
Perpetual Investment Services Europe ICAV

An Irish collective asset-management vehicle with variable capital registered in Ireland and established as an umbrella fund with segregated liability between sub-funds.

Barrow Hanley US ESG Value Opportunities Fund

SUPPLEMENT TO PROSPECTUS

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INTRODUCTION

This Supplement is issued in connection with the offer of Barrow Hanley US ESG Value Opportunities Fund, a sub-fund of Perpetual Investment Services Europe ICAV, an Irish collective asset-management vehicle with variable capital established pursuant to the UCITS Regulations as an umbrella fund with segregated liability between Funds, in which different Funds may be created from time to time.

Fourteen Classes of Shares in the Fund are being offered through this Supplement. Information in relation to each of these Classes of Shares is set out at Appendix I of this Supplement. The ICAV may create new Share Classes in the Fund from time to time, provided that the creation of any such new Class of Shares has been approved by the Central Bank. A separate pool of assets will not be maintained for each Class of Shares.

A description of Perpetual Investment Services Europe ICAV is contained in the Prospectus. **This Supplement relates to and forms part of the Prospectus. This Supplement must be read in the context of and together with the Prospectus. An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. In particular, investors should read the risk factors set out in the Prospectus.**

The ICAV currently has the following other sub-funds; Regnan Global Equity Impact Solutions, Regnan Sustainable Water and Waste Fund, Trillium ESG Global Equity Fund, Barrow Hanley Concentrated Emerging Markets ESG Fund, Barrow Hanley Global ESG Value Equity Fund, J O Hambro Capital Management Asia ex-Japan Fund, J O Hambro Capital Management Asia ex-Japan Small and Mid-Cap Fund, J O Hambro Capital Management Global Select Fund, J O Hambro Capital Management Global Emerging Markets Opportunities Fund, J O Hambro Capital Management European Select Values Fund, J O Hambro Capital Management UK Growth Fund, J O Hambro Capital Management Continental European Fund, J O Hambro Capital Management European Concentrated Value Fund, J O Hambro Capital Management UK Dynamic Fund, J O Hambro Capital Management Global Income Builder Fund, J O Hambro Capital Management Global Select Shariah Fund and Regnan (Ire) Global Mobility and Logistics Fund.

In addition, investors should note that the J O Hambro Capital Management European Concentrated Value Fund and the J O Hambro Capital Management Global Income Builder Fund are now also closed and an application will soon be made to the Central Bank to have the approval of these sub-funds formally withdrawn.

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

Unless otherwise stated, all capitalised terms shall have the same meaning herein as in the Prospectus.

1. DEFINITIONS

The expressions below shall have the following meanings:

“**Base Currency**” means US Dollar or USD.

“**Benchmark**” means the Russell 1000 Value (Net) Index, which represents the 1000 top companies by market capitalization in the United States.

“**Business Day**” means any day, except Saturday, Sunday, or public holidays in Dublin, Ireland, London, United Kingdom and New York, USA or such other day or days as the markets in those jurisdictions may be closed and such other day or days as may be determined by the Directors (or their delegate) and notified in advance to Shareholders.

“**Class(es)**” means a particular division of Shares in the Fund.

“**Dealing Day**” means each Business Day or such other day or days as may be determined by the Directors (or their delegate) and notified to Shareholders in advance provided that there shall be at least one Dealing Day every fortnight.

“**ESG Composite Score**” means a score used by the Investment Manager in its selection of securities, which is derived by combining its proprietary Score Analysis and third-party ESG data.

“**Investment Manager**” means Barrow, Hanley, Mewhinney & Strauss, LLC (trading as Barrow Hanley Global Investors) and/or any person or persons or company from time to time appointed by the ICAV and the Manager as investment manager of the Fund in accordance with the requirements of the Central Bank;

“**Investment Management Agreement**” means the investment management agreement between the Manager, the Investment Manager and the ICAV dated 19 January 2024 as may be further updated, amended or supplemented from time to time.

“**Money Market Instruments**” means eligible ancillary liquid assets including cash deposits, short-term securities rated investment grade or higher by a recognised statistical rating organisation or deemed by the Investment Manager to have an equivalent rating, short-term money market funds, short term debt securities, certificates of deposit, bankers' acceptances, commercial paper, treasury bills and government securities issued by OECD member countries or by any supranational entity and which are traded on a Recognised Market in an OECD member country.

“**Prospectus**” means the prospectus of the ICAV dated 30 November 2023 and all relevant supplements and revisions thereto;

“**Redemption Day**” means, in the context of redemptions of shares in any Class, each Business Day, provided however that the Directors (or their delegate) may designate alternative Redemption Days at their discretion provided there is at least one Redemption Day per fortnight and Shareholders are notified in advance.

“**Redemption Deadline**” means for all redemption requests related to shares in any Class sent to the Administrator, 12.00 (Irish time) on the relevant Redemption Day or such other time as the Directors (or their delegate), may determine and notify the Shareholders in advance provided always that the Redemption Deadline is no later than the relevant Valuation Point.

“**Subscription Day**” means, in the context of subscriptions, each Business Day, provided however that the Directors (or their delegate) may designate alternative Subscription Days at their discretion provided there is at

least one Subscription Day every fortnight.

“**Subscription Deadline**” means for all subscription documents sent to the Administrator, 12.00 (Irish time) on the relevant Subscription Day, or such other time as the Directors (or their delegate), may determine and notify the Shareholders in advance provided always that the Subscription Deadline is no later than the relevant Valuation Point.

“**Subscription Settlement Cut-Off**” means, in the case of subscriptions, within two Business Days of the Subscription Day in question or such other time as the Directors (or their delegate) may agree provided that the application form is received by the Subscription Deadline.

“**Sustainability Risk**” has the meaning under the SFDR, which includes an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment.

“**Valuation Point**” means 12 noon (Irish time) in the relevant markets on the relevant Dealing Day or such other time as Directors (or their delegate) may determine from time to time and notify in advance to Shareholders, subject to the requirement that dealing must be carried out on a Net Asset Value next computed after receipt of subscription and redemption requests.

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

2. INVESTMENT MANAGER

Barrow, Hanley, Mewhinney & Strauss, LLC (trading as Barrow Hanley Global Investors) has been appointed as the discretionary investment manager to the Fund pursuant to the Investment Management Agreement and is responsible for providing investment management in connection with the assets of the Fund, subject to the terms of the Investment Management Agreement. The Investment Manager was founded and registered as an investment advisor with the US Securities and Exchange Commission in 1979 with CRD number 105519 and is headquartered at 2200 Ross Avenue, 31st floor Dallas, TX 75201, USA.

The Investment Manager is a boutique investment manager with more than 40 years of investment experience and approximately USD 50 billion of assets under management and has a global reach through its Australian Securities Exchange (ASX)-listed parent company, Perpetual Limited. It is a diversified investment management firm offering value-focused investment strategies spanning global equities, US equities and fixed income. The Investment Manager's clients include corporate, public, multi-employer pension plans, mutual funds, endowments and foundations, and sovereign wealth funds across North America, Europe, Asia, Australia and Africa.

The Investment Management Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by any party giving to the others not less than 90 days' notice in writing, although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by any party to the others such as the insolvency of any party or unremedied breach after notice. The Investment Management Agreement provides that the ICAV shall indemnify (out of the assets of the Fund), defend and hold harmless the Investment Manager from and against all actions, proceedings, claims and against all loss, costs, demands and expenses (including reasonable legal expenses) which may be brought against, suffered or incurred by the Investment Manager, by reason of the performance of its obligations under the terms of the Investment Management Agreement (other than by reference to any negligence, fraud, bad faith, or wilful default in the performance or non-performance by the Investment Manager or persons designated by it of its obligations or duties thereunder or as a result of a material breach of any of its obligations under the Investment Management Agreement).

3. PROFILE OF A TYPICAL INVESTOR

An investment in the Fund is suitable for investors seeking capital appreciation and that are prepared to accept a moderate to high level of risk with moderate to high level of volatility.

4. INVESTMENT OBJECTIVE

The investment objective of the Fund is to seek risk-adjusted equity returns in excess of the Fund's Benchmark over a full market cycle. There can be no guarantee that the Fund will achieve its investment objective.

5. INVESTMENT POLICY

Under normal circumstances, the Fund invests at least 80% of its NAV in securities issued by U.S. companies including, but not limited to, ordinary shares, preferred shares, convertible preferred

stocks, rights, securities of issuers directly or indirectly in the form of American and Global depository receipts and closed ended investment funds, including real estate investment trusts (REITs) (it is intended that investment in REITS will be less than 10% of NAV). The companies whose shares are represented by the ADRs in which the Fund invests typically will have significant economic exposure to the U.S. economy, industries or marketplaces.

The equity and equity related securities to which the Fund will be exposed will not embed derivatives and/or leverage. The Investment Manager will primarily invest in equities and will seek exposure to equity related securities in circumstances where direct exposure to certain equity securities is uneconomic, impractical or not possible.

Collective Investment Schemes

The Investment Manager, at its discretion, may also look to invest in other collective investment schemes when such investment is consistent with the Fund's primary investment focus, for the purposes of gaining exposure to the types of instruments described herein where investment via another collective investment scheme is preferable to a direct investment or otherwise, where the Investment Manager deems it appropriate for liquidity management purposes. The Fund may also invest up to 10% of its Net Asset Value in one or more Eligible CIS (including open-ended ETFs and money market funds). Any investment in collective investments schemes will be for the purposes of meeting the Fund's investment objective and will be subject to the investment restrictions as set out under the UCITS Regulations and in the Prospectus. The Fund may also invest in closed-ended CIS, which meet the requirements of transferable securities for the purposes of the UCITS Regulations. Investment in CIS will be made where it is more efficient and cost effective for the Fund or where direct investment is not available. Any investment in CIS will be in accordance with the UCITS Regulations, the Central Bank UCITS Regulations and the Central Bank of Ireland Guidance 'UCITS Acceptable Investment in other Investment Funds'.

Ancillary Liquid Assets and Cash Management

Although it will be normal investment policy of the Fund to deploy its assets as detailed above, the Fund may also hold cash (including in currencies other than the Base Currency) and cash equivalents including Money Market Instruments. For liquidity or cash management purposes (e.g. during periods of market uncertainty where such investment is deemed to be important for defensive purposes), the Fund may hold up to 100% of the Net Asset Value of the Fund in cash or ancillary liquid assets at any time, however, the Investment Manager does not anticipate that the Fund's exposure to cash or cash equivalents assets would typically exceed 5% of the Net Asset Value of the Fund.

Long/Short Exposure

The Fund is long-only and will not have any short exposures.

Financial Derivative Instruments

The Fund does not invest in financial derivative instruments and will not do so until a risk management process has been prepared and submitted to the Central Bank in accordance with the

Central Bank requirements.

Investment Restrictions

The Fund may only invest in assets which are permitted by the UCITS Regulations, details of which are set out under the heading "**Investment and Borrowing Restrictions**" in Appendix I to the Prospectus.

In accordance with the UCITS Regulations, the Fund has been granted a derogation by the Central Bank from Regulations 70, 72 and 73 of the UCITS Regulations for a period of six (6) months following the date of approval of the Fund pursuant to the UCITS Regulations provided that the Fund still observes the principle of risk spreading and during this period the investment policy above will be applied in accordance with this derogation.

Recognised Markets

Except to the extent permitted by the UCITS Regulations, the securities in which the Fund will invest will be listed or traded on a Recognised Market.

Where it is considered appropriate to achieve the investment objective of the Fund, the Fund may invest up to 10% of its NAV in securities which are not listed or traded on a Recognised Market and, further, the Fund may invest up to 10% of its NAV in recently issued securities which are expected to be admitted to official listing on a Recognised Market within a year.

Geographic, Industry and Market Focus

The Fund does not have any specific industry or sector focus and will invest at least 80% of its NAV in securities issued by U.S. companies.

Benchmark

The Fund is actively managed and the Benchmark is used for performance measurement only which may include measurement of net returns and various other portfolio management and risk management metrics. The Benchmark is not used for asset allocation and the Fund's investment policy is not constrained by the extent to which the weightings in the portfolio differ to the Benchmark and the degree of deviation from the Benchmark may be significant.

The Fund is a user of a benchmark as defined by Regulation (EU) 2016/1011 (the "**Benchmark Regulation**") as it measures its performance on the basis of a benchmark, as defined under the Benchmark Regulation, i.e. the Benchmark. The Fund may only use a benchmark if such benchmark is provided by an administrator that is or will be included in the register referred to in Article 36 of the Benchmark Regulation. As at the date of this Supplement, the administrator of the Benchmark, MSCI Limited is not included on the register referred to in Article 36 of the Benchmark Regulation (the "**Benchmark Register**"). MSCI Limited is a UK benchmark administrator which was removed from the Register as post-Brexit all UK-based benchmark administrators were qualified as third country administrators and removed from the Register. However, in accordance with ESMA guidance, EU supervised entities,

including the ICAV, acting on behalf of the Fund, can use third country UK based benchmarks until 31 December 2023, even if they are not included in the Benchmark Register and, as such the Benchmark can still be used by the Fund. If the MSCI Limited becomes a not recognised benchmark administrator, the use of the Benchmark will be reconsidered and the Supplement amended.

A copy of the Manager's (Perpetual Investment Services Europe Limited) policy on cessation or material change to a benchmark is available upon request from the Manager.

6. INVESTMENT STRATEGY

The Investment Manager aims to achieve the Fund's investment objective of risk-adjusted equity returns in excess of the Fund's Benchmark over a full market cycle through a dynamic strategy identifying value opportunities across the market cap spectrum. The portfolio will be constructed on a bottom-up basis as noted below and will be diversified, avoiding over-concentration in any single sector, industry or issuer. The Investment Manager takes a disciplined, actively managed approach to security selection and consideration of environmental, social and governance factors with an objective of earning attractive, risk-adjusted returns using fundamental research and analysis to identify companies with attractive valuations and strong and/or improving balance sheets whose financial productivity is likely to be supported and enhanced in the future as a result of the move towards a more sustainable world.

Value

The Investment Manager aims to materially outperform the Benchmark and funds having similar strategies over the medium- and long-term by generating asymmetrical returns from participating in markets which increase in value while having a more protective strategy in markets which decrease in value. The Investment Manager will seek to accomplish this by acquiring eligible investments which have been disposed of/sold off, temporarily, for reasons that the Investment Manager can understand, and think will reverse over a reasonable amount of time. Further, the Investment Manager wants to gain clarity and quantify what will drive the upside value going forward. These drivers are typically categorized into four value silos 1) sales improvement, 2) margin improvement, 3) multiple expansion, and 4) capital efficiency (defined as dividends, share repurchase, accretive mergers and acquisitions and/or divestments, etc.)

Fundamental Securities Analysis

The Investment Manager's strategy uses a quantitative proprietary screening model to analyse markets for inefficiencies which it exploits through adherence to a valuation centric investment process dedicated to the selection of securities on a bottom-up basis. The team focuses primarily on fundamental securities analysis, valuation, and prospects for a return of securities to fair valuation. The Investment Managers' strategy involves identifying underappreciated change not yet recognised by the market. The fundamental securities analysis carried out by the Investment Manager will include earnings and profitability projections and estimates of fair value. This involves internal research, ESG scoring and evaluation based on ESG Data (as defined below), company engagement and daily research meetings.

The Investment Manager's bottom-up process emphasises on identifying and investing in market

dislocations where it believes it has an information advantage that will allow the individual investment to appreciate to its estimated fair value. This bottom-up process will also contribute to the Fund being over or under weight in specific sectors and regions based on the dislocations the Investment Manager is seeing at the individual stock level. Although, the majority of excess return is expected to come from individual stock selection, sector and regional allocations can also be a source of excess relative return. Further, the Investment Manager recognises the excess return potential generated by improving ESG fundamentals in addition to risk mitigation by avoiding companies with deteriorating ESG fundamentals.

The fundamental securities analysis is focused on ascertaining: (i) why a company is trading below the Investment Managers' assessment of its intrinsic value; (ii) whether the reason for this is temporary or permanent; (iii) whether the company's management have a clear strategy that will increase shareholder value; (iv) whether there are multiple upside drivers in respect of a company; (v) whether there is a downside protection if a company's fundamentals fail to improve; and (vi) how do ESG considerations impact on the Investment Managers' valuation. The Investment Managers' ESG strategy, as noted below, involves integration, where appropriate, of ESG considerations into the investment management process and securities analysis.

Portfolio Team Consideration

The Investment Manager will assess the prospects for a return of securities to fair valuation by: (i) holding daily research platform meetings; (ii) holding weekly formal team meetings; (iii) reviewing internal research; (iv) initiating company management engagement; (v) conducting ESG scoring and assessment based on ESG Data (as defined below); (vi) constant evaluation of positive and negative movements in the prices of securities; and, (vii) understanding exposures and risks concerning the portfolio. Judgements are made in the context of market valuation, risk/reward opportunity, and alternative investment opportunities.

Risk Measurement

The Fund will use internally developed risk reports and third-party data to accurately measure, monitor and manage investment risks. The risk of loss of the Fund will be monitored using internally developed risk report that takes a comprehensive approach to evaluate sector and regional allocations and correlations, valuation drift, factor exposures, stress tests, Benchmark concentration, liquidity, and other metrics. The reference portfolio is the Benchmark which has a risk profile similar to that of the Fund.

ESG Focus

When constructing the portfolio the Investment Manager takes account of sustainability considerations, such as ESG Criteria (see further below) to identify companies whose financial productivity is likely to be supported and enhanced into the future as a result of the move towards a more sustainable world, to consider the nature of the products and services the company provides from a sustainability perspective, and to address potential risks arising as a result of sustainability concerns that may be material to the particular company or industry in which the Fund might invest (e.g. by considering the overall ESG profile of the relevant company). This is achieved by assessing each investment against ESG Criteria (as described under the heading "Promotion of

environmental and/or sustainable characteristics”) across three main categories, using the Investment Manager's proprietary analysis.

Sustainability - Promotion of environmental and/or social characteristics (Article 8 of SFDR)

The Manager, in consultation with the Investment Manager, has identified the Fund as falling within the scope of Article 8 for the purposes of the SFDR.

The environmental and social characteristics promoted by the Fund include:

- Environmental characteristics:

- o Reduction of Greenhouse Gas Emissions;
- o Mitigation of Climate Change Risk/Vulnerability; and
- o Migration of Biodiversity Environmental Issues

- Social characteristics:

- o Advancement of Human capital inclusive of human rights, diversity, equity and inclusion;
- o Enhancement of Supply Chain Management;
- o Promotion of Access and Affordability Social issues;

- Governance characteristics:

- o Executive pay, bribery and corruption, political lobbying and donations, and tax strategy governance issues

The Fund promotes these environmental and/or social characteristics by imposing an Exclusion Policy (defined below) to exclude from investment certain unsustainable investments, but otherwise does not have as its objective sustainable investment. Companies considered to be significantly involved (i.e. generating 10% or more revenue) in the production of tobacco; generation, extraction and/or refining of certain fossil fuels, production of unconventional weapons, production or manufacturing of pornography, alcohol, gambling, controversial weapons (i.e. weapons of mass destruction, nuclear weapons, biological weapons, chemical weapons, depleted uranium weapons, cluster munitions or landmines), and companies which have violated international standards are excluded from the Fund's investment universe (the “**Exclusion Policy**”).

The Investment Manager takes into consideration the following ESG criteria when assessing Sustainability Risks and investment selection to promote environmental and/or social characteristics:

a) **Environmental:**

- a. *Greenhouse gas emissions ("GHG")*: refers to a company's management of risks related to its own operational energy use and GHG emissions (i.e. scope 1 and 2 emissions¹) including transport and logistics, business travel, etc. It does not include emissions in the supply chain or during the use phase/end-of-life cycle

¹ GHG are classified by the GHG Protocol Corporate Standard into three ‘scopes’. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

- of a product.
- b. *Climate change risk/vulnerability*: includes natural catastrophes, including hurricanes, floods, and droughts/extreme weather events which will continue to have a material, adverse impact on businesses and company assets. The extent of this impact is likely to evolve as climate change increases the frequency and severity of both modelled and non-modelled natural catastrophes, including hurricanes, floods, and droughts. Failure to appropriately understand environmental risks and price them may affect Shareholders and the Investment Manager will strive to understand those in order to protect shareholder value.
 - c. *Biodiversity*: focuses on resource use which entails assessing how efficiently and effectively a company uses its raw material inputs (excluding energy and petroleum-based products) in production and how it manages related risks. Though water use is a main focus, the issue can also include the management of critical raw materials that are either scarce or difficult to access, through recycling programmes, the substitution of less scarce materials and/or eco-design.
- b) **Social:**
- a. *Human capital*: focuses on the management of human resources. It includes the management of risks related to scarcity of skilled labour through retention and recruitment programs and includes career development measures such as training programmes. Additionally, it includes labour relations, such as the management of freedom of association and non-discrimination, as well as standards such as working hours and minimum wages.
 - b. *Supply chain management*: is the management of the flow of goods and services and includes all processes that transform raw materials into final products. It involves the active streamlining of a business's supply-side activities to maximize customer value and gain a competitive advantage in the marketplace. Inclusive of this will be the human rights considerations in how products are produced as well as the sourcing of raw materials that may or may not be from a conflict region.
 - c. *Access and affordability*: focuses on the management of access to essential products or services such as health care services and products to disadvantaged communities or groups. Affordability deals with goods and or products that increase the ability to be purchased by a broad set of stakeholders and local communities through community involvement, community development and/or measures to reduce negative impacts on local communities.
- c) **Governance**: focuses on assessing factors such as executive pay, bribery and corruption, political lobbying and donations, tax strategy. The Investment Manager engages with relevant investee companies and dedicates significant resources to monitoring governance issues, company outreach, the development of voting policies and also analyses the proposals on the ballots of portfolio companies. The Investment Manager also monitors shareholder activism and the impacts of such on targeted companies and their boards.

The above are collectively referred to as the “**ESG Criteria**”.

In order to evaluate (i) the sustainability indicators used to measure the attainment of each of the ESG Criteria promoted by the Fund and (ii) the Sustainability Risks in respect of the ESG Criteria, the Investment Manager carries out assessment of ESG Data (as defined below) which includes (i) a proprietary materiality mapping analysis, (ii) a watchlist, (iii) proprietary score card, (iv) ESG research, (v) environmental ratings and (vi) proprietary reports.

In addition, the Investment Manager seeks to promote the above ESG Criteria by (i) following International ESG principles; (ii) integrating ESG factors into the Fund's research process; (iii) integrating Sustainability Risks; and (iv) focusing on investment in companies with ESG philosophy and ethical investing.

The Fund may invest in securities which do not align with an investor's particular ESG preferences.

Further information about the Fund's environmental and social characteristics can be found in the Fund's Pre- Contractual Disclosures Annex in accordance with SFDR Level 2 at Appendix III. Please also see further detail under "Sustainability Risk" below.

Changes to the Investment Strategy

The Investment Manager may also develop additional strategies as the performance of the strategy itself is periodically evaluated. Any amendment to the investment strategy shall be in accordance with the Central Bank's requirements and full details will be provided in an updated Supplement.

7. SUSTAINABILITY RISK

Integration of Sustainability Risk (Article 6 of SFDR)

The Investment Manager's Sustainable Investment and ESG (environmental, social and governance) Integration Policy (the "**Policy**") outlines its approach and commitment to incorporating environmental, social, and corporate governance considerations in investment processes to safeguard the interests of its clients and other relevant stakeholders, including the Fund. In particular, the Policy requires the Investment Manager to integrate the consideration of Sustainability Risks in its management of the Fund's portfolio pursuant to the SFDR or similar local regulations.

The Investment Manager has access to ESG data from both internal and external resources, which allows it to assess the Sustainability Risks associated with prospective or existing investments for the Fund. This data includes:

1. The Investment Manager's proprietary materiality mapping analysis, which evaluates ESG issues facing specific industry groups. The Investment Manager's materiality mapping uses as its foundation the Sustainable Accounting Standards Board (SASB) Materiality Map™.
2. The Investment Manager's ESG watchlist, produced quarterly by its Risk Management team, contains ESG ratings for a universe of more than 7,500 companies which are used as the basis for creating a proprietary ESG Composite Score for companies considered for

investment selection. The ESG Composite Score is primarily driven by internal contributions by the Investment Manager's research analysts who identify the financially material ESG risks and then place a value on each of the ESG Criteria. The Risk Management team monitors a wide range of companies on an on-going basis based on the watchlist and then produces ESG ratings for the companies based on assessment of the ESG Criteria noted under Investment Strategy which involves assessment of ESG Data (as defined under the heading Sustainability Risk) (the "**Score Analysis**"). This Score Analysis is then used to create a proprietary ESG Composite Score. An ESG Composite Score below 50 would be considered poor with a score of above 70 considered a good score.

3. MSCI ESG Research and Sustainalytics ESG Research, provides the Investment Manager with research that enhances the Investment Manager's understanding of a company's ESG practices, and also with risk ratings that allow for systematic comparison of ESG performance across companies.
4. Trucost, part of S&P Global, provides environmental ratings and research enabling the Investment Manager to assess a company's environmental impact and the overall environmental footprint of investment portfolios.
5. Proprietary research reports in respect of issuers prepared by the Investment Manager, each of which includes an evaluation of the environmental, social and governance impacts and/or attributes of potential investments for the Fund. Analysis in these reports is derived from, among other sources, engagement with the issuers.

The above are collectively referred to as the "**ESG Data**".

When selecting investments for the Fund, the Investment Manager will employ some combination of the above- referenced data as well as other data to identify and assess the relevant Sustainability Risks. The Investment Manager's analysis of the Sustainability Risks and factors mitigating those Sustainability Risks may result in various outcomes, including without limitation an adjustment to its valuation of an issuer's securities, a decision to overweight or underweight exposure to those securities in the Fund's portfolio, or a decision to avoid investment in the securities. The Investment Manager's assessment of the Sustainability Risks relating to an investment for the Fund will evolve as it continues to conduct fundamental research concerning that issuer, its industry/sector, and other interested entities and stakeholders.

While the Investment Manager believes that Sustainability Risks likely will have negative impacts on the business activities and financial performance of certain issuers in the Fund's investment universe over time, the Investment Manager does not believe that those Sustainability Risks will have a material impact on the future returns of the Fund. The Investment Manager believes that its Exclusion Policy and investment process, when applied in normal market conditions to the universe of securities eligible for investment by the Fund, should help the Fund avoid investments that present unacceptably high Sustainability Risks and investments whose valuations do not accurately reflect such Sustainability Risks.

Sustainability indicators used to measure the attainment of each of the ESG Criteria promoted by the Fund

The Fund promotes ESG characteristics in a way that meets the specific criteria contained in Article 8 of the SFDR (please see the Investment Manager's website at www.barrowhanley.com/esg-policy).

Accordingly, the Fund pursues an investment approach that explicitly promotes environmental or social characteristics, in the following way:

- a) **International ESG Principles.** The Investment Manager follows key elements of the United Nations ("UN")-supported Principles for Responsible Investment ("PRI"), the Investor Stewardship Group ("ISG"), and International Financial Reporting Standards ("IFRS").
- b) **Integrating ESG factors into the Fund's research process.** Because the Investment Manager's research process focuses on both sides of a target company's balance sheet - equity and debt, which is conducted by its equity and fixed income professionals, it is uniquely able to effectively integrate the consideration of ESG factors in the Fund's securities portfolio and to produce additional economic "value" for the Fund. The Investment Manager's approach to evaluating an investment's ESG risk is driven by how an issuer is evaluated by reference to ESG Data (as defined above) available with respect to ESG factors material to that issuer's industry and region of domicile. For instance, please see an example of how an issuer is evaluated based on ESG Data in Appendix II.

In order to establish ESG ratings for securities in its investment universe, the Investment Manager utilises a combination of information from issuers and data providers and its own proprietary methodology for determining the ESG risks of an issuer where such third-party data is incomplete or unavailable. The Investment Manager's ESG framework seeks to ensure its ESG exposures are financially material using both internal and external third-party measurements. In doing so, the ESG framework can integrate Sustainability Risks without excluding large segments of the investment universe (e.g., different industries and/or sectors). Industry specific ESG insights are complemented by ESG insights that are relevant across the broader market. The Investment Manager combines the Score Analysis and third- party data to create the ESG Composite Score which it uses in the selecting of securities.

- c) **Integration of Sustainability Risks.** For the purposes of Article 6 of SFDR, sustainability risks are integrated in the investment decision-making and risk monitoring of the Fund to the extent that (i) such risks represent potential or actual material risks; and/or (ii) such risks affect opportunities in respect of maximising the Fund's long-term risk-adjusted returns. The Investment Manager integrates ESG analysis into its bottom-up fundamental process and its portfolio construction process, ensuring that the fundamental analysis, portfolio weighting, and sell decisions consider the ESG risks arising in the portfolio. The Investment Manager's approach to ESG integration includes a framework that is focused on the impact of ESG factors on the risk/reward profile of each investment. Accordingly, the Investment Manager's integration of ESG risks does not necessarily require exclusion. In line with this approach, to the extent that there is an ESG risk associated with an investment which could cause an actual or a potential material negative impact on the value of the Fund, the analysts/portfolio managers within the

Investment Manager will assess the likelihood of that ESG risk occurring.

The Investment Manager believes that companies and issuers may face significant transitional risks (i.e., the risk to investments as the world moves towards a more sustainable environmental and social model) and the potential for these transition risks to occur is also integrated into the ESG framework.

Further information in respect of Sustainability Risks is disclosed in "**Risks Associated with Sustainable Investment**" below.

- d) **ESG Philosophy and Ethical Investing.** The Investment Manager considers relevant ESG factors as part of the Fund's investment management process, based on the Investment Manager's philosophy, process, and client mandate. The Investment Manager will avoid investments in controversial sectors and companies and will invest in alignment with international norms and conventions. The Investment Manager will seek to invest in securities of companies which have a formal statement in respect of compliance with ethical investment requirements and screen their portfolio at least bi-annually in respect of ethical investments.

Consideration of Principal Adverse Impacts (Article 7 of SFDR)

For the purposes of Article 7 of the SFDR, the Investment Manager does not consider the adverse impacts of investment decisions being made in respect of the Fund on sustainability factors. The Manager in consultation with the Investment Manager has evaluated the requirements of the PAI under the SFDR and is of the view, given the nature and activities of the Fund, that the PAIs are currently not relevant to the strategy of the Fund.

Investment in Sustainable Investments (Article 6 of the Taxonomy Regulation)

In accordance with the specific regime under SFDR as amended by Regulation (EU) 2020/853 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (the "**Taxonomy Regulation**"), it is required to confirm whether the Fund has sustainable investments as its objective within the meaning of SFDR. The Fund does not commit to invest in sustainable investments with an environmental objective as per Article 2(17) of the SFDR and as such does not take into account criteria for environmentally sustainable economic activities under Article 3 of the Taxonomy Regulation. However, if the Fund intends to invest in such investments in the future, this Supplement will be updated accordingly.

Further information about can be found in the Fund's Pre-Contractual Disclosures Annex in accordance with SFDR Level 2 at Appendix III.

8. BORROWING AND LEVERAGE

In accordance with the general provisions set out in Appendix I to the Prospectus under the heading "**Investment and Borrowing Restrictions**", the Fund may borrow up to 10% of its total Net Asset

Value on a temporary basis and not for speculative purposes. The Fund does not intend to employ any leverage.

9. SECURITIES FINANCING TRANSACTIONS AND TOTAL RETURN SWAPS

The Fund will not engage in securities financing transactions and/or total return swaps within the meaning of the securities financing transactions regulations. Moreover, the Fund does not currently use financial derivatives, however a risk management process will be submitted to the Central Bank in accordance with Central Bank UCITS Regulations and this Supplement will be updated prior to the Fund engaging in any such transactions.

10. HEDGING

Investment Level Hedging

It is not proposed that the Fund will engage in hedging at portfolio level.

Share Class Level Hedging

In the case of non-Base Currency Classes, the relevant Class may seek to hedge against movements in exchange rates between the currency of the Class and the Base Currency. There can be no assurance that such hedging transactions at Class level will be effective so far as the Shareholders of the relevant Classes are concerned. Further details are included in the Prospectus under the heading “**Currency Risk**”.

11. KEY FEATURES CLASSES OF SHARES

The available Classes of the Fund are set out in the Share Class Table at Appendix I. Additional Classes may be established in the Fund in accordance with the requirements of the Central Bank.

The minimum initial investment, the minimum subsequent investment and the minimum holding applicable to each Class of Shares are set out in the Share Class Table at Appendix I. The Directors of the ICAV, reserve the right to differentiate between Classes of Shares and to waive or reduce the minimum initial investment, the minimum subsequent investment and the minimum holding for any such Classes of Shares or to refuse an application for any such Shares in their absolute discretion. The Directors have delegated the power to waive or reduce the minimum initial investment, the minimum subsequent investment and the minimum holding for any such Classes of Shares or to refuse an application for any such Shares at its discretion to the relevant Distributor.

If a Shareholder at any time holds less than EUR 1,000 (or its equivalent in other currencies), the Directors may at their discretion compulsorily redeem such Shareholder’s entire holding of Shares. Similarly, should a Shareholder request a partial redemption of Shares such that its overall holding of Shares would fall below the minimum holding, the Directors may at their discretion consider such redemption request to be a request for a full redemption of the Shareholder’s entire holding of Shares.

The Net Asset Value will generally be calculated in accordance with the principles described under section “**Valuation**” in the Prospectus.

12. DEALING IN SHARES OF THE FUND

Initial Offer Period and Initial Issue Price per Share

The Initial Offer and initial issue price in respect of each Class of Shares is set out in the Share Class Table in Appendix I. The Initial Offer of each Class, as set out in the Share Class Table in Appendix I, may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank.

Dealing in Shares following the close of the Initial Offer Period

After the Initial Offer of each Class, Shares in each class will be available for subscription at the Net Asset Value per Share (plus any applicable duties or charges) in accordance with the provisions of the Prospectus. Subscriptions are subject to acceptance of applications for Shares in the relevant Class by the Directors.

Pursuant to the powers of the Directors under the Instrument of Incorporation, the Directors have absolute discretion to accept or reject in whole or in part any application for Shares. Applications for Shares in the Fund received after the Subscription Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors (or the Manager).

The Directors may close some or all of the Share classes in the Fund to subscriptions from existing and/or new Shareholders if the assets attributable to the Fund are at a level, above which, as determined by the Directors, it is not in the best interests of Shareholders to accept further subscriptions. Closing the Share classes to new subscriptions from existing and/or new Shareholders will not affect the redemption rights of Shareholders.

Subscriptions

Prior to an initial application for Shares being made, an account must be opened with the Administrator in accordance with the process outlined in the Prospectus. A prospective investor’s account number must be specified on all subscription forms.

Applicants must subscribe the minimum initial investment of the relevant Share Class (in the case of an applicant’s first subscription into the Fund) and the minimum subsequent investment (in the case of a Shareholder applying for further Shares in that particular Share Class) as set out in the Share Class Table at Appendix I.

Once the Administrator has provided confirmation of an account number to a prospective investor, applications for Shares may be made by electronic means, facsimile or alternatively by phone dealing to the Administrator or the Investment Manager (for onward transmission to the Administrator) to be received at their respective business addresses by no later than the

Subscription Deadline on the Subscription Day on which the Shares are to be issued. Applications not received, or incorrectly completed applications received by this time, shall be held over and applied on the next following Subscription Day or until such time as properly completed Subscription Documents are received by the Administrator or the Investment Manager (in each case, the completed Subscription Documents must be received no later than the Subscription Deadline on the date on which it is processed). Subscription monies net of all bank charges, should be paid to the account specified in the Subscription Documents (or such other account specified by the Administrator) so as to be received by no later than the Subscription Settlement Cut Off, or such longer timeframe as the Directors may decide.

13. REDEMPTIONS

After the expiration of the Initial Offer, Shares can be redeemed on any Redemption Day. The process to be followed when redeeming Shares is found under the heading “**Redemptions**” in the Prospectus and below.

Requests for redemption received prior to the Redemption Deadline for any Redemption Day will be processed on that Redemption Day. Any requests for redemption received after the Redemption Deadline for a Redemption Day will be processed on the next Redemption Day unless the Directors or the Manager in its/their absolute discretion determine otherwise. Applications received after the Redemption Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors or the Manager and having regard to the equitable treatment of Shareholders.

The ICAV will pay redemption proceeds normally three Business Days after the relevant Redemption Day provided that the period must not exceed 10 calendar days from submission of a redemption request to payment of settlement proceeds (the “**Redemption Settlement Cut-Off**”). Shareholders should note that payments to third party accounts will not be made. No payments to third parties will be effected. No redemption payments will be made until the relevant subscription monies and the Subscription Documents are received from a Shareholder and all the necessary documentation (including anti-money laundering documentation) has been received and accepted by the Administrator and all anti-money laundering procedures have been completed. Redemption proceeds can be paid on receipt of instructions by electronic means, facsimile or alternatively by phone dealing where such payment is made into the account specified by the Shareholder in the Subscription Documents submitted. If payment details are not supplied in the Subscription Documents submitted by the Shareholder or there are any amendments to the payment details, these must be supplied to the Administrator, by electronic means, facsimile or alternatively by phone dealing, by the Shareholder prior to the release of redemption payments.

14. DISTRIBUTION POLICY

Please refer to the name of each Class in the Share Class Table at Appendix I for details of whether a Class is an accumulating class or a distributing class. Classes with the word “Accumulating” in their name are accumulating classes. Classes with the word “Distributing” in their name are distributing classes. For more information in relation to the payment of dividends, please also refer to the section of the Prospectus entitled “**Dividend Policy**”.

Accumulating Classes

In the case of accumulating Classes, all net income and net realised and unrealised gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses) less accrued expenses of the Fund attributable to the relevant Class will be accumulated and reflected in the Net Asset Value per Share.

If dividends are to become payable, Shareholders will be notified in advance and full details will be provided in an updated Supplement for the Fund. For more information, please refer to the section of the Prospectus entitled “**Dividend Policy.**”

Distributing Classes

Dividends may be paid out of the net income (i.e. income less expenses) attributable to the distributing Classes. Income for these purposes shall include, without limitation, interest income and dividend income and any other amounts treated as income in accordance with the accounting policies of the ICAV laid down from time to time. The Directors with respect to distributing Classes may declare a distribution semi-annually as summarised below (or at a time and frequency to be determined at the discretion of the Directors following prior notification to the Shareholders):

	Record Date (i.e. date distribution declared)	Ex-Distribution Date	Payable Date
Semi-Annual	Last Business Day of June	First Business Day of July	Normally within 21 calendar days from the Ex-Distribution Date
	Last Business Day of December	First Business Day of January	Normally within 21 calendar days from the Ex-Distribution Date

In the event that any of the above dates is not a Business Day, the relevant date will be the next immediately following Business Day.

Any distributions paid will be paid by wire transfer at the expense of Shareholders.

The Directors, in consultation with the Manager may at any time determine to change the policy of the Fund with respect to distributions. If the Directors and the Manager so determine full details of any such change will be disclosed in an updated prospectus or supplement and Shareholders will be notified in advance.

15. FEES AND EXPENSES

The fees and operating expenses of the ICAV are set out in detail under the heading “**Fees and Expenses**” in the Prospectus. In addition, the Fund shall pay the following fees and expenses:

Establishment Expenses

The fees and expenses incurred in connection with the creation of the Fund and all legal costs and out-of-pocket expenses associated with the establishment of the Fund will be paid by the Perpetual Group and will not be recouped from the Fund.

Further charges and expenses of the Fund are set out in the “Fees and Expenses” section of the Prospectus. The charges and expenses apply to the Fund, save as set out above.

Management Fee

The Manager will receive a fee per Share Class as set out in Appendix I (the “**Management Fee**”). The Manager will discharge the Investment Management Fee out of the Management Fee.

The Management Fee will accrue daily and will be payable monthly in arrears (and pro rata for periods less than one month).

The Manager will also be entitled to reimbursement of all reasonable properly-vouched out-of-pocket expenses (including VAT thereon) incurred in the performance of its duties hereunder.

Investment Management Fee

Under the provisions of the Investment Management Agreement, the Manager will pay the Investment Manager a fee (the “Investment Management Fee”) out of the Management Fee in respect of its duties as investment manager of that Fund.

The Investment Manager does not receive any additional fees from the ICAV.

Distribution Fees

The Fund may pay to the distributor(s), sub-distributors and distribution agents, out of the Investment Management Fee, such proportion of the Investment Management Fee as the Investment Manager may direct from time to time, as appropriate. The Fund shall otherwise pay the fees of any other sub-distributors and any other distribution agents, out of the assets of the Fund, provided that such fees are at normal commercial rates. In addition, the distributor(s), sub-distributors and distribution agents shall be entitled to be reimbursed by the Fund, its reasonable vouched out-of-pocket expenses.

Each distributor (or any related person) may from time to time and at its sole discretion and out of its own resources decide to rebate or waive some or all of the portion of the Investment Management Fee which it receives as a whole or it may share, or rebate some or all of such fees with/to intermediaries or Shareholders (any such rebates or fee sharing will take place outside of the Fund). Any rebate or waiver by a distributor shall be in accordance with Central Bank requirements.

Administrator Fees

Details in relation to the Administration Fee payable out of the assets of the Fund are set out in the Prospectus.

Depositary Fees

Details in relation to the Depositary Fee payable out of the assets of the Fund are set out in the Prospectus.

Operating Expenses and Service Provider Expenses

The fees of the Manager, Administrator, Depositary and related services, custodial fees and the fees of any sub-custodians (which must be normal commercial rates), the fees of the risk reporting and investment compliance, reporting services provided by an affiliate of the Manager and charged at normal commercial rates, auditing, tax and legal fees, the company secretary of the ICAV, MLRO, online reporting system administrator, the fees and expenses of any other service provider, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs and other costs as a result of registering the Fund in other jurisdictions (which are not included within the establishment expenses), such as local regulatory fees, facilities agents, paying agent fees and any other service providers appointed for such jurisdictions, the regulatory levy of the Fund and regulatory compliance costs, listing fees, preparation, printing and posting of the Prospectus and/or this Supplement, sales material, KIIDs of the Fund and reports to Shareholders, the Central Bank or other governmental agencies), any costs incurred as a result of a change in law or the introduction of any new law, the Directors' fees, expenses and payroll costs, directors' and officers' liability insurance cover and other insurance-related costs and any taxes related to the above fees and out-of-pocket expenses as applicable (“**Capped Expenses**”) shall be payable out of the assets of the Fund up to an amount equal to the Capped Fee Amount (specified in the Appendix I) in respect of the relevant Class, which shall be calculated on each Dealing Day. In the event that the Capped Expenses in respect of the relevant Class are below the specified Capped Fee Amount, the Capped Expenses accrued shall be charged to the Fund in respect of the relevant Class.

Any of the operating fees and expenses outlined above in excess of the Capped Fee Amount shall be paid/reimbursed to the ICAV in respect of the relevant Class of the Fund by the Investment Manager, who has agreed to reduce or waive all or a portion of its investment management fee to cover the Capped Expenses over the relevant Capped Fee Amount, which shall not be payable out of the assets of the Fund.

In the event that it is determined by the Investment Manager or the Directors that the above-mentioned Capped Expenses arrangement shall no longer apply or be modified, the fees and expenses related to the relevant Class, which are subject to the Capped Expenses shall be paid as otherwise described in the Prospectus and this Supplement. Shareholders shall receive advance notification of this change and this Supplement will be updated accordingly.

The Fund will bear expenses incurred in connection with the acquisition, disposal or maintenance of investments including brokerage costs, clearing house fees, taxes and other transaction charges, if any, which will always be payable out of the assets of the Fund. In addition, other operating and service providers' fees, costs and expenses incurred in the operation of the Fund, other than those expressly included under Capped Expenses as being payable by the Shareholders or the Investment Manager (as applicable) and described above, will be met out of the assets of the Fund.

The above will have the effect of maintaining the Classes' fees and expenses and providing transparency to the expected fees and expenses for Shareholders.

Subscription, Redemption and Conversion Fees

The Directors are empowered to levy a subscription fee of up to 5% of the Net Asset Value of the

Shares being acquired in relation to each Class. It is not currently proposed that a subscription fee will be applied and in the event that the Directors propose to charge a subscription fee, this Supplement will be updated accordingly.

The Directors are empowered to levy a redemption fee of up to 3% of the Net Asset Value of the Shares being redeemed in respect of each Class. It is not proposed that a redemption fee will be applied and the event that the Directors propose to charge a redemption fee, Shareholders will be notified in advance.

The Directors may charge a conversion fee on the conversion of Shares in the Fund to Shares in another Class of this Fund or a Class in another sub-fund of the ICAV up to a maximum of 5% of Net Asset Value of Shares in the original Fund. It is not currently proposed that a conversion fee will be applied and in the event that the Directors propose to charge a conversion fee, this Supplement will be updated accordingly.

Dilution Adjustment

The Fund will apply a swing-pricing mechanism to counter the dilution of the Fund's assets and protect Shareholders from the impact of transaction costs arising from subscription and redemption activity.

The total proceeds of the sale of an investment may be less than, and the total purchase price of an investment may be more than, the last traded price used in calculating the Net Asset Value of the Fund, for example, due to dealing duties and charges ("**Duties and Charges**"), or through dealing at prices other than the last traded price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Shareholders' interest in the Fund. In order to mitigate this effect, called "dilution", the Directors have the power to apply a dilution adjustment ("**Dilution Adjustment**"). A Dilution Adjustment is an adjustment to the Net Asset Value per Share. The Directors shall comply with the requirements of the Central Bank in their application of any such Dilution Adjustment. The Dilution Adjustment for the Fund will be calculated by reference to the estimated costs of dealing in the underlying investments of the Fund, including any dealing spreads ("**Spreads**"), commissions and transfer taxes. The Investment Manager shall be responsible for determining the thresholds and rate at which a Dilution Adjustment will be applied, subject to the approval of the Manager. In extreme market circumstances (for example, those market conditions brought about by the COVID-19 pandemic or Brexit) and in order to act in the best interests of shareholders, the Investment Manager may amend the rate of the Dilution Adjustment without the approval of the Manager.

In the event that net subscriptions on any Subscription Day lead to a net inflow of assets (a "**Net Subscription Position**"), a Dilution Adjustment may be added to the Net Asset Value per Share of the relevant Share Classes to cover the Duties and Charges and Spreads, being the costs involved in rebalancing the Fund's portfolio in respect of the net issue of Shares on that Dealing Day.

In the event that net redemptions on any Redemption Day lead to a net outflow of assets (a "**Net Redemption Position**"), a Dilution Adjustment may be deducted to cover the Duties and Charges and Spreads, being the costs involved in rebalancing the Fund's portfolio in respect of the net

redemption of Shares on that Dealing Day.

The purpose of any Dilution Adjustment would be to limit the impact of trading costs on the value of the Fund.

The need to apply a Dilution Adjustment will depend on the volume of subscriptions (where they are issued) or redemptions (where they are cancelled) of Shares. A Dilution Adjustment on the subscription and redemption of such Shares if, in the opinion of the Investment Manager, the existing Shareholders (for subscriptions) or remaining Shareholders (for redemptions) might otherwise be adversely affected, and if applying a Dilution Adjustment, so far as practicable, is fair to all Shareholders and potential Shareholders. In particular, the Dilution Adjustment may be applied in circumstances where:

- over a dealing period the Fund has experienced a large level (as determined by the Investment Manager) of net subscriptions or redemptions relative to its size;
- the Fund is in continual decline (i.e., is experiencing a net outflow of redemptions); and
- in any other case where the Investment Manager is of the opinion that the interests of the Shareholders require the imposition of a Dilution Adjustment.

The Dilution Adjustment will involve adding to, when the Fund is in a Net Subscription Position, and deducting from, when the Fund is in a Net Redemption Position, the Net Asset Value per Share such figure as the Investment Manager considers an appropriate figure not exceeding 2% of the Net Asset Value per Share (based on historical testing and subject to periodic review by the Investment Manager) to meet the relevant Duties and Charges and Spreads. The resultant amount will be the price at which all subscriptions and redemptions (including both seeded and unseeded Share Classes) occurring on the relevant Dealing Day will be made.

The price of each Share Class of the Fund will be calculated separately but any Dilution Adjustment will in percentage terms affect the price of each Share Class in an identical manner.

On any occasion when a Dilution Adjustment is not made there may be an adverse impact on the total assets of the Fund which may otherwise constrain the future growth of the Fund. It should be noted that as dilution is directly related to the inflows and outflows of monies from the Fund, it is not possible to predict accurately whether or not dilution will occur at any particular future point in time, and how frequently the Investment Manager will need to make such a Dilution Adjustment. It is anticipated that the application of a Dilution Adjustment will not be necessary in most instances based on historical testing of inflows and outflows.

The initial offer price of the Fund will not be swung, as all investors will incur the costs of initial investments.

16. RISK FACTORS

Potential investors should consider the risks referred to in the “**Risk Factors**” section of the main Prospectus. The following additional risk factors should also be considered.

Equity Securities Risk

As the Fund invests in equity securities it runs the risk that the market prices of those investments will decline. The market prices of equity securities may decline for reasons that directly relate to the issuing company, such as poor management performance or reduced demand for its goods or services. They also may decline due to factors that affect a particular industry, such as a decline in demand, labour or raw material shortages, or increased production costs. In addition, market prices may decline as a result of general market conditions not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. Equity securities generally have significant price volatility, and the market prices of equity securities can decline in a rapid or unpredictable manner. If the Fund purchases equity securities at a discount from their value as determined by the Investment Manager, the Fund runs the risk that the market prices of these investments will not appreciate or will decline for a variety of reasons, one of which may be the Investment Manager's overestimation of the value of those investments. The market prices of equity securities trading at high multiples of current earnings often are more sensitive to changes in future earnings expectations than the market prices of equity securities trading at lower multiples.

Investments in Unlisted Securities

Subject to the requirements of the Central Bank and the UCITS Regulations, the Fund may invest in unlisted transferable securities. Due to the absence of any trading market for these investments, it may take longer to liquidate, or it may not be possible to liquidate, these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised on these sales could be less than those originally paid by the Fund. Further, companies whose securities are not publicly traded will generally not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

Concentration Risk

The Fund's investments will primarily be in securities issued by U.S. companies and therefore, will be concentrated in the U.S., and may be further concentrated in a select group of issuers. As investments will be primarily concentrated in securities issued by U.S. companies, the Fund's performance will be closely tied to economic and political conditions within that country. For these reasons, given the Fund's investments may be concentrated in U.S. companies, the Fund's performance may be more volatile than the performance of more diversified equity funds.

Value Investment Risks

The Investment Manager focuses the Fund's investment strategy on companies that it believes are undervalued or inexpensive versus other securities or investments. These stocks present risks that are in addition to general equity risks outlined above. When estimating the value of a company, the Investment Manager makes assumptions about the fundamentals of the company which may be subject to errors in estimation or may be simply proven wrong. Value stocks may also be out of favour for significant periods of time during which investors may prefer to invest in "growth" stocks or other thematic investments, such as the internet or commodities that do not appear undervalued

to the Investment Manager. Sticking to a strict value discipline during such periods may lead to significant underperformance of the Investment Manager versus any equity market indices or other investments, particularly those that employ a growth strategy or are opportunistic and flexible in their investment strategies.

Liquidity Risk

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

American Depository Receipts and Global Depository Receipts

American Depository Receipts (ADRs) are depository receipts typically issued by a U.S. bank or trust company that evidence ownership of underlying equity securities issued by a foreign corporation. Global Depository Receipts (GDRs) are typically issued by foreign banks or trust companies, although they also may be issued by U.S. banks or trust companies, and evidence ownership of underlying equity securities issued by either a foreign or a United States corporation. Fees and expenses related to holding these securities along with fluctuations in foreign exchange rates and tax treaties could cause an ADR or GDR to be of lesser value than its underlying security.

ADRs and GDRs may also entail the risk of loss as a result of the fact they may offer fewer legal rights than the underlying security or that the issuer changes its terms or terminates the ADR or GDR all together.

Risks Associated with Sustainable Investment

Given that the Fund will promote ESG characteristics, the Investment Manager undertakes an analysis of all proposed investments against ESG criteria prior to a determination being made as to whether to proceed with such investment.

Consideration will be given to: (i) any adverse social or environmental impacts of such investments; and (ii) any governance issues identified that may affect an investment. However, there can be no guarantee that the information that the Investment Manager relies on to make such determinations accurately reflects the sustainability impacts of an investment as the availability of data required to undertake this analysis may be limited for certain investments.

Use of ESG criteria by the Investment Manager to select investments for the Fund involves a degree of subjectivity on the part of the Investment Manager. There can be no assurance that the ESG criteria taken into account by the Investment Manager will result in the Fund's investments aligning with a Shareholder's specific values or beliefs. The ESG criteria may be amended at any time without prior notice being given to the Fund or its Shareholders. The selection of investments based on the Investment Manager's ESG criteria may affect the Fund's ability to select, or maintain exposure to, certain investments. This may result in the performance of the Fund differing from a fund with a similar strategy that does not take ESG criteria into consideration.

In order to establish ESG ratings for securities in its investment universe, the Investment Manager utilises a combination of information from issuers and data providers and its own proprietary methodology for determining ESG risks of an issuer. Third-party data may have a low correlation between the data provider's methodology and ESG scores. When identified, the Investment Manager may work with the data provider to improve awareness and inaccuracies. The Investment Manager makes no express or implied representations or warranties regarding the accuracy, completeness, effectiveness, fairness, or fitness for a particular purpose with respect to the Fund's ESG assessments, negative screens, integration or engagement activities, and therefore its process may not prove to be predictive of a company's ESG status or performance. In addition, the potential benefits to a company of having "good" ESG characteristics may be long term and not visible in performance (or otherwise) for many years, if at all.

Globally, sustainable finance has become an area of focus in recent years. While a number of sustainable finance initiatives, including: (i) the creation of a classification system to assist in determining whether an economic activity is environmentally sustainable; and (ii) specific disclosure requirements for products that (a) have sustainable investment as their objective; or (b) promote environmental or social characteristics, are in the process of being implemented at a European level, the relevant legislation is still in the initial stages of implementation. Additional risks associated with the implementation of these initiatives by the Investment Manager may arise.

Investing primarily in responsible investments carries the risk that, under certain market conditions, the Fund may underperform funds that do not utilize a responsible investment strategy. The application of responsible investment criteria may affect the Fund's exposure to certain sectors or types of investments and may impact the Fund's relative investment performance depending on whether such sectors or investments are in or out of favour in the market. An investment's ESG performance or the Investment Manager's assessment of such performance may change over time, which could cause the Fund to temporarily hold securities that do not comply with the Fund's responsible investment criteria. In evaluating an investment, the Investment Manager is dependent upon information and data that may be incomplete, inaccurate or unavailable, which could adversely affect the analysis of the ESG factors relevant to a particular investment. Successful application of the Fund's responsible investment strategy will depend on the Investment Manager's skill in properly identifying and analysing material ESG issues.

Risk Factors Not Exhaustive

The investment risks set out in the Prospectus and in this Supplement do not purport to be exhaustive and potential investors should be aware that an investment in the ICAV or the Fund may be exposed to risks of an exceptional nature from time to time.

APPENDIX I – SHARE CLASS TABLE

Class	Initial Offer	Initial Issue Price	Minimum Initial Investment	Minimum Subsequent Investment	Minimum Holding Amount	Management Fee	Capped Fee Amount	
Class I USD Distributing	9:00 a.m (Irish time) on 22 January 2024 to 11.00 p.m (Irish time) on 19 July 2024	USD 100	USD 5,000,000	USD 1,000,000	USD 5,000,000	0.65%	0.15%	
Class I USD Accumulating		USD 100	USD 5,000,000	USD 1,000,000	USD 5,000,000	0.65%	0.15%	
Class I GBP Accumulating		GBP 100	GBP 5,000,000	GBP 1,000,000	GBP 5,000,000	0.65%	0.15%	
Class I GBP Distributing		GBP 100	GBP 5,000,000	GBP 1,000,000	GBP 5,000,000	0.65%	0.15%	
Class I EUR Accumulating		EUR 100	EUR 5,000,000	EUR 1,000,000	EUR 5,000,000	0.65%	0.15%	
Class I EUR Distributing		EUR 100	EUR 5,000,000	EUR 1,000,000	EUR 5,000,000	0.65%	0.15%	
Class A USD Accumulating		USD 100	USD 1,000	USD 1,000	USD 1,000	1.35%	0.25%	
Class A USD Distributing		USD 100	USD 1,000	USD 1,000	USD 1,000	1.35%	0.25%	
Class A GBP Accumulating		GBP 100	GBP 1,000	GBP 1,000	GBP 1,000	1.35%	0.25%	
Class A GBP Distributing		GBP 100	GBP 1,000	GBP 1,000	GBP 1,000	1.35%	0.25%	
Class A EUR Accumulating		EUR 100	EUR 1,000	EUR 1,000	EUR 1,000	1.35%	0.25%	
Class A EUR Distributing		EUR 100	EUR 1,000	EUR 1,000	EUR 1,000	1.35%	0.25%	
Class S USD Distributing			USD 100	USD 50,000,000	USD 5,000,000	USD 50,000,000	0.65%	0.10%
Class S USD Accumulating			USD 100	USD 50,000,000	USD 5,000,000	USD 50,000,000	0.65%	0.10%

Class I Shares and Class S Shares are only offered to institutional investors and in certain limited circumstances at the discretion of the relevant Distributor. Class I Shares and Class S Shares may also be offered to (a) retail investors, although only through certain Distribution Agents, platforms or financial intermediaries that are not eligible to receive commissions under local adviser charging rules or that decide not to receive commissions or (b) such other investors as may be determined by the relevant Distributor that may be considered wholesale clients by dealing in large volume. If it is identified that any time that a holder of Class I Shares or Class S Shares does not qualify as an “institutional investor”, the ICAV, the Manager and/or the Administrator may instruct the investor to switch its Class I Shares or Class S Shares into an eligible Class. If a switch is not executed, the ICAV shall be entitled to redeem the Shares.

APPENDIX II – EXAMPLE OF EVALUATING AN ISSUER BASED ON ESG DATA

CCEP is an issuer which is considered to be an outperformer on ESG issues compared to peers especially on the social and environmental fronts. The company issues a sustainability report and considered to have good reporting. Some major considerations that can impact valuation include:

1. Sugar Taxes

- a) 70% of countries have a sugar tax where CCEP operates.
- b) Increasing sugar tax can have a potential detrimental impact on long term volume growth for the industry and company.
- c) CCEP has actively reformulated and reduced package sizing to reduce sugar content. This has dual benefit of decreasing the financial impact from sugar taxes and providing healthier options to consumers.
- d) CCEP's experience is that sugar taxes have tended to favour the name brands because the sugar tax represents a higher % increase in price for the generic brands. In addition, CCEP can better manage package sizing and reformulation to lessen the impact on the consumer.
- e) CCEP continues to reduce its reliance high-sugar items. It has achieved 12.9% reduction in sugar per litre since 2015.
- f) Currently 46% of products are low or no calorie with a target of 50%.
- g) The financial risk is difficult to quantify. The Investment Manager expects that the high-sugar portfolio will continue to decrease as a % of the total volumes. CCEP will also continue to manage package sizes so that higher profit per litre may mitigate lower volumes. The low/no calorie products should benefit CCEP as such products are not affected by the same taxes and will soon reach 50% of the total.

2. Plastic packaging

- a) The company has best in class plastic packaging reclaim and recycling operations.
- b) Increasing % of the recycled plastics poses a financial risk to the company.
- c) If the company uses 100% recycled plastics, the company has estimated that extra costs would be “double-digit” million which is manageable as long as cost of goods sold is up to \$9 billion.
- d) Currently CCEP uses 41% recycled Polyethylene Terephthalate (PET) with a target to 50% by 2023. Eventually this use will go up to 100% but no expected date is announced.
- e) CCEP aims to have 100% recyclability in respect of its packaging by 2025 and 100% collection of same by 2025.

3. Water usage

- a) Production sites in Portugal, Spain, the UK and Germany are in countries where water risk is assessed as medium to high by the World Resource Institute.
- b) The company has achieved 12.1% reduction in water use since 2010.
- c) 160% of the water used in drinks, where sourced from areas of water stress, was replenished.

4. Carbon

- a) CCEP aims to have net zero carbon emission by 2040.

APPENDIX III – ARTICLE 8 – PRE-CONTRACTUAL DISCLOSURE ANNEX

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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

follow good governance practices.

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

Product name: BARROW HANLEY U.S. ESG VALUE OPPORTUNITIES FUND

(A sub-fund of Perpetual Investment Services Europe ICAV an Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))

Legal entity identifier: 635400CCX5NNDREG5G83

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective: ___%**



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective: ___%**



It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



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

The Fund promotes environmental and social characteristics (see the section entitled “Sustainability” above) (i) by imposing an Exclusion Policy to exclude certain unsustainable investments and (ii) by undertaking an active screening of investments policy based on ESG Data (as defined in the Supplement) (which is part of the integration of the Sustainability Risk policy), but otherwise does not have as its objective sustainable investment.

The Investment Manager will take into consideration the following ESG criteria when assessing Sustainability Risks and investment selection to promote environmental and/or social characteristics, including:

a) Environmental:

- (i) Greenhouse gas emissions ("GHG"): refers to a company's management of risks related to its own operational energy use and GHG emissions (i.e. scope 1 and 2 emissions²), including transport and logistics, business travel, etc. It does not include emissions in the supply chain or during the use phase/end-of-life cycle of a product.
- (ii) Climate change risk/vulnerability: includes natural catastrophes, including hurricanes, floods, and droughts/extreme weather events which will continue to have a material, adverse impact on businesses and company assets. The extent of this impact is likely to evolve as climate change increases the frequency and severity of both modelled and non-modelled natural catastrophes, including hurricanes, floods, and droughts. Failure to appropriately understand environmental risks and price them may affect Shareholders and the Investment Manager will strive to understand those in order to protect shareholder value.
- (iii) Biodiversity: focuses on resource use which entails assessing how efficiently and effectively a company uses its raw material inputs (excluding energy and petroleum-based products) in production and how it manages related risks. Though water use is a main focus, the issue can also include the management of critical raw materials that are either scarce or difficult to access, through recycling programmes, the substitution of less scarce materials and/or eco-design.

b) Social:

- (i) Human capital: focuses on the management of human resources. It includes the management of risks related to scarcity of skilled labour through retention and recruitment programs and includes career development measures such as training programmes. Additionally, it includes labour relations, such as the management of freedom of association and non-discrimination, as well as standards such as working hours and minimum wages.
 - (ii) Supply chain management: is the management of the flow of goods and services and includes all processes that transform raw materials into final products. It involves the active streamlining of a business's supply-side activities to maximize customer value and gain a competitive advantage in the marketplace. Inclusive of this will be the human rights considerations in how products are produced as well as the sourcing of raw materials that may or may not be from a conflict region.
 - (iii) Access and affordability: focuses on the management of access to essential products or services such as health care services and products to disadvantaged communities or groups. Affordability deals with goods and or products that increase the ability to be purchased by a broad set of stakeholders and local communities through community involvement, community development and/or measures to reduce negative impacts on local communities.
- c) **Governance:** focuses on assessing factors such as executive pay, bribery and corruption, political lobbying and donations, tax strategy. The Investment Manager engages with relevant investee companies and dedicates significant resources to monitoring governance issues, company outreach, the development of voting policies and also analyses the proposals on the ballots of portfolio companies. The Investment Manager also monitors shareholder activism and the impacts of such on targeted companies and their boards.

The above are collectively referred to as the **ESG Criteria**.

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

In order to evaluate (x) the sustainability indicators used to measure the attainment of each of the ESG Criteria promoted by the Fund; and (y) the Sustainability Risks in respect of the ESG Criteria, the Investment

² GHG are classified by the GHG Protocol Corporate Standard into three 'scopes'. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

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

Manager carries out assessment of ESG Data (as defined below) which includes (i) a proprietary materiality mapping analysis, (ii) a watchlist, (iii) proprietary score card, (iv) ESG research, (v) environmental ratings and (vi) proprietary reports.

In addition, the Investment Manager seeks to promote the above ESG Criteria by (i) following International ESG principles; (ii) integrating ESG criteria into the Fund's research process; (iii) integrating Sustainability Risks; and (iv) focusing on investment in companies with ESG philosophy and ethical investing.

The Fund may invest in Securities which do not align with an investor's particular ESG preferences.

The Fund pursues an investment approach that explicitly promotes environmental or social characteristics, in the following way:

a) International ESG Principles

The Investment Manager follows key elements of the United Nations ("UN")-supported Principles for Responsible Investment ("PRI"), the Investor Stewardship Group ("ISG"), and the International Financial Reporting Standards ("IFRS").

Investment Manager integrates ESG factors in its research and valuation analysis, internally communicates key ESG issues, and monitors third-party ESG ratings for active management and shareholder engagement through dialogue and proxy voting with a company's board and management.

Investment Manager has developed a proprietary system to assign an ESG Composite Score, built on our analysts' scores for E, S, and G pillars and incorporates third-party ESG scores with a robust ranking methodology.

ESG risks and issues can have a financially material impact on an investment. Investment Manager has adopted this Responsible Investing Policy to establish a framework and guiding principles for its responsible investment practices and integration of financially material Environmental, Social, and Governance (ESG) issues in its investment selection process, including the following:

- Identifying companies whose future financial productivity is likely to be supported and enhanced by the sustainable products and services it produces;
- Identifying potential risks in industries and/or companies arising from sustainability concerns and considering the overall ESG profile of the company;
- Using the Firm's proprietary analysis to assess ESG factors of investee companies, industries, and sectors.

The factors underlying Environmental, Social, and Governance include:

- Environmental: Green-house gas emissions, climate change vulnerability/risk, and bio-diversity;
- Social: Human capital (inclusive of human rights and diversity, equity, and inclusion), supply chain management, and access and affordability;
- Governance: executive pay, bribery and corruption, political lobbying and donations, and tax strategy.

b) Integrating ESG Criteria into the Fund's research process

Because the Investment Manager's research process focuses on both sides of a target company's balance sheet - equity and debt, which is conducted by its equity and fixed income professionals, it is uniquely able to effectively integrate the consideration of ESG criteria in the Fund's Securities portfolio and to produce additional economic "value" for the Fund. The Investment Manager's approach to evaluating an investment's ESG risk is driven by how an issuer is evaluated by reference to ESG Data available with respect to ESG criteria material to that issuer's industry and region of domicile. For instance, please see an example of how an issuer is evaluated based on ESG Data in Appendix II.

In order to establish ESG ratings for securities in its investment universe, the Investment Manager utilises a combination of information from issuers and data providers and its own proprietary methodology for determining the ESG risks of an issuer where such third-party data is incomplete or

unavailable. The Investment Manager's ESG framework seeks to ensure its ESG exposures are financially material using both internal and external third-party measurements.

The Investment Manager's ESG data includes the following and is collectively referred to as "ESG Data" for the purposes of this Supplement:

- The Investment Manager's proprietary materiality mapping analysis, which evaluates ESG issues facing specific industry groups. The Investment Manager's materiality mapping uses as its foundation the Sustainable Accounting Standards Board (SASB) Materiality Map™.
- The Investment Manager's ESG watchlist, produced quarterly by its Risk Management team, which are used as the basis for creating a proprietary ESG Composite Score for companies considered for investment selection. The ESG Composite Score is primarily driven by internal contributions by the Investment Manager's research analysts who identify the financially material ESG risks and then place a value on each of the ESG Criteria. In essence the Risk Management team monitors a wide range of companies on an on-going basis based on the watchlist and then produces ESG ratings of such companies based on assessment of the ESG Criteria noted under "Investment Strategy" and in response to the question "What environmental and/or social characteristics are promoted by this financial product" above which involves assessment of ESG Data (as defined under "Sustainability Risk") and reiterated in this section (the "**Score Analysis**"). The Score Analysis is then used to create a proprietary ESG Composite Score which is a list of companies according to an ESG score. A ESG Composite Score below 50 would be considered poor with a score of above 70 considered a good score.
- MSCI ESG Research and Sustainalytics ESG Research, provides the Investment Manager with research that enhances the Investment Manager's understanding of a company's ESG practices, and also with risk ratings that allow for systematic comparison of ESG performance across companies.
- Trucost, part of S&P Global, provides environmental ratings and research enabling the Investment Manager to assess a company's environmental impact and the overall environmental footprint of investment portfolios.
- Proprietary research reports in respect of issuers prepared by the Investment Manager, each of which includes an evaluation of the environmental, social and governance impacts and/or attributes of potential investments for the Fund. Analysis in these reports is derived from, among other sources, engagement with the issuers.

The above are collectively referred to as the **ESG Data**.

c) Exclusion Policy

Environmental and social characteristics are promoted by the Fund by excluding from the Fund's investment universe companies considered to be significantly involved (i.e. generating 10% or more revenue) in the production of tobacco; generation, extraction and/or refining of certain fossil fuels, production of unconventional weapons, production or manufacturing of pornography, alcohol, gambling, controversial weapons (i.e. weapons of mass destruction, nuclear weapons, biological weapons, chemical weapons, depleted uranium weapons, cluster munitions or landmines), and companies which have violated international standards.

d) Integration of Sustainability Risks

For the purposes of Article 6 of the Sustainable Finance Disclosure Regulation, sustainability risks are integrated in the investment decision-making and risk monitoring of the Fund to the extent that (i) such risks represent potential or actual material risks; and/or (ii) such risks affect opportunities in respect of maximising the Fund's long-term risk-adjusted returns. The Investment Manager integrates ESG analysis into its bottom-up fundamental process and its portfolio construction process, ensuring that the fundamental analysis, portfolio weighting, and sell decisions consider the ESG risks arising in the portfolio. The Investment Manager's approach to ESG integration includes a framework that is focused on the impact of ESG factors on the risk/reward profile of each investment. Accordingly, the Investment

Manager's integration of ESG risks does not necessarily require exclusion. In line with this approach, to the extent that there is an ESG risk associated with an investment which could cause an actual or a potential material negative impact on the value of the Fund, the analysts/portfolio managers will assess the likelihood of that ESG risk occurring.

The Investment Manager believes that companies and issuers may face significant transitional risks (i.e., the risk to investments as the world moves towards a more sustainable environmental and social model) and the potential for these transition risks to occur is also integrated into the ESG framework.

For further information please refer to the section "Sustainability Risk" in this Supplement.

e) ESG Philosophy and Ethical Investing

The Investment Manager considers relevant ESG factors as part of the Fund's investment management process, based on the Investment Manager's philosophy, process, and client mandate. The Investment Manager will avoid investments in controversial sectors and companies and will invest in alignment with international norms and conventions. The Investment Manager will seek to invest in Securities of companies which have a formal statement in respect of compliance with ethical investment requirements and screen their portfolio at least bi-annually in respect of ethical investments.

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

The Fund promotes environmental and social characteristics (i) by imposing an Exclusion Policy to exclude certain unsustainable investments and (ii) by undertaking an active screening of investments policy based on ESG Data (as defined in the Supplement) (which is part of the integration of Sustainability Risks policy), but otherwise does not have an objective of sustainable investment.

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

Not applicable, please see response above.

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

Not applicable, please see response above.

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

Not applicable, please see response above.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Yes
 No

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.

For the purposes of Article 7 of the Sustainable Finance Disclosure Regulation, neither the Manager, nor the Investment Manager currently consider the adverse impacts of investment decisions being made in respect of the Fund on sustainability factors. The Manager in consultation with the Investment Manager has evaluated the requirements of the PAI under the SFDR and is of the view, given the nature and activities of the Fund, that the PAIs are currently not relevant to the strategy of the Fund.



What investment strategy does this financial product follow?

For further detail on the Fund's general investment strategy, please see "Investment Policies" and "Investment Strategy" in this Supplement.

The Investment Manager takes a disciplined, actively managed approach to security selection and consideration of environmental, social and governance factors with an objective of earning attractive, risk-adjusted returns using fundamental research and analysis to identify companies with attractive valuations and strong and/or improving balance sheets whose financial productivity is likely to be supported and enhanced in the future as a result of the move towards a more sustainable world.

When constructing the portfolio the Investment Manager takes account of sustainability considerations, such as ESG Criteria described below to identify companies and considering the nature of the products and services that the company provides from a sustainability perspective, and addressing potential risks arising as a result of sustainability concerns that may be material to the particular company or industry the Fund might invest (e.g. by considering the overall ESG profile of the relevant company). This is achieved by assessing each investment against ESG Criteria, (as described under the heading "Promotion of environmental and/or social characteristics") across three main categories, using the Investment Manager's proprietary analysis.

As described in more detail in the Supplement, the Investment Manager's strategy takes into consideration fundamental securities analysis which include earnings and profitability projections and estimates of fair value. This involves internal research, ESG scoring and evaluation based on ESG Data (as defined below), company engagement and daily research meetings.

Further, the Investment Manager recognises the excess return potential generated by improving ESG fundamentals in addition to risk mitigation by avoiding companies with deteriorating ESG fundamentals.

The Investment Managers' ESG strategy involves integration of ESG into the investment management process and Securities analysis.

For further information on this proprietary analysis, please see above in response to the question "*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product*".

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

This financial product's binding elements of the investment strategy used to select investments to attain the environmental and/or social characteristics are the Exclusion Policy and integration of ESG and sustainability risks in the investment selection process. The Exclusion Policy restricts investment

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

in certain industries that do not conform with the product's standards for ESG investing and sustainability. Integration of ESG and sustainability risks is required as part of this product's investment selection process and are described above under the questions "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product" and "What investment strategy does this financial product follow"?

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

None.

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

The Fund undertakes a comprehensive good governance analysis through assessing relevant ESG Data described above under "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product" and includes the following processes:

- Investment Manager's proprietary materiality mapping analysis;
- Investment Manager's ESG watchlist;
- MSCI ESG Research and Sustainalytics ESG Research; and
- Trucost, part of S&P Global.

Based on the above analysis, the Investment Manager, when analysing company governance across the universe of potential investments, will consider four key areas of corporate practice which are highlighted in SFDR, each of which reveals something about the company's business. These are:

- Sound management structures;
- Strong employee relations;
- Fair remuneration of staff; and
- Tax compliance.

The Investment Manager is of the opinion that companies should have suitable practices and policies in place across all four of these areas to ensure that they are best placed to evolve in a sustainable manner over the long-term.

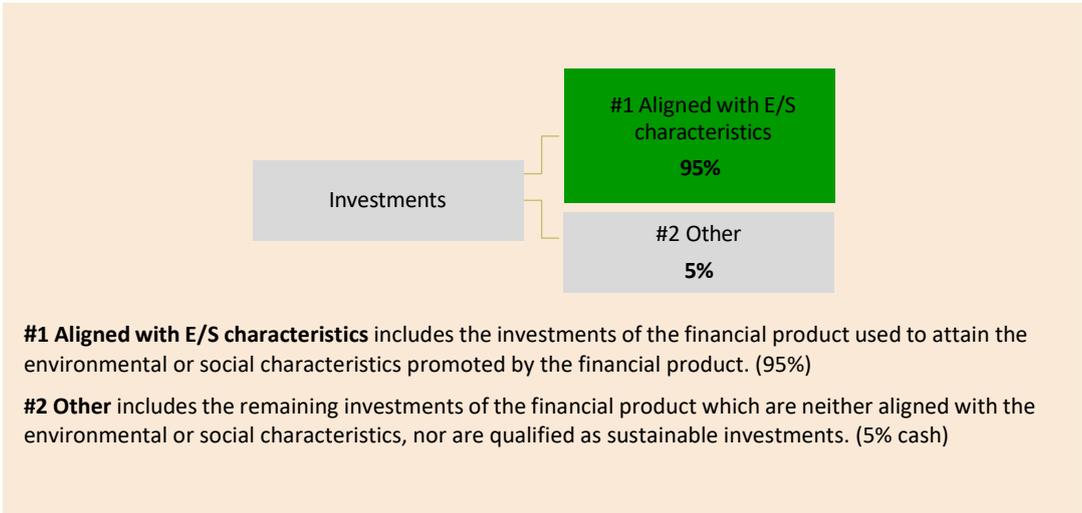
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

The Fund's investments are diversified across Global Industry Classification Standard (GICS) sectors. Investments in the Fund promote ESG characteristics and excludes certain unsustainable industries, however the Fund does not designate a minimum portion of sustainable investments. The minimum proportion of investments used to meet the environmental and/or social characteristics promoted by the Fund is 95% and the proportion of the remaining investments comprise of up to 5% and include cash, cash equivalents and certain derivatives for liquidity and hedging purposes).

Asset allocation describes the share of investments in specific assets.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Not applicable. The Fund does not invest in financial derivative instruments for investment purposes.



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

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²?

- Yes:
 - In fossil gas
 - In nuclear energy
- No

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



**This graph represents 100% of the total investments

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

**This is an approximate figure based on the current portfolio as at the date of this Supplement

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

The Manager, in consultation with the Investment Manager, has determined the proportion of investments in environmentally sustainable economic activities is currently 0% of NAV which comprises of 0% of NAV in transitional and 0% of NAV in enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are
sustainable
investments with an
environmental
objective that **do
not take into
account the criteria**
for environmentally

not aligned with the EU Taxonomy?

As the Fund does not make any sustainable investments, the Investment Manager, in consultation with the Manager, has determined that the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 0% of the NAV

In addition, as noted above, the minimum share of sustainable investments with an additional objective which are aligned to EU Taxonomy is 0%.



What is the minimum share of socially sustainable investments?

As the Fund does not commit to make sustainable investments within the meaning of Article 2(17) of SFDR, the Manager, in consultation with the Investment Manager, has determined that the minimum share of socially sustainable investments is 0% of NAV.



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

The purpose of “#2 Other” investments relates to the 5% allocation to cash and cash equivalents. The cash is not subject to any minimum environmental and social safeguards.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund does not use any reference benchmarks.

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

N/A, as above.

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

N/A, as above.

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

N/A, as above.

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

N/A, as above.



Where can I find more product specific information online?

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

www.barrowhanley.com/documents-disclosures