

POWER SUSTAINABLE OPPORTUNITY FUNDS ICAV

(an open-ended umbrella ICAV with segregated liability between its Funds under the laws of Ireland authorised and regulated by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended)

Addendum to the Prospectus (the “Addendum”)

This Addendum is supplemental to, forms part of and should be read in conjunction with, the prospectus for Power Sustainable Opportunity Funds ICAV (the “**ICAV**”) dated 28 July 2022 (the “**Prospectus**”).

Distribution of this Addendum is not authorised unless accompanied by a copy of the Prospectus.

The directors of the ICAV (the “**Directors**”) whose names appear under the section entitled ‘**DIRECTORY**’ of the Prospectus accept responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information and the Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Addendum. For the purposes of interpretation, in the event of any conflict between this Addendum and the Prospectus, any such conflict shall be resolved in favour of this Addendum.

Dated: 1 December 2022

AMENDMENTS TO THE SUPPLEMENT FOR THE FUND

The following amendments apply to the Supplement for the Fund:

1. THE FUND - Promotion of Environmental and Social Characteristics

The following sentence is included as a final line in the first paragraph under the sub-section headed "Promotion of Environmental and Social Characteristics" under the section headed "THE FUND" of the Supplement:

"Further details in relation to the environmental and social characteristics promoted by the Fund are set out in Schedule II to this Supplement."

2. THE FUND - Consideration of Principal Adverse Impact

The paragraph under the sub-section headed "Consideration of Principal Adverse Impact" under the section headed "THE FUND" is deleted and replaced with the following:

"Consideration of Principal Adverse Impact

The Manager, in conjunction with the Investment Manager, takes into consideration the principal adverse impacts of investment decisions in respect of the Fund on sustainability factors in accordance with Article 7(1) of the SFDR. For further detail, please refer to Schedule II of this Supplement."

3. SCHEDULE II

The following Annex is included as a new Schedule II after Schedule I in the Supplement:



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 2

ANNEX

to the

Commission Delegated Regulation (EU) .../....

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre- contractual documents, on websites and in periodic reports

ANNEX II

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

Product name:

Power Sustainable China A-Shares Core Strategy Fund
(the “Fund”)

Legal entity identifier:

635400E4QOJXAUJWIN07

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i>	
<input type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____ %	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____ %	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> 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 three primary environmental or social characteristics (each a “**Theme**”, together the “**Themes**”) as set out below. The Investment Manager promotes each Theme by applying an exclusion policy as further outlined in the Responsible Investment Policy of the Investment Manager (the “**Responsible Investment Policy**”).

1. Decarbonization

The Fund promotes accelerating the transition to a low-carbon economy and the creation of affordable clean energy by investing in companies which contribute to stabilization of greenhouse gas concentration, reduction of greenhouse gas emissions, or the increase of greenhouse gas removals, through process and product innovation (“**Theme 1**”).

2. Smart Society

The Fund promotes accelerating the transition to a more innovative, equitable, better educated, and informed society by investing in companies that help narrow the inequality among different social classes, that promotes sustainable societies by relieving societal operational and financial pressures, that facilitate health, education, gender equality and collaborative engagement initiatives in respect of social issues (“**Theme 2**”).

3. Quality Growth

The Fund promotes ‘Quality Growth’ by investing in companies who are strategically positioning their product or service offering to upgrade the consumer’s experience and long-term benefit while also supporting communities and the environment. Companies are targeted for their willingness and ability to improve the quality of products, services, and supply chains. Also, considering that natural and intellectual resources are scarce and the importance of using such resources efficiently, companies must show leadership in managing factors such as employee turnover, employee safety, training intensity, water usage, energy consumption, virgin materials usage and waste generated; and doing so in a more domestic and distributed way (“**Theme 3**”).

A reference benchmark has not been designated for the purpose of attaining the Themes.

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

● ***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 measure the Fund’s promotion of each Theme, the investment manager of the Fund (the “**Investment Manager**”) will:

- a. Overweight the Fund’s portfolio with issuers that are believed to align with at least one Theme. The assessment of the level of alignment of every issuer in the investable universe of the Fund, with each of the Theme, is assessed at least annually through a proprietary sustainability scorecard developed and maintained by the Investment Manager (“**ESG Scorecard**”).
- b. Develop and continually maintain the ESG Scorecard. The ESG Scorecard is used to measure an issuer’s performance on a number of key sustainability issues that, in turn, provide insight on how the issuer aligns with the Themes. In order to measure the Fund’s promotion of the Themes, the Fund will include issuers with an ESG Scorecard rating of 7 or more and will exclude issuers with an ESG Scorecard rating of under 7.

Sustainability issues range from GHG emissions to employee training and business ethics. The performance on any given sustainability issue is assessed using at least one sustainability metric or qualitative assessment (when no quantitative metric is readily available).

These are the key sustainability indicators utilised by the Investment Manager under each Theme to assess the performance of an issuer from sustainability perspective. The Investment Manager uses these indicators to judge sustainability profile of an issuer, that in turn will be allocated a score from 1-10 in line with the ESG Scorecard.

i. Theme 1:

0. Scope 1 - Direct Carbon Emissions
1. Scope 2 - Indirect Carbon Emissions
2. Scope 3 - Categories 01 & 02: Purchased Goods
3. Scope 3 - Category 03: Energy-related Activities
4. Scope 3 - Category 04: Upstream transportation and distribution
5. Scope 3 - Category 05: Waste
6. Scope 3 - Category 06: Business Travel
7. Scope 3 - Category 07: Commuting
8. Scope 3 - Category 08: Upstream Leased Assets
9. Scope 3 - Category 09: Downstream transportation and distribution
10. Scope 3 - Category 10: Processing of Products
11. Scope 3 - Category 11: Use of Products
12. Scope 3 - Category 12: Final Treatment Products
13. Scope 3 - Category 13: Downstream Leased Assets
14. Scope 3 - Category 14: Franchises
15. Scope 3 - Category 15: Investments
16. Implied Temperature Rise
17. 3-degree Technology Opportunity
18. Coastal Flooding Physical Climate VaR
19. Extreme Cold Physical Climate VaR
20. Extreme Heat Physical Climate VaR
21. Extreme Precipitation Physical Climate VaR
22. Extreme Snowfall Physical Climate VaR
23. Extreme Wind Physical Climate VaR
24. Fluvial Flooding Physical Climate VaR
25. River Low Flow Physical Climate VaR
26. Tropical Cyclones Physical Climate VaR
27. Wildfires Physical Climate VaR
28. Carbon Footprint - All Scopes (EUR)
29. Carbon Footprint - All Scopes (USD)
30. Carbon Intensity - All Scopes (EUR)
31. Carbon Intensity - All Scopes (USD)
32. Exposure to Fossil Fuel Sector
33. Percentage of non-renewable energy consumption and production
34. Has Science-based Carbon Reduction Target
35. Alternative Energy- Maximum Percentage of Revenue
36. Energy Efficiency- Maximum Percentage of Revenue
37. Green Building- Maximum Percentage of Revenue

ii. Theme 2:

0. Has Policy Aligned with ILO
1. Gender Pay Gap
2. Workforce Gender Diversity
3. Board Gender Diversity Percentage
4. Board Gender Diversity Ratio

5. Exposure to Controversial Weapons
6. Exposure to Tobacco
7. Employee Turnover Rate
8. Talent Pipeline
9. Training Intensity
10. Upward Mobility
11. Community Engagement
12. Affordable Real Estate - Maximum Percentage of Revenue
13. Major Disease Treatment - Maximum Percentage of Revenue
14. Nutrition - Maximum Percentage of Revenue
15. Orphan Drugs - Maximum Percentage of Revenue
16. Sanitation - Maximum Percentage of Revenue
17. Connectivity - Maximum Percentage of Revenue
18. Education - Maximum Percentage of Revenue
19. SME Finance - Maximum Percentage of Revenue
20. R&D Intensity

iii. Theme 3:

0. Sustainable Water - Maximum Percentage of Revenue
1. Pollution Prevention- Maximum Percentage of Revenue
2. Sustainable Agriculture - Maximum Percentage of Revenue
3. Energy Intensity (EUR)
4. Energy Intensity (USD)
5. Local Procurement
6. Biodiversity Sensitive Areas Impact
7. Water Emissions
8. Water Emissions Footprint (EUR)
9. Hazardous Waste
10. Hazardous Waste Footprint (EUR)
11. SDG 01 - No Poverty - Net Alignment
12. SDG 02 - Zero Hunger - Net Alignment
13. SDG 03 - Good Health and Well-being - Net Alignment
14. SDG 04 - Quality Education - Net Alignment
15. SDG 05 - Gender Equality - Net Alignment
16. SDG 06 - Clean Water and Sanitation - Net Alignment
17. SDG 07 - Affordable and Clean Energy - Net Alignment
18. SDG 08 - Decent Work and Economic Growth - Net Alignment
19. SDG 09 - Industry, Innovation and Infrastructure - Net Alignment
20. SDG 10 - Reduced Inequalities - Net Alignment
21. SDG 11 - Sustainable Cities and Communities - Net Alignment
22. SDG 12 - Responsible Consumption and Production - Net Alignment
23. SDG 13 - Climate Action - Net Alignment
24. SDG 14 - Life Below Water - Net Alignment
25. SDG 15 - Life on Land - Net Alignment
26. SDG 16 - Peace, Justice and Strong Institutions - Net Alignment
27. SDG 17 - Partnerships for the Goals - Net Alignment

Finally, material industry-specific sustainability indicators may also be assessed in addition to the systematic ones above in order to provide a complete picture of the investee company's sustainability profile.

- c. The Investment Manager assesses every company in the investable universe of the Fund comparing each against local peers, industry best practice, and against past self (to see improvement, if any), to assess the quality of risk management for each sustainability issue. When a company is positively impacting a sustainability issue (i.e. helping accomplishing specific goals that are beneficial to society or the environment), "bonus

	<p>points” are awarded. This is to reward not only proper risk management (“Do No Harm”), but also being part of the solution (“Positive Impact”). An overall assessment score from 0 to 10 (10 being the best) is determined and is updated any time there’s significant development around a sustainability issue covered by the ESG Scorecard.</p> <p>In addition to the above sustainability indicators, overarching governance indicators are also assessed:</p> <ul style="list-style-type: none"> • Overall Controversy Score • Environment Controversy Sub-Score • Governance Controversy Sub-Score • Social Controversy Sub-Score • Board Size • Board Independence Percentage • Board Entrenchment • Board Independence • CEO/Chairman Duality • Social License to Operate at Risk • Signatory to UN Global Compact • Human Rights Mechanism • Lacks policies and mechanisms to comply with UNGC Principles and OECD Guidelines • Bribery and Anti-corruption Policy • Lacks Bribery and Anti-corruption Policy • Auditor Name
	<ul style="list-style-type: none"> • <i>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?</i>
	<p>The sustainable investments are intended to contribute positively towards the Themes. Sustainable investments are chosen specifically to strongly align with at least one Theme through primarily their product/service offering. For example, the Fund can make investments that contribute to Theme 1 by investing in companies that manufacture solar panel components (in order to align with Theme 1) or can invest in CAPEX investments, whose companies develop products to minimize energy usage, product quality, etc.). Sustainable investments also need to pass the minimal social safeguards, “Do No Significant Harm” test and good governance test as defined by the Investment Manager.</p>
	<ul style="list-style-type: none"> • <i>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?</i>
	<p>The Investment Manager applies a two-step approach to ensure significantly harmful activities are excluded from investment by the Fund.</p> <p>In the first step, the Investment Manager excludes companies that generate revenue from the most controversial and harmful environmental or social activities (as defined by the Investment Manager), a quantitative screening is performed. The investable universe is filtered to exclude companies involved in thermal coal, gambling, tobacco, or armaments. The Investment Manager has a zero (0) percent direct exposure threshold (as percentage of total revenue) and the Investment Manager tolerates up to ten (10) percent of revenue generated from the sale of products and services to direct exposure companies (i.e. indirect exposure threshold).</p>

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.

	<p>In the second step, with the active pool determined (that is, the subset of the investable universe meeting a number of criteria, including the companies that remain following the application of the abovementioned exclusion criteria), the Investment Manager will assess the following criteria and exclude from investment by the Fund if the answer is 'yes' to any of the following questions:</p> <ol style="list-style-type: none"> 1) Does the company have a severe ('orange') or very severe ('red') overall controversy flag based on proprietary and/or third-party sources and is it unlikely that engagement will yield a satisfactory outcome (i.e. meaningfully reduce likelihood and/or impact of a repeat)? 2) If the company generates indirect revenue from excluded activities while keeping below the indirect revenue threshold of ten (10) percent of total revenue, is it unlikely that the company's management will be able to reduce the exposure meaningfully in the short term and has a plan for complete divestment from the excluded activities? <p>Then the Fund will select investments from the active pool, such that the Fund will invest only in those companies with an ESG Scorecard rating of 7 or more and will not invest in any companies with an ESG Scorecard rating of under 7.</p>
	<p><i>How have the indicators for adverse impacts on sustainability factors been taken into account?</i></p>
	<p>In filtering part of the investment process, the investable universe is filtered to exclude companies involved in thermal coal, gambling, tobacco, or armaments. These are considered to be highly detrimental to environmental goals such as Climate mitigation (EU Taxonomy Objective n.1) and to social goals such as Good Health & Wellbeing (UN Global Compact, Sustainable Development Goals "SDG", n.3), Reduced Inequalities (SDG n.10) and Peace and Justice (SDG n.16).</p> <p>The Investment Manager actively takes adverse impacts into account by implementing limits to its exposure to companies that have revenue activities that could have an adverse impact on environmental or social factors. It has a zero (0) percent direct exposure threshold (as percentage of total revenue) and the Investment Manager tolerates up to ten (10) percent of revenue generated from the sale of products and services to direct exposure companies (i.e. indirect exposure threshold).</p> <p>Where indirect exposure is found within an investment made by the Fund, the Investment Manager will actively engage with the company's management to reduce the exposure, and may decide to divest if engagement outcomes are not satisfactory in the view of the Fund. A sustained breach of the indirect exposure threshold will be taken into consideration when deciding whether to divest from the given investment.</p> <p>In the due diligence part of the investment process, the ESG Scorecard is completed. The ESG Scorecard covers key themes such as Climate Mitigation, Equity, Employee Wellbeing, Operational Footprint and Leadership. For each theme, key issues have been identified and key indicators (quantitative and qualitative), including the mandatory principal adverse indicators, to assess performance on each issue. Companies that are poor performers will not be considered for inclusion in the Fund.</p>

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	Finally, stock pool members will be screened for environmental, social and governance controversies and any company with severe ('orange') or very severe ('red') overall controversy flag (as determined by proprietary and/or third-party sources) overall rating will not be considered for inclusion into the portfolio and might become candidate for engagement activities.
	<i>How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?</i>
	<p>Companies with a severe ('orange') or very severe ('red') overall controversy flag (as determined by proprietary and/or third-party sources) are excluded from the active pool as they are deemed not to meeting minimal social and environmental safeguards such as: adversely impacting human rights, conducting operations without regard to mitigating adverse impacts to the environment and local communities, etc. This exclusion step applies de facto to all investments in the Fund.</p> <p>Specific to sustainable investments, the Investment Manager ensures that the companies have an Anti-Discrimination Policy and a Human Rights Policy in place. Being signatory to the UN Global Compact and having a due diligence policy on labor issues addressed by the fundamental International Labor Organisation (ILO) Conventions 1 to 8 is also encouraged and helps investee companies score higher on the ESG Scorecard.</p> <p><i>The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.</i></p> <p><i>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.</i></p> <p><i>Any other sustainable investments must also not significantly harm any environmental or social objectives.</i></p>


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

☒ Yes, the mandatory principal adverse impacts indicators are included in the ESG Scorecard as well as two optional adverse impact indicators (one for an environmental issue, one for a social issue).


☐ No



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

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

	What investment strategy does this financial product follow?
	<p>The Fund is actively managed. Its objective is to maximize long-term total returns by investing with a high conviction and fundamentals-driven investment process in companies listed on the China A-Shares market.</p> <p>The Fund aims to ensure the promotion of the Themes is implemented on a continuous basis through rules set to restrict trades violating the criteria outlined in this Annex.</p>
	<ul style="list-style-type: none"> <i>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?</i>
	<p>The Fund has the following binding elements in its investment strategy to promote each Theme:</p> <ol style="list-style-type: none"> 1) The Investment Manager actively takes adverse impacts into account by implementing limits to its exposure to companies that have revenues activities that could have an adverse impact on environmental or social factors. It has a zero (0) percent direct exposure threshold (as percentage of total revenue) and the Investment Manager tolerates up to ten (10) percent of revenue generated from the sale of products and services to direct exposure companies (i.e. indirect exposure threshold). <p>Where indirect exposure is found within an investment made by the Fund, the Investment Manager will actively engage with the company's management to reduce the exposure, and may decide to divest if engagement outcomes are not satisfactory in the view of the Fund. A sustained breach of the indirect exposure threshold will be taken into consideration when deciding whether to divest from the given investment.</p> <ol style="list-style-type: none"> 2) The Fund will not invest in issuers that have scored below 7 on the ESG Scorecard. 3) The Fund complies with the Investment Manager's Responsible Investment Policy, which includes exclusion criteria designed to exclude businesses and activities deemed to not meet minimum environmental and/or social safeguards or providing a service or product detrimental to the environment or society. 4) The ESG Scorecard includes a number of indicators to measure performance on key issues and ensure that best-in-class companies are given more prominence in the Fund while laggards are kept out of the Fund. This also guide engagement activities with companies within the active pool.
	<ul style="list-style-type: none"> <i>What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?</i>
	<p>The Fund has not committed to a minimum rate to reduce the scope of investments prior to the application of that investment strategy.</p>
	<ul style="list-style-type: none"> <i>What is the policy to assess good governance practices of the investee companies?</i>

	<p>SFDR requires that products seeking to promote environmental and/or social characteristics (i.e. Article 8 products) must also take into account good governance practices. In order to assess whether investments meet the governance standards set out within this regulation, the Investment Manager evaluates the governance practices of companies within the investable universe of the Fund during the due diligence process, across the following key themes: business ethics, business risk, board and auditor assessment, compensation, minority interests, ownership and strategy. The quality of reporting of companies (both traditional and sustainability) is assessed and, to the extent possible, the Investment Manager will promote the addition of material sustainability indicators to the company's business. The Investment Manager assesses issuers' compliance with each of the above themes by referencing a set of minimum standards and guidelines developed by the Investment Manager and assigning a 'pass', 'warning' or 'fail' to each theme. If an issuer is assigned orange or red flag, this typically indicates a 'fail' and if an issuer is assigned a green or yellow flag, this typically indicates a 'pass'. The issuer is deemed to have poor overall governance if it has failed a theme or if the Investment Manager believes the issuer suffers from another significant governance concern, and typically, the issuer excluded from the portfolio. The Investment Manager may also, from time to time, use third party providers to assess issuers' compliance with good governance standards.</p> <p>For the purposes of assessing good governance practices of investee companies:</p> <ol style="list-style-type: none"> 1) Where a company has to have a minor ('green') or moderate ('yellow') overall controversy flag based on proprietary and/or third-party sources, then it can be considered for inclusion in the Fund's portfolio. 2) If the test under 1) above is not met: <ol style="list-style-type: none"> a. where a company has a severe ('orange') or very severe ('red') overall controversy flag based on proprietary and/or third-party sources but following Investment Manager engagement, it is likely that this and further engagement will yield a satisfactory outcome (i.e. meaningfully reduce likeliness and/or impact of a repeat), then it will be included in the active pool; and b. where that same company under 2)a. has a governance score of 7 or above based on the ESG Scorecard, it be considered to meet the good governance practices requirement. <p>The Investment Manager will also promote greater transparency and disclosure on key environmental and/or social topics detailed in the Investment Manager's Stewardship Policy.</p>
	<p>What is the asset allocation planned for this financial product?</p> <p>The Fund will promote each Theme by applying an exclusion policy as further outlined in the Responsible Investment Policy.</p> <p>It is expected that all equity positions (~80% of Fund) will be aligned with at least one Theme (#1 Aligned with E/S characteristics). It is expected that a target of 20% of investments will be made into 'Sustainable Investments' as defined previously. As Theme 1 shares many similarities with the first two Objectives of the EU Taxonomy Regulation (which have Delegated Acts), it is expected that a significant part of the positions aligning with Theme 1 will also be Taxonomy-aligned. As it is expected that roughly a third of the portfolio will be allocated to stocks aligned with Theme 1 and that a significant tactical cash position is possible in certain environments, it is expected</p>

	<p>that 10% of the Fund will be Taxonomy-aligned is a reasonable target, with typical weight being higher when cash and cash equivalents are fully deployed.</p> <p>For the equity portion of the Fund, all positions are required to meet minimal environmental and social safeguards as described previously. Only companies with a score of 7 or above as rated by the ESG Scorecard are considered for inclusion into the Fund. In that sense, each position is aligned with at least one of the the Themes which exhibit a mixture of environmental and social characteristics. On average, investments will be made in equal measures between the Themes (bucketed by their primary Theme wherever the investment aligns with more than one Theme).</p>
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Asset allocation describes the share of investments in specific assets.

	<ul style="list-style-type: none"> • How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?
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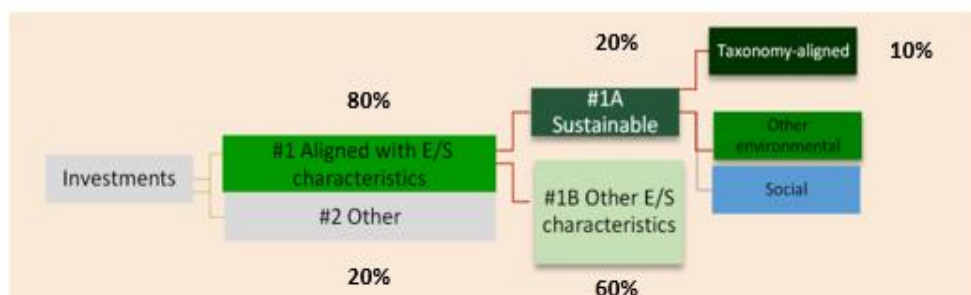
	<p>The Fund will not use derivatives to attain environmental or social characteristics.</p>
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Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

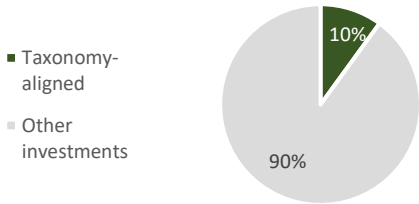
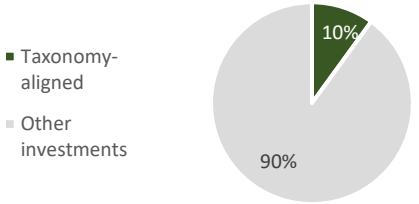


The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.





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

Sustainable investments (#1A) are estimated using turnover. Where 20% or more of revenue is from economic activities that positively contribute to an environmental or social theme, as measured by MSCI Sustainable Impact Solution, and the company meets the minimal social safeguards, “Do No Significant Harm” test and good governance test, the investment will be deemed to be sustainable. Where the generated revenue is from activities aligned with at least one EU Taxonomy objective, then the sustainable investment would also be deemed to be Taxonomy-aligned. If not, it will fall into “Other environmental” or “Social” categories. Where the investee company does not meet all the criteria, it will be deemed as “Other E/S characteristics” (#1B) as long as it shows significant alignment with at least one of the three Themes previously described. The Fund may, from time to time, hold up to 100% of its net assets in cash equivalents where the Investment Manager believes the Fund may

	benefit from holding increased cash equivalents under certain market conditions, while complying with the diversification requirements in the UCITS Regulations, Central Bank UCITS Regulations and UCITS Rules.
<p>Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.</p> <p>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.</p>	<p>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.</p> <div> <div> <p>1. Taxonomy-alignment of investments including sovereign bonds *</p>  <p>■ Taxonomy-aligned ■ Other investments</p> </div> <div> <p>2. Taxonomy-alignment of investments excluding sovereign bonds *</p>  <p>■ Taxonomy-aligned ■ Other investments</p> </div> </div> <p><i>*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures</i></p>
	<ul style="list-style-type: none"> What is the minimum share of investments in transitional and enabling activities?
	There is no minimum share of investments in transitional and enabling activities.
 <p>are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.</p>	<p>What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?</p>
	There is no minimum share into sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.
	<p>What is the minimum share of socially sustainable investments?</p>
	There is no minimum share into sustainable investments with social objectives that are not aligned with the EU Taxonomy.
	<p>What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?</p>
	Cash and cash equivalents are included in “Other”. These investments are meant to be temporary and highly liquid in order to be quickly used to purchase equities tactically

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

	(i.e. in market dislocations and other perceived mispricing events by the Investment Manager).
	<p>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?</p> <p>There is no specific index designated as a reference benchmark used to determine whether this product is aligned with the environmental and/or social characteristics that it promotes.</p>
	<ul style="list-style-type: none"> <i>How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?</i>
	Per above, not applicable.
	<ul style="list-style-type: none"> <i>How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?</i>
	Per above, not applicable.
	<ul style="list-style-type: none"> <i>How does the designated index differ from a relevant broad market index?</i>
	Per above, not applicable.
	<ul style="list-style-type: none"> <i>Where can the methodology used for the calculation of the designated index be found?</i>
	Per above, not applicable.
	<p>Where can I find more product specific information online?</p> <p>More product-specific information can be found on the website: https://www.waystone.com/funds/power-sustainable-opportunity-funds-icav/</p>