each stock held in the portfolio, the Investment Manager will use the following sustainability indicators:

- Year-on-Year Change of women on the board
- Year-on-Year Change of women in leadership roles
- Year-on-Year Change of ethnic diversity on the board
- Year-on-Year Change of ethnic diversity in leadership roles
- Percentage (%) NAV with board gender diversity (more than 30%), as reported by the company
- Percentage (%) NAV with board ethnic diversity (more than 30%), as reported by the company
- Percentage (%) NAV considered by the Investment Manager to have leadership diversity, based on data reported by the company
- Percentage (%) of NAV in investments aligned to United Nations Sustainable Development Goals (“SDGs”):
 - ▶ SDG3 - Good Health and Wellbeing,
 - ▶ SDG4 - Quality Education;
 - ▶ SDG5 - Gender Equality;
 - ▶ SDG8 - Decent Work and Economic Growth;
 - ▶ SDG9 - Industry, Innovation and Infrastructure;
 - ▶ SDG10 - Reduced Inequalities; and
 - ▶ SDG16 - Peace, Justice and Strong Institutions

In addition, for each investment considered to be SDG-aligned, the Investment Manager will assess the strength of contribution to the relevant SDG(s).

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

Sustainable investments that the Fund intends to make do not cause significant harm to any environmental or social sustainable investment objective as they are required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful.
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures are compatible with sustainable investment.

— — ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The Investment Manager’s research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allows the Investment Manager to make

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

informed investment decisions. The Fund’s consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund are then subject to ongoing monitoring and a quarterly review process.

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

All investments purchased by the Fund must pass the Investment Manager’s good governance tests, and in addition, sustainable investments must also pass tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.



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



Yes, for sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager’s research process includes consideration of Principal Adverse Impact indicators for all investments where data is available, which allows the Investment Manager to make informed investment decisions, as explained above.

Information on how the principal adverse impacts were taken into account will be provided in the Fund’s annual report.



No



What investment strategy does this financial product follow?

The Fund invests in Diversity Companies and Inclusion Companies.

Diversity Companies are companies that demonstrate sustainability and gender and/or ethnic diversity. They must have at least 30% women and/or 30% ethnic minority representation on boards at the time of purchase. Diversity Companies bought for their ethnic minority representation must also have no single ethnicity representing more than 70% of the board at the time of purchase. The Investment Manager also considers other measures of gender and/or ethnic diversity in assessing the contribution of Diversity Companies to the sustainable objective. Diversity Companies are subject to fundamental assessment using the Fund’s sustainable investment process (“EQL framework”) described below.

The EQL Framework assesses:

- ESG Credentials: environmental and social responsibility characteristics evidenced by strong governance and sustainable business practices.

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

- Quality: the quality and durability of the company’s business model and its ability to produce sustainable economic returns.
- Leading Diversity: the company’s commitment towards diversity leadership through diversity representation, policies and targets.

Inclusion Companies are companies that deliver solutions to empower social equality. These can be understood by reference to the United Nations Sustainable Development Goals (“SDGs”) framework as companies which are focused on sustainable development goals such as Good Health and Wellbeing, Quality Education; Gender Equality; Decent Work and Economic Growth; Industry, Innovation and Infrastructure; Reduced Inequalities; and Peace, Justice and Strong Institutions; or other companies which the Investment Manager considers appropriate to invest in pursuit of the sustainable objective. These companies are assessed using the Investment Manager’s impact assessment methodology (“Impact Methodology”) described below.

The Impact Methodology focuses on three criteria:

- Investment Credentials: the quality and durability of the company’s business model and its ability to produce sustainable economic returns;
- Intention: the company’s purpose as evidenced by the alignment of its mission statement with its corporate strategy and actions; and
- Impact: the scale of the net positive societal impact and the company’s progress in addressing social equality challenges.

The outputs of the Impact Methodology enable the Fund to allocate to the following three investment types:

- “Pioneers”, whose products or services have or could have a transformational effect on social equality.
- “Enablers”, which provide the tools for others to empower social equality.
- “Leaders”, which spearhead and mainstream sustainability in industries empowering social equality, but which may have more established profitability than pioneers.

The Investment Manager’s engagement with the companies in which the Fund invests is key to the investment approach. Sustainability considerations, encompassing ESG factors, are fully integrated into analysis and investment decisions, and play an important role in determining the investment universe and portfolio construction. In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the ESG Criteria are screened out.
2. The Investment Manager then assesses the sustainability credentials of the remaining companies:
 - a. Diversity Companies are assessed using the EQL framework; and
 - b. Inclusion Companies are identified by reference to the relevant SDGs, and assessed using the Impact Methodology.
3. The Investment Manager then performs further analysis to consider the valuation of these companies and the appropriate time to purchase in consideration of the Fund’s financial objective.

The Manager's exclusion list which is based on the Manager's exclusion policy and compiled by the Manager will apply. Exclusion categories considered in the exclusion policy are United Nations Global Compact Principles, Controversial Weapons, Tobacco, Climate Change and Forced Labour. See link below to the Manager's website for more detail on the application of the exclusion policy.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The following elements are binding:

- The Fund's exclusions;
- The Fund's asset allocation (as disclosed below); and
- Minimum levels of sustainable investments.

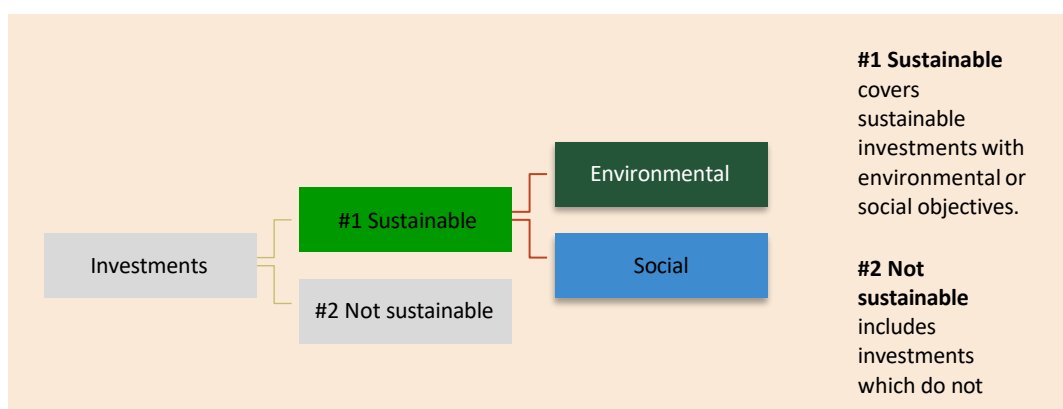
Where it is in the best interests of investors, the Fund may temporarily deviate from one or more of these elements, for example if the Investment Manager considers it prudent to hold high levels of cash in response to market conditions.

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

The Investment Manager operates data driven quantitative good governance tests used to consider investments into companies. The Investment Manager excludes investments in securities that are considered as failing the Investment Manager's good governance tests.

What is the asset allocation and the minimum share of sustainable investments?

The Investment Manager expects at least 80% of the Fund to be invested in sustainable investments with a social objective: 80%



● **How does the use of derivatives attain the sustainable investment objective?**

Derivatives are not used to attain the sustainable investment objective.

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



Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

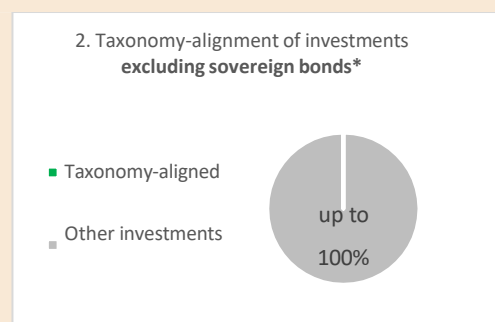
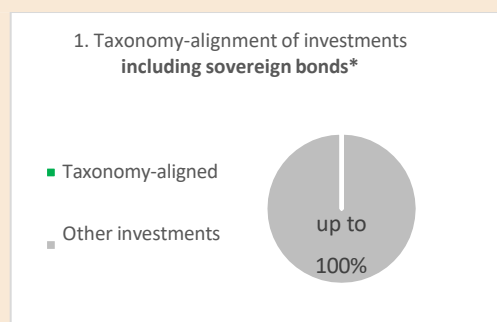
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



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

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



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

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

0%



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

0%



What is the minimum share of sustainable investments with a social objective?

80%



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



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

The Fund may hold cash, near cash and money market funds, and derivatives as “Other” investments, for hedging purposes or in connection with cash held for ancillary liquidity. No minimum environmental or social safeguards are applied, other than as stated below.

Where derivatives are used to take investment exposure to diversified financial indices, these will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

It is also possible that the Fund may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Fund will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.



Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable



Where can I find more product specific information online?

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

Further details on the Responsible Investment Policy, summary investment process and Exclusion Policy can be found on the Manger's website at the following link [FAM - Sustainability | Fineco FAM - Fineco FAM \(finecoassetmanagement.com\)](https://www.finecoassetmanagement.com/en/Investment-Approach/Responsible-Investment/Responsible-Investment-Policy)