Fineco AM MarketVector Global Clean Energy Transition ESG UCITS ETF

SUPPLEMENT DATED 23 AUGUST 2024

This Supplement contains specific information in relation to **Fineco AM MarketVector Global Clean Energy Transition ESG UCITS ETF** (the "**Fund**"), a sub-fund of **FAM Series UCITS ICAV** (the "**ICAV**"), an open-ended umbrella type Irish collective asset management vehicle with variable capital with segregated liability between its sub- funds and authorised by the Central Bank on 1 August 2018 pursuant to the UCITS Regulations.

Application will be made to Borsa Italiana and/or such other exchanges as the Directors may determine from time to time (the "**Relevant Stock Exchanges**") for the listing of the Shares issued and available to be issued to be admitted to listing on the official list and trading on each of the Relevant Stock Exchanges on or about the launch date of the Fund. This Supplement and the Prospectus together comprise listing particulars for the purposes of listing the Shares on the official list and trading on the main market of each of the Relevant Stock Exchanges.

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

Shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. The Fund may, at any one time, be principally invested in FDI. The attention of investors is drawn to the section headed "Risk Factors" in the Prospectus.

Investment Objective and Policies

The investment objective of the Fund is to achieve long term capital appreciation.

The Fund seeks to achieve its investment objective by tracking the performance of the MarketVector™ Global Clean Energy Transition ESG Index (the "**Reference Index**", as described below under the sub- heading "**Description of the Reference Index**") while minimising as far as possible the tracking error between the Fund's performance and that of the Reference Index.

The Reference Index is published by MarketVector Indexes GmbH, acting as the index administrator provider (the "**Index Provider**") and it is described below in the sub-heading "Description of the Reference Index".

The Fund will invest principally in equities and equity-related securities, including preferred stocks and equity-linked instruments such as American depositary receipts and global depositary receipts; and rights of companies located worldwide (the "**Invested Assets**"). The Fund will then enter into Total Return Swaps negotiated at arm's length with one or more Total Return Swap counterparties who satisfy the criteria, set out in the Prospectus under the sub- heading "Securities Financing Transactions", for being such a counterparty (the "**TRS Counterparty**"). The TRS Counterparty will have no discretion in respect of such Total Return Swaps and such Total Return Swaps are unfunded, i.e. no upfront payment is made. The purpose of the Total Return Swaps is to exchange the performance and/or income of the Invested Assets in return for the performance of the Reference Index. Further information on the use by the Fund of Total Return Swaps is set out below in the section titled "Use of Financial Derivative Instruments ("**FDI**")". The value of the Fund's Shares is linked to the Reference Index, the performance(s) of which may rise or fall. Hence, investors should note that the value of their investment could fall as well as rise and they should accept that there is no guarantee that they will recover their initial investment. The valuation of Total Return Swaps will reflect either the relative movements in the performance of the Reference Index and the Invested Assets or the performance of the Reference Index. Depending on the value of the Total Return Swap, the Fund may have to make a payment to the TRS Counterparty or may receive such a payment. If the Fund is required to make a payment to the TRS Counterparty, this payment may be made via a combination of income received from the Invested Assets and/or the partial or total disposal of the Invested Assets. The return that an investor may receive will be dependent on the performance of the Reference Index, the performance of the Invested Assets and the performance of the Total Return Swaps. The portfolio of Invested Assets will be selected by the Manager based on the Manager's view of market conditions and quantitative parameters such as historical price volatility.

The securities in which the Fund invests will primarily be listed or traded on Recognised Markets and in unlisted securities in accordance with the limits set out in the Prospectus and the UCITS Regulations. There is no geographic restriction on the securities (or issuers thereof) in which the Fund may invest.

Pursuant to the Management Agreement, the Manager has full discretionary authority to provide discretionary investment management services in respect of this Fund subject to the investment objective, policies and restrictions of this Fund.

For information in relation to the difficulties associated with tracking indices, please refer to "Reference Index Tracking Risk" in the "Risk Factors" section of the Prospectus. It is currently anticipated that the tracking error of the Fund will be up to 1% under normal market conditions. The causes of tracking error can include but are not limited to the following: holdings/size of the Fund, cash flows, transaction costs, dividend reinvestment, differences in timings between the receipt/payment of subscription and redemption monies into the Fund, investment/divestment of Fund assets and the impact of fees.

ESG Screening

The Manager applies its exclusion policy (the “Exclusion Policy”) to the Invested Assets. Exclusion categories considered in the Exclusion Policy are (1) United Nations Global Compact Principles (2) Controversial Weapons (3) Tobacco (4) Climate Change and (5) Forced Labour. The Exclusion Policy may be obtained on the Manager’s website at: http://finecoassetmanagement.com/sustainability/. In addition, the Invested Assets are selected using only the constituents of ESG screened indices.

All securities are screened using data sourced from third-party data providers that provides scores for each holding and at portfolio level in aggregation. In selecting securities, an emphasis is placed on how companies integrate ESG risks and opportunities into their corporate strategy.

Description of the Reference Index

General Description: The Reference Index tracks the performance of global companies involved in providing technologies and materials contributing to the global transition to clean energy.

Size and Liquidity: Full market capitalisation of at least 150 million USD. Three month average-daily-trading volume of at least 1 million USD at a review and also at the previous two reviews. At least 250,000 shares traded per month over the last six months at a review and also at the previous two reviews. Review is quarterly.

ESG: The Reference Index considers ESG factors. The ESG factor data are based on the ISS Norm-Based (NBS) Research framework which consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. The Reference Index does not consider companies that violate certain ESG criteria included in the following four categories and as disclosed below:

1. Norm-based research: Norm-Based Research identifies and evaluates allegations that companies fail to respect established norms for Responsible Business Conduct covering union rights, work discrimination, bribery, child labour, environmental protection, human rights, forced labour, labour standards, money laundering, labour discrimination and boycott list.
a. Any security that has an overall score >8 (scores of 9 and 10 indicate a company has verified failure or imminent failure to established norms) is removed.
b. Individual norms as outlined under the Index Guide are reviewed for severity (score RED = 10, or T=True (vs False))
2. Controversial weapons: This category covers anti-personnel mines, biological weapons programme, chemical weapons programme, cluster munitions programme, depleted uranium programme, incendiary weapons programme, any nuclear weapons programme outside of the Non-Proliferation Treaty and white phosphorus weapons programme. Corporate involvement in controversial weapons using standardized methodologies, such as criteria set out in the relevant international norms, such as the Mine Ban Treaty (MBT) and the Convention on Cluster Munitions (CCM), the key international arms control instruments concerning anti-personnel mines and cluster munitions is assessed.
a. Any companies marked as Red (= Verified involvement in controversial weapons) or where data is not collected as outlined in the Index Guide is removed.
3. Sector exposure screening: This category covers ammunition for civilian firearms, assault weapons, automatic firearms, high-capacity magazines and repeated firearms and involvement in tobacco, gambling and military equipment and services.
a. Any companies with involvement/revenue greater than a percentage threshold of 5% or where data is not collected as outlined in the Index Guide are removed.
4. Energy extractives: This category covers fossil fuel, oil sands, thermal coal mining and uranium mining.
a. Any companies with involvement/revenue greater than a percentage threshold of 5% or where data is not collected as outlined in the Index Guide are removed.

Additional information on the ESG factors that apply are set out under “ESG Factors” in the Index Guide that is available on the website disclosed under “Further Information and Website”.

Index Provider: The above Index is provided by the Index Provider, as identified above, who was recognised under Article 34 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmark Regulation**”). The Index is calculated by Solactive AG as a vendor for calculation services. An outsourcing agreement according to Article 10 of the Benchmark Regulation was entered into between the Index Provider and Solactive AG for the calculation service.

Index Provider’s Disclaimer: The Fund is not sponsored, endorsed, sold or promoted by the Index Provider and/or its affiliates. The Index Provider and/or its affiliates makes no representation or warranty, express or implied, to the owners of the Fund or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly or the ability of the Fund to track the Reference Index’s performance.

The Reference Index is the exclusive property of the Index Provider, which has contracted with Solactive AG to maintain and calculate the Reference Index. Solactive AG uses its best efforts to ensure that the Reference Index is calculated correctly. Irrespective of its obligations towards the Index Provider, Solactive AG has no obligation to point out errors in the Reference Index to third parties including but not limited to investors and/or financial intermediaries of the Fund.

The Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Reference Index and/or Reference Index trade mark or the Reference Index price at any time or in any other respect. Neither publication of the Reference Index by Solactive AG nor the licensing of the Reference Index or Reference Index trade mark for the purpose of use in connection with the Fund constitutes a recommendation by Solactive AG to invest capital in the Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Fund. Solactive AG is not responsible for fulfilling the legal requirements concerning the accuracy and completeness of this Supplement.

THE INDEX PROVIDER AND ITS AFFILIATES DO NOT GUARANTEE THE ACCURACY AND/OR COMPLETENESS OF THE REFERENCE INDEX OF ANY DATA INCLUDED THEREIN AND SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS, AND MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY OWNERS OF THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE FUND. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE INDEX PROVIDER OR ANY OF ITS AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF.

Further Information and Website: The Index Provider's Index methodology, composition, revision rules and additional information concerning the underlying components of the Reference Index are available on https://marketvector.com/indices/sector.

*Use of Financial Derivative Instruments ("**FDI**")*

The Fund may engage in FDI transactions for investment purposes to generate returns, for the purposes of hedging, and/or for efficient portfolio management. The types of FDI that the Fund may use are currency forwards, currency swaps, index futures and total return swaps. The underlying assets of FDIs will be limited to those investments that the Fund may acquire in accordance with its investment policy. Transactions in FDIs will be used for the purpose of meeting the Fund's investment objective and to hedge against currency risk. The expected effect of the use of FDI will be to enhance returns and/or reduce inherent risks affecting the Fund's Investments. For information in relation to the risks associated with the use of FDIs, please refer to the "Risk Factors" section of the Prospectus.

Total Return Swaps: The Fund will enter into Total Return Swaps for investment purposes to gain exposure to the Reference Index, as mentioned in the Investment Objective and Policies section above. These Total Return Swaps contain a short leg, referencing the assets held in the Fund, and a long leg, referencing the Reference Index, and have the aim to provide investors with the return on the index in the most efficient manner. The Fund's maximum exposure to Total Return Swaps, based on the notional value of such instruments, is 120% of its Net Asset Value and it is anticipated that any potential exposure that the Fund may have to Total Return Swaps will be in the range of 95% to 105% of its Net Asset Value through Total Return Swaps.

Index Futures: The Fund may use index futures (being a futures contract on a financial index), for investment purposes, optimal portfolio management purposes and hedging purposes.

Currency Forwards and Currency Swaps: The Fund may use currency forwards and/or currency swaps for the purpose of hedging currency exchange risk.

Long/Short Exposure

The expected maximum level of long derivative positions which the Fund may hold is 200% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. The expected maximum level of short derivative positions which the Fund may hold is 200% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. Further detail on the potential short exposure where the Reference Index is synthetically replicated is explained further above under “Total Return Swaps”.

Securities Lending Agreements

Securities lending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at pre-agreed time. These agreements will only be used for efficient portfolio management to enhance overall returns to the Fund through the receipt of finance charges for the lending of its securities and are subject to the conditions and limits set out on the Central Bank UCITS Regulations. The Fund's exposure to securities lending transactions is expected to be 5% of the Fund's Net Asset Value, subject to a maximum exposure of 30% of the Fund's Net Asset Value.

Exposure to the Reference Index: The Fund will take exposure to the Reference Index through the use of Total Return Swaps as outlined above. Exposure to the Reference Index will comply with the conditions and limits set down in the Central Bank's guidance titled "UCITS Financial Indices". When the Reference Index does not comply with the diversification requirements established by the UCITS Regulations, the Fund will apply a "look-through" approach, which allows the Manager to analyse the Fund's exposure to the Reference Index by looking through the derivative position, which gives the Fund the relevant indirect exposure to the underlying indices. This allows the Fund to ensure that it meets the risk spreading requirements of the UCITS Regulations. Following this "look through" analysis, if the Fund's consolidated exposure does not meet the risk spreading requirements of the UCITS Regulations, the Fund will have to address this by reducing said exposure. The Reference Index does not rebalance more frequently than quarterly and such rebalancing is not expected to have a material effect on the costs incurred within the Reference Index. The Reference Index that the Fund takes exposure to will be included in the financial statements of the ICAV and details of the Reference Index, including details of the website where the exact composition of the Reference Index is published, is set out above in the section titled "Description of the Reference Index".

Risk Measurement - Global Exposure and Leverage

Market risk created through the use of derivatives will be measured daily using the relative value-at-risk (VaR) approach. VaR is a risk measurement technique designed to estimate the potential loss in the Fund's portfolio over a set period at a certain confidence level, and is based on statistical analysis of historical price trends and volatilities. The VaR of the Fund's portfolio is calculated daily and is measured relative to the VaR of the Reference Index. In compliance with the UCITS Regulations, the relative VaR of the Fund's portfolio shall not exceed twice the Reference Index, as determined at least daily using a one-tailed confidence interval of 99%, a holding period of one month (20 Business Days) and an historical observation period of at least one year (250 Business Days) unless a shorter observation period is justified by a significant increase in price volatility, such as in extreme market conditions.

The level of gross leverage, calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank, is expected to be 200% of the Fund's Net Asset Value. There is a possibility of higher leverage levels than this expected level. The expected level of leverage is calculated based on the sum of the absolute value of notionals of the derivatives used, does not take into account any netting and hedging arrangements and therefore is not a risk-adjusted method of measuring leverage.

Investor Profile

The Fund is suitable for both institutional and retail investors seeking capital appreciation over the long term who are willing to accept a moderate to high level of volatility from time-to-time.

SFDR Classification: The Manager has categorised the Fund as meeting the provisions set out in Article 8 of SFDR for products which promote environmental and/or social characteristics and invest in companies that follow good governance practices, as further described in Annex II at the end of this Supplement.

SFDR Disclosure

The Manager manages the Fund in accordance with its Responsible Investment Policy (the "ESG Policy") on a continuous basis. Further details on how ESG has been integrated into the investment process that applies in respect of the Fund are available on the Manager's website at the following link: https://finecoassetmanagement.com/responsibleinvesting..

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

The Manager has determined that the Fund may have a lower prospect of being impacted by Sustainability Risk given that the Fund falls within the meaning of Article 8 of SFDR. To the extent that a Sustainability Risk occurs, there may be a sudden, material negative impact on the value of an investment, and hence there may be a material negative impact on the Net Asset Value of the Fund. Such negative impacts may result in an entire loss of value of the relevant investment(s). The Manager acknowledges that the Fund's exposure to Sustainability Risks is changeable and shall keep the Fund's exposure to these risks under periodic review. Where the Manager considers, as a result of such a review, that the Fund's approach to the management of sustainability risks is to materially change, these disclosures will be updated accordingly.

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

In addition to what is contained in the Investment Policies section above relating to tracking the Reference Index via a Total Return Swap, the Fund integrates Sustainability Risk into its selection of the Invested Assets using both quantitative and qualitative processes as summarised below:

(i) Prior to acquiring the Invested Assets, the Manager uses Sustainability Risk metrics of a third party data service provider or providers in order to assess the relevant investment against Sustainability Risk factors and to identify how vulnerable the investment is to such risks; and

(ii) The Manager also applies its basic Exclusion Policy (whereby potential investments are removed from the investment universe on the basis that they pose a Sustainability Risk that is too great).

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

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

Base Currency: US Dollar.

Offer of Shares

The following Classes of Shares are available for subscription.

Share Class	Initial Offer Price	Initial Offer Period	Currency Denomination	Hedged Class	Sales Charge	Minimum Initial Subscription and Minimum Subsequent Subscription	Distribution Type
Class A Acc	100	Closed	Euro	No	No	1,000/100	Accumulating
Class AH Acc	100		Euro	Yes	No	1,000/100	Accumulating
Class I Acc	100	From 26 August 2024 – 24 February 2025	Euro	No	No	1,000,000/100	Accumulating
Class J Acc	10,000	Closed	Euro	No	No	1,000,000/100	Accumulating

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

Definitions applicable to the Fund

Investors should note the following definitions that shall apply in respect of the Fund:

"**Business Day**" means a day (except Saturday or Sunday and public holidays) on which retail banks and securities markets in London are normally open for business;

"**Dealing Day**" means each Business Day on which the relevant securities markets in which the Reference Index has an exposure to are normally open for business;

"**Dealing Deadline**" means 3:00pm (Irish time) on the day prior to the relevant Dealing Day;

"**Valuation Day**" means each Business Day on which the Net Asset Value will be calculated by the Administrator for each Dealing Day and such other Business Day or Days as the Directors may determine; and

"**Valuation Point**" means 11.59pm (Irish time) on the relevant Business Day.

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

Fees and Expenses

The following fees and expenses are payable out of the assets of the Fund. Details of how the fees and expenses are accrued and paid as well as details of other general management and fund charges are set out in the Prospectus under the heading "Fees and Expenses".

Manager's Fee
Up to 0.5% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

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

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

Establishment Costs
The cost of establishing the Fund and the preparation and printing of the relevant Supplement is expected not to exceed EUR 25,000 and will be charged to the Fund and amortised over the first five years of the Fund's operation or such other period as the Directors may determine.

A detailed summary of each of the fees and expenses of the Fund and the ICAV is set out in the section of the Prospectus headed "**Fees and Expenses**".

Risk Factors

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

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: Fineco AM MarketVector Global Clean Energy Transition ESG UCITS ETF
Legal entity identifier: 254900OQIYUYECLT4F41

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 lay down 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?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental 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 40% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ 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 characteristics promoted through investment in the Invested Assets currently fall under a range of categories comprising climate change, natural capital, pollution & waste, environmental opportunities (environmental) and human capital, product liability, stakeholder opposition and social opportunities (social).

The environmental and/or social characteristics will be considered in the following manner:

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

1. **Positive Screening**: Consideration of environmental, social and governance ("ESG") factors

are a key element of the construction of the Invested Assets. The Invested Assets in which the Fund invests must be issued by companies that are only listed in ESG screened indices which promote environmental and social characteristics such as the MSCI Europe ESG Screened Index. In addition, the Manager will also determine how such companies integrate environmental and/or social characteristics by analysing ESG ratings attributed to such companies with the exclusion of ESG “laggards” from the Fund’s direct investment portfolio. By incorporating positive environmental and/or social factors as part of the overall portfolio construction process, the Fund through its investments supports a tilt towards investment in issuers that have a more positive impact on the environment or society at large.

2. **Fund Level ESG Scoring:** A minimum ESG scoring threshold is applied at Fund level to ensure that the Fund portfolio does not fall below a level deemed by the Manager to be appropriate for a fund promoting environmental and social characteristics. This threshold is currently A+ using MSCI ESG Manager or another corresponding rating from a similar rating provider with a lower score at Fund level permitted only where it is demonstrated to the satisfaction of the Manager that the approach to sustainability risk management and the sustainability elements of the investment strategy are compatible with the Article 8 classification of the Fund. This additional control serves to highlight a minimum Fund level ESG score and promotes engagement and challenge of portfolio managers on selecting more positive issuers demonstrating better environmental and/or social characteristics.

3. **Negative Screening (Norm-based exclusions)**
   For the Invested Assets the Manager (see link to Exclusion Policy for more information) applies norms-based exclusions. The Manager wants its funds under management to avoid making any investments which the Manager or its clients might deem incompatible with minimum responsible investing principles. To align the Invested Assets with this approach, the Manager, for the Invested Assets only, considers the following categories which are outlined in more detail in the Exclusion Policy:

   - United Nations Global Compact Principles
   - Controversial Weapons
   - Tobacco
   - Climate Change
   - Forced Labour

The Fund pursues the environmental and/or social characteristics promoted by it through replicating the Reference Index synthetically, via investment in the Invested Assets.

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

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

Depending on whether the Fund is physically or synthetically replicated, the Fund uses the following applicable sustainability indicators in order to measure the attainment of the environmental or social characteristics that it promotes (please note that reference to ESG scores means ESG score data received from third party data provider/s):

i. The minimum Fund level ESG score; and

ii. The holdings of the Fund being rated above BB by MSCI ESG Manager (or another corresponding rating from a similar rating provider).

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?

a.

The objectives of the sustainable investments made by the Fund are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The Manager is using, as of the date of this document, its internal methodology to determine sustainable investments, which partially relies (for the good governance and positive contribution criteria, as per 1 and 3 below) on its ESG third party data provider's methodology, as also clearly explained in the publicly available document on the Manager's website at the below link. Such methodology integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. A company must meet the criteria described below in order to be considered as contributing to an environmental or social objective:

1. Demonstrate good governance. A company must pass MSCI ESG Research's criteria for the SFDR Article 2 (17) "good governance" (strong overall management and governance structures). Pass indicates that the ESG Rating score is BB or above.

2. Do no significant harm to other environmental or social objectives. The Manager applies its own norms-based Exclusion Policy as the criteria to assess if the company passes or fails the SFDR article 2 (17) "do no significant harm".

3. Make a positive contribution towards an environmental or social objective. A company must derive at least 20% of revenue from economic activities that positively contribute to a social or environmental theme and / or have a carbon emissions reduction target approved by the science-based targets initiative (SBTi). From the perspective of targeting an environmental objective, revenue alignment includes activities focused on climate change mitigation and energy efficiency, pollution prevention and waste minimization, sustainable management of water, forestry and land resources. Activities focused on social objectives include access to basic needs, such as health care, housing, and nutrition, provision of SME and personal loans, education services, and bridging the digital divide in least developed countries.

More information on the internal methodology can be found on the website of the Manager: https://finecoassetmanagement.com/responsible-investing

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?

The sustainable investments that the Fund intends to make do not cause significant harm to any environmental or social sustainable investment objective based on screening applied by the Manager through its exclusion policy (see link below for further information).

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

When replicating the Reference Index via a Total Return Swap through the Invested Assets, principal adverse impact ("PAI") indicators are calculated at Invested Assets level. The results will be compared with that of a chosen proxy benchmark representative of the Invested Asset's investment universe. These calculations will be used as the basis of assessment of adverse impacts on sustainability factors in order to determine what the

Manager can improve relative to the Invested Assets, and where the Manager can engage with relevant issuers to improve on such indicators.

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

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.

The sustainable investments which the Fund makes and their alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are assessed in the following ways;

1. Via PAI monitoring of the following indicators;

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

2. Through ensuring that the sustainable investments that the Manager makes are:

   a. Made in investee companies that demonstrate good governance:

   b. Made in investee companies that demonstrates that they do no significant harm to other environmental objectives; and

   c. Made in investee companies that make a positive contribution towards an environmental or social objective.

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.

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, principal adverse impacts are considered on an ongoing basis by monitoring the Fund portfolio against the mandatory and additional PAI indicators. The indicators that will be reported on are (1) greenhouse gas (GHG) emissions, (2) carbon footprint, (3) GHG intensity of investee companies, (4) exposure of companies active in the fossil fuel sector, (5) share of non-renewable energy consumption and production, (6) energy consumption intensity per high impact climate sector, (7) activities negatively affecting biodiversity-sensitive areas, (8) emissions to water, (9) hazardous waste ratio, (10) violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, (11) Lack

of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises,
(12) unadjusted gender pay gap, (13) board gender diversity and (14) exposure to controversial weapons (15) investments in companies without carbon emission reduction initiatives and (16) lack of a human rights policy.

Information on how the principal adverse impacts were taken into account will be provided in the Fund's annual report. Further information is also available in the PAI Statement of the Manager (see link below for further information).

No

What investment strategy does this financial product follow?

The investment objective of the Fund is to achieve long term capital appreciation.

The Fund seeks to achieve its investment objective by tracking the performance of the Reference Index, while minimising as far as possible the tracking error between the Fund's performance and that of the Reference Index.

The Reference Index tracks the performance of global companies involved in providing technologies and materials contributing to the global transition to clean energy and considers ESG factors.

The Manager applies the Exclusion Policy to the Invested Assets. All securities are screened using data sourced from third-party data providers that provides scores for each holding and at portfolio level in aggregation. In selecting securities, an emphasis is placed on how companies integrate ESG risks and opportunities into their corporate strategy.

The elements of the investment strategy to attain the environmental or social characteristics of the Fund as described in this Annex are systematically integrated throughout the Fund’s investment process.

- ***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?***

  a. **The Invested Assets** will only be drawn from constituents of ESG screened indices;
  b. **Minimum underlying security score of BB** by MSCI ESG manager (or another corresponding rating from a similar rating provider) for each Fund security;
  c. **Exclusion Policy**
  The Exclusion Policy described under the sub-heading ESG Screening further above in this Supplement applies to the Invested Assets and this reduces the investment universe accordingly to exclude issuers that fail to comply with the minimum standards set out therein. The exclusions specifically covered by the Manager’s Exclusion Policy currently include:

  a. Issuers that breach the principles of the United Nations Global Compact;
  b. Issuers involved in the manufacture or product life cycle of controversial weapons (biological and chemical weapons, cluster munitions, depleted uranium, landmines and nuclear weapons);
  c. Issuers deriving 5% or more revenue from the production of tobacco related products or 15% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products.
  d. Issuers that derive more than 10% of their revenue from thermal coal extraction and/or arctic drilling;
  e. Issuers that contravene the United Nations Global Company labour-related principles and International Labour Organisation’s (“ILO”) broader set of labour standards.

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

  Not applicable.

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

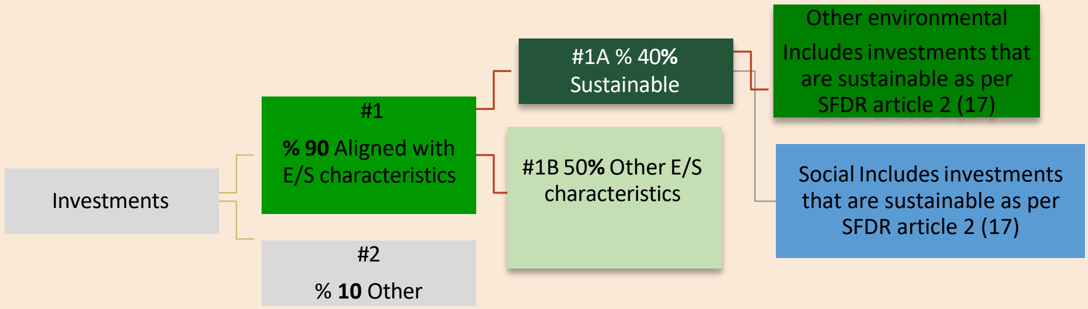
What is the policy to assess good governance practices of the investee companies?

Good governance practices of investee companies is addressed in various layers of the investment selection process. To be able to assess the Manager's full investment universe, a data driven quantitative good governance assessment has been adopted. The assessment is performed by data driven analysis based on external ESG data vendors and is integrated and maintained in front office and compliance systems. Portfolio managers are responsible for the ongoing assessment and monitoring of the governance practices of the companies in which they invest in.

For the Invested Assets, as a minimum requirement good governance practices of investee companies are addressed by reference to having an MSCI score of BB or above (or another corresponding rating from a similar rating provider). Companies are screened for good governance by assessing their employee relations, pay practices, management structures and tax compliance. Once a potential investment passes the minimum requirements test, other due diligence and governance practices are applied by the Manager as additional safeguards. This includes applying the Exclusion Policy to ensure that an investment company is compliant with the principles on labor relations of the United Nations Global Compact. Further detail on the approach of the Manager is available in the Good Governance Policy available on the Manager's website.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#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.

#2Other 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.

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.

Investments means the Fund's Net Asset Value which is the total market value of the product.

At least 90% of the Fund's Investments will be aligned with the environmental and/or social characteristics promoted by the Fund. The Financial product also commits to a minimum proportion of 40% in sustainable investments.

The asset allocation may change over time and percentages may be updated in the prospectus from time to time. There is no specific allocation among #1A. Calculations may rely on incomplete or inaccurate company or third party data.

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?***

  The Fund does not use derivatives to attain the environmental or social characteristics promoted by the Fund.

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

As the investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation, the Fund's portfolio alignment with the Taxonomy Regulation is not calculated. It follows that the Fund does not currently commit to investing more than 0% of its assets in investments aligned with the Taxonomy Regulation.

Does the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy[1]?

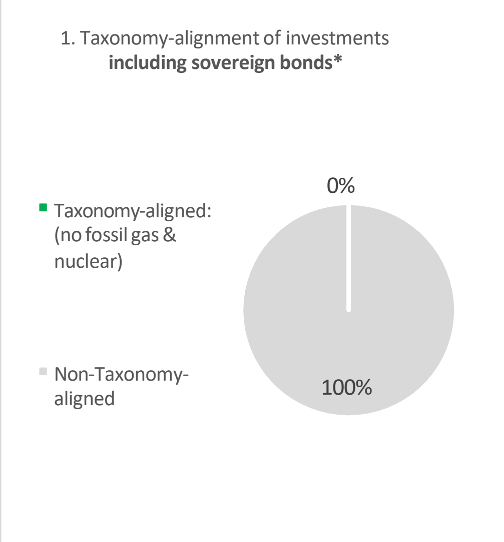
Yes:

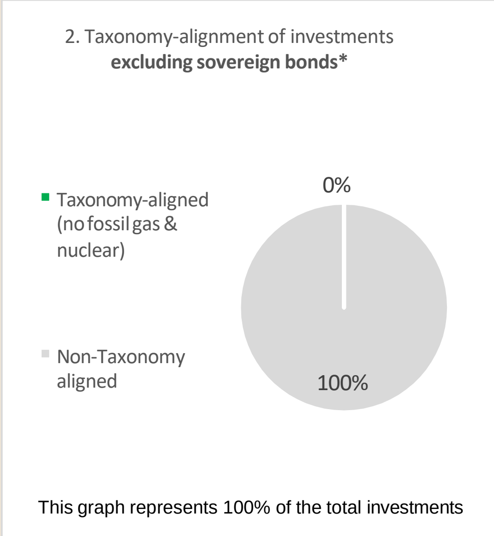
In fossil gas

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.





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

What is the minimum share of investments in transitional and enabling activities? 0%.
There is no commitment to a minimum proportion of investments in transitional and enabling activities.

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

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

40%

What is the minimum share of socially sustainable investments?

40%

*The Fund commits to invest at least 40% of its assets in sustainable investments. Within this overall commitment, there is no prioritisation of environmental and/or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these categories. The investment process accommodates the combination of environmental and social objectives by allowing the Manager the flexibility to allocate between these based on availability

[1] 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.

and attractiveness of investment opportunities.

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

The remaining investments of the Fund may be invested in cash and cash equivalents for liquidity purposes and derivatives which may be used for investment, risk reduction, efficient portfolio management and hedging purposes.

Any "#2 Other" potential investments, other than cash or cash equivalents will be screened according to the Manager's Exclusion Policy.

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?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

An index has not been designated as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

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

  N/A

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

  N/A

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

  N/A

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

  N/A

Where can I find more product specific information online?

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

Further details on the Fund, including the Good Governance Policy, Responsible Investment Policy, Exclusion Policy and PAI Statement can be found on the Manager's website at the following links:

Funds and investment products | Fineco Asset Management

ESG and responsible investments | Fineco Asset Management.