SUPPLEMENT 1 - Strategic China Panda Fund
Dated 1 December 2022
to the Prospectus issued
for E.I. Sturdza Funds plc

This Supplement contains information relating specifically to the Strategic China Panda 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 Nippon Growth (UCITS) Fund,
- the Strategic Europe Quality Fund,
- the Strategic Global Quality Fund,
- the Strategic European Silver Stars Fund,
- the Strategic Japan Opportunities Fund,
- the Sturdza Family Fund and
- the Strategic Bond Opportunities Fund

Details of 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 1 December 2022 (the "Prospectus").

The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should read and consider the section entitled "Risk Factors" before investing in the Fund.

The Fund may, at any one time, be significantly invested in financial derivative instruments.

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

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 their investment

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objectives and financial needs.

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 bank holiday in Ireland or Hong Kong 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 the Valuation Point.
"Dealing Deadline"	means 11.59p.m. Irish time one Business Day preceding the relevant Valuation Day or such other time as the Directors may determine and notify to the Shareholders in advance.
"Initial Price"	means USD / GBP / CHF / EUR 1,000 per currency equivalent Share Class.
"Investment Adviser"	means LBN Advisers Limited.
"Investment Advisory Agreement"	means the Investment Advisory Agreement made between the Company, the Investment Manager and the Investment Adviser dated 11th September, 2018 together with a side-letter to the Investment Advisory Agreement between the Investment Manager and the Investment Adviser (and acknowledged by the Company) dated 1st October 2021, as same may be supplemented and amended.
"Valuation Point"	means 5:00 p.m. (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.

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2. Classes of Shares

Subfund Name	Strategic China Panda Fund									
Share Class Type	A				C		B			
Share Class	A EUR	A CHF	A USD	AD GBP	C EUR	C USD	B EUR	B CHF	B USD	B GBP
ISIN	IE00B3DKHB71	IE00BHBF1323	IE00B3DKH950	IE00B3DKHD95	IE00BYMB9F61	IE00BYMB9D48	IE00BHBF1547	IE00BHBF1760	IE00BHBF1430	IE00BHBF1653
Fund Launch Date	03/10/2008									
Class Launch Date	03/10/2008	18/10/2017	03/10/2008	03/10/2008	23/01/2018	not launched	31/07/2015	25/06/2018	11/03/2014	not launched
Base Currency	USD									
Share Class Currency	EUR	CHF	USD	GBP	EUR	USD	EUR	CHF	USD	GBP
Hedged Class	Yes	Yes	No	Yes	Yes	No	Yes	Yes	No	Yes
Distributing or Accumulating	Accumulating			Distributing	Accumulating					
Benchmark Index	MSCI Total Return Net China Index									
Benchmark code (Bloomberg Ticker)	NDEUCHF Index (Perf fee)									
NAV Frequency (Valuation Point)	Daily									
Trading Notice (T)	1 business day									
Cut-off subscriptions/redemptions	T 23.59 Irish time									
Contract note release	T+2									
Subscription settlement	2 days following the Dealing Day									

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Redemption settlement	2 days following the Dealing Day									
Investment Management fee	1.50%	1.50%	1.50%	1.50%	2.20%	2.20%	1.00%	1.00%	1.00%	1.00%
Performance fee	15.00 %	15.00%	15.00%	15.00%	15.00%	15.00%	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%
ADL	N/A									
ADL computation	N/A									
Minimum Subscription and Minimum Holding	No minimum						1,000,000			
Initial Offer Period	Close d	Closed	Closed	Closed	Closed	from 9:00 a.m. (Irish time) on 4th January 2022 to 5:00 p.m. on 4th July 2022	Closed	Closed	Closed	from 9:00 a.m. (Irish time) on 4th January 2022 to 5:00 p.m. on 4th July 2022
Initial Offer Price	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

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 is deemed to be a “clean” class (i.e. non rebate paying) and is intended for Institutional Investors.

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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, 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.

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3. Investment Objective

The investment objective of the Fund is to achieve long term capital growth in the value of assets.

4. Investment Policy

In pursuit of its investment objective the Fund will invest directly, or indirectly through the use of financial derivative instruments and ETFs as described below, not less than 70% (on a consolidated basis) of its total assets in equity securities quoted or traded on a Recognised Exchange, to include but not limited to stock exchanges in Hong Kong, China, Taiwan or Singapore, or issued by Chinese issuers, being companies incorporated in Hong Kong, China, Macau or Taiwan, or in companies which predominantly carry on their activities in Hong Kong, China, Macau or Taiwan. The Fund may therefore, at any one time be significantly invested in financial derivative instruments.

The Fund is actively managed, with reference to the MSCI TR Net China 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. The Fund's portfolio will be balanced according to the Investment Manager's assessment of investment prospects but may, depending upon underlying investment conditions, emphasise investment in companies operating in those sectors of the Hong Kong, China, Macau, Taiwan or Singapore economies that, in the Investment Manager's opinion, provide the determinants for Hong Kong's, China's, Macau's, Taiwan's or Singapore's economic growth such as those involved in international trade, property and construction activity, engineering, electronics or the service sectors.

The Fund may invest up to 30% of its Net Asset Value into China A-shares either directly via the China-Hong Kong Stock Connect Programmes or indirectly via Participation Notes ('P-Notes'), as set out below.

The Fund may invest in exchange traded and OTC derivatives such as futures, options, warrants, equity and interest rate swaps as detailed under the section headed '"Efficient Portfolio Management" and "Financial Derivative Instruments" for investment purposes, efficient portfolio management purposes, to indirectly gain exposure to underlying equity securities where the Investment Manager feels it is more efficient to do so, or hedging purposes in accordance with the requirements of the Central Bank. Exchange traded or OTC financial derivatives such as equity swaps, equity participation notes and pass through notes may be utilized to gain exposure to China A-shares or China B-shares. China A-shares are equity securities issued by companies incorporated in China and are denominated and traded in renminbi ("RMB") on the Shenzhen or Shanghai Stock Exchanges. Purchase and ownership of China A-shares is generally restricted to domestic investors and selected foreign institutional investors that have obtained a Qualified Foreign Institutional Investor ("QFII") or Renminbi Qualified Foreign Institutional Investor ("RQFII") permit and quota or have access to the Shanghai-Hong Kong Stock Connect Scheme (the "Shanghai Connect Scheme") or the Shenzhen-Hong Kong Stock Connect Scheme (the "Shenzhen Connect Scheme" and, together with the Shanghai Connect Scheme, the "Connect Schemes"). China B-shares are equity securities issued by companies incorporated in China and are denominated and traded in USD and Hong Kong dollars on the Shanghai and Shenzhen Stock Exchanges, respectively, and are open to both domestic and foreign investors.

Forward foreign exchange contracts may be used to hedge the value of the Hedged Classes in the Fund against changes in the exchange rate between the currency of denomination of the Hedged Class of Shares and the Base Currency of the Fund or to hedge the currency exposure of the assets of the Fund to the Base

Currency of the Fund. The Fund may be leveraged through the use of financial derivative instruments. The leveraged exposure of the Fund through the use of derivatives will not exceed 100% of the Net Asset Value of the Fund.

The Fund may invest in ETFs for the purpose of gaining indirect exposure to the equity securities comprised in the indices tracked by the ETFs in which the Fund may invest. It is intended that the ETFs in which the Fund may invest will be listed on a Recognised Exchange, and will be domiciled in, or have exposure to, Hong Kong, China and Asia. No more than 10% of the Fund's net assets may be invested in aggregate in shares of ETFs.

The Fund may invest up to 10% of its net assets in closed-ended REITs which are traded on a Recognised Exchange and regarded as transferable securities for the purposes of the UCITS Regulations (and as such any investment in REITs will not be subject to the limit of 10% in collective investment schemes/ETFs).

The Fund may purchase American Depository Receipts and Global Depository Receipts.

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.

The Fund may invest up to a maximum of 30% of its Net Asset Value in fixed and/or floating rate corporate and/or government bonds which will have a minimum credit rating, insofar as a rating has been assigned, of BBB as rated by Standard and Poor's (or equivalent). The bonds in which the Fund may invest will be listed or traded on a Recognised Exchange. The bonds acquired may have equity-like characteristics or their return may be connected with an underlying equity, for example, the bonds may be convertible into underlying equity securities, with the issuer's equity performance influencing the performance of the bond.

Whilst it is the intention that the Fund be fully invested as described above, the Investment Manager retains the flexibility to invest substantially in cash and/or money market or short-dated instruments, to include but not limited to, fixed and/or floating rate short-term government/supranational bonds with strong credit ratings and issued or backed by one or more EU member states, the United Kingdom, the United States or Hong Kong, in circumstances where the Investment Manager considers it to be in the best interest of the Fund to do so.

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 will measure the performance of the Fund against the MSCI Total Return Net China Index, a capitalisation weighted index that monitors the performance of stocks from the country of China. MSCI classifies each company and its equity securities by country; free float adjusts the total market capitalisation of all securities, classifies them in accordance with the Global Industry Classification Standard ("GICS"), screens them for size and liquidity and then initiates the securities selection process to target 85% of free float adjusted market capitalization for each industry group in each country. This index variant assumes all cash distributions are reinvested and as such reflects a combination of the movement of the share price and the impact of reinvested dividend income and is used as the benchmark for performance fee calculations as detailed under paragraph 16 of this Supplement. Historically, performance was also measured against the MSCI China PR USD Index, another variant of the MSCI China which simply looks at the movement in the share price.

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 and Annex 2 of this Supplement.

5. Shanghai-Hong Kong Stock Connect Scheme

The Fund may invest in China A-shares through the Shanghai Connect Scheme or the Shenzhen Connect Scheme.

The Connect Schemes are securities trading and clearing links programs developed by, amongst others, The Stock Exchange of Hong Kong Limited ("SEHK"), Shanghai Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE"), Hong Kong Securities Clearing Company Limited ("HKSCC") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"), which aim to achieve mutual stock market access between mainland China and Hong Kong. The Connect Schemes provide "Northbound Trading Links" enabling Hong Kong and overseas investors to invest in selective China A-shares listed on the SSE and SZSE ("China Connect Securities"). Under the Northbound Trading Links, investors can trade China Connect Securities listed on the SSE by placing orders to the SSE, or China Connect Securities listed on the SZSE by placing orders to the SZSE, through their Hong Kong brokers and a securities trading service company established by SEHK in Shanghai or Shenzhen, as the case may be, subject to the rules of the relevant Connect Scheme. The Shanghai Connect Scheme and the Shenzhen Connect Scheme commenced operation on 17 November 2014 and 5 December 2016 respectively.

China Connect Securities, as of the date of this Supplement, include:

(A) shares listed on the SSE that are (a) constituent stocks of the SSE 180 Index; (b) constituent stocks of the SSE 380 Index; and (c) China A shares listed on the SSE that are not constituent stocks of the SSE 180 Index or SSE 380 Index but which have corresponding China H shares accepted for listing and trading on SEHK, excluding the following: (i) SSE-listed shares which are not traded RMB; and (ii) SSE-listed shares which are included in the "risk alert board""; and

(B) shares listed on the SZSE that are: (a) constituent stocks of the SZSE Component Index or the SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion; and (b) China A-shares listed on the SZSE which have corresponding H shares listed on SEHK, excluding the following: (i) SZSE-listed shares which are not traded in RMB; and (ii) SZSE-listed shares which are included in the "risk alert board".

During the initial stage of the Shenzhen Connect Scheme, investors eligible to trade shares that are listed on the ChiNext market of SZSE (the "ChiNext Market") under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations. In the future, the shares eligible as China Connect Securities may change.

Under the Connect Schemes, HKSCC, a wholly-owned subsidiary of Hong Kong Exchange and Clearing Limited ("HKEx"), will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The Fund shall be allowed to trade China Connect Securities listed on the SSE and the SZSE through the Northbound Trading Links of the Connect Schemes, subject to applicable rules and regulations issued from time to time.

In addition to those risk factors set out in relation to PRC investment a number of the key risks of investing in China Connect Securities via the Connect Schemes are set out in the section entitled "Risk Factors".

6. Risk Management Process

The Management 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 Central Bank. The Management Company will provide on request to Shareholders supplementary information relating to the risk management methods employed on the Company's behalf including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

7. 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 the Initial Offer Period each class of Shares in the Fund are issued at the relevant Net Asset Value per relevant Share Class at the respective Valuation Point.

8. 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 differentiate between Classes and to waive or reduce the Minimum Subscription and Minimum Holding size for each Class at their discretion.

9. 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 Management Company, the Investment Manager, the Investment Adviser, the Sub-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.

10. Application for Shares

Applications 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 Day for the particular Dealing Day. Applications received after the Dealing Deadline but prior to the Valuation Day 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 Global 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 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 (such representation to 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 Global 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 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) 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.

11. 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, written communication, email, 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) 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 Day for the relevant Dealing Day. Redemption requests received after the Dealing Deadline but prior to the Valuation Day 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.

The redemption price per Share shall be the Net Asset Value per Share.

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 relating to instructions received by telefax will only be made to the account details held on record for a Shareholder.

Currency of Payment

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

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”.

12. 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 into 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) or such other means as may be permitted by the Directors and should include such information as may be specified from time to time by the Administrator.

13. Dividend Policy

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

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 in or around the end of April with reference to the financial period ending 31 December and paid by the end of May. However, where the Directors consider that the amount of any dividend would be minimal, they may decide not to declare a dividend.

Dividends will be paid out of net investment income, i.e. 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.

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 relevant Shareholders.

14. 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.

15. Investment Adviser

The Investment Manager has elected, and the Company and Management Company have consented, to the appointment of LBN Advisers Limited, a company incorporated in Hong Kong on 08 October, 2004 with registered address at Unit 1303, 13/F Tower 2 Lippo Centre, No. 89 Queensway, Hong Kong as an investment adviser to the Strategic China Panda Fund to provide discretionary investment management services pursuant to the Investment Advisory Agreement.

Each of the Investment Manager and the Investment Adviser shall be entitled to terminate the Investment Advisory Agreement (a) effective on or after 26 March 2023, by giving to the other parties not less than 6 months' notice in writing expiring at any time and (b) forthwith by notice in writing given by either of them to the other party in certain circumstances such as the insolvency of either of the parties, if the other party shall commit any breach of the provisions of this agreement and shall not have remedied such breach after 30 days' notice. 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, bad faith, wilful default, reckless disregard or fraud on the part of the Investment Adviser, the Investment Adviser shall not be liable to the Investment Manager for any loss suffered as a result of any act or omission in the course of, or connected with, rendering services under the Investment Advisory Agreement and shall not be liable in any circumstances for indirect, special or consequential loss or damage. The Investment Adviser shall hold harmless the Investment Manager, its employees, delegates or agents from and against all actions, proceedings, claims, damages, costs, demands and expenses including without limitation, legal and professional expenses on a full indemnity basis which arise due to the negligence, bad faith, wilful default, reckless disregard or fraud on the part of Investment Adviser, its employees, delegates or agents in the performance of its obligations under the Investment Advisory Agreement.

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. Those fees specific to this Fund are set out below.

Management Fee

Details of the Management Company's fees are set out under the heading "Fees and Expenses" in the Prospectus.

Administrator's Fees

Details of the Administrator's fees are set out under the heading "Fees and Expenses" in the Prospectus.

Depositary's Fees

Details of the Depositary'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 Fees

The Investment Manager is entitled to a performance related fee ("Performance Fee") payable by each Share Class at the rates detailed above in Section "2. Classes of Shares". Please refer to Section 3 "Fees and Expenses" of the Prospectus for details of the methodology used in the calculation of the Performance Fee, together with examples of the Performance Fee methodology. The Performance Fee payable in respect of 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, provided that in doing so is in the Shareholders' best interest) over the MSCI Total Return Net China Index (the "Benchmark"), which Benchmark is considered to be consistent with the Fund's investment policy.

Investment Adviser Fee

All fees payable to any appointed Investment Adviser shall be paid by the Investment Manager out of the remuneration it receives pursuant to the terms of the Investment Management Agreement.

Global 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. PRC Tax Status

In connection with investment in PRC securities, various PRC taxes may be imposed on the Fund. The following statements do not constitute tax advice and are intended only as a general guide to current PRC law as at the date of this document (PRC law and PRC taxes are subject to change at any time, possibly with retrospective effect). These statements relate only to certain limited aspects of the PRC taxation treatment of the Fund. Investors should consult their own tax advisor with regard to PRC tax implications associated with an investment in the Company.

Corporate Income Tax ("CIT")

If the Fund is considered as a tax resident enterprise of the PRC, it will be subject to PRC CIT at 25% on its worldwide taxable income. If the Fund is considered as a non-tax resident enterprise with an establishment or place of business ("PE") in the PRC, the profits attributable to that PE would be subject to CIT at 25%.

The Directors intend to manage and operate the Fund in such a manner that the Company or the Fund should not be treated as tax resident enterprises of the PRC or non-tax resident enterprises with a PE in the PRC for CIT purposes, although due to uncertainty and potential changes to tax law or policies, this result cannot be guaranteed.

Several tax reforms have been introduced by the government of the PRC in recent years, and it is possible that the current tax rules will be revised or modified in the future. Any change in tax policy could lead to a reduction in after-tax profits for companies in the PRC on which the Fund's performance depends.

(i) Taxes on Dividend and Interest

Unless a specific exemption or reduction is available under current PRC tax laws and regulations or relevant tax treaties, non-tax resident enterprises without a PE in PRC, or with a PE in the PRC but where the income of the enterprise does not arise in the PRC, are subject to PRC CIT on a withholding basis, generally at a rate of 10%, on PRC-sourced passive income. PRC sourced passive income (such as dividend income or interest income) may arise from investments in PRC securities. Accordingly, investing in PRC securities may be subject to withholding income tax ("WIT") and/or other PRC taxes on any cash dividends, distributions and interest it receives from its investment in PRC securities.

Interest income derived from PRC bond interest through the PRC bond market is temporarily exempted from WIT until 6 November 2021.

(ii) Taxes on Capital Gain

According to the Notice, the Hong Kong market investors (including enterprises and individuals) are temporarily exempt from taxes on capital gains derived from the trading of China A-shares through the Connect Schemes. The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect.

With the various uncertainties in relation to the PRC taxation of capital gains on PRC securities, the Company reserves the right to provide for WIT on such gains or income in gross and withhold the tax for the account of the Fund. In accordance with an independent tax adviser's advice, the Fund may make a tax provision of 10% on gross realized and unrealized capital gains on China A-shares accessed through the Connect Schemes. However, due to the possibility of the changes to the rules and/or taxes that may be applied retrospectively, any provision for taxation made by the Fund may be excessive or inadequate to meet final PRC tax liabilities on capital gains derived from the disposal of PRC securities. Consequently, investors may be advantaged or disadvantaged depending upon the availability of a definitive tax assessment or the issue of announcements or regulations by the competent authorities promulgating definitive capital gains tax assessment rules, the level of tax provision accrued by the Fund and the timing of subscriptions and/or redemptions of their shares in/from the Fund. Specifically, upon the availability of such definitive tax assessment or announcements or regulations, any sums withheld in excess of the tax liability incurred or is expected to be incurred by the Fund shall be released and form part of the Fund's assets. On the other hand, any shortfall between the provisions and actual tax liabilities will be debited from the Fund's assets and this will adversely affect the Fund's net asset value.

Value Added Tax and other surtaxes

With the issuance of Caishui [2016] 36, financial services (including the transfer of financial products), which were subject to Business Tax ("BT"), are subject to VAT of 6% from 1 May 2016. According to Circular Caishui [2016] 36 and Circular Caishui [2016] 127, gains derived by the Hong Kong market investors (including enterprises and individuals) from the trading of China A-shares through the Connect Schemes are temporarily exempted from the PRC VAT.

Dividend income or profit distributions on equity investment derived from the PRC are not included in the taxable scope of the VAT. Where VAT is applicable, there are also other surtaxes (which include Urban Construction and Maintenance Tax, Education Surcharge and Local Education Surcharge) that would amount to as high as a sum of surtaxes of 12% (based on different locations) of VAT payable. Apart from the above-mentioned surtaxes, there may be other surcharges imposed by the PRC local tax authorities of different jurisdictions.

Interest income derived from bond interest through the PRC bond market is temporarily exempted from VAT until 6 November 2021.

Investors should note that they may be advantaged or disadvantaged depending upon the availability of a definitive tax assessment or the issue of announcements or regulations by the competent authorities promulgating definitive VAT assessment rules, and the timing of subscriptions and/or redemptions of their shares in/from the Fund. Specifically, upon the availability of such definitive tax assessment or announcements or regulations, any VAT imposed on the Fund will be debited from the Fund's assets and this will adversely affect the Fund's net asset value.

Stamp Duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in PRC of certain documents, including contracts for the sale of China Connect Securities traded on the PRC stock exchanges, at the rate of 0.1%. In the case of contracts for sale of China Connect Securities, such stamp duty is currently imposed on the seller but not on the purchaser. Accordingly, the Fund will be subject to stamp duty at 0.1% on its disposal of China Connect Securities.

18. Risk Factors

The attention of investors is drawn to the "Risk Factors" section in the Prospectus. In addition, the following Risk Factors are specific to the Fund:

General

The risks inherent in investment by the Fund are of a nature and degree not typically encountered in investment in securities of listed companies on the major securities markets. Such risks are political, economic and environmental. They are additional to the normal risks inherent in investing in securities. In addition owing to the investment objectives and policies of the Fund, investment in the Funds may involve a greater degree of risk than is the case with conventional securities.

The investment policy of the Fund may result in the Net Asset Value of the Fund having a high volatility. However, the Investment Manager will strive to limit the volatility of the Fund's returns.

PRC Governmental, Economic and Related Considerations

The economy of China is in a state of transition from a planned economy to a more market oriented economy. Since mid-1980's, economic reform measures which emphasise decentralisation and the utilisation of market forces have been implemented by the PRC Government. Although state-owned enterprises still account for a substantial portion of the PRC's industrial output, the state, in general, is reducing the level of direct control which it exercises over the economy through state plans and other measures, and there is an increasing degree of liberalisation in areas such as allocation of resources, production, pricing and management and a gradual shift in emphasis to a "socialist market economy".

During the past 40 years, the PRC Government has been reforming the economic systems of the PRC, and these reforms are expected to continue. The Fund's operations and financial results could be adversely affected by adjustments in the PRC's state plans, political, economic and social conditions, changes in the policies of the PRC Government such as changes in laws and regulations (or the interpretation thereof), measures which may be introduced to control inflation, changes in the rate or method of taxation, currency repatriation restrictions, restrictions on foreign investment in the PRC, the imposition of additional restrictions on currency conversion, the imposition of additional import restrictions and other adverse liquidity, legal or regulatory events affecting the PRC market.. Furthermore, a portion of the economic activity in the PRC is export-driven and, therefore, is affected by developments in the economies of the PRC's principal trading partners.

The PRC economy has experienced significant growth in the past decades, but such growth has been uneven both geographically and among the various sectors of the economy. The PRC Government has implemented various measures from time to time to control inflation and to regulate economic expansion with a view to preventing overheating of the economy.

The transformation from a centrally planned, socialist economy to a more market-orientated economy has also resulted in many economic and social disruptions and distortions. Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in companies in the PRC or in listed securities such as China A-shares and China B-shares. Moreover, there can be no assurance that the economic and political initiatives necessary to achieve and sustain such a transformation will continue or, if such initiatives continue and are sustained, that they will be successful.

In the past the PRC Government has applied nationalisation, expropriation, confiscatory levels of taxation and currency blockage. There can be no assurance that this will not re-occur and any re-occurrence could adversely affect the interests of the Fund.

Corporate Disclosure, Accounting and Regulatory Standards

The PRC's disclosure and regulatory standards are in many respects less stringent than standards in certain OECD countries. There may be less publicly available information about PRC companies than is regularly published by or about companies from OECD countries. Such information as is available may be less reliable than that published by or about companies in OECD countries. PRC companies are required to follow PRC accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practice and those prepared in accordance with international accounting standards. This, if combined with a weak regulatory environment, could result in lower standards of corporate governance and less protection of minority shareholder rights of the companies in which the Fund will invest.

The lower level of disclosure, transparency and reliability of certain material information may impact on the value of investments made by the Fund and may lead the Investment Manager, the Investment Adviser or other service providers of the Fund to an inaccurate conclusion about the value of the investments of the Fund.

Securities Markets

The national regulatory and legal framework for capital markets and joint stock companies in the PRC is still developing when compared with those of developed countries. Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility and difficulty in interpreting and applying the relevant regulations. In addition, the regulation of, and enforcement activity in, the PRC securities markets may not be equivalent to markets in OECD countries. There may not be equivalent regulation and monitoring of the PRC securities market and activities by investors, brokers and other participants to that in certain OECD markets. Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. The PRC Government's control of currency conversion and future movements in exchange rates may adversely affect the operations and financial results of the companies invested in by the relevant Fund. In light of the above mentioned factors, the price of China A-shares or China B-shares may fall significantly in certain circumstances.

Under current rules in the PRC, once an investor holds up to 5% of the China A-shares of a listed company (including through the Connect Schemes), the investor is required to disclose his interest within a specified period, during which he cannot trade the shares of that company. In addition, a single foreign investor's shareholding in a listed company is limited to 10% of the company's total issued shares, and all foreign investors' shareholdings in the China A-shares of a listed company (including through Connect Schemes) are not permitted in aggregate to exceed 30% of its total issued shares. If the aggregate foreign investors' shareholdings of China A-shares of a single issuer exceeds the 30% threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within a specified period. Where the Company is subject to a forced sale of its China A-shares, the usual investment parameters under which investment decisions are made for the Fund may not be adhered to.

Tax Risk

It is possible that the current tax laws, regulations and practice in the PRC, including in relation to the Connect Schemes, will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher or lower taxation on PRC investments than currently contemplated. Various tax reform policies have been implemented by the PRC Government in recent years, and existing tax laws and regulations may be revised or amended in the future. There is a possibility that the current tax laws, regulations and practice in the PRC will be changed with retrospective effect in the future and any such change may have either an adverse or a positive effect on the asset value of the Fund. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any changes in tax policies may reduce the after-tax profits of the companies in the PRC which the Fund may invest in, thereby reducing the income from, and/or value of the Shares, or it may increase such profits, thereby increasing the income from, and/or value of the Shares. Investors may be advantaged or disadvantaged depending upon the availability of a definitive tax assessment or the issue of announcements or regulations by the competent authorities promulgating definitive tax assessment rules, the level of tax provision accrued by the Fund and when they subscribed and/or redeemed their shares in/from the Fund.

Custody Risk

In a limited number of markets, such as China and Hong Kong, where a no failed trade policy is standard market practice, assets may be assigned, transferred, exchanged or delivered without the prior approval of the Depositary or its agent. Once a sale order is placed in relation to assets of the Fund, by virtue of the operation of the settlement system within those markets, those assets will automatically move from custody of the Depositary without the need for the prior approval of the Depositary. Where this occurs the consideration for those assets is remitted to the entity releasing the assets.

Trading Volumes and Volatility

The market capitalisations of listed companies vary on Shanghai Stock Exchange and Shenzhen Stock Exchange, and many of them may be small compared to those on more developed exchanges in developed markets. The listed equity securities of many companies in the PRC may be accordingly materially less liquid, subject to greater dealing spreads and experience materially greater volatility than those of OECD countries. Government supervision and regulation of the PRC securities market and of quoted companies is also less developed than in many OECD countries. In addition, there is a high measure of legal uncertainty concerning the rights and duties of market participants as compared to investments made through securities systems of established markets.

The stock markets in the PRC have in the past experienced substantial price volatility and no assurance can be given that such volatility will not occur in the future. The above factors could negatively affect the Fund's Net Asset Value, the ability to redeem Shares and the price at which the Shares may be redeemed.

The China B-shares market is generally smaller, less liquid and has a smaller issuer base than the China A-shares market, which may lead to significant price volatility.

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.

Investing in Fixed Income Securities

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States. Accordingly, a Fund's investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Many fixed income securities especially those issued at high interest rates provide that the issuer may repay them early. Issuers often exercise this right when interest rates decline. Accordingly, holders of securities that are pre-paid may not benefit fully from the increase in value that other fixed income securities experience when rates decline. Furthermore, in such a scenario the Fund may re-invest the proceeds of the pay-off at the then current yields, which will be lower than those paid by the security that was paid off. Pre-payments may cause losses on securities purchased at a premium, and unscheduled pre-payments, which will be made at par, will cause the Fund to experience loss equal to any unamortized premium.

Investment in Equity and Equity-Related Securities

The Fund may invest in equity and equity-related securities traded on national securities exchanges and over-the-counter markets. 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.

Default and Liquidity Risk

Where the Fund invests in below investment grade securities, in securities which are not listed or in those securities that are subject to trading through a quota system such as the Connect Scheme, liquidity in relation to these securities may be low. Moreover, the accumulation and disposal of holdings in such investments may be time consuming and may need to be conducted at unfavourable prices. The Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions, leading to limited liquidity. Also investment in below investment grade securities may represent a higher default risk than investment in investment grade securities.

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.

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.

Risks Associated with the Connect Schemes

China Connect Securities

There can be no assurance that an active trading market for China Connect Securities will develop or be maintained. If spreads on China Connect Securities are wide, this may adversely affect a Fund's ability to dispose of China Connect Securities at the desired price. If a Fund needs to sell China Connect Securities at a time when no active market for them exists, the price it receives for its China Connect Securities, assuming it is able to sell them, is likely to be lower than the price received if an active market did exist, and thus the performance of the Fund may be adversely affected depending on the relevant Fund's size of investment in China Connect Securities through the Connect Scheme.

Quota limitations

North-bound trading under each Connect Scheme is subject to a daily quota (the "Daily Quotas"), monitored by SEHK. As of the date of this Supplement, the Daily Quotas limit the maximum net buy value of cross-border trades via the Northbound Trading Link under each Connect Scheme to RMB 52 billion per day. The Daily Quotas may change and consequently affect the number of permitted buy trades on the Northbound Trading Links.

In particular, the Daily Quotas are utilised on a "first come – first served" basis and once the remaining balance of the Daily Quotas applicable to the Northbound Trading Links drops to zero or such Daily Quotas are exceeded, new buy orders will be rejected (though investors will be allowed to sell their China Connect Securities regardless of the Daily Quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in China Connect Securities through the Connect Schemes on a timely basis, and the Fund may not be able to effectively pursue its investment strategies depending on the Fund's size of investment in China Connect Securities through the Connect Schemes.

Default risk

China Connect Securities invested via the Northbound Trading Links will be recorded in the shareholders register held by ChinaClear. HKSCC will become a direct participant in ChinaClear and China Connect Securities acquired by investors including the relevant Fund through Northbound Trading will be:

(A) recorded in the name of HKSCC in the nominee securities account opened by HKSCC with ChinaClear and HKSCC will be nominee holder of such China Connect Securities; and
(B) held under the depository arrangements of ChinaClear and HKSCC will be recognized as the registered holder of such China Connect Securities.

HKSCC will record interests in such China Connect Securities in the Central Clearing and Settlement System ("CCASS") stock account of the relevant CCASS clearing participant. The Fund's rights and interests in China Connect Securities will be exercised through HKSCC exercising its rights as the nominee holder of China Connect Securities credited to HKSCC's omnibus account with ChinaClear. The relevant measures and rules in relation to the Connect Schemes generally provide for the concept of a "nominee holder" and recognise the investors including the relevant Fund as the "beneficial owners" of China Connect Securities.

However, the precise nature and rights of an investor as the beneficial owner of China Connect Securities through HKSCC as nominee is less well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law. There have also been few cases involving a nominee account structure in the PRC courts and how an investor such as the Fund, as the beneficial owner of the China Connect Securities under the Connect Schemes structure, exercises and enforces its rights over the China Connect Securities in the PRC courts is yet to be tested. Therefore, the Fund's assets held by HKSCC as nominee (via any relevant broker or depositary accounts in CCASS) may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of the Fund.

In connection to this, in the event of a default, insolvency or bankruptcy of a depositary or broker, the Fund may be delayed or prevented from recovering its assets from the depositary or broker, or its estate, and may have only a general unsecured claim against the depositary or broker for those assets.

In the remote event of any settlement default by HKSCC, and a failure by HKSCC to designate securities or sufficient securities in an amount equal to the default such that there is a shortfall of securities to settle any China Connect Securities trades, ChinaClear may deduct the amount of that shortfall from HKSCC's RMB common stock omnibus account with ChinaClear, such that the Fund may share in any such shortfall.

As previously discussed, HKSCC is the nominee holder of the China Connect Securities acquired by investors. As a result, in the remote event of a bankruptcy or liquidation of HKSCC, the China Connect Securities may not be regarded as the general assets of HKSCC under the laws of Hong Kong, and will not be available to the general creditors of HKSCC on its insolvency. In addition, as a Hong Kong incorporated company, any insolvency or bankruptcy proceedings against HKSCC will be initiated in Hong Kong and be subject to Hong Kong law. In such circumstances, ChinaClear and the courts of mainland China will regard the liquidator of HKSCC appointed under Hong Kong law as the entity with the power to deal with the China Connect Securities in place of HKSCC.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC has stated that it will in good faith, seek recovery of the outstanding China Connect Securities and monies from ChinaClear through available legal channels or through ChinaClear’s liquidation process, if applicable. HKSCC will in turn distribute China Connect Securities and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant China Connect Authorities. Investors in turn will only be distributed China Connect Securities and/or monies to the extent recovered directly or indirectly from HKSCC. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

However, the above risks in the event of HKSCC default and/or ChinaClear default are regarded as remote.

Currency risk

Trades of China Connect Securities invested via the Northbound Trading Link are denominated and settled in RMB. The value of RMB against other foreign currencies may be volatile. The RMB is not freely convertible and may be subject to currency devaluation and depreciation. As a result, the Base Currency value of the Fund’s investments in China Connect Securities may vary with the prevailing exchange rates and the Base Currency performance of these investments may be adversely affected.

RMB can be further categorized into onshore RMB (“CNY”), traded only in the PRC, and offshore RMB (“CNH”), traded outside the PRC. CNY and CNH are traded at different exchange rates and the value of the CNH may differ, perhaps significantly, from the value of the CNY. Any divergence between CNY and CNH may adversely impact investors. Under exceptional circumstances, payment of redemptions and/or dividend payments in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

No protection by Hong Kong Investor Compensation Fund

The Fund’s investments through the Connect Schemes will not be covered by Hong Kong’s Investor Compensation Fund. Hong Kong’s Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Examples of default are insolvency, in bankruptcy or winding up, breach of trust, defalcation, fraud, or misfeasance.

Under Hong Kong law, the Investor Compensation Fund will only cover products traded in Hong Kong's recognised securities market (i.e. SEHK) and recognised futures market (i.e. Hong Kong Futures Exchange Limited or "HKFE"). Since the Northbound Trading Links do not involve products listed or traded in SEHK or HKFE, it will not be covered by the Investor Compensation Fund.

On the other hand, according to the Measures for the Administration of Securities Investor Protection Fund, the functions of China Securities Investor Protection Fund ("CSIPF") only include "indemnifying creditors as required by China's relevant policies in case a securities company is subjected to compulsory regulatory measures including dissolution, closure, bankruptcy and administrative takeover by the CSRC and depositary operation" or "other functions approved by the State Council". As far as the Fund is concerned, since it is carrying out Northbound trading through securities brokers in Hong Kong and these brokers are not PRC brokers the Fund is therefore not protected by CSIPF in the PRC.

Short swing profit rule

According to the PRC Securities Act, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event that the Fund becomes a major shareholder of a PRC listed company by investing in China Connect Securities via the Connect Schemes, the profits that the Fund may derive from such investments may be limited, and thus the performance of the Fund may be adversely affected depending on the relevant Fund's size of investment in China Connect Securities through the Connect Schemes.

Participation in corporate actions and shareholders' meetings

Following existing market practice in China, investors engaged in trading of China Connect Securities on the Northbound Trading Links will not be able to attend meetings by proxy or in person of the relevant SSE or SZSE-listed company. Accordingly, the Fund will not be able to attend meetings by proxy or in person of any SSE- or SZSE-listed company. Instead, investors may exercise their voting rights by giving their voting instructions to HKSCC through the relevant CCASS participants. All voting instructions from CCASS participants will be consolidated by HKSCC and it will submit a combined single voting instruction to the relevant SSE- or SZSE-listed company. Therefore, the Fund will not be able to exercise the voting rights of the invested company in the same manner as provided in some developed markets.

In addition, any corporate action in respect of China Connect Securities will be announced by the relevant issuer through the SSE or SZSE websites and certain officially appointed newspapers. Investors engaged in trading of China Connect Securities may refer to the SSE or SZSE websites and the relevant newspapers for the latest listed company announcements or, alternatively, the corporate action information in relation to China Connect Securities will be available through CCASS and will also be available on the website of HKEx in respect of corporate actions in respect of China Connect Securities issued on the previous trading day. However, SSE or SZSE-listed issuers publish corporate documents in Chinese only, and English translations will not be available.

HKSCC will keep CCASS participants informed of corporate actions of China Connect Securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective broker or depositary (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China Connect Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner. Further, the Fund may not be able to appoint proxies to attend or participate in shareholders' meetings in respect of China Connect Securities if it fails to meet the deadlines of the relevant broker or depositary.

Operational risk

The Connect Schemes are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in the Connect Schemes subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

Further, the "connectivity" in the Connect Schemes requires routing of orders across the border of Hong Kong and the PRC. This required the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will continue to function properly or be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in China Connect Securities through the Connect Schemes could be disrupted. The Fund's ability to access the China A share market (and hence to pursue its investment strategy) may be adversely affected depending on the relevant Fund's size of investment in China Connect Securities through the Connect Schemes.

Regulatory risk and other China specific investment requirements

Any investments of the Fund through the Connect Schemes will be subject to rules and regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong as well as other regulations applicable to the Connect Schemes including but not limited to trading restrictions, disclosure requirements and foreign ownership limits. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Connect Schemes, which may affect the relevant Fund's investments in China Connect Securities.

The rules and regulations, in connection with the Connect Schemes, including the taxation of transactions involving China Connect Securities (see the section entitled "Tax Risk"), are uncertain and/or untested and are subject to change. There is no certainty as to how they will be applied and there can be no assurance that the Connect Schemes will not be abolished.

Risk of suspension

It is contemplated that SEHK, SZSE and SSE would reserve the right to suspend the Northbound Trading Links if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound Trading Links is effected, the Fund's ability to trade China Connect securities will be affected.

Front-End Monitoring

The rules of the Connect Schemes generally require that before an investor sells any China Connect

Securities, there should be sufficient shares in the investor's account; otherwise the SSE or the SZSE, as the case may be, will reject the sell order concerned. SEHK will carry out pre-trade checking on sell orders for China Connect Securities to ensure that investors do not sell China Connect Securities which they do not own.

To facilitate investors whose China Connect Securities are maintained with custodians to sell their China Connect Securities without having to pre-deliver them to their executing brokers, an enhanced pre-trade checking model was introduced by HKEx in March 2015. Under the enhanced pre-trade checking model, investors may request their custodians to open a Special Segregated Account ("SPSA") in CCASS to maintain their holdings in China Connect Securities. Such investors only need to transfer China Connect Securities from their SPSA to their designated broker's account after execution and not before placing the sell order. This enhanced model is novel and initial market reaction has been varied. If the Fund is unable to utilise this enhanced pre-trade checking model, it will have to transfer those China Connect Securities which it wishes to sell to the respective accounts of its brokers before the market opens on the day of selling. If it fails to meet this deadline, it will not be able to sell those shares on such day. Because of this requirement, the Fund may not be able to dispose of its holdings of China Connect Securities in a timely manner. This also raises concerns as to counterparty risks as securities may need to be kept by brokers overnight.

Differences in trading day

The Shanghai Connect Scheme will only operate on days when both the SEHK and the SSE are open for trading and the Shenzhen Connect Scheme will only operate on days when both the SEHK and the SZSE are open for trading, provided that, in each case, banks in both Hong Kong and the PRC are open on the corresponding settlement days. It is therefore possible that there are occasions when it is a normal trading day for the SSE and/or the SZSE but investors (such as the Fund) cannot carry out any trading of the China Connect Securities. The Fund may be subject to a risk of price fluctuations in China Connect Securities during the time when the Shanghai Connect Scheme and/or the Shenzhen Connect Scheme are not trading as a result.

Recalling of eligible stocks

When a stock is recalled from the scope of eligible stocks for trading via the Connect Schemes, the stock can only be sold and not bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Fund wishes to purchase a stock which has been recalled from the scope of eligible stocks.

Participation Notes

Participation Notes are a type of equity-linked structure involving an OTC transaction with a third party. As such, these instruments are exposed not only to movements in the value of the underlying equity, but also to the risk of counterparty default, which could result in the loss of the full market value of the note.

19. 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 the Funds Benchmark, the MSCI China 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).

Annex 2

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

Product name: Strategic China Panda Fund

Legal entity identifier: OZCW2EIGGVOEIO1PF909

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:** ___%

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

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

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

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

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

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

Environmental Characteristics:

As noted in the Investment Manager's Responsible Investment Policy, the Investment Manager is mindful of the global issues facing humanity and the obligation to take steps whenever possible to support initiatives that seek to address these. In this regard the Investment Manager and Investment Adviser seek to focus on investments in companies that have fully adopted, or those that are actively transitioning, their business models / processes to more sustainable approaches; whilst discouraging investments in companies that are falling short in this regard.

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

Recognising the impact energy production (in all its forms) has on carbon emission, the Fund will seek to align to the 7th Principal Adverse Impacts ("PAI") (activities negatively affecting biodiversity sensitive areas) by excluding investments in companies that derive in excess of 10% of revenue from the following industries; Thermal Coal Extraction, Oil Sands Extraction, Arctic Oil and Gas Exploration and Extraction, Shale Energy Extraction. Further, investment in companies which derive in excess of 25% of their revenue from Thermal Coal Power Generation are also excluded. Adoption of such an approach seeks to direct investments to companies that are actively transitioning their business models / processes to more sustainable approaches; whilst discouraging investments in companies that are falling short or that are deemed to be fundamentally contradictory to, and have an inability to adjust their business model to adhere to a net zero emissions target.

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.

Social Characteristics

In accordance with PAI 3, the Investment Manager has reflected on the ambition to promote well-being and healthy lifestyles and concluded that it would be inappropriate to continue to allow investments in tobacco related products or production. The harmful effects of the tobacco industry are well documented, and as such the Investment Manager believes that there is a fundamental and irreconcilable conflict between the tobacco industry's interests and public health interests. The tobacco industry produces and promotes a product that has been scientifically proven to be addictive, to cause death and disease and to give rise to a variety of social ills, including increased poverty. The Investment Manager does not believe that engagement with the industry will lead to change, as tobacco companies will not stop producing cigarettes, as such, has determined that investing in tobacco is not compatible with our commitment to promoting healthy lives and well-being and believes divestment and excluding investment in the industry is the most effective means to promote PAI 3.

Further the Investment Manager considers the inequality between countries (PAI 10) and the ambition to promote peaceful societies (PAI 16) in the management of the Fund. In light of this, the Investment Manager and Investment Adviser have determined that certain investments will be restricted as summarised below:

1. The Investment Manager acknowledges the right of nations to use legitimate weapons for national self-defence and national security purposes as set forth in the Charter of the United Nations. The Investment Manager therefore accept that various types of weapons are necessary for achieving internationally accepted goals such as peacekeeping missions. However, the defence industry is complex, and the Investment Manager is mindful that the industry entails significant risks related to various types of controversial weapons and their potential use where international humanitarian laws could be violated; or used for purposes other than national security and self-defence. As such, the Investment Manager focuses specifically on controversial weapons. These are weapons which (could) inflict large-scale suffering on civilians, or the victims of which are civilians which the Investment Manager deems would be in breach of the principles around peace and justice. The Investment Manager has elected to focus on the following types of weapons; 1. Weapons of mass destruction (Nuclear weapons, Chemical weapons & Biological weapons); and 2. Weapons which impose considerable risk to civilians during and / or after the cessation of hostilities (Anti-personnel mines, Cluster bombs, Munitions with depleted uranium). The Investment Manager therefore ensures that no investments are made in companies which are involved in the core weapon system, or components/services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapons listed.

2. Further to the above, Small Arms (such as a handgun) have also been identified as an area that can impact efforts to reduce inequality, conflicts and promote peaceful societies. As such the Fund will seek to align to PAI 16 by excluding investments in companies that derive in excess of 10% of revenues from small arms (civilian customers and retail distribution). Small Arms are reported to be a major factor in the increase of armed conflict worldwide. They are the weapon of choice for many terrorist groups and often hinder the smooth rebuilding and development after a conflict has ended. Besides the loss of human life and physical harm, armed violence also has significant (direct and indirect) economic costs – further impacting efforts to address the imbalance between emerging and developed countries.

The Fund has not designated a reference benchmark in order to determine whether the Fund is promoting environmental and/or social characteristics.

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

Through regular reviews of the investment portfolio at both the Investment Manager and Investment Adviser the following factors are monitored, consideration of which are reflected in the research, asset allocation and portfolio construction decisions taken by the Investment Adviser in the implementation of the investment strategy:

• Carbon risk, intensity and involvement – considering the carbon emissions, as well as exposure to sources of emissions and carbon reduction solutions within the portfolio;

• Product involvement – covering Business Practices, Defence & Military, Energy, Environmental, Health & life and Values Based exposures within the portfolio on an absolute and relative basis;

• PAIs – both compulsory and elective indicators - sustainability indicators consider: adverse impacts on the climate and other environment-related adverse impacts, such as air pollutant emissions, and adverse impacts in the field of social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• The Sustainable Development Goals ("SDGs") - universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. The 17 Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals. As at the time of drafting we actively monitor the portfolio's absolute and relative exposure to 12 of the 17 SDGs;

• Impact metrics – these are a set of 5 metrics which seek to analysis and demonstrate the portfolio's exposure to factors that contribute positively towards the following areas; the provision of basic needs, support for human development, climate action, resource security and the protection of a healthy ecosystem;

• Energy consumption – recognising that energy production is the single largest contributor to carbon emissions both historically and today, and that there is significant disparity across industries as to the level of energy consumption, industry level analysis is undertaken utilising the Statistical classification of economic activities in the European Community ("NACE") classifications. The NACE classifications run from A to L and cover industries such as manufacturing, construction, real estate and electricity, gas, steam & air conditioning.

Monitoring of the above indicators is commonly undertaken on both an absolute and relative basis, with reference to either the benchmark index or peer group. Whilst these characteristics are actively monitored by the Investment Manager and Investment Adviser on an ongoing basis, there are no defined targets in relation to any such characteristic at this time.

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?

N/A

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?

N/A

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

N/A

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

N/A

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, _______

☑ No

What investment strategy does this financial product follow?

The Fund seeks to achieve long-term capital appreciation in the value of assets by investing in China-related securities listed in, but not limited to the Greater China region. The Fund is directional and takes active single stock and sector positions, with the team utilising a fundamental bottom-up approach to portfolio construction with top-down overlay, seeking to exploit market inefficiency / mispricing and to identify trends/themes at early stages. Risk reward trade-off is the key (e.g. PEG). The team have a preference for industry leaders and consolidators and unlisted securities are not permitted for investment.

As part of the investment process the Investment Adviser will consider the following factors:

- The potential for any investment being made to have a negative affect on biodiversity sensitive areas;
- The impact that a business has in terms of promoting well-being and healthy lifestyles;
- Whether an investee company will have a positive or negative effect with regards to inequality between countries, or the ambition to promote peaceful societies.

Whilst there is a binding exclusion list (with specific revenue thresholds applicable to different sectors/industries); there is a non-binding aspiration to limit exposure to severe and high ESG risk rated stocks. This secondary component is non-binding as we accept today that a company can be negatively rated from an ESG risk rating perspective based on historic observations; however that they have demonstrated that they are taking action to address the factors that lead to the negative assessment. Further there may be instances where it is deemed beneficial to maintain exposure to "brown" companies (those considered to be involved with environmentally harmful activities), if it is determined that through our ownership stake and active engagement (either individually or through collaboration with other investors) we can encourage positive change.

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

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

What 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?

The investment strategy combines both top down macro economic analysis, coupled with fundamental bottom up stock selection.

As part of the bottom up stock selection process, inputs will be included that focus on the ESG positioning of the company (Sustainalytics being the primary source), ensuring the policies, procedures and the indicators identified as targets for the strategy are reflected. The exclusion list is binding (with specific revenue thresholds applicable to different sectors/industries).

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

The Fund's approach to attaining the E/S characteristics specified above are outlined in more detail within annex 1 of the Supplement. By virtue of the approach outlined in Annex 1 and the policies in place (available at www.ericsturdza.com), typically, a minimum proportion of 60% of the Fund's assets are used to attain the E/S characteristics. The remaining proportion of 40% are used to pursue additional objectives of the Fund and can include cash and cash equivalent exposures.

In addition, the Fund is committed to ensuring that it has a higher average ESG risk rating than the average ESG risk rating of the investment universe, as well as ensuring that the portion of the Fund's portfolio with an ESG rating is 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 by developed countries; or

- 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 by emerging countries.

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

Investee Companies should follow Good Governance practices as a pre-condition for investment. Whilst "good governance" is not defined in the legislation, we consider it to be a standard of governance which is broadly reflective of industry-established norms and practices with regards to management structures, corporate culture, compliance with applicable law and the absence of negative events. The investment team are responsible for the ongoing assessment and monitoring of the governance practices of the companies in which we invest. Such an assessment is inherently subjective, and must be made in context of the strategy, using available data and research deemed most relevant. The team re-evaluate their initial assessment on an ongoing basis, and when they become aware of new events or information which might have a material impact on their initial determination.

The investment team performs their own assessment of the governance practices of the companies and may use any number of internal and external sources. In support of this assessment, the Investment Manager provides them with access to governance research produced by a number of external data vendors. The Investment Manager independently reviews governance at underlying companies and challenges the investment team should any concerns be identified.

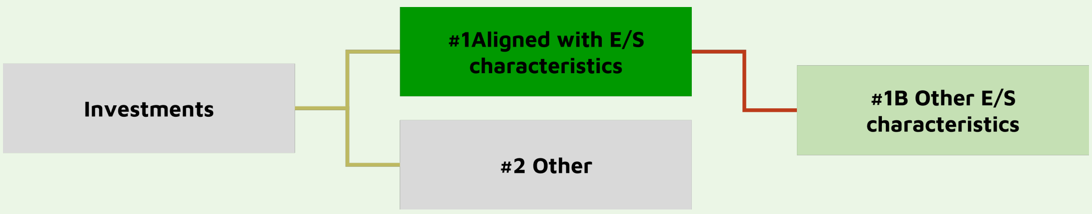
Investments in government debt, index based derivatives and short positions are not in scope of this policy and will not be assessed for good governance.

What is the asset allocation planned for this financial product?

Such considerations are incorporated within the investment process, research and stock selection process applied by the investment team and will influence the team's proprietary assessment of the risk/reward profile of the investee company. The Fund's approach however to attaining the E/S characteristics are outlined in more detail within annex 1 of the Supplement. By virtue of the approach outlined in Annex 1 and the policies in place (available at www.ericsturdza.com), typically, a minimum proportion of 60% of the Fund's assets are used to attain the E/S characteristics. The remaining proportion of 40% are used to pursue additional objectives of the Fund and can include cash and cash equivalent exposures.

Asset allocation describes the share of investments in specific assets.

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



No.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.

No.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.

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

Derivatives are not used to attain E/S characteristics promoted by the Fund.

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

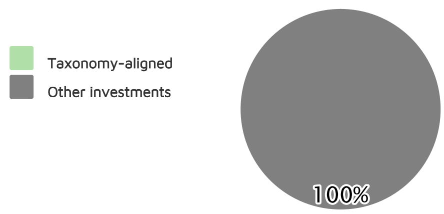
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% of the investments are taxonomy-aligned. The Fund currently bears no objective in terms of alignment with the EU Taxonomy.

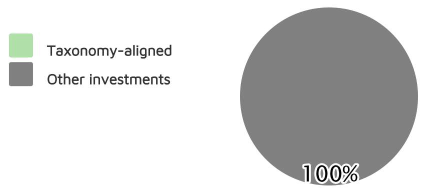
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

emission levels corresponding to the best performance.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding 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?

Transitional activities: 0%

Enabling activities: 0%

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?

N/A

What is the minimum share of socially sustainable investments?

#N/A

What investments are included under "No.2 Other", what is their purpose and are there any minimum environmental or social safeguards?

This Fund bears no strict constraint in terms of socially or environmentally sustainable investments. As a consequence, every investee company falls into the "#2 Other" category.

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?

No

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

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: www.ericsturdza.com