

SUPPLEMENT 2 - Nippon Growth (UCITS) Fund
DATED 9th March, 2021
to the Prospectus issued for
E.I. Sturdza Funds plc

This Supplement contains information relating specifically to the Nippon Growth (UCITS) Fund (the “Fund”), a sub fund of E.I. Sturdza Funds plc (the “Company”), an open-ended umbrella investment company with segregated liability between funds authorised by the Central Bank of Ireland (the “Central Bank”) on 26th September, 2008 as a UCITS pursuant to the UCITS Regulations. As at the date of this Supplement the Company has seven other funds:

- the Strategic China Panda Fund,
- the Strategic Europe Quality Fund,
- the Strategic Global Quality Fund,
- the Strategic European Silver Stars Fund,
- the Strategic Japan Opportunities,
- the Sturdza Family Fund and
- the Strategic Bond Opportunities Fund

Details regarding each fund are set out in Supplements 1-8 of the Prospectus.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 26th November 2020 (the “Prospectus”).

The Fund may invest substantially in deposits with credit institutions and/or in money market instruments. An investment in the Fund is neither insured nor guaranteed by any government, any government agencies or instrumentalities or any bank guarantee fund. 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.

UK taxpayers should read the section of the United Kingdom Country Supplement entitled “United Kingdom Taxation.”

Investors should read and consider the section entitled “Risk Factors” before investing in the Fund.

Profile of a Typical Investor: Investment in the Fund is suitable only for those persons and institutions for whom such investment does not represent a complete investment programme, who understand the degree of risk involved (as detailed under the section headed “Risk Factors” in the Prospectus and Supplement), can tolerate a high level of volatility and believe that the investment is suitable based upon investment objectives and financial needs. An investment in the Fund should be viewed as medium to long term.

1. Interpretation

The expressions below shall have the following meanings:

“Business Day”	means any day except Saturday or Sunday or any day which is a public holiday in Ireland and Tokyo or such other day or days as may be determined by the Directors and notified in advance to Shareholders.
“Dealing Day”	means each Business Day following a Valuation Point.
“Dealing Deadline”	means 5.00p.m. Irish time two Business Days preceding the Valuation Day or such other time as the Directors may determine and notify to Shareholders in advance provided always that the Dealing Deadline is no later than 11.59 p.m. (Irish time) on the Business Day preceding the Valuation Day.
“Initial Price”	means JPY 50,000 per share in the JPY denominated Share Class and CHF / GBP / EUR / USD 1,000 per currency equivalent Share Class.
“Investment Adviser”	means Evarich Asset Management.
“Investment Advisory Agreement”	means the Investment Advisory Agreement made between the Company, the Investment Manager and the Investment Adviser dated 8th April, 2009 as supplemented by letter agreements dated 28 th May, 2013 and 24th July, 2014.
“Valuation Point”	means 5.00pm (Irish Time) on each Business Day.
“Valuation Day”	means each Business Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

2. Classes of Shares

Subfund Name	Nippon Growth (UCITS) Fund													
Share Class Type	M	A						C		B				
Share Class	M JPY *	A JPY	AD JPY	A EUR	A CHF	A USD	A GBP	C EUR	C USD	B JPY	B EUR	B CHF	B USD	B GBP
ISIN	IE00B45CFP81	IE00B563Q870	IE00B58VV065	IE00B991XL80	IE00BGHQ9L68	IE00BGHQ9M75	IE00BGHQ9K51	IE00BP8G3P09	IE00BP8G3Q16	IE00B97RRK58	IE00B95WDX70	IE00BGHQ9P07	IE00BGHQ9Q14	IE00BGHQ9N82
Fund Launch Date	22/10/2009													
Class Launch Date	22/10/2009	04/11/2009	dormant	14/05/2013	not launched	not launched	not launched	not launched	not launched	21/05/2013	28/03/2013	not launched	not launched	dormant
Base Currency	JPY													
Share Class Currency	JPY	JPY	JPY	EUR	CHF	USD	GBP	EUR	USD	JPY	EUR	CHF	USD	GBP
Hedged Class	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Distributing or Accumulating	Accumulating		Distributing	Accumulating										
Benchmark Index	TOPIX Total Return													
Benchmark code (Bloomberg Ticker)	TPXDDVD Index													
NAV Frequency (Valuation Point)	Daily													
Trading Notice (T)	2 business days													
Cut-off subscriptions/redemptions	T 17:00 Irish time													
Contract note	T+3													

release														
Subscription settlement	2 days following the Dealing Day													
Redemption settlement	2 days following the Dealing Day													
Investment Management fee	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	2.20%	2.20%	1.00%	1.00%	1.00%	1.00%	1.00%
Performance fee	12.50%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Research fee	N/A													
Placement/Front end load fees	0.00%													
Redemption Fee	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ADL	N/A													
ADL computation	N/A													
Minimum Subscription and Minimum Holding	No minimum			No minimum						100,000,000		1,000,000		

Initial Offer Period	Closed	Closed	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2020	Closed	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	Closed	Closed	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021	from 9:00 a.m. (Irish time) on 13 th July, 2020 to 5:00 p.m. on 13 th January, 2021
Initial Offer Price	100,000	100,000	100,000	1,000	1,000	1,000	1,000	1,000	1,000	100,000	1,000	1,000	1,000	1,000

* Subscriptions in JPY M Class Shares are restricted to existing investors in JPY M Class Shares.

The A and C Share Classes of the Fund are available for Retail and Professional Investors; however are also open to Institutional Investors.

The B Share Class are deemed to be a “clean” Class (i.e. non rebate paying) and is intended for Institutional Investors.

The B Class is also made available to nominee / global custodians representing underlying Institutional Investors that satisfy the minimum investment criteria across multiple accounts, firms providing non-independent advisory services, those entities that are prohibited from investing in classes which pay rebates or performance fee or providers of independent advisory services or discretionary investment management or other distributors who:

- I. provide investment services and activities as defined by the MiFID II Directive; and
- II. have separate fee arrangements with their clients in relation to those services and activities provided; and
- III. do not receive any other fee, rebate or payment other than from their client in relation to those services and activities.

Retail and Professional Investors are not prohibited from investing in the B Class of the Fund provided they satisfy the minimum investment criteria as defined above.

3. Investment Objective

The investment objective of the Fund is to achieve long-term capital growth through active sector allocation and stock selection resulting from changes in economic conditions.

4. Investment Policy

In pursuit of its investment objective the Fund will invest primarily in equity securities and equity related securities including shares, preferred shares, warrants, debt securities convertible into shares of established Japanese companies listed on the Tokyo and Osaka Stock Exchanges or traded on a Recognised Exchange. A minimum of two thirds (2/3) of the total assets of the Fund shall be invested at all times in securities of issuers established or having a majority of their assets or deriving a majority of their operating income from activities in Japan, provided that investments in equity securities by the Fund shall always exceed 51% of the total assets of the Fund and investments in warrants shall not exceed 10% of the total assets of the Fund. The investment policy of the Fund does not have a specific industry focus.

The Fund is actively managed, with reference to the TOPIX Index (the “Index”), as further detailed below, for performance monitoring and calculation of performance fees. The Investment Adviser is not subject to constraints in terms of deviation from the benchmark composition and may use its discretion to invest in securities/sectors which are not included in the Index. The degree of freedom from the Index may potentially be significant. It is the intention that the Fund be fully invested, however, the Investment Manager retains the flexibility to invest substantially in cash and/or money market instruments to include, but not limited to, short term fixed and/or floating rate government bonds, with a minimum credit rating of A as rated by Standard & Poor’s (or an equivalent rating), issued by the Japanese Government and denominated in JPY, in circumstances where the Investment Manager considers it to be in the best interest of the Fund to do so.

The Fund will continuously invest at least 51% of its total assets directly in equities of corporations which are admitted to official trading on a stock exchange or which are listed on an organised market.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may use repurchase agreements, reverse purchase agreements and/or stock lending agreements (“SFTs”) for efficient portfolio management purposes only, to generate additional income for the Fund. The maximum exposure of the Fund in respect of SFTs shall be 60% of the Net Asset Value. However, the Investment Manager does not anticipate that the Fund’s exposure to SFTs will exceed 20% of the Net Asset Value. Further details are set out under the section of the Prospectus headed “Efficient Portfolio Management” and ‘Securities Financing Transactions and Total Return Swaps”.

The Investment Manager shall measure the performance of the Fund against the Tokyo Stock Price Index, otherwise known as the TOPIX, a capitalisation-weighted average of all companies listed on the First Section of the Tokyo Stock Exchange. The index is a broad based index of large capitalization Japanese stocks and is supplemented by sub-indices comprising thirty three industry sectors.

This Fund has been classified as promoting environmental or social characteristics under Article 8 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ('SFDR'). The Fund's approach pursuant to Article 8 SFDR can be found in Annex 1 of this Supplement.

5. Risk Management Process

The Company will employ a risk management process based on the commitment approach which will enable it to accurately monitor measure and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Company will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank. The Company will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Company including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

6. Offer

Details of the Share Classes on offer, together with details of the initial offer period ("Initial Offer Period") and initial price ("Initial Price") are set out above in Section "2. Classes of Shares".

The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise on an annual basis.

After closing of the Initial Offer Period each class of shares in the Fund are being issued at the Net Asset Value per Share in the relevant Class as at the relevant Valuation Point.

7. Minimum Subscription and Minimum Holding

Details of the Minimum Subscription and Minimum Holding for each Class are set out above in Section "2. Classes of Shares".

A Shareholder may make subsequent subscriptions, conversions and redemptions in all Share Classes, a minimum transaction size will not be applied.

The Directors reserve the right to waive or reduce the Minimum Subscription and Minimum Holding size for each Class at their discretion.

8. Application, Redemption and Conversion via an Electronic Dealing Provider

Where an electronic dealing provider is used by an investor to invest in the Shares of any Class, or such investor holds interests in Shares of any Class through accounts with an electronic dealing provider, such investor will only receive payments in respect of redemption and / or any dividends attributable to the Shares on the basis of the arrangements entered into by the investor with the electronic dealing provider. Furthermore, any such investor will not appear on the register of Shareholders, will have no direct right of recourse against the Fund and must look exclusively to the electronic dealing provider for all payments attributable to the relevant Shares. The Company will recognise as Shareholders only those persons who are at any time shown on the register of Shareholders for the purposes of: (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Investment Manager, the Investment Adviser, the Administrator, the Depositary or any other person will be responsible for the acts or omissions of the electronic dealing provider, nor make any representation or warranty, express or implied, as to the services provided by the electronic dealing provider.

9. Application for Shares

An application for Shares may be made through the Administrator (whose details are set out in the Application Form). Applications accepted and 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 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. Applications received after the Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors, and having regard to the equitable treatment of Shareholders.

Initial applications should be made using an Application Form obtained from the Administrator or the Distributor and may, if the Company so determines, be made by telefax or email subject to prompt transmission to the Administrator of the original signed application form and such other papers (to include documentation relating to money laundering prevention checks and the identification of applicable taxation status) as may be required by the Administrator. Anti-money laundering documentation is required to be received prior to an application for Shares being processed. The Directors reserve the right to refuse applications to transact in Shares if required anti-money laundering documentation is not received. Details of the AML documentation required will be detailed in the Application Form. No redemptions will be paid until the original Application Form and such other papers as may be required by the Administrator have been received and all anti-money laundering procedures have been completed. Investors are required to obtain a copy of the Key Investor Information Document for the Fund and its Share Classes prior to subscribing to the Fund. Investors will be required to represent (which representation will form part of the Application Form) that they have received a copy of the relevant Key Investor Information Document in paper or electronic form. The Key Investor Information Document(s) will be available from the Distributor and from the following website www.ericsturdza.com. Subsequent applications to purchase Shares following the initial subscription may be made to the Administrator

(subject to an Investor having received a copy of the relevant Key Investor Information Document in paper or electronic form) by telefax, email or such other means as may be permitted by the Directors and agreed with the Administrator in accordance with the requirements of the Central Bank, without a requirement to submit original documentation and such applications should contain such information as may be specified from time to time by the Administrator. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

Fractions

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than 0.001 of a Share.

Subscription monies, representing less than 0.001 of a Share will not be returned to the investor but will be retained by the Company in order to defray administration costs.

Method of Payment

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Currency of Payment

Subscription monies are payable in the currency of denomination of the relevant Class. The Company will not accept applications for Shares in currencies other than the currency of denomination of the relevant Class in which the applicant has elected to apply for Shares.

Timing of Payment

Payment in respect of subscriptions must be received in cleared funds by the Administrator no later than two Business Days following the relevant Dealing Day (or such later day or time as the Directors may determine). If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Company or its delegate may charge the relevant investor for any costs incurred due to late settlement (i.e. interest charges and administration costs) and/or cancel the allotment and the cost of cancellation (i.e. any loss, cost, expense or fee suffered by the Company as a result of the non-receipt of monies) may be charged to the relevant investor.

Confirmation of Ownership

Confirmation of each purchase of Shares will normally be made available to Shareholders within 2 Business Days of the relevant Dealing Day.

Title to Shares will be evidenced by written confirmation of the entering of the investor's name on the Company's register of Shareholders and no certificates will be issued.

10. Redemption of Shares

Requests for the redemption of Shares should be made to the Administrator whose details are set out in the Application Form by facsimile or written communication, email, electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and accordance with the requirements of the Administrator and the Central Bank) or such other means as may be permitted by the Directors, and agreed with the Administrator in accordance with the requirements of the Central Bank, and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be processed on the next Dealing Day unless the Directors in their absolute discretion determine otherwise, provided that such request has been received prior to the Valuation Point for the relevant Dealing Day. Redemption requests received after the Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors, and having regard to the equitable treatment of Shareholders.

No redemption payment will be made from an investor holding until the original Application Form for the initial subscription and all documentation required by or on behalf of the Administrator (including any documents in connection with anti-money laundering procedures and the identification of applicable taxation status) has been received from the investor and the anti-money laundering procedures have been completed. Subject to satisfaction of all of the requirements of the Administrator (including but not limited to receipt of the original Application Form and all documentation required by the Administrator for anti-money laundering purposes and the identification of applicable taxation status) the original redemption request will not be required prior to payment of redemption proceeds.

In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Holding, the Company may, if it thinks fit, redeem the whole of the Shareholder's holding.

Method of Payment

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing. Redemption payments following processing of instructions received by telefax will only be made to the account of record of a Shareholder.

Currency of Payment

Shareholders will be repaid in the currency of denomination of the relevant Class from which the Shareholder has redeemed Shares.

Timing of Payment

Redemption proceeds in respect of Shares will normally be paid within two Business Days of the relevant Dealing Day (and in any event should not exceed ten Business Days from the relevant Dealing Deadline) provided that all the required documentation has been furnished to and received by the Administrator.

Withdrawal of Redemption Requests

Requests for redemption may not be withdrawn save with the written consent of the Company or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Fund.

Compulsory/Total Redemption

Shares of the Fund may be compulsorily redeemed and all the Shares may be redeemed in the circumstances described in the Prospectus under the sub-headings “Compulsory Redemption of Shares” and “Total Redemption of Shares”.

11. Conversion of Shares

Subject to the Minimum Subscription, Minimum Holding and minimum transaction requirements of the relevant Fund or Classes, Shareholders may request conversion of some or all of their Shares in one Fund or Class to Shares in another Fund or Class or another Class in the same Fund in accordance with the procedures specified in the Prospectus under the heading “Conversion of Shares”. Requests for conversion of Shares should be made to the Administrator by the Dealing Deadline by facsimile, written communication or electronically (in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Administrator and the Central Bank) and should include such information as may be specified from time to time by the Administrator.

12. Dividend Policy

Please refer to Section “2. Classes of Shares” which details whether a Class of Shares is “Accumulating” or “Distributing”.

Accumulating

It is not the current intention of the Directors to distribute dividends to Shareholders of these Classes. The income and gains of each of these Classes will be accumulated and reinvested on behalf of the relevant Shareholders.

Distributing

The Directors may declare interim dividends and the Company may at a general meeting declare dividends in respect of these Classes but no dividend shall exceed the amount recommended by the Directors. Dividends, if declared, will normally be declared semi-annually in or around the end of April with reference to the financial period ending 31 December and around the end of August with reference to the interim financial period ending 30 June and paid by the end of May and September respectively. However, where the Directors consider that the amount of any dividend would be minimal, they may decide not to declare a dividend.

Any declared dividend will be decided from the increase in net assets attributable to holders of redeemable participating shares from operations, per the financial statements, excluding the net gain/loss on financial assets and liabilities at fair value through profit and loss, the net gain/loss on foreign exchange and any dividends previously declared to holders of redeemable participating shares. Any income and gains not declared as dividend will be accumulated.

Shareholders may elect to re-invest dividends in additional Shares in the Fund by ticking the appropriate box on the Application Form. If no such election is made, dividends will be paid by bank transfer at the expense of Shareholders. Dividends which are not claimed or collected within six years of payment shall revert to and form part of the assets of the Fund.

13. Suspension of Dealing

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

14. Investment Adviser

The Investment Manager has elected, and the Company has consented to the appointment of Evarich Asset Management with registered address at Level 11, Aoyama Palacio Tower, 3-6-7 Kita-Aoyama Minato-ku, Tokyo 107-0061, Japan, as an investment adviser to the Fund to provide investment advice and/or non-discretionary investment management services pursuant to the Investment Advisory Agreement.

Evarich Asset Management was founded in October 2002 by Mr. Yutaka Uda with the purpose of (1) advising on the Japanese economy and Japanese currency and securities and (2) providing portfolio management services to Japanese equity funds. Evarich Asset Management is registered as an investment advisory company with the Japanese Ministry of Finance and is regulated by the Bank of Japan, in Japan.

The Company (for the purpose of giving consent) and the Investment Manager have entered into an Investment Advisory Agreement with Evarich Asset Management dated 8th April, 2009, later amended by letter agreements dated 28th May 2013 and 24th July 2014, pursuant to which the Investment Adviser advises the Investment Manager on the implementation of the Fund's investment policy and strategy.

Each of the Investment Manager and the Investment Adviser shall be entitled to terminate this Agreement (a) by giving to the other not less than 12 months' notice in writing expiring at any time and (b) forthwith, by notice in writing given by either of them to the other, if the other party shall commit any breach of the provisions of this agreement and shall not have remedied such breach within 30 days after being required to do so by notice in writing given by the first party. The Investment Advisory Agreement shall be automatically terminated if (a) the Investment Manager shall resign its appointment under the Investment Management Agreement; or (b) the appointment of the Investment Manager shall otherwise be terminated in accordance with the provisions of the Investment Management Agreement.

In the absence of negligence, fraud, bad faith or wilful default of the Investment Adviser, neither the Investment Adviser nor any of its associates, nor any of their respective directors, employees, officers or agents (each, other than the Investment Adviser, being an "Investment Adviser Person"), shall be liable to the Investment Manager, the Company or any shareholder of the Fund for any act or omission in the course of, or in connection with, the services rendered under this agreement or for any decline in the value of the assets of the Company, or for any loss whatsoever that may result to the Investment Manager or the Fund acting upon any investment advice given to it by the Investment Adviser. Neither the Investment Adviser nor any Investment Adviser Person shall be liable to the Investment Manager, the Company or any shareholder of the Fund for any act or omission of any other adviser appointed by the Company or the Investment Manager in relation to the Fund. The Investment Manager shall indemnify and hold harmless the Investment Adviser and each Investment Adviser Person from and against all claims and demands (including costs and expenses arising from or incidental to any such claims and demands) which may be made against the Investment Adviser or any Investment Adviser Person in respect of any loss or damage sustained or suffered by any person in respect of the proper performance by the Investment Adviser of its duties under this Agreement, otherwise than by reason of the negligence, fraud bad faith or wilful default on the part of the Investment Adviser or any Investment Adviser Person, or as a result of any act or omission of any other investment adviser appointed by the Company or the Investment Manager in relation to the Fund. In no event shall the Investment Adviser or any Investment Adviser Person be liable for any consequential, indirect or special loss or damage or for any loss or damage caused to or suffered by the Company, the Investment Manager or any shareholders in the Fund by reason of any act or omission of any other adviser who may be appointed by the Company or the Investment Manager in relation to the Fund.

The fee of the Investment Adviser shall be paid by the Investment Manager out of its fees.

15. Trade Manager

The Investment Manager has elected, and the Company has consented, to the appointment of Banque

Eric Sturdza S.A, part of the Eric Sturdza Private Banking Group, with registered address at 112 Rue du Rhone, C.P. 3024, 1211 Geneva 3, Switzerland, as a trade manager to the Investment Manager, specifically to provide trading, trade execution and/or other investment administration services which are incidental to the carrying out of its services in respect of the Fund pursuant to a Services Agreement dated 8th April, 2009 and entered into between the Company, the Investment Manager and Banque Eric Sturdza S.A (“the Trade Manager”). The Trade Manager will at all times act in accordance with and upon the instructions of the Investment Manager and will have no discretionary investment management capacity.

The Investment Manager shall be entitled to terminate the appointment of the Trade Manager (a) by giving to the Trade Manager not less than six months’ notice in writing expiring at any time; (b) forthwith, by notice in writing to the Trade Manager, if the Trade Manager shall have committed any breach of the provisions of the Services Agreement and shall not have remedied such breach within 30 days after being required to do so by notice in writing given by the Investment Manager; (c) by giving notice in writing to the Trade Manager at any time, if the Trade Manager or the Company shall go into liquidation (except a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing, in the case of the Trade Manager, by the Investment Manager and, in the case of the Company, by the Depositary and the Manager), or if a receiver (or its equivalent) of any of the assets of the Trade Manager or the Company is appointed; (d) if: (i) the Investment Manager shall resign its appointment or the appointment of the Investment Manager shall otherwise be terminated in accordance with the provisions of the Investment Management Agreement or (ii) the Investment Management Agreement is terminated by either the Company or the Investment Manager, by notice in writing to the Trade Manager, expiring at the date of such resignation or determination.

The Trade Manager shall be entitled to terminate its appointment under the Services Agreement (a) by giving to the Investment Manager not less than six months’ notice in writing expiring at any time; (b) forthwith, by notice in writing to the Investment Manager, if the Investment Manager shall have committed any breach of the relevant provisions of the Services Agreement and shall not have remedied such breach within 30 days after being required to do so by notice in writing given by the Trade Manager; (c) by giving notice in writing to the Investment Manager at any time, if the Investment Manager or the Company shall go into liquidation (except a voluntary liquidation for the purposes of reconstruction or amalgamation, provided that, in the case of the Company, the Depositary and the Investment Manager shall have given their prior written approval), or if a receiver (or its equivalent) of any of the assets of the Investment Manager or the Company is appointed.

In the absence of negligence, fraud bad faith or wilful default, the Trade Manager shall not be liable for any loss or damage suffered by the Investment Manager or the Fund arising directly or indirectly out of any error of judgement or oversight or mistake of law on the part of the Trade Manager made or committed in good faith in respect of the proper performance of its duties under the Services Agreement. The Investment Manager shall indemnify and hold harmless the Trade Manager from and against all claims and demands (including costs and expenses arising from or incidental to any such claims and demands) which may be made against the Trade Manager in respect of any loss or damage sustained or suffered, or alleged to have been sustained or suffered, by any person in respect of the proper

performance by the Trade Manager of the Services provided by it under the Services Agreement, otherwise than by reason of the negligence, fraud or wilful default of the Trade Manager

16. Fees and Expenses

The fees and operating expenses of the Company are set out in detail under the heading “Fees and Expenses” in the Prospectus.

Administrator’s Fees

Details of the Administrator’s fees as set out under the heading “Fees and Expenses” in the Prospectus.

Depository’s Fees

Details of the Depository’s fees are set out under the heading “Fees and Expenses” in the Prospectus.

Investment Manager Fees

The Company shall pay the Investment Manager out of the assets of the Fund an annual fee accrued at each Valuation Point and payable monthly in arrears. Details of the fee payable to the Investment Manager in respect of each Share Class are set out above under Section “2. Classes of Shares”.

Performance Fee

The Investment Manager is entitled to a performance related fee (“Performance Fee”) payable by each Share Class as detailed above in Section “2. Classes of Shares”. The Performance Fee will be taken into account at each Valuation Point in the calculation of the Net Asset Value of the Fund and will be paid out of the assets of the Fund semi-annually in arrears following the calculation of the net asset value on each of 30 June and 31 December until 30 June 2020 and thereafter paid out of the Fund annually in arrears following the calculation of the net asset value on the last Business Day of December (a “Payment Date”) commencing on the 31 December 2021, further details of which are set out below.

The Performance Fee charged for a Class is equal to a percentage of the relative outperformance, if any, of the Net Asset Value per relevant Share (before deducting the amount of any accrued liability for a Performance Fee) over the Topix Total Return Index (the “Benchmark”) (Bloomberg Ticker TPXDDVD Index). Details of the performance fee payable per Class are set out above under Section “2. Classes of Shares”.

Appropriate adjustments will be made to account for subscriptions and redemptions during each Accounting Period.

Calculation of the Performance Fee

The Performance Fee shall be calculated at each Valuation Point and is accrued in the calculation of the Net Asset Value of the Fund on each Valuation Day. The Performance Fee, if any, shall crystallise upon redemption and on each Payment Date. The Performance Fee will be calculated on a Share by Share basis with reference to the "Start Date" which shall be the later of a) the Payment Date at which the Performance Fee was last paid out of the Fund in respect of that Share or b) the date of issue of the Share. The amount payable on the Payment Date shall be equal to the aggregate of the Performance Fees accrued in the Net Asset Value of the Fund on Shares in issue and any Performance Fees crystallised on redemptions since the last Payment Date.

The Performance Fee will be calculated using the relative "high water mark" methodology which means that a Performance fee will only accrue and be payable on a Share in respect of the relative outperformance of that Share against the Benchmark since the Start Date.

In the event that Shares produce a return that represents a relative underperformance in relation to the Benchmark since the Start Date, no Performance Fee will be accrued in respect of these Shares. Further, no additional Performance Fee will be accrued in respect of these Shares until these Shares have fully recovered both the relative underperformance in relation to the Benchmark and also reached a level of relative outperformance since the Start Date.

For the avoidance of doubt, the Performance Fee shall be paid from the Fund upon the Payment Date in the event of negative performance by Shares, provided that Shares have outperformed the Benchmark since the Start Date.

The Performance Fee will be calculated by the Administrator and the calculation of the Performance Fee is verified by the Depositary.

Net realised and unrealised capital gains and net realised and unrealised capital losses will be included in the Performance Fee calculation at each Valuation Point. As a result a Performance Fee may be paid on unrealised gains which may subsequently never be realised.

The Initial Price at the date of launch of each Share Class will be taken as the starting price for the first Performance Fee payable.

Investment Adviser Fee

All fees payable to any appointed Investment Adviser (to include all reasonable out-of-pocket expenses) shall be paid by the Investment Manager out of the remuneration it receives pursuant to the terms of the Investment Management Agreement.

Trade Manager Fee

The Trade Manager will not receive a fee for its services.

Distributor

It is not the current intention of the Directors to charge a placement/front end load fee. If it is at any stage in the future proposed to charge any such placement/front end load fees, reasonable notice shall be given to Shareholders.. In the event of a placement/front end load fee being charged, the difference at any one time between the sale and redemption price of Shares in the Fund means that the investment should be viewed as medium to long term.

Redemption Fee

It is not the current intention of the Directors to charge a redemption fee. If it is at any stage in the future proposed to charge a redemption fee, reasonable notice shall be given to Shareholders. In the event of a redemption fee being charged, Shareholders should view their investment as medium to long-term.

Anti-Dilution Levy

It is not the current intention of the Directors to apply a general anti-dilution levy to all applications for subscriptions and redemptions from the Fund. If it is at any stage in the future proposed to apply a general anti-dilution levy, reasonable notice shall be given to Shareholders.

17. Risk Factors

The attention of investors is drawn to the “Risk Factors” section in the Section of the Prospectus entitled (“The Company”). In addition, the following Risk Factors are specific to the Fund:

Investment in Equity and Equity-Related Securities

The Fund may invest in equity and equity-related securities traded on recognised stock exchanges. Equity securities will be subject to risks associated with such investments, including fluctuations in market prices, adverse issuer or market information and the fact that equity and equity-related interests are subordinate in the right of payment to other corporate securities, including debt securities. The value of these securities varies with the performance of the respective issuers and movements in the equity markets generally. As a result, the Fund may suffer losses if it invests in equity securities of issuers where performance falls below market expectations or if equity markets in general decline or the Fund has not hedged against such a general decline. Futures and options on futures on equity securities and indices are subject to all the foregoing risks, in addition to the risks particularly associated with futures and derivative contracts.

Investors in the Fund must recognize that, due to the inherent characteristics of equity markets, the value of their investment can go down as well as up, and that they may not receive back the monies originally invested. The Fund intends to invest primarily in Japanese markets and, therefore, there is a risk to investors by reason that the Company is exposed to one particular economic region. In addition, the liquidity in markets can vary and it may not always be possible for the Fund to disinvest or invest in any

particular market. A proportion of the Fund's assets may from time to time be held in foreign currencies and therefore at times may be affected by fluctuations of currency markets.

Concentration of Investments

If the Fund invests up to the maximum permitted under the investment restrictions described in Appendix I of the Prospectus in the securities of single issuers and / or in economic sectors this concentration and lack of diversification relative to the capital of the Fund could mean that a loss in any one such position or a downturn in a sector in which the Fund is invested could materially reduce the Fund's performance. Thus, any substantial investment by the Fund relative to overall assets in the securities of a single issuer or the concentration of the Fund's investments in a particular industry may increase the level of risk associated with an investment in the Fund.

Investment in Cash and Money Market Instruments

The Fund may invest substantially in deposits with credit institutions and/or in money market instruments. An investment in the Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. 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.

Securities Lending Risk

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as the Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, the Fund investing collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

Key Man Risk

Insofar as the role to provide investment advice and recommendations towards the Fund has been appointed to the Investment Adviser by the Investment Manager, it is likely that the decisions that lead to investment recommendations are focused with a small number of senior individuals within the Investment Adviser. As a result, there will likely be a degree of key man risk arising from the potential loss of knowledge and expertise arising from the departure or inability to act of a key person that possesses significant subject matter, expertise and tenure to provide services towards the Fund on behalf of the Investment Adviser. The Investment Manager therefore has adopted specific policies to address key man risk in the event that such an event arises, which may include the suspension or termination of the relevant investment advisory agreement or to provide a recommendation to the Company to consider the closure or winding up of the Fund.

18. Investment Restrictions

Notwithstanding Point 3.1 of Appendix I – Investment Restrictions in the Prospectus, the Fund may not invest more than 10% of its net assets in aggregate in other collective investment schemes.

Annex 1

Fund's approach pursuant to Article 8 SFDR

In identifying investments which allow the Fund to promote environmental, social and governance characteristics ("ESG"), the Investment Manager has established a two-pillar framework which is applied to the Fund:

First pillar: Ensure adherence to an established exclusion list of industries that are prohibited for investment:

The Investment Manager's established exclusion list prohibits investment in companies that are involved in the transport or sale of controversial weapons. The other companies included in the exclusion list are those where more than 10% of their revenues are derived from: thermal coal, oil sands, arctic oil and gas

exploration, shale energy, small arms, predatory lending, whaling, tobacco products or adult entertainment. The Investment Manager and Investment Adviser use a global leader in ESG, Corporate Governance research and risk ratings, (the "Provider") to monitor the product involvement of underlying companies. The established exclusion list is reviewed periodically unless a specific event necessitates an out-of-cycle review.

Second pillar: The Investment Manager will work closely with the Investment Adviser to ensure that ESG risks and considerations are integrated into the Fund's investment process:

In addition to using traditional financial metrics when selecting portfolio constituents, the Investment Manager also requires the Investment Adviser to incorporate ESG factors into the investment decision making process, with a focus on investments in companies that have either fully adopted sustainable practices, or those that are actively transitioning their business models to more sustainable practices.

In order to evaluate the ESG risks of companies, the Investment Manager and Investment Adviser have access to externally sourced ESG research from the Provider. Risk ratings from the Provider are categorised across five risk levels, from negligible to severe and provide detailed analysis of each environmental, social and governance risk at a company level. Each established investment position is monitored, and the Investment Manager has established an ESG Committee to maintain risk oversight along with the Risk Committee. If a company is rated high or severe the ESG Committee will engage with the Investment Adviser to understand the business case for holding the position. With regards to companies with a severe risk rating, the ESG Committee requires the Investment Adviser to justify in writing why they are holding this position (e.g. is the company actively transitioning to more sustainable practices). Depending on the outcome of this discussion, the Investment Manager has the authority to require the Investment Adviser to divest within a reasonable time frame.

Other considerations

In addition to monitoring ESG risks, the Investment Manager expects the Investment Adviser to actively engage with the underlying companies. When assessing the governance practices of companies, each Investment Adviser should be able to satisfy itself that the companies follow good practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager also emphasises the importance of using its voting rights in order to ensure a culture of strong corporate governance. The Investment Manager aims to vote on all of its proxies and utilises a leading voting services provider to assist with this. Annual voting reports will be published on the Investment Manager's website.

The Investment Manager monitors the social and environmental characteristics through actively monitoring all portfolios on a regular basis to ensure compliance with its responsibilities as a signatory to the UN Principles for Responsible Investment and under its own defined objectives outlined in its Responsible Investment Policy. The Investment Manager is also a member of the Institutional Investors

Group on Climate Change (IIGCC), a European membership body for investor collaboration on climate change. Under this obligation, the Investment Manager intends to monitor the carbon footprint of each portfolio using data from the Provider, and to encourage the Investment Adviser to engage with the underlying companies on strategies to improve their carbon footprint and to reduce/mitigate climate-related risks.

To comply with requirements issued by the French authorities (AMF position DOC-2020-03) the Investment Manager and Investment Adviser will also:

- Ensure the average ESG risk rating of the Fund's portfolio will be better than the average ESG risk rating of the universe into which the Fund can invest. The investment universe into which the Fund can invest has been defined as the Funds Benchmark, the TOPIX Index.
- The proportion of the Fund's portfolio with an ESG rating must be higher than:
 - 90% for equities issued by large capitalisation companies whose registered office is located in developed countries, debt securities and money market instruments with an investment grade credit rating, or sovereign debt issued by developed countries;
 - 75% for equities issued by large capitalisation companies whose registered office is located in emerging countries, equities issued by small and medium capitalisation companies, debt securities and money market instruments with a high yield credit rating or sovereign debt issued by emerging countries.

The use of an external ESG data provider by the Fund may result in:

- issues related to missing or incomplete information from some companies (for example relating to their capacity to manage their ESG risks) which may have been used as input in the data providers' scoring model; this problem may be mitigated by those providers through the use of alternative data sources, external to the company, to feed their scoring models;
- issues linked to the quantity and quality of ESG data to be processed by ESG data providers (significant flow of information to be integrated continuously into their ESG scoring model): this problem may be mitigated through the use of technologies like artificial intelligence and the numerous analysts who work to transform raw data into relevant information; and
- issues linked to the identification of relevant factors for the ESG analysis conducted in accordance with the ESG data provider framework. This is usually set beforehand as each sector (and sometimes each company) has its own set of indicators deemed material by the ESG data provider and its own weightings: ESG data providers may use a quantitative approach validated by each sector specialist and investor feedback to determine the most relevant ESG factors for a given sector (or for a particular company if applicable).